

# AVIVA INVESTORS MANAGER OF MANAGER ICVC (ICVC2)

## Annual Report and Financial Statements

For the year ended 31 July 2022



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\* These items (as well as each sub-fund's Investment Objective, Investment Policy, Fund Manager's Report, Portfolio Statement and Material Portfolio Changes) comprise the Authorised Corporate Director's Report for the purposes of the rules contained in the Collective Investment Schemes Sourcebook ("the Regulations").

## COMPANY INFORMATION

### AUTHORISED CORPORATE DIRECTOR

Aviva Investors UK Fund Services Limited  
St Helen's  
1 Undershaft  
London, EC3P 3DQ

Aviva Investors UK Fund Services Limited (the ACD) is a wholly owned subsidiary of Aviva Investors Holdings Limited, a company incorporated in the United Kingdom and within the Aviva group of companies. The ACD is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority.

### DIRECTORS

I Buckle (resigned 13 May 2022)  
M Craston  
M White  
A Coates  
K McClellan  
D Macmillan (resigned 31 March 2022)  
B Fowler  
S Winstanley  
J Adamson (appointed 9 May 2022)  
M Bell (appointed 10 May 2022)

### REGISTRAR AND ADMINISTRATOR

SS&C Financial Services Europe Limited  
SS&C House  
St Nicholas Lane  
Basildon  
Essex, SS15 5FS

### FUND ACCOUNTING AND PRICING AGENT

J.P. Morgan Chase Bank, National Association (London Branch)  
25 Bank Street  
Canary Wharf  
London, E14 5JP

### INVESTMENT MANAGER

Aviva Investors Global Services Limited  
St Helen's  
1 Undershaft  
London, EC3P 3DQ

Aviva Investors Global Services Limited is a member of the Investment Association and is authorised and regulated by the Financial Conduct Authority. The ultimate parent company of Aviva Investors Global Services Limited is Aviva Plc.

### DEPOSITARY

J.P. Morgan Europe Limited  
25 Bank Street  
Canary Wharf  
London, E14 5JP

J.P. Morgan Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

### INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP  
141 Bothwell Street  
Glasgow, G2 7EQ

## REPORT OF THE AUTHORISED CORPORATE DIRECTOR

### THE COMPANY

Aviva Investors Manager of Manager ICVC (ICVC2) ("the Company") is an Open-Ended Investment Company (OEIC) with variable capital incorporated in England and Wales since 23 October 2001. The property of the Company is entrusted to J.P. Morgan Europe Limited ("the Depositary"). The shareholders are not liable for any debts of the Company.

The objective of the Company is to invest the scheme property in transferable securities, money market instruments, derivative instruments and forward transactions, deposits and units of collective investment schemes in accordance with the COLL Sourcebook with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of that property.

The Company has an umbrella structure which means that it contains more than one sub-fund (Fund), each with a different investment objective. In the financial statements you will find an investment review for each Fund which includes details of the investment objectives. As at 31 July 2022 there was one Fund available for investment in the Aviva Investors Manager of Manager ICVC (ICVC2).

### AUTHORISED STATUS

From 23 October 2001 the Company was authorised as an Open-Ended Investment Company under Regulation 7 of the Open-Ended Investment Companies Regulations 1996 (superseded by Regulation 12 of the Open-Ended Investment Companies Regulations 2001).

The Company is authorised to operate as a "UCITS Scheme" for the purposes of the COLL sourcebook.

### SIGNIFICANT INFORMATION

On 18 March 2022, and following a scheme of arrangement in respect of the same, the Aviva Investors UK Listed Equity High Alpha Fund, a sub-fund of Aviva Investors Manager of Manager ICVC (ICVC2), was merged with the Aviva Investors UK Listed Equity Unconstrained Fund, a sub-fund of Aviva Investors Investment Funds ICVC. Immediately thereafter, we commenced termination of the transferring fund.

On 9 May 2022, the Aviva Investors Manager of Manager ICVC (ICVC2) prospectus was updated to reflect, for each of the following funds, the change of name of share class 2 of that fund to share class 8 together with certain changes to how we structure the FMF for those share classes.

#### **Aviva Investors Japan Equity MoM1 Fund**

On 15 August 2022, the Prospectus was updated to reflect the change of name, objective, policy and sub-investment manager for the Aviva Investors Japan Equity Growth Fund (previously the Aviva Investors Japan Equity MOM 1 Fund).

With effect from 5 June 2019, the following funds commenced termination, and are no longer available for investment:

- Aviva Investors US Equity MoM 1 Fund;
- Aviva Investors Apac Equity MoM 1 Fund.

### THE FINANCIAL STATEMENTS

We are pleased to present the annual financial statements of the Company for the year ended 31 July 2022. As required by the Regulations, information for each of the Funds has also been included in these financial statements. On the following pages we review the performance of each of those Funds during the year. We hope that you find our review useful and informative.

### ANNUAL GENERAL MEETINGS

The Company will not be holding Annual General Meetings.

## STATEMENT OF CROSS HOLDINGS

There are no cross holdings as at 31 July 2022.

## POLICIES AND RISKS

### ACCOUNTING POLICIES

#### a Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (IMA) (now The Investment Association) in May 2014 (SORP 2014), and in accordance with United Kingdom Generally Accepted Accounting Practice as defined within FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Authorised Corporate Director intends to terminate the following funds:

- Aviva Investors US Equity MoM 1 Fund;
- Aviva Investors Apac Equity MoM 1 Fund
- Aviva Investors UK Listed Equity High Alpha Fund

These Funds will be terminated at the earliest opportunity following approval of the financial statements and therefore the financial statements of these Funds have been prepared on a basis other than going concern and any additional costs in respect of the termination of these Funds will be borne by the ACD. No adjustments were necessary in the Funds' financial statements to reduce assets to their realisable values, to provide for liabilities arising from the termination or to reclassify fixed assets and long term liabilities as current assets and liabilities.

The financial statements of Aviva Investors Japan Equity MoM 1 Fund have been prepared on a going concern basis.

#### b Share classes

The Funds have three types of share classes: retail shares (class 1), institutional shares (class 2) and shares held by associated undertakings of Aviva Plc (class 3). Each share class bears different charges and consequently the level of revenue allocated to each share class will differ. Some share classes consist of income shares only, whilst others consist of accumulation shares only.

#### c Recognition of revenue

Dividends are recognised when the investment is quoted ex-dividend. Interest arising on fixed interest stocks is recognised on an effective yield basis. Deposit interest and other revenues are recognised on an accruals basis.

Special dividends are either treated as income or capital depending on the facts of each dividend.

#### d Expenses

All expenses, except those relating to the purchase and sale of investments and transaction charges, are charged to revenue of the respective Funds, on an accruals basis.

#### e Underwriting commission

Underwriting commission is accounted for when the issue underwritten takes place and is normally taken to revenue. Where the Company is required to take up all the shares underwritten, the commission received is treated as a deduction from the cost of the shares taken up. Where the Company is required to take up a proportion of the shares underwritten, the same proportion of the commission received is treated as a deduction from the cost of shares taken up and the balance is taken to revenue.

#### f Dilution Levy Policy

The Company reserves the right to charge a dilution levy (Investor Protection Fee) to protect existing investors in a fund from the costs of buying or selling investments that may result from the sale and/or purchase of shares in that Fund. The amount of any such dilution levy is calculated by reference to the estimated costs of dealing in the underlying investments, including any dealing spreads, broker commissions and taxes. When the Company impose a dilution levy on a particular investor or group of investors, this is paid into the Fund and helps to protect existing investors from the costs of the resultant transactions. For details of the circumstances in which a dilution levy may be imposed, dilution levies applied in a fund historically, and on what values, please see the Company's Prospectus.

#### g Basis of valuation of investments

##### Quoted investments

The quoted investments of the Company have been valued at bid market value at 2pm on the last working day of the accounting period for all Funds with the exception of the Aviva Investors UK Listed Equity High Alpha Fund which has been valued at midday.

The ACD is comfortable that there is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

##### Unquoted and unapproved investments

The unquoted and unapproved investments of the Company have been valued by the Investment Manager using available information, such as recent transaction prices, valuations from reliable sources, financial performance and other relevant factors, to arrive at an estimated fair value.

##### Suspended securities

Suspended securities have been valued at the suspended market price per share or valued by the Investment Manager using available information to arrive at an estimated fair value.

##### Delisted securities

Delisted securities have been valued at nil pence per share.

##### CIS investments

Collective investment schemes operated by the ACD are valued at their cancellation price for dual priced funds and their single price for single priced funds. Other collective investment schemes are valued at their bid price for dual priced funds and their single price for single priced funds.

#### h Exchange rates

Assets and liabilities held in foreign currencies are translated at the rate ruling at 2pm on the last working day of the accounting period for all Funds with the exception of the Aviva Investors UK Listed Equity High Alpha Fund which was translated at midday. Revenue and expenditure items are translated at the rate ruling at the date of the transaction.

## POLICIES AND RISKS (CONTINUED)

### ACCOUNTING POLICIES (CONTINUED)

#### i Fund management fee

Each sub-fund is charged a single fixed rate charge, Fund Management Fee, paid from the scheme property of the sub-fund to cover the fees and expenses in relation to the operation and administration of the Company and/or that sub-fund. The Fund Management Fee accrues daily and is calculated as a percentage of the net asset value of that sub-fund on the previous business day, calculated on a mid-market basis. The underlying fees, expenses and charges that are specific to a share class or sub-fund are paid out of the scheme property of, and be paid against the Fund Management Fee accrued to, that share class or sub-fund or, in a manner which is fair to shareholders generally where they are not considered to be attributable to any one share class or sub-fund.

The balance of the accrued Fund Management Fee that remains after any payments against the same have been made will be paid to the ACD monthly in arrears, from which the ACD will pay any of the remaining underlying fees, expenses and charges which are due and payable.

#### j Taxation and deferred taxation

Provision for Corporation Tax is based at the current rate, as appropriate, on the excess of taxable revenue over allowable expenses, with relief for overseas taxation taken as appropriate. Deferred taxation is provided using the liability method on all timing differences that have originated but not reversed at the balance sheet date, calculated at the rate for the period in which it is anticipated the timing differences will reverse, based on rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

### DISTRIBUTION POLICIES

#### a Distribution policy

Where appropriate, the Company will pay any surplus revenue as a revenue distribution or accumulation of capital. All the active Funds pay dividend distributions.

Full details are set out in the distribution tables.

#### b Treatment of stock dividends

The ordinary element of stock dividends is treated as revenue and forms part of the Fund's distribution. The value of the stock dividend is based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is treated as capital.

#### c Treatment of management expenses

The Fund Management Fee is charged to the revenue property of all the Funds.

All other expenses, except those relating to the purchase and sale of investments, are charged against revenue. Expenses are accounted for on an accruals basis.

### FINANCIAL INSTRUMENTS

The Company's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for liquidations, and debtors for accrued income.

The Company has exposure to a number of different risks to varying degrees. The main risks it faces from its financial instruments and the Manager's policies for managing these risks are summarised below:

#### a Foreign currency risk

The Funds can be exposed to foreign currency risk as a result of investing in assets denominated in currencies other than Sterling. Where the manager deems it necessary, this exposure to foreign currency fluctuations is mitigated by the use of forward foreign currency contracts. Numerical disclosures can be found in the notes to the financial statements for each Fund.

#### b Interest rate risk

The value of debt securities may be affected by interest rate movements or the expectation of such movements in the future. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Investment Manager manages this risk by maintaining a balanced portfolio with due consideration to interest rate and redemption profiles. Interest rate risk is also managed by ensuring that deposits mature within a relatively short period. Where relevant, numerical disclosures can be found in the notes to the financial statements for each Fund.

#### c Market risk

The Funds' investment portfolios are exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objectives and policies of the Funds. Adherence to investment and borrowing powers set out in the Instrument of Incorporation and in the Collective Investment Schemes Sourcebook of the Financial Conduct Authority, mitigates the risk of excessive exposure to any particular type of security or issuer.

Further information on the investment portfolios is set out in the investment reports and portfolio statements, of the individual Funds.

#### d Credit risk

The Funds are exposed to the risk that a bond issuer may default on the interest payments or the redemption of the bond. The Funds manage this risk by maintaining a balanced portfolio with due consideration to interest rate and redemption profiles and the credit worthiness of the bond issuer.

#### e Liquidity risk

This is the risk that there is insufficient liquidity which restricts a Fund's investment opportunities or ability to pay liabilities at short notice. This risk is managed by ensuring that overdrafts are monitored and maintained within investment limits and exposure to unquoted or illiquid securities is limited. The majority of each Fund's liabilities relate to liabilities to shareholders and, as such, liquidity risk is not considered significant.

## POLICIES AND RISKS (CONTINUED)

### FINANCIAL INSTRUMENTS (CONTINUED)

#### **f Counterparty Risk**

There is a risk that the Counterparty will not be able to settle its obligations under the agreement. This is mitigated by an assessment of the credit worthiness of the Counterparty, and the use of multiple counterparties to ensure that no more than 20% of the Fund value is exposed to one counterparty.

There is a risk that due to the impact of COVID-19, processes, people or systems (including those of third party suppliers) become inadequate or fail. This is managed through strict adherence to standard operating procedures, rigorous oversight and internal governance standards, systems and reporting which have been enhanced during the current crisis.

Further information on the investment portfolio is set out in the investment reports and portfolio statements.

## AVIVA INVESTORS UK LISTED EQUITY HIGH ALPHA FUND

The Fund closed on 18 March 2022, and will be terminated in due course.

The Fund is no longer being actively managed.

### INVESTMENT OBJECTIVE

The Fund aims to grow your investment and generate a higher return than the FTSE® All-Share Index over the long term (5 years or more) by investing in shares of UK companies.

### INVESTMENT POLICY

#### Core investment

At least 80% of the Fund will be invested in shares of UK companies, or non-UK companies which are listed in the UK or which have significant trading activities in the UK.

#### Other investments

The Fund may also invest in shares of unlisted companies, other funds, (including funds managed by Aviva Investors companies), cash and deposits.

#### Strategy

The Fund is actively managed, and the Investment Manager generally takes a medium-term outlook when selecting companies with the aim of generating a higher return than the FTSE® All-Share Index (this is also known as generating "alpha"). The Investment Manager will invest in opportunities which may be viewed as contrarian to the overall market, but does not adopt a style bias. This will result in the Fund taking high conviction positions in companies where the manager believes future earnings growth prospects are undervalued by the market. In addition, there are often companies where the Investment Manager has identified catalysts for recovery such as management change or an improving business environment. This investment approach may result in higher risk or price volatility with the aim to generate a higher return than the Index over the long term ("alpha").

#### Environmental, Social and Governance (ESG) factors:

ESG factors are integrated into the investment process and considered alongside a range of financial metrics and research, but the investment manager retains discretion over which investments are selected. We also actively engage with companies and use voting rights with the aim of positively influencing company behaviour and helping to create competitive returns. In addition, the Fund has limited exclusions based on Aviva Investors' UK Responsible Investment policy. Further information on how we integrate ESG and the Aviva Investors UK Responsible Investment policy into our investment approach, and how we engage with companies is available on our website and in the prospectus.

#### Performance and Risk Measurement

The Fund's performance is compared against the FTSE® All-Share Index (the "Index").

The Fund does not base its investment process upon the Index, so will not hold every company in the Index and will also hold companies that do not form part of it.

The Fund uses a "tracking error" to measure the variation between the Fund's returns and the returns of the Index. In general, the lower the tracking error, the more closely the Index is tracked by the Fund, and vice-versa. The Fund is expected to have an average yearly tracking error of between 3% and 8% when compared to the Index. In certain conditions the Fund may be outside of this range.

The Index represents the performance of all eligible companies listed on the London Stock Exchange, and 98% of the UK's market capitalisation (total market value of a company's outstanding shares).

The Index has been selected for performance and risk measurement because it is representative of the type of companies in which the Fund is likely to invest, and it is therefore an appropriate comparator for the Fund's performance.

### FUND MANAGER'S REPORT

#### Performance

Over the period 1 August 2021 to 18 March 2022 the Fund\* returned 1.21% (net of fees). The Fund's benchmark, the FTSE® All-Share Index, returned 5.01% over the same period.

#### Review

The market was overshadowed by the grim news of an attack by Russian forces on Ukraine, which sent the market lower towards the end of the February. Ongoing concerns about tightening monetary policy and Covid-19 levels appeared to be relegated in importance as the reality of war in Europe emerged. After an initial sharp fall, however, the market rallied strongly in early March.

The Fund was behind the benchmark index, as both stock selection and sector allocation detracted from returns. Shares in Synthomer fell as the company cut its forecast earnings for this year. With the shares trading at the low end of their historic valuation range, we added to our existing position. Financial holdings such as Lancashire Holdings and Phoenix Group weakened following the invasion of Ukraine, as conviction around rising near-term interest rates weakened. Not owning Glencore also negatively affected returns, with the stock rallying on the surge in commodity prices.

As one of the largest defence contractors in Europe and an obvious beneficiary of developments in Ukraine, BAE Systems was the top-performing position. Shares in Anglo American rallied owing to its exposure to commodities, its high cash generation and large platinum division, which can offer clients an alternative source other than Russia.

We continued to add to the position in Schroders. The company has significant surplus capital to support its growing dividend and is attractively priced, while recent corporate transactions in liability-driven investment and real assets further diversify its revenue streams. We also added to Grafton Group, reflecting our increased confidence in its growth rate and management's plan to deploy surplus capital into businesses.

#### September 2022

\* Fund performance figures – share class 1, source Lipper Hindsight, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Aviva Investors Global Services Limited.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative tables on page 10 are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

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Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

## AVIVA INVESTORS UK LISTED EQUITY HIGH ALPHA FUND (CONTINUED)

**Performance History – Accumulation Shares**

Calendar year	Share Class 1 %	Share Class 2 %	Share Class 3 %	Benchmark* %
31.12.16 to 31.12.17	15.35	16.27	16.62	13.10
31.12.17 to 31.12.18	-15.33	-14.89	-14.63	-9.50
31.12.18 to 31.12.19	17.70	18.10	18.40	19.20
31.12.19 to 31.12.20	-10.00	-9.80	-9.50	-9.80
31.12.20 to 31.12.21	28.10	28.40	28.80	18.32

\* Benchmark – FTSE\* All-Share Index.

**Material Portfolio Changes**

Purchases	Sales
888 Holdings	Tesco
Associated British Foods	Standard Chartered
Unilever	Anglo American
AstraZeneca	HSBC Holdings
Grafton Group	Barclays
Phoenix Group Holdings	BP
Bellway	Glencore
Lancashire Holdings	Vodafone Group
Compass Group	Kier Group
NCC Group	Phoenix Group Holdings

**Synthetic Risk and Reward Indicator**

Investment risks have been removed as the Fund closed on 8 March 2022.

## COMPARATIVE TABLES

Class 1 Accumulation	2022 p per share	2021 p per share	2020 p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	175.59	104.86	142.61
Return before operating charges <sup>†</sup>	(174.43)	72.25	(36.41)
Operating charges	(1.16)	(1.52)	(1.34)
Return after operating charges <sup>†</sup>	(175.59)	70.73	(37.75)
Distributions	(3.57)	(1.85)	(3.41)
Retained distributions on accumulation shares	3.57	1.85	3.41
Closing net asset value per share	–	175.59	104.86
<sup>†</sup> after direct transaction costs of	(0.58)	(0.72)	(0.53)
<b>Performance</b>			
Return after charges	–	67.45%	(26.47)%
<b>Other information</b>			
Closing net asset value (£000)	–	1,780	776
Closing number of shares	–	1,013,522	740,294
Operating charges (%) <sup>†</sup>	1.00%	1.03%	1.03%
Direct transaction costs (%) <sup>‡</sup>	0.32%	0.48%	0.41%
<b>Prices<sup>≈</sup></b>			
Highest share price	192.28	177.26	160.57
Lowest share price	163.05	101.09	82.09

Class 2 Accumulation	2022 p per share	2021 p per share	2020 p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	301.32	179.43	243.29
Return before operating charges <sup>†</sup>	(299.87)	123.76	(62.27)
Operating charges	(1.45)	(1.87)	(1.59)
Return after operating charges <sup>†</sup>	(301.32)	121.89	(63.86)
Distributions	(6.67)	(3.87)	(6.49)
Retained distributions on accumulation shares	6.67	3.87	6.49
Closing net asset value per share	–	301.32	179.43
<sup>†</sup> after direct transaction costs of	(1.00)	(1.23)	(0.89)
<b>Performance</b>			
Return after charges	–	67.93%	(26.25)%
<b>Other information</b>			
Closing net asset value (£000)	–	19,588	12,561
Closing number of shares	–	6,500,660	7,000,327
Operating charges (%) <sup>†</sup>	0.73%	0.73%	0.73%
Direct transaction costs (%) <sup>‡</sup>	0.32%	0.48%	0.41%
<b>Prices<sup>≈</sup></b>			
Highest share price	330.37	304.18	274.26
Lowest share price	280.26	173.07	140.31

Class 3 Accumulation	2022 p per share	2021 p per share	2020 p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	428.99	254.69	344.30
Return before operating charges <sup>†</sup>	(427.78)	175.81	(88.25)
Operating charges	(1.21)	(1.51)	(1.36)
Return after operating charges <sup>†</sup>	(428.99)	174.30	(89.61)
Distributions	(10.35)	(6.56)	(10.13)
Retained distributions on accumulation shares	10.35	6.56	10.13
Closing net asset value per share	–	428.99	254.69
<sup>†</sup> after direct transaction costs of	(1.42)	(1.68)	(1.29)
<b>Performance</b>			
Return after charges	–	68.44%	(26.03)%
<b>Other information</b>			
Closing net asset value (£000)	–	172,494	153,686
Closing number of shares	–	40,209,582	60,342,832
Operating charges (%) <sup>†</sup>	0.43%	0.43%	0.43%
Direct transaction costs (%) <sup>‡</sup>	0.32%	0.48%	0.41%
<b>Prices<sup>≈</sup></b>			
Highest share price	471.01	433.05	388.61
Lowest share price	399.72	245.77	198.95

<sup>†</sup> The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) The Ongoing Charge has been annualised for a share class that has not yet been open for a full year.

# The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

**Ongoing Charges Figure\***

Share class	31.07.22	31.07.21
Class 1	1.00%	1.00%
Class 2	0.73%	0.73%
Class 3	0.43%	0.43%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

**Portfolio Statement**

As the Fund closed on 18 March 2022, there were no investments as at 31 July 2022.

## STATEMENT OF TOTAL RETURN

For the year ended 31 July 2022

	Notes	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
Income					
Net capital (losses)/gains	2		(1,901)		79,391
Revenue	3	4,317		3,980	
Expenses	4	(516)		(810)	
Net revenue before taxation		3,801		3,170	
Taxation	5	1		(8)	
Net revenue after taxation			3,802		3,162
<b>Total return before distributions</b>			<b>1,901</b>		<b>82,553</b>
Distributions	6		(3,794)		(3,162)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(1,893)</b>		<b>79,391</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 July 2022

	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
<b>Opening net assets attributable to shareholders</b>		<b>193,862</b>		<b>167,023</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	9,064		24,513	
Amounts payable on cancellation of shares	(58,121)		(80,100)	
Amounts payable on in-specie transfers to UK Listed Equity Unconstrained Fund	(145,486)		–	
		(194,543)		(55,587)
Dilution adjustment		44		114
Change in net assets attributable to shareholders from investment activities (see above)		(1,893)		79,391
Retained distribution on accumulation shares		2,563		2,921
Fund closure		(33)		–
<b>Closing net assets attributable to shareholders</b>		<b>–</b>		<b>193,862</b>

## BALANCE SHEET

As at 31 July 2022

	Notes	As at 31.07.22 £000	As at 31.07.21 £000
<b>Assets:</b>			
<b>Current assets:</b>			
Investments		–	193,820
Debtors	8	11	1,047
Cash and bank balances	9	4	275
<b>Total assets</b>		<b>15</b>	<b>195,142</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Other creditors	10	(15)	(1,280)
<b>Total liabilities</b>		<b>(15)</b>	<b>(1,280)</b>
<b>Net assets attributable to shareholders</b>		<b>–</b>	<b>193,862</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 5 to 7 for accounting basis and policies.

### 2 Net capital (losses)/gains

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net capital (losses)/gains on investment during the year comprise:</b>		
Currency gains	21	3
Non-derivative securities (losses)/gains	(1,922)	79,388
<b>Net capital (losses)/gains</b>	<b>(1,901)</b>	<b>79,391</b>

### 3 Revenue

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
Bank and deposit interest	9	23
Interest on debt securities	1	1
Overseas dividends	143	104
Property income distributions	2	53
UK dividends	4,162	3,799
<b>Total revenue</b>	<b>4,317</b>	<b>3,980</b>

### 4 Expenses

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:</b>		
Fund Management Fee	514	807
<b>Payable to the Depositary, associates of the Depositary or agents of either of them:</b>		
Interest payable	2	3
<b>Total expenses</b>	<b>516</b>	<b>810</b>

The audit fee was £9,260 (2021: £9,260) net of VAT.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5 Taxation****a Analysis of tax charge**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
Overseas tax suffered	(1)	8
<b>Total current tax for the year (see note 5b)</b>	<b>(1)</b>	<b>8</b>

**b Factors affecting current tax charge**

The tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2021: 20%).

The differences are explained below:

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net revenue before taxation</b>	<b>3,801</b>	<b>3,170</b>
Corporation tax at 20%	760	634
<b>Effects of:</b>		
Movement in excess management expenses	101	147
Overseas dividends not subject to corporation tax	(29)	(21)
Overseas tax suffered	(1)	8
UK dividends not subject to corporation tax	(832)	(760)
	(761)	(626)
<b>Current tax charge (see note 5a)</b>	<b>(1)</b>	<b>8</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c Deferred tax**

There was no provision for deferred tax at the year end (2021: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £9,666,238 (2021: £9,161,540) creating a potential deferred tax asset of £1,933,248 (2021: £1,832,308). It is unlikely that the Fund will generate taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

**6 Distributions**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:</b>		
Interim distribution	2,458	665
Quarterly distribution	105	–
Final distribution	–	2,256
	2,563	2,921
Add: Revenue deducted on cancellation of shares	1,313	364
Deduct: Revenue received on issue of shares	(82)	(123)
<b>Total distributions</b>	<b>3,794</b>	<b>3,162</b>
<b>Reconciliation of distributions for the year to net revenue after taxation</b>		
Distributions for the year	3,794	3,162
Undistributed revenue carried forward	8	–
<b>Net revenue after taxation</b>	<b>3,802</b>	<b>3,162</b>

Details of the distributions per share are set out in the distribution tables on page 19.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**7 Fair value hierarchy**

Valuation technique	As at 31.07.22 Assets £000	As at 31.07.21 Assets £000
Level 1: Quoted prices	–	189,420
Level 2: Observable market data	–	4,400
<b>Total value</b>	<b>–</b>	<b>193,820</b>

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities.

The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority is given to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

**Level 1:** Unadjusted quoted price in an active market for an identical instrument;

**Level 2:** Valuation techniques using observable inputs other than quoted prices within level 1;

**Level 3:** Valuation techniques using unobservable inputs.

As at the balance sheet date, the Fund held no level 3 investments.

**8 Debtors**

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued revenue	–	401
Amounts receivable on issue of shares	–	111
Income tax recoverable	11	–
Overseas tax recoverable	–	7
Sales awaiting settlement	–	528
<b>Total debtors</b>	<b>11</b>	<b>1,047</b>

**9 Cash and bank balances**

	As at 31.07.22 £000	As at 31.07.21 £000
Cash and bank balances	4	275
<b>Total cash and bank balances</b>	<b>4</b>	<b>275</b>

**10 Other creditors**

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued expenses	–	166
Amounts payable for cancellation of shares	–	9
Payable to ACD	15	–
Purchases awaiting settlement	–	1,105
<b>Total other creditors</b>	<b>15</b>	<b>1,280</b>

**11 Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the year end (2021: £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

Fund Management Fee paid to Aviva Investors UK Fund Services Limited ("the ACD") are shown in note 4 and details of shares issued and cancelled by the ACD are shown in the statement of change in net assets attributable to shareholders. The balance due to the ACD at the year end in respect of Fund Management Fee was £nil (2021: £166,047). Any balance due from the ACD in respect of issues is shown in note 8. Any balance due to the ACD in respect of cancellations is shown in note 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £6,654 (2021: £2,641,671). The amount outstanding at the year end was £nil (2021: £2,039,845). Related parties of the ACD are deemed to be all companies under the control of Aviva Plc. This will include companies which hold shares in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are identified on the portfolio statement.

The total purchases and sales on these investments during the year amounted to £64,600,000 (2021: £116,200,000) and £69,400,000 (2021: £112,500,000) respectively. The income received during the year amounted to £792 (2021: £859).

Holdings at the year end and movements during the year are as follows:

	Holdings at 31.07.22 (shares)	Movement (shares)	Holdings at 31.07.21 (shares)
ACD and related parties (Share Class 2 Accumulation)	–	(117,294)	117,294
ACD and related parties (Share Class 3 Accumulation)	–	(40,209,582)	40,209,582

The ACD and related parties of the ACD are ineligible to vote at any general meeting.

### 13 Shareholder funds

The Fund currently has three share classes: Class 1 (Retail), Class 2 (Institutional) and Class 3 (Associated undertakings of Aviva Plc).

The Fund Management Fee is as follows:

Class 1: 1.00%

Class 2: 0.73%

Class 3: 0.43%

The net asset value per share class, the net asset value per share and the number of shares in the class are shown on page 10. The distributions per share class are given in the distribution tables on page 19. All the share classes have the same rights on winding up.

### 14 Shares in issue reconciliation

	Number of shares in issue at 31.07.21	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 31.07.22
Class 1 Accumulation shares	1,013,522	707,352	(1,716,003)	(4,871)	–
Class 2 Accumulation shares	6,500,660	2,509,567	(9,013,062)	2,835	–
Class 3 Accumulation shares	40,209,582	3,116	(40,212,698)	–	–

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**15 Derivatives and other financial instruments**

The policies applied in the management of financial instruments are set out on pages 5 to 7.

**Fair value of financial assets and financial liabilities**

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2021: £nil).

**Currency risk**

At the year end date, nil% (2021: 0.10%) of the net assets of the Fund were denominated in currencies other than sterling and as such the currency risk is not considered significant.

**Interest rate risk**

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date nil% (2021: 2.41%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on deposits is linked to LIBOR or its overseas equivalent.

**Market price risk**

At the year end date, nil% (2021: 99.98%) of the net assets of the Fund were invested in ordinary shares or stock units or debt securities admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by nil% (2021: 10.00%).

**16 Direct transaction costs**

In the case of shares, broker commissions and transfer taxes, stamp duty is paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread.

31.07.22	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
<b>Purchases</b>						
Equities	(102,339)	(49)	(452)	(102,840)	0.05%	0.44%
Funds	(64,600)	–	–	(64,600)	0.00%	0.00%
	(166,939)	(49)	(452)	(167,440)		
<b>Sales (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	147,541	(61)	–	147,480	0.04%	0.00%
Funds	69,000	–	–	69,000	0.00%	0.00%
<b>Sales (Including Inspecie activity only)</b>						
Equities	142,493	–	–	142,493	0.00%	0.00%
	359,034	(61)	–	358,973		
<b>Total</b>		(110)	(452)			
<b>Percentage of Fund average net assets</b>		0.06%	0.26%			

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**16 Direct transaction costs (continued)**

31.07.21	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
<b>Purchases (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	(143,141)	(74)	(648)	(143,863)	0.05%	0.45%
Funds	(116,200)	–	–	(116,200)	0.00%	0.00%
<b>Purchases (Corporate Action activity only)</b>						
Equities	(830)	–	–	(830)	0.00%	0.00%
	(260,171)	(74)	(648)	(260,893)		
<b>Sales (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	200,628	(94)	(1)	200,533	0.05%	0.00%
Funds	112,900	–	–	112,900	0.00%	0.00%
	313,528	(94)	(1)	313,433		
<b>Total</b>		(168)	(649)			
<b>Percentage of Fund average net assets</b>		0.10%	0.38%			

**Dealing spread**

As at 31 July 2022, the average portfolio dealing spread was nil% (2021: 0.20%). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

## DISTRIBUTION TABLES

## Interim distribution paid in pence per share for the period ended 18 March 2022

Accumulation shares		Net revenue	Equalisation	Final distribution paid 29 April 2022	Final distribution paid 29 April 2021
Share Class 1	Group 1	1.1203	–	1.1203	0.0000
	Group 2	0.3873	0.7330	1.1203	0.0000
Share Class 2	Group 1	2.0331	–	2.0331	0.0000
	Group 2	1.3997	0.6334	2.0331	0.0000
Share Class 3	Group 1	3.0663	–	3.0663	0.0000
	Group 2	3.0663	0.0000	3.0663	0.0000

Group 1 shares are those shares purchased at or before 12:00 noon on 31 January 2022.

Group 2 shares are those shares purchased after 12:00 noon on 31 January 2022.

## Final distribution payable in pence per share for the six months ended 31 July 2022

Accumulation shares		Net revenue	Equalisation	Final distribution payable 30 September 2022	Final distribution paid 30 September 2021
Share Class 1	Group 1	0.0000	–	0.0000	1.6021
	Group 2	0.0000	0.0000	0.0000	1.6021
Share Class 2	Group 1	0.0000	–	0.0000	3.1310
	Group 2	0.0000	0.0000	0.0000	3.1310
Share Class 3	Group 1	0.0000	–	0.0000	5.0639
	Group 2	0.0000	0.0000	0.0000	5.0639

Group 1 shares are those shares purchased at or before 12:00 noon on 31 January 2022.

Group 2 shares are those shares purchased after 12:00 noon on 31 January 2022.

## Interim distribution paid in pence per share for the six months ended 31 January 2022

Accumulation shares		Net revenue	Equalisation	Interim distribution paid 31 March 2022	Interim distribution paid 31 March 2021
Share Class 1	Group 1	2.4524	–	2.4524	0.2476
	Group 2	0.5537	1.8987	2.4524	0.2476
Share Class 2	Group 1	4.6374	–	4.6374	0.7381
	Group 2	1.7142	2.9232	4.6374	0.7381
Share Class 3	Group 1	7.2824	–	7.2824	1.4945
	Group 2	0.1763	7.1061	7.2824	1.4945

Group 1 shares are those shares purchased at or before 12:00 noon on 31 July 2021.

Group 2 shares are those shares purchased after 12:00 noon on 31 July 2021.

## Equalisation

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant period. It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## AVIVA INVESTORS APAC EQUITY MOM 1 FUND

The Fund closed on 18 May 2019, and will be terminated in due course. The Fund currently holds a worthless asset that is preventing the Fund from being fully terminated.

The Fund's investors provided an instruction to redeem their respective investments in the Fund in full. Following this redemption the Fund was left as a shell fund with no shareholders and no assets requiring management. The ACD therefore proposed to terminate the Fund.

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in Asia Pacific equities (excluding Japan).

### INVESTMENT POLICY

The Fund invested primarily in equity securities listed or traded on Regulated markets in the Asia Pacific region (excluding Japan). Limited exposure to other geographic regions may be possible. The Fund might have invested in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

Please note, the Fund was closed on 18 May 2019 and is in the process of being terminated. No fund manager's report has been included within the annual report and financial statements as no investment activity has taken place during the year under review.

#### **Material Portfolio Changes**

There were no purchases or sales during the year as the Fund closed on 18 May 2019.

#### **Synthetic Risk and Reward Indicator**

Investment risks have been removed as the Fund closed on 18 May 2019.

## COMPARATIVE TABLE

Class 2 Income	2022 p per share	2021 p per share	2020 p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	-	-	-
Return before operating charges <sup>‡</sup>	-	-	-
Operating charges	-	-	-
Return after operating charges <sup>‡</sup>	-	-	-
Distributions	-	-	-
Closing net asset value per share	-	-	-
<sup>‡</sup> after direct transaction costs of	-	-	-
<b>Performance</b>			
Return after charges	-	-	-
<b>Other information</b>			
Closing net asset value (£000)	-	-	-
Closing number of shares	-	-	-
Operating charges (%) <sup>‡</sup>	-	-	-
Direct transaction costs (%) <sup>#</sup>	-	-	-
<b>Prices<sup>≈</sup></b>			
Highest share price	-	-	-
Lowest share price	-	-	-

<sup>‡</sup> The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) The Ongoing Charge has been annualised for a share class that has not yet been open for a full year.

<sup>#</sup> The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

<sup>≈</sup> The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

**Ongoing Charges Figure\***

Share class	31.07.22	31.07.21
Class 2	-	-

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

**Portfolio Statement**

The Fund holds 276,000 shares of Peace Mark currently valued at zero. As the Fund closed on 18 May 2019, there were no other investments held as at 31 July 2022.

## STATEMENT OF TOTAL RETURN

For the year ended 31 July 2022

	Notes	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
Income					
Net capital gains	2		-		1
Expenses	4	(13)		(9)	
Net expense before taxation		(13)		(9)	
Taxation	4	1		-	
Net expense after taxation			(12)		(9)
<b>Total return before distributions</b>			<b>(12)</b>		<b>(8)</b>
Distributions	5		-		-
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(12)</b>		<b>(8)</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 July 2022

	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
<b>Opening net assets attributable to shareholders</b>		-		-
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	-		-	
Amounts payable on cancellation of shares	-		-	
		-		-
Change in net assets attributable to shareholders from investment activities (see above)		(12)		(8)
Fund closure		(12)		8
<b>Closing net assets attributable to shareholders</b>		-		-

## BALANCE SHEET

As at 31 July 2022

	Notes	As at 31.07.22 £000	As at 31.07.21 £000
<b>Assets:</b>			
<b>Current assets:</b>			
Debtors	6	–	3
Cash and bank balances	7	140	147
<b>Total assets</b>		<b>140</b>	<b>150</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Other creditors	8	(140)	(150)
<b>Total liabilities</b>		<b>(140)</b>	<b>(150)</b>
<b>Net assets attributable to shareholders</b>		<b>–</b>	<b>–</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 5 to 7 for accounting basis and policies.

### 2 Net capital gains

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net capital gains on investment during the year comprise:</b>		
Non-derivative securities gains	–	1
<b>Net capital gains</b>	<b>–</b>	<b>1</b>

### 3 Revenue

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Total revenue</b>	<b>–</b>	<b>–</b>

### 4 Expenses

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:</b>		
Fund Management Fee	13	9
	13	9
<b>Payable to the Depositary, associates of the Depositary or agents of either of them:</b>		
Interest payable	–	–
<b>Total expenses</b>	<b>13</b>	<b>9</b>

The audit fee was £10,275 (2021: £8,562) net of VAT.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5 Taxation****a Analysis of tax charge**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
Corporation tax	–	–
Overseas tax reclaims	(1)	–
<b>Total current tax for the year (see note 5b)</b>	<b>(1)</b>	<b>–</b>

**b Factors affecting current tax charge**

The tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2021: 20%).

The differences are explained below:

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net expense before taxation</b>	<b>(13)</b>	<b>(9)</b>
Corporation tax at 20%	(3)	(2)
<b>Effects of:</b>		
Movement in excess management expenses	3	2
Overseas tax reclaims	(1)	–
<b>Current tax charge (see note 5a)</b>	<b>(1)</b>	<b>–</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c Deferred tax**

There was no provision for deferred tax at the year end (2021: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £8,184,826 (2021: £8,171,960) creating a potential deferred tax asset of £1,636,965 (2021: £1,634,392). It is unlikely that the Fund will generate taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

**6 Distributions**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:</b>		
Interim distribution	–	–
Final distribution	–	–
<b>Total distributions</b>	<b>–</b>	<b>–</b>
<b>Reconciliation of distributions for the year to net revenue after taxation</b>		
Movement in revenue account	–	(8)
<b>Net expense after taxation</b>	<b>–</b>	<b>(8)</b>

Details of the distributions per share are set out in the distribution tables on page 27.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**7 Debtors**

	As at 31.07.22 £000	As at 31.07.21 £000
Overseas tax recoverable	–	3
<b>Total debtors</b>	<b>–</b>	<b>3</b>

**8 Cash and bank balances**

	As at 31.07.22 £000	As at 31.07.21 £000
Cash and bank balances	140	147
<b>Total cash and bank balances</b>	<b>140</b>	<b>147</b>

**9 Other creditors**

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued expenses	10	32
Windfall payable*	130	118
<b>Total other creditors</b>	<b>140</b>	<b>150</b>

\* The description of the financial statement line item was corrected to 'Windfall payable' which was described as 'Amount payable to ACD' in last year. The Windfall payable amount represents the cumulative Windfall receipts payable to investors in the Fund as at the closure date.

**10 Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the year end (2021: £nil).

**11 Related party transactions**

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

Fund Management Fee paid to Aviva Investors UK Fund Services Limited ("the ACD") are shown in note 4 and details of shares issued and canceled by the ACD are shown in the statement of change in net assets attributable to shareholders. The balance due to the ACD at the year end in respect of Fund Management Fee was £nil (2021: £nil).

Any balance due from the ACD in respect of issues is shown in note 7. Any balance due to the ACD in respect of cancellations is shown in note 9.

**12 Derivatives and other financial instruments**

The policies applied in the management of financial instruments are set out on pages 5 to 7.

**Fair value of financial assets and financial liabilities**

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2021: £nil).

**13 Direct transaction costs**

No transaction costs or taxes were incurred during the current and prior year.

## DISTRIBUTION TABLES

As the Fund was closed on 18 May 2019, there were no distributions paid or payable.

## AVIVA INVESTORS JAPAN EQUITY MOM 1 FUND

### INVESTMENT OBJECTIVE

The Fund aims to grow your investment over the long term (5 years or more), whilst aiming to achieve a return after charges and taxes in excess of the TOPIX® Total Return Index (GBP) (the "Index") annualised over a rolling 3-year period, by investing in shares of Japanese companies.

### INVESTMENT POLICY

#### Core investment

At least 80% of the Fund will be invested in shares of companies which are domiciled, listed or traded on stock exchanges in Japan or which have significant trading activities in Japan.

#### Other investments

The Fund may also invest in other shares, other funds (including funds managed by the Investment Manager), money market instruments, cash and deposits.

Derivatives, such as futures, may be used from time to time, to gain a particular market exposure which would otherwise be difficult or costly to achieve, or to manage the Fund's cash flows in a cost-effective manner. Derivatives may also be used to reduce risk, such as foreign currency risk within the Fund, which may be hedged using Forward Foreign Exchange contracts. This type of derivative usage is called "efficient portfolio management".

#### Strategy

The Fund is actively managed and uses a "growth at reasonable price" (GARP) approach which is based on the premise that corporate earnings will be priced in the medium to long term (3 to 5 years), and the rate of return of those companies will exceed that expected by the market.

The Fund uses a combination of sector allocation and stock selection. The Investment Manager proactively determines relative weights of respective sectors from a top-down perspective. For stock selection, bottom-up research is conducted based on 3-5 years growth potential, derived from market movements, competitiveness, cost-efficiency, differentiation, business strategy and evaluation of the relative attractiveness of stocks within each sector. The Investment Manager combines its short-term and long-term macroeconomic views on the market with analyst ratings to create a portfolio of approximately 60 to 100 companies. Stock weights will then be adjusted based on the Investment Manager's level of conviction about each stock's potential to outperform the Index.

#### Environmental, Social & Governance (ESG) factors

The Fund has limited exclusions based on Aviva Investors' UK Responsible Investment policy. Further information on Aviva Investors' UK Responsible Investment policy is available on our website and in the prospectus.

#### Performance & Risk Measurement

The Fund's performance is measured against the Index\*, after charges and taxes. However, the Fund does not base its investment process on the Index, so may not hold every company in the Index and may also hold companies that do not form part of it.

The Fund uses a "tracking error" to measure the consistency between the Fund's returns and the returns of the Index. In general, the lower the tracking error, the more consistent the Fund's returns are relative to the Index, and vice-versa. The Fund is expected to have an average yearly tracking error of between 3% and 6% per annum compared to the Index. In certain conditions the Fund may be outside of this range. The Index is comprised of large Japanese companies, as determined by their market capitalisation (total market value of a company's outstanding shares). The Index has been selected for performance and risk measurement because it is representative of the type of companies in which the Fund is likely to invest, and it is therefore an appropriate measure for the Fund's performance.

### FUND MANAGER'S REPORT

#### Performance

Over the twelve months ended 31 July 2022 the Fund\* returned -2.42% (net of fees). The Fund's benchmark, the FTSE® World Japan Index, returned -1.78% over the same period.

The tracking error at the year end was 4.84%.

The Portfolio Turnover Ratio for the year end was 157.0%.

#### Review

For the twelve month review period ending July 2022, the FT Japan Index declined by 1.78% in GBP terms. Market volatility has increased since the end of last year, as the Federal Reserve has begun steering monetary policy towards a more hawkish stance by raising interest rates and shrinking its balance sheet in order to curb the surge in inflation. Investor confidence was dealt a blow by the previously unimaginable full-scale Russian invasion of Ukraine at the end of February. While the humanitarian crisis is deeply concerning, the oil price spike triggered by unprecedented and coordinated economic sanctions against Russia inflamed inflationary pressures that are already running at multi-decade highs. In response to persistent inflationary pressure, the Federal Reserve stepped up the pace of its monetary tightening by raising its policy rate by 75 basis points (bps) instead of the previous 50bps increments, and is likely to maintain this faster pace of tightening. Fears of higher interest rates undermined equity valuations and triggered a steep correction in the global stock markets. Towards the end of the June, market attention shifted to an economic growth slowdown or even the prospect of a looming recession, exacerbating the market's woes. However, global equity markets produced a robust bounce back in July, recouping a good share of the losses incurred in the first half of 2022.

The yen has depreciated from JPY110/US dollar in August last year to 133 currently. Expectations of a widening interest rate gap between Japan and the rest of the world is driving down the value of the yen although the depreciation of a major currency of this magnitude is rarely observed even in the volatile foreign exchange market.

For the annual review period to July 2022, the portfolio slightly underperformed the benchmark index by 19 basis points (bps). While stock selection made a small positive effect, sector allocation failed to add value this year.

(Please note that attribution analysis is performed on the equity portfolio only on a Japanese yen basis.)

## AVIVA INVESTORS JAPAN EQUITY MOM 1 FUND (CONTINUED)

### FUND MANAGER'S REPORT (CONTINUED)

#### Review (continued)

Sector allocation had a negative effect over the 12 months review period. The overweight position in the Electronics and underweight position in the Financials mainly had negative impacts on the portfolio. As investors feared that rapid rate hikes could increase the possibility of the global economy sliding into recession, economically sensitive and export demand-oriented manufacturing stocks fell out of favour. Among the manufacturing sectors, the Electronics sector faced a notable pullback. Some investors are concerned about the vulnerability of the semiconductor markets to a slowdown in consumer demand, especially for items such as PCs and smartphones. On the other hand, Financials performed quite well following a rise in US government bond yields. US policymakers indicated that it is ready to begin withdrawing the pandemic crisis stimulus measures, which sent long-term interest rates higher.

Stock selection made a positive contribution during the review period. Stock selection in sectors such as Information/System, Medical and Communications/Utilities contributed positively to the portfolio and offset the negative results elsewhere. In the Information/System sector, the overweight position in Nexon made a positive contribution. Nexon, a global game producer and publisher, rebounded significantly after being heavily discounted due to concerns about a slowdown in its China business. The company announced robust earnings results in its major business market of South Korea and plans to launch several new titles, seemingly lifting investors' confidence in earnings forecasts for the coming years. Meanwhile, the absence of exposure to Softbank Group, which has a large market capitalization in the sector, generated positive results. The stock has been out of favour, mainly as the company's investment exposure to the Chinese technology industry has alienated investors. In the Medical sector, holding of the major pharmaceutical company Daiichi Sankyo rebounded significantly and made a substantial contribution. After a period of underperformance since last year, investors seemed to re-evaluate this pharmaceutical company in light of its promising antibody drug conjugate product pipelines. The lack of exposure to M3 worked positively as well. M3 operates platforms that provide on-line information for doctors and marketing support for pharmaceutical companies. This richly valued stock appeared to face profit-taking activity, probably due to a lack of catalysts for further growth. On the other hand, in the Consumption sector, several overweight positions had negative effects. For example, Nitori, Japan's largest furniture manufacturer and retailer, detracted from the portfolio performance. Nitori had been sluggish as investors apparently have concerns that a prolonged rise in resource prices and a weaker yen could undermine their earnings forecast. In the Infrastructure sector, a lack of exposure to infrastructure stocks such as real estate, construction and transportation sub-industries, detracted from the performance. These domestic demand-oriented companies outperformed under the market trend in favor of lower valuations stocks. The overweight position in Yamato Holdings, Japan's leading provider of door-to-door parcel delivery services, failed to add value. Yamato's share price lost ground probably as investors have concerns that the company might take more time to optimise the cost structure.

#### Outlook

The US economy shrank for a second quarter in a row, but this negative GDP figure was influenced by a number of technical transitory factors, so we do not consider this to be a direct signal that the economy is entering a recession as commonly defined. However, it is also difficult to expect an immediate rebound in US GDP growth. High inflation and rising interest rates are beginning to dampen consumer purchasing power. In China, GDP growth in the second quarter managed only marginal growth of just 0.4% (yoy), making it extremely difficult for the economy to reach the government's growth target of around 5.5% this year. Considering these challenging economic conditions, while we do not believe that excessive monetary policy tightening by major central banks will trigger a global recession directly, we do see the pace of global economic growth diminishing in the coming quarters. Even in such a gloomy economic environment, nevertheless, we expect the Japanese economy to remain relatively resilient.

The main reason for the relatively healthy outlook for the Japanese economy is that Japan is finally ready to resume economic activity in full and to catch up with other developed countries. Although the number of Covid-19 cases in Japan has recently jumped to a record high, the fatality rate has dropped significantly due to the widespread availability of vaccines and treatments. At present, the Japanese government is showing a willingness to prioritise the reopening of the economy without introducing any wide ranging restrictions. Another clear difference from other countries is the Bank of Japan's accommodative monetary policy. With inflation beginning to rise at a moderate rate in Japan, real interest rates have fallen into negative territory, which is expected to have a buoyant effect on the economy.

Moreover, the weaker yen is expected to support the corporate earnings of export-oriented companies. Although it is still too early in the reporting season to summarise the April-June corporate earnings results, earnings trends have been generally steady so far. Despite the impact of the lockdown in China and inventory adjustments in some electronic products, foreign exchange gains have compensated for the negative impact as the yen is trading at much weaker levels than the initial corporate FX rate assumptions. Given the steep fall in prices of commodities such as crude oil and metals over the past few months, the downward swing in procurement costs should also enhance profitability. Investors are concerned about future downward revisions to the market consensus forecast of about 10% recurring profit growth this fiscal year due to the global economic slowdown, but in view of these supportive factors, we believe there is no need to assume any severe earnings downgrades at this time. So far, the weaker yen has led to a deterioration in the investment performance of foreign investors from a base-currency perspective, overshadowing the benefits for corporate fundamentals. Foreign exchange gains, albeit transitory, will strengthen the financial position of companies and provide a source of investment in growth opportunities and shareholder returns, which could lead to improved longer-term investment returns.

## AVIVA INVESTORS JAPAN EQUITY MOM 1 FUND (CONTINUED)

### FUND MANAGER'S REPORT (CONTINUED)

#### Outlook (continued)

Earnings of Japanese companies have declined significantly during past economic slowdowns. If, as we expect, a more resilient earnings trend is confirmed despite the current economic slowdown, we believe this will lead to a reassessment of Japanese equities by foreign institutional investors.

#### September 2022

\* Fund performance figures – share class 2, source Lipper, net of fees, net income reinvested in GBP. Unless otherwise indicated, all data has been sourced by Nomura Asset Management.

As noted above, the performance figures in this commentary have been sourced from an external party and are based on published prices. The performance figures quoted in the comparative table on page 31 are based on the net asset value per the published accounts and may be different due to post year end accounting adjustments.

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FTSE® World Japan Index is comprised of approximately 500 large and medium sized Japanese companies, as determined by their market capitalisation (total market value of a company's outstanding shares).

The benchmark index has been selected for performance and risk measurement because it is representative of the type of companies in which the Fund is likely to invest, and it is therefore an appropriate comparator for the Fund's performance.

Any opinions expressed are those of the Fund manager. They should not be viewed as a guarantee of a return from an investment in the Funds. The content of the commentary should not be viewed as a recommendation to invest nor to buy or sell stocks. Past performance is not a guide to future performance. The value of an investment in the Fund and any income from it may go down as well as up, and the investor may not get back the original amount invested.

### Synthetic Risk and Reward Indicator



The Fund has been allocated a risk number based on the historic volatility of its share price. Where insufficient share price information is available, the risk number has been based on the historic volatility of the asset classes appropriate to the Fund.

- This indicator is based on historical data, calculated using European Union rules, and may not be a reliable indication of the future risk profile of the Fund.
- The risk and reward category shown is not guaranteed to remain unchanged and may change over time. The lowest category does not mean 'risk free'.
- The value of investments will be affected by changes in exchange rates.
- Further information on the risks applicable to the Fund is detailed in the Fund's Key Investor Information Document, and a full description is set out in the Prospectus, both of which are available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request.

### Performance History – Income Shares

Calendar year	Share Class 8** %	Benchmark* %
31.12.16 to 31.12.17	14.84	17.27
31.12.17 to 31.12.18	-13.80	-7.60
31.12.18 to 31.12.19	16.20	14.80
31.12.19 to 31.12.20	13.70	12.50
31.12.20 to 31.12.21	3.80	2.47

\* Benchmark – FTSE® World Japan Index.

\*\* Class 2 was renamed Class 8 on 9 May 2022.

### Material Portfolio Changes

Purchases	Sales
Toyota Motor	Shin-Etsu Chemical
Keyence	Mitsui Fudosan
Nippon Yusen KK	Toyota Industries
Fast Retailing	Honda Motor
Sony Group	Komatsu
Olympus	Sony Group
Sompo Holdings	SoftBank
Daiwa House Industry	Tokyo Electron
Rinnai	Mitsui OSK Lines
Marubeni	Yamaha Motor

## COMPARATIVE TABLE

	2022	2021	2020
Class 8 Income**	p per share	p per share	p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	230.79	192.91	203.37
Return before operating charges†	(3.09)	41.77	(6.47)
Operating charges	(2.45)	(2.98)	(2.61)
Return after operating charges†	(5.54)	38.79	(9.08)
Distributions	(2.97)	(0.91)	(1.38)
Closing net asset value per share	222.28	230.79	192.91
† after direct transaction costs of	(0.12)	(0.18)	(0.12)
<b>Performance</b>			
Return after charges	(2.40)%	20.11%	(4.46)%
<b>Other information</b>			
Closing net asset value (£000)	107,525	178,118	168,908
Closing number of shares	48,374,178	77,176,523	87,558,176
Operating charges (%)‡	1.05%	1.31%	1.31%
Direct transaction costs (%)#	0.05%	0.08%	0.06%
<b>Prices≈</b>			
Highest share price	261.07	250.27	213.37
Lowest share price	207.75	195.36	151.39

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) Changes to fee rates were made during the year and the Ongoing Charge Figure has been amended to be future proofed for this change.

# The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

\*\* Class 2 was renamed Class 8 on 9 May 2022.

**Ongoing Charges Figure\***

Share class	31.07.22	31.07.21
Class 8**	0.06%	1.31%

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

\*\* Class 2 was renamed Class 8 on 9 May 2022 and the Fund Management Fee was restructured with certain fees being borne outside of the Fund.

## PORTFOLIO STATEMENT

As at 31 July 2022

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Equities 98.51% (100.06%)</b>				
<b>Communication Services 7.14% (7.45%)</b>				
<b>Diversified Telecommunication Services 2.49% (2.06%)</b>				
Nippon Telegraph & Telephone	JPY	114,000	2,671	2.49
			<u>2,671</u>	<u>2.49</u>
<b>Entertainment 2.13% (1.72%)</b>				
Nexon	JPY	124,000	2,294	2.13
			<u>2,294</u>	<u>2.13</u>
<b>Interactive Media &amp; Services 0.00% (0.45%)</b>				
<b>Media 1.43% (1.19%)</b>				
Dentsu Group	JPY	28,800	820	0.76
Kadokawa	JPY	36,100	716	0.67
			<u>1,536</u>	<u>1.43</u>
<b>Wireless Telecommunication Services 1.09% (2.03%)</b>				
KDDI	JPY	44,500	1,173	1.09
			<u>1,173</u>	<u>1.09</u>
<b>Communication Services total</b>			<b>7,674</b>	<b>7.14</b>
<b>Consumer Discretionary 25.09% (21.44%)</b>				
<b>Auto Components 1.57% (5.96%)</b>				
NGK Spark Plug	JPY	106,100	1,692	1.57
			<u>1,692</u>	<u>1.57</u>
<b>Automobiles 8.70% (6.29%)</b>				
Honda Motor	JPY	131,000	2,729	2.54
Isuzu Motors	JPY	222,800	1,990	1.85
Mitsubishi Motors	JPY	336,600	951	0.89
Toyota Motor	JPY	250,700	3,298	3.07
Yamaha Motor	JPY	24,200	381	0.35
			<u>9,349</u>	<u>8.70</u>
<b>Household Durables 7.93% (3.99%)</b>				
Nikon	JPY	125,300	1,172	1.09
Rinnai	JPY	23,900	1,482	1.38
Sony Group	JPY	81,600	5,873	5.46
			<u>8,527</u>	<u>7.93</u>
<b>Multiline Retail 0.00% (0.42%)</b>				
<b>Specialty Retail 5.55% (3.97%)</b>				
ABC-Mart	JPY	14,100	488	0.45
Fast Retailing	JPY	6,200	3,060	2.85
Nitori Holdings	JPY	28,000	2,423	2.25
			<u>5,971</u>	<u>5.55</u>
<b>Textiles, Apparel &amp; Luxury Goods 1.34% (0.81%)</b>				
Asics	JPY	92,900	1,440	1.34
			<u>1,440</u>	<u>1.34</u>
<b>Consumer Discretionary total</b>			<b>26,979</b>	<b>25.09</b>
<b>Consumer Staples 1.86% (5.52%)</b>				
<b>Beverages 0.00% (1.08%)</b>				
<b>Food &amp; Staples Retailing 1.08% (0.77%)</b>				
MatsukiyoCocokara	JPY	37,700	1,163	1.08
			<u>1,163</u>	<u>1.08</u>
<b>Food Products 0.44% (1.17%)</b>				
Toyo Suisan Kaisha	JPY	13,600	472	0.44
			<u>472</u>	<u>0.44</u>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2022

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Household Products 0.00% (0.69%)</b>				
<b>Personal Products 0.34% (1.81%)</b>				
Fancl	JPY	23,300	363	0.34
			363	0.34
<b>Consumer Staples total</b>			<b>1,998</b>	<b>1.86</b>
<b>Energy 0.66% (0.00%)</b>				
<b>Oil, Gas &amp; Consumable Fuels 0.66% (0.00%)</b>				
Cosmo Energy Holdings	JPY	28,900	712	0.66
			712	0.66
<b>Energy total</b>			<b>712</b>	<b>0.66</b>
<b>Financials 7.93% (7.02%)</b>				
<b>Banks 4.49% (3.39%)</b>				
Sumitomo Mitsui Financial Group	JPY	110,300	2,782	2.59
Sumitomo Mitsui Trust Holdings	JPY	76,200	2,044	1.90
			4,826	4.49
<b>Capital Markets 0.00% (0.85%)</b>				
<b>Diversified Financial Services 1.69% (1.30%)</b>				
ORIX	JPY	125,300	1,820	1.69
			1,820	1.69
<b>Insurance 1.75% (1.48%)</b>				
Sompo Holdings	JPY	51,500	1,877	1.75
			1,877	1.75
<b>Financials total</b>			<b>8,523</b>	<b>7.93</b>
<b>Health Care 8.16% (7.14%)</b>				
<b>Health Care Equipment &amp; Supplies 2.03% (0.00%)</b>				
Olympus	JPY	125,900	2,182	2.03
			2,182	2.03
<b>Pharmaceuticals 6.13% (7.14%)</b>				
Chugai Pharmaceutical	JPY	95,600	2,197	2.04
Daiichi Sankyo	JPY	133,300	2,887	2.69
Shionogi	JPY	36,000	1,507	1.40
			6,591	6.13
<b>Health Care total</b>			<b>8,773</b>	<b>8.16</b>
<b>Industrials 25.23% (24.90%)</b>				
<b>Air Freight &amp; Logistics 0.00% (1.05%)</b>				
<b>Airlines 0.76% (0.47%)</b>				
Japan Airlines	JPY	57,500	819	0.76
			819	0.76
<b>Building Products 4.77% (4.32%)</b>				
Daikin Industries	JPY	24,600	3,516	3.27
Lixil	JPY	50,800	853	0.80
Nichiha	JPY	44,800	755	0.70
			5,124	4.77
<b>Construction &amp; Engineering 0.50% (0.87%)</b>				
Penta-Ocean Construction	JPY	120,000	538	0.50
			538	0.50
<b>Industrial Conglomerates 1.58% (0.94%)</b>				
Hitachi	JPY	41,300	1,701	1.58
			1,701	1.58

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2022

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Machinery 9.59% (10.28%)</b>				
Ebara	JPY	41,100	1,311	1.22
Fuji	JPY	16,000	202	0.19
Kurita Water Industries	JPY	21,600	714	0.66
MinebeaMitsumi	JPY	211,500	3,092	2.88
SMC	JPY	6,400	2,575	2.40
Toyota Industries	JPY	40,400	2,002	1.86
Tsubakimoto Chain	JPY	21,200	410	0.38
			10,306	9.59
<b>Marine 2.31% (1.45%)</b>				
Nippon Yusen KK	JPY	38,700	2,478	2.31
			2,478	2.31
<b>Professional Services 1.61% (1.93%)</b>				
Recruit Holdings	JPY	56,900	1,735	1.61
			1,735	1.61
<b>Road &amp; Rail 1.10% (0.72%)</b>				
Nippon Express Holdings	JPY	24,300	1,182	1.10
			1,182	1.10
<b>Trading Companies &amp; Distributors 3.01% (2.87%)</b>				
Hanwa	JPY	28,100	501	0.47
Marubeni	JPY	316,800	2,404	2.23
Trusco Nakayama	JPY	29,000	336	0.31
			3,241	3.01
<b>Industrials total</b>			<b>27,124</b>	<b>25.23</b>
<b>Information Technology 15.03% (14.11%)</b>				
<b>Electronic Equipment, Instruments &amp; Components 7.25% (4.83%)</b>				
Ibiden	JPY	48,100	1,152	1.07
Keyence	JPY	7,300	2,351	2.19
Taiyo Yuden	JPY	77,900	2,244	2.09
TDK	JPY	80,200	2,049	1.90
			7,796	7.25
<b>IT Services 1.25% (1.02%)</b>				
NTT Data	JPY	109,300	1,347	1.25
			1,347	1.25
<b>Semiconductors &amp; Semiconductor Equipment 5.48% (7.21%)</b>				
Advantest	JPY	39,000	1,883	1.75
Renesas Electronics	JPY	247,100	1,918	1.79
Tokyo Electron	JPY	7,400	2,090	1.94
			5,891	5.48
<b>Technology Hardware, Storage &amp; Peripherals 1.05% (1.05%)</b>				
Seiko Epson	JPY	92,700	1,133	1.05
			1,133	1.05
<b>Information Technology total</b>			<b>16,167</b>	<b>15.03</b>

## PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2022

Investment	Currency	Holding	Market Value £000	% of Net Assets
<b>Materials 4.11% (7.74%)</b>				
<b>Chemicals 3.27% (7.74%)</b>				
Denka	JPY	19,500	412	0.38
Mitsubishi Gas Chemical	JPY	53,800	637	0.59
Mitsui Chemicals	JPY	53,100	911	0.85
NOF	JPY	12,100	389	0.36
Zeon	JPY	141,500	1,169	1.09
			<u>3,518</u>	<u>3.27</u>
<b>Metals &amp; Mining 0.84% (0.00%)</b>				
Sumitomo Metal Mining	JPY	34,900	905	0.84
			<u>905</u>	<u>0.84</u>
<b>Materials total</b>			<b>4,423</b>	<b>4.11</b>
<b>Real Estate 2.52% (4.74%)</b>				
<b>Real Estate Management &amp; Development 2.52% (4.74%)</b>				
Daiwa House Industry	JPY	133,500	2,706	2.52
			<u>2,706</u>	<u>2.52</u>
<b>Real Estate total</b>			<b>2,706</b>	<b>2.52</b>
<b>Utilities 0.78% (0.00%)</b>				
<b>Gas Utilities 0.78% (0.00%)</b>				
Nippon Gas	JPY	68,700	841	0.78
			<u>841</u>	<u>0.78</u>
<b>Utilities total</b>			<b>841</b>	<b>0.78</b>
<b>Equities total</b>			<b>105,920</b>	<b>98.51</b>
Investment assets			105,920	98.51
Net other assets			1,605	1.49
<b>Net assets</b>			<b>107,525</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to an official stock exchange unless otherwise stated.

The comparative percentage figures in brackets are as at 31 July 2021.

## STATEMENT OF TOTAL RETURN

For the year ended 31 July 2022

	Notes	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
Income					
Net capital (losses)/gains	2		(6,521)		32,910
Revenue	3	4,539		3,542	
Expenses					
Net revenue before taxation	4	(1,824)		(2,421)	
Taxation	5	(454)		(355)	
Net revenue after taxation			2,261		766
<b>Total return before distributions</b>			<b>(4,260)</b>		<b>33,676</b>
Distributions	6		(2,261)		(766)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(6,521)</b>		<b>32,910</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 July 2022

	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
<b>Opening net assets attributable to shareholders</b>		<b>178,118</b>		<b>168,908</b>
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	5,977		1,997	
Amounts payable on cancellation of shares	(70,169)		(25,713)	
		(64,192)		(23,716)
Dilution adjustment		120		16
Change in net assets attributable to shareholders from investment activities (see above)		(6,521)		32,910
<b>Closing net assets attributable to shareholders</b>		<b>107,525</b>		<b>178,118</b>

## BALANCE SHEET

As at 31 July 2022

	Notes	As at 31.07.22 £000	As at 31.07.21 £000
<b>Assets:</b>			
Investments	7	105,920	178,222
<b>Current assets:</b>			
Debtors	8	263	148
Cash and bank balances	9	56,442	671
<b>Total assets</b>		<b>162,625</b>	<b>179,041</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Distribution payable		(1,060)	(514)
Other creditors	10	(54,040)	(409)
<b>Total liabilities</b>		<b>(55,100)</b>	<b>(923)</b>
<b>Net assets attributable to shareholders</b>		<b>107,525</b>	<b>178,118</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 5 to 7 for accounting basis and policies.

### 2 Net capital (losses)/gains

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net capital (losses)/gains on investment during the year comprise:</b>		
Currency gains/(losses)	418	(92)
Non-derivative securities (losses)/gains	(6,939)	33,002
<b>Net capital (losses)/gains</b>	<b>(6,521)</b>	<b>32,910</b>

### 3 Revenue

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
Overseas dividends	4,539	3,542
<b>Total revenue</b>	<b>4,539</b>	<b>3,542</b>

### 4 Expenses

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Payable to the Authorised Corporate Director ("ACD"), associates of the ACD or agents of either of them:</b>		
Fund Management Fee	1,823	2,419
	1,823	2,419
<b>Payable to the Depositary, associates of the Depositary or agents of either of them:</b>		
Interest payable	1	2
<b>Total expenses</b>	<b>1,824</b>	<b>2,421</b>

The audit fee was £9,260 (2021: £9,260) net of VAT.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**5 Taxation****a Analysis of tax charge**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
Overseas tax suffered	454	355
<b>Total current tax for the year (see note 5b)</b>	<b>454</b>	<b>355</b>

**b Factors affecting current tax charge**

The tax assessed for the year is lower (2021: higher) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2021: 20%).

The differences are explained below:

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net revenue before taxation</b>	<b>2,715</b>	<b>1,121</b>
Corporation tax at 20%	543	224
<b>Effects of:</b>		
Movement in excess management expenses	365	484
Overseas dividends not subject to corporation tax	(908)	(708)
Overseas tax suffered	454	355
<b>Current tax charge (see note 5a)</b>	<b>454</b>	<b>355</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c Deferred tax**

There was no provision for deferred tax at the year end (2021: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £24,329,147 (2021: £22,506,517) creating a potential deferred tax asset of £4,865,829 (2021: £4,501,303). It is unlikely that the Fund will generate taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

**6 Distributions**

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:</b>		
Interim distribution	583	198
Final distribution	1,060	514
	1,643	712
Add: Revenue deducted on cancellation of shares	633	57
Deduct: Revenue received on issue of shares	(15)	(3)
<b>Total distributions</b>	<b>2,261</b>	<b>766</b>

Details of the distributions per share are set out in the distribution tables on page 44.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**7 Fair value hierarchy**

Valuation technique	As at 31.07.22 Assets £000	As at 31.07.21 Assets £000
Level 1: Quoted prices	105,920	178,222
<b>Total value</b>	<b>105,920</b>	<b>178,222</b>

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities.

The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority is given to unobservable inputs. Disclosure is required of the value in each category in order to give an insight into the extent to which fair value measurements are subjective.

The disclosure is split into the following categories:

**Level 1:** Unadjusted quoted price in an active market for an identical instrument;

**Level 2:** Valuation techniques using observable inputs other than quoted prices within level 1;

**Level 3:** Valuation techniques using unobservable inputs.

As at the balance sheet date, the fund held no level 2 or level 3 investments.

**8 Debtors**

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued revenue	166	148
Amounts receivable on issue of shares	97	–
<b>Total debtors</b>	<b>263</b>	<b>148</b>

**9 Cash and bank balances**

	As at 31.07.22 £000	As at 31.07.21 £000
Cash and bank balances	56,442	671
<b>Total cash and bank balances</b>	<b>56,442</b>	<b>671</b>

**10 Other creditors**

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued expenses	8	409
Amounts payable for cancellation of shares	54,032	–
<b>Total other creditors</b>	<b>54,040</b>	<b>409</b>

**11 Contingent liabilities and commitments**

There were no contingent liabilities or commitments at the year end (2021: £nil).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 12 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

Fund Management Fee paid to Aviva Investors UK Fund Services Limited ("the ACD") are shown in note 4 and details of shares issued and cancelled by the ACD are shown in the statement of change in net assets attributable to shareholders. The balance due to the ACD at the year end in respect of Fund Management Fee was £8,524 (2021: £409,160). Any balance due from the ACD in respect of issues is shown in note 8. Any balance due to the ACD in respect of cancellations is shown in note 10.

Distributions payable to the ACD and related parties of the ACD during the year amounted to £1,643,196 (2021: £711,581). The amount outstanding at the year end was £1,059,927 (2021: £514,073). Related parties of the ACD are deemed to be all companies under the control of Aviva Plc. This will include companies which hold shares in the Fund on behalf of other external investors.

Any investments managed and advised by Aviva Investors Global Services Limited or associated with the Aviva Group are identified on the portfolio statement.

Holdings at the year end and movements during the year are as follows:

	Holdings at 31.07.22 (shares)	Movement (shares)	Holdings at 31.07.21 (shares)
ACD and related parties (Share Class 8 Income)*	48,374,178	(28,802,345)	77,176,523

\* Class 2 was renamed Class 8 on 9 May 2022.

The ACD and related parties of the ACD are ineligible to vote at any general meeting.

### 13 Shareholder funds

The Fund currently has one share class: Class 8 (Associated undertakings of Aviva Plc). The Fund Management Fee is as follows:

Class 8: 0.06%

The net asset value of the share class, the net asset value per share and the number of shares in the class are shown on page 31. The distributions per share class are given in the distribution tables on page 44.

### 14 Shares in issue reconciliation

	Number of shares in issue at 31.07.21	Number of shares issued	Number of shares cancelled	Number of shares converted	Number of shares in issue at 31.07.22
Share Class 8 Income*	77,176,523	2,526,283	(31,328,628)	–	48,374,178

\* Class 2 was renamed Class 8 on 9 May 2022.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 15 Derivatives and other financial instruments

The policies applied in the management of financial instruments are set out on pages 5 to 7.

#### Fair value of financial assets and financial liabilities

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2021: £nil).

#### Currency risk

At the year end date, 100.65% (2021: 100.35%) of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be significantly affected by currency movements. If currency rates were to change by 10.00%, the value of the Fund would change by 10.07% (2021: 10.04%).

Currency	Net foreign currency assets					
	Monetary exposure £000		Non monetary exposure £000		Total £000	
	31.07.22	31.07.21	31.07.22	31.07.21	31.07.22	31.07.21
Japanese Yen	2,306	511	105,920	178,222	108,226	178,733

#### Interest rate risk

The Fund does not invest in either fixed or floating rate securities and interest rate risk exposure is restricted to interest receivable on bank deposits or payable on bank overdraft positions which will be affected by fluctuations in interest rates.

At the year end date 52.49% (2021: 0.38%) of the net assets of the Fund was in cash. The floating rate on bank balances is linked to the Depositary's base rate.

The floating rate on bank balances is linked to the Depositary's base rate.

#### Market price risk

At the year end date, 98.51% (2021: 100.06%) of the net assets of the Fund were invested in ordinary shares or stock units or debt securities admitted to an official stock exchange. If the market value were to change by 10%, the value of the Fund would change by 9.85% (2021: 10.01%).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**16 Direct transaction costs**

In the case of shares, broker commissions and transfer taxes, stamp duty is paid by the Fund on each transaction. In addition, there is a dealing spread between buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of the dealing spread.

31.07.22	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
<b>Purchases (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	(72,313)	(42)	–	(72,355)	0.06%	0.00%
	(72,313)	(42)	–	(72,355)		
<b>Sales (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	137,761	(43)	–	137,718	0.03%	0.00%
	137,761	(43)	–	137,718		
<b>Total</b>		(85)	–			
<b>Percentage of Fund average net assets</b>		0.05%	0.00%			

31.07.21	Principal before costs £000	Commissions £000	Taxes £000	Total after costs £000	Commissions as % of principal	Taxes as % of principal
<b>Purchases (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	(135,666)	(78)	–	(135,744)	0.06%	0.00%
	(135,666)	(78)	–	(135,744)		
<b>Sales (excluding Inspecie &amp; Corporate Action activity)</b>						
Equities	158,389	(78)	–	158,311	0.05%	0.00%
	158,389	(78)	–	158,311		
<b>Total</b>		(156)	–			
<b>Percentage of Fund average net assets</b>		0.08%	0.00%			

**Dealing spread**

As at 31 July 2022, the average portfolio dealing spread was 0.22% (2021: 0.21%). This spread represents the difference between the values determined retrospectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

## DISTRIBUTION TABLES

**Final distribution payable in pence per share for the six months ended 31 July 2022**

Income shares		Net revenue	Equalisation	Final distribution payable 30 September 2022	Final distribution paid 30 September 2021
Share Class 8*	Group 1	2.1911	–	2.1911	0.6661
	Group 2	2.1911	0.0000	2.1911	0.6661

\* Class 2 was renamed Class 8 on 9 May 2022.

Group 1 shares are those shares purchased at or before 2pm on 31 January 2022.

Group 2 shares are those shares purchased after 2pm on 31 January 2022.

**Interim distribution paid in pence per share for the six months ended 31 January 2022**

Income shares		Net revenue	Equalisation	Interim distribution paid 31 March 2022	Interim distribution paid 31 March 2021
Share Class 8*	Group 1	0.7837	–	0.7837	0.2412
	Group 2	0.1963	0.5874	0.7837	0.2412

\* Class 2 was renamed Class 8 on 9 May 2022.

Group 1 shares are those shares purchased at or before 2pm on 31 July 2021.

Group 2 shares are those shares purchased after 2pm on 31 July 2021.

**Equalisation**

Equalisation applies only to Group 2 shares, in other words shares purchased during the relevant period. It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to the holders of these shares as return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## AVIVA INVESTORS US EQUITY MOM 1 FUND

The Fund closed on 18 May 2019, and will be terminated in due course.

The Fund's investors provided an instruction to redeem their respective investments in the Fund in full. Following this redemption the Fund was left as a shell fund with no shareholders and no assets requiring management. The ACD therefore proposed to terminate the Fund.

### INVESTMENT OBJECTIVE

Long term capital growth by investing primarily in US equities.

### INVESTMENT POLICY

The Fund invested primarily in equity securities listed or traded on Regulated markets in the US. Limited exposure to other geographic regions may be possible. The Fund might have invested in any of the following financial instruments in order to achieve its investment objective: equities or securities with equity characteristics, unlisted transferable securities, convertibles, preference shares, warrants, money market instruments, collective investment schemes and deposits.

### FUND MANAGER'S REPORT

Please note, the Fund was closed on 18 May 2019 and is in the process of being terminated. No fund manager's report has been included within the annual report and financial statements as no investment activity has taken place during the year under review.

#### **Material Portfolio Changes**

There were no purchases or sales during the year as the Fund closed on 18 May 2019.

#### **Synthetic Risk and Reward Indicator**

Investment risks have been removed as the Fund closed on 18 May 2019.

## COMPARATIVE TABLE

	2022	2021	2020
Class 2 Income	p per share	p per share	p per share
<b>Change in net assets per share</b>			
Opening net asset value per share	-	-	-
Return before operating charges <sup>‡</sup>	-	-	-
Operating charges	-	-	-
Return after operating charges <sup>‡</sup>	-	-	-
Distributions	-	-	-
Closing net asset value per share	-	-	-
† after direct transaction costs of	-	-	-
<b>Performance</b>			
Return after charges	-	-	-
<b>Other information</b>			
Closing net asset value (£000)	-	-	-
Closing number of shares	-	-	-
Operating charges (%) <sup>‡</sup>	-	-	-
Direct transaction costs (%) <sup>#</sup>	-	-	-
<b>Prices<sup>≈</sup></b>			
Highest share price	-	-	-
Lowest share price	-	-	-

‡ The operating charges are calculated on an ex-post basis and as such may differ from the Ongoing Charge Figure where:

(a) The Ongoing Charge has been annualised for a share class that has not yet been open for a full year.

(b) The Fund was closed on 18 May 2019, hence the Operating charges (%) for the current year are zero.

# The direct transaction costs have been stated after deducting, in the case of single-priced funds, the proportion of the amounts collected from dilution adjustments or dilution levies that relates to direct transaction costs and, in the case of dual-priced funds, the amounts collected in relation to direct transaction costs added to, or subtracted from, the valuations by virtue of COLL 6.3.6 G (4).

≈ The high and low prices disclosed are the high and low prices for the accounting period and not the calendar year and are based on published prices. The net asset value per share price is based on the net asset value in the published accounts and may be different due to post year end accounting adjustments.

**Ongoing Charges Figure\***

Share class	31.07.22	31.07.21
Class 2	-	-

\* The Ongoing Charges Figure (OCF) is calculated as the ratio of the total ongoing charges to the average net asset value of the Fund over the year. The OCF is made up of the Fund Management Fee and, where a fund invests a substantial portion of its assets in other funds, an amount for the pro-rated charges of those other funds (referred to as "synthetic charges" or the "synthetic" part of the ongoing charge). The figure for ongoing charges excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling shares/units in another collective investment scheme.

Please remember that past performance is not a guide to future performance and it might not be repeated. The value of investments and the revenue from them may go down as well as up and investors may not get back the amount originally invested. Because of this, you are not certain to make a profit on your investments and you may lose money.

**Portfolio Statement**

As the Fund closed on 18 May 2019, there were no investments as at 31 July 2022.

## STATEMENT OF TOTAL RETURN

For the year ended 31 July 2022

	Notes	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
Income					
Net capital gains	2		45		17
Revenue	3	-		-	
Expenses					
Net revenue before taxation	4	(14)		(9)	
Taxation	5	-		-	
Net expense after taxation					
			(14)		(9)
<b>Total return before distributions</b>			<b>31</b>		<b>8</b>
Distributions	6		-		-
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>31</b>		<b>8</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 July 2022

	£000	Year ended 31.07.22 £000	£000	Year ended 31.07.21 £000
<b>Opening net assets attributable to shareholders</b>		-		-
Movement due to issue and cancellation of shares:				
Amounts receivable on issue of shares	-		-	
Amounts payable on cancellation of shares	-		-	
Dilution adjustment				
		-		-
Change in net assets attributable to shareholders from investment activities (see above)		31		8
Fund closure		(31)		(8)
<b>Closing net assets attributable to shareholders</b>				
		-		-

## BALANCE SHEET

As at 31 July 2022

	Notes	As at 31.07.22 £000	As at 31.07.21 £000
<b>Assets:</b>			
<b>Current assets:</b>			
Debtors	7	–	143
Cash and bank balances	8	59	27
<b>Total assets</b>		<b>59</b>	<b>170</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Other creditors	9	(59)	(170)
<b>Total liabilities</b>		<b>(59)</b>	<b>(170)</b>
<b>Net assets attributable to shareholders</b>		<b>–</b>	<b>–</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting basis and policies

Please see pages 5 to 7 for accounting basis and policies.

### 2 Net capital gains

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net capital gains on investment during the year comprise:</b>		
Currency gains/(losses)	9	(2)
Non-derivative securities gains	–	19
Class action receipts	36	–
<b>Net capital gains</b>	<b>45</b>	<b>17</b>

### 3 Revenue

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Total revenue</b>	<b>–</b>	<b>–</b>

### 4 Expenses

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Payable to the Authorised Corporate Director (“ACD”), associates of the ACD or agents of either of them:</b>		
Fund Management Fee	14	9
<b>Total expenses</b>	<b>14</b>	<b>9</b>

The audit fee was £10,275 (2021: £8,562) net of VAT.

### 5 Taxation

#### a Analysis of tax charge

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Total current tax for the year (see note 5b)</b>	<b>–</b>	<b>–</b>

#### b Factors affecting current tax charge

The tax assessed for the year is higher (2021: higher) than the standard rate of corporation tax in the UK for an Authorised Investment Fund (20%) (2021: 20%).

The differences are explained below:

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
<b>Net expense before taxation</b>	<b>(14)</b>	<b>(9)</b>
Corporation tax at 20%	(3)	(2)
<b>Effects of:</b>		
Movement in excess management expenses	3	2
<b>Current tax charge (see note 5a)</b>	<b>–</b>	<b>–</b>

Authorised Investment Funds are exempt from tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 5 Taxation (continued)

#### c Deferred tax

There was no provision for deferred tax at the year end (2021: £nil).

After claiming relief against accrued income taxable on receipt, the Fund has unrelieved excess expenses of £15,066,370 (2021: £15,052,400) creating a potential deferred tax asset of £3,013,274 (2021: £3,010,480). It is unlikely that the Fund will generate taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised in the current or prior year.

### 6 Distributions

	Year ended 31.07.22 £000	Year ended 31.07.21 £000
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:		
<b>Total distributions</b>	–	–
Reconciliation of distributions for the year to net expense after taxation		
Revenue deficit transferred to capital	(14)	(9)
<b>Net expense after taxation</b>	<b>(14)</b>	<b>(9)</b>

Details of the distributions per share are set out in the distribution tables on page 52.

### 7 Debtors

	As at 31.07.22 £000	As at 31.07.21 £000
Amounts receivable from ACD	–	143
<b>Total debtors</b>	<b>–</b>	<b>143</b>

### 8 Cash and bank balances

	As at 31.07.22 £000	As at 31.07.21 £000
Cash and bank balances	59	27
<b>Total cash and bank balances</b>	<b>59</b>	<b>27</b>

### 9 Other creditors

	As at 31.07.22 £000	As at 31.07.21 £000
Accrued expenses	10	170
Windfall payable*	49	–
<b>Total other creditors</b>	<b>59</b>	<b>170</b>

\* The amount represents cumulative Windfall receipts payable to investors in the Fund as at the closure date.

### 10 Contingent liabilities and commitments

There were no contingent liabilities or commitments at the year end (2021: £nil).

### 11 Related party transactions

Aviva Investors UK Fund Services Limited, Aviva Investors Global Services Limited and the Aviva group are deemed to be related parties per section 33.10 of FRS 102 as they are entities with control, joint control or significant influence over the entity.

Fund Management Fee paid to Aviva Investors UK Fund Services Limited ("the ACD") are shown in note 4 and details of shares issued and cancelled by the ACD are shown in the statement of change in net assets attributable to shareholders. The balance due to the ACD at the year end in respect of Fund Management Fee was £nil (2021: £144,936). Any balance due from the ACD in respect of issues is shown in note 7. Any balance due to the ACD in respect of cancellations is shown in note 9.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### **12 Derivatives and other financial instruments**

The policies applied in the management of financial instruments are set out on pages 5 to 7.

### **Fair value of financial assets and financial liabilities**

There is no significant difference between the carrying values of the financial assets and liabilities and their fair values (2021: £nil).

### **13 Direct transaction costs**

No transaction costs or taxes were incurred during the current and prior year.

## DISTRIBUTION TABLES

As the Fund was closed on 18 May 2019, there were no distributions paid or payable.

## STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting period which give a true and fair view of the financial positions of the Company at the period end and of the net revenue and net gains or losses on the scheme property of the Company for the period then ended.

In preparing the financial statements the ACD is required to:

- follow applicable accounting standards;
- make judgements and estimates that are reasonable and prudent;
- select suitable accounting policies and then apply them consistently;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future; and
- comply with the Instrument of Incorporation and the Statement of Recommended Practice for Authorised Funds.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Regulations and the Instrument of Incorporation.

The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## AUTHORISED CORPORATE DIRECTOR'S STATEMENT

We hereby approve the Report and Financial Statements of Aviva Investors Manager of Manager ICVC (ICVC2) for the year ended 31 July 2022 on behalf of Aviva Investors UK Fund Services Limited in accordance with the requirements of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.



M Bell  
Director  
21 November 2022

## STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND DEPOSITARY'S REPORT TO THE SHAREHOLDERS

The Depositary must ensure that the Company 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 Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the regulations;
- the value of shares of the Company are calculated in accordance with the regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the regulations; and the instructions of the Authorised Corporate Director ('the ACD'), which is the UCITS Management Company, are carried out (unless they conflict with the regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

J.P. Morgan Europe Limited  
London  
21 November 2022

# INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVIVA INVESTORS MANAGER OF MANAGER ICVC (ICVC2)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

In our opinion, the financial statements of Aviva Investors Manager of Manager ICVC (ICVC2) (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31 July 2022 and of the net revenue/expenses and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Aviva Investors Manager of Manager ICVC (ICVC2) is an Open Ended Investment Company ("OEIC") with 4 sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 31 July 2022; the statements of total return and the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; the accounting policies (within the Policies and Risk section); and the notes to the financial statements.

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### EMPHASIS OF MATTER – FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we draw your attention to accounting policy A (within the Policies and Risks section) which describes the Authorised Corporate Director's reasons why the financial statements of Aviva Investors US Equity MoM 1 Fund, Aviva Investors UK Listed Equity High Alpha Fund and Aviva Investors Apac Equity MoM 1 Fund (the 'terminating sub-funds') sub funds of Aviva Investors Manager of Manager ICVC (ICVC2) have been prepared on a basis other than going concern. The financial statements of the remaining sub-fund of the Company (the 'continuing sub-fund') have been prepared on a going concern basis.

### CONCLUSIONS RELATING TO GOING CONCERN

With the exception of circumstances described in the Emphasis of Matter – financial statements prepared on a basis other than going concern paragraph above regarding the terminating sub-funds, in respect of the Company as a whole and the continuing sub-fund, 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 Company's or the continuing sub-fund's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

With the exception of the terminating sub-funds, in auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or its continuing sub-fund's ability to continue as a going concern.

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

### Basis of preparation (relevant section below)

The Authorised Corporate Director intends to terminate the following Funds:

- Aviva Investors US Equity MoM 1 Fund;
- Aviva Investors Apac Equity MoM 1 Fund;
- Aviva Investors UK Listed Equity High Alpha Fund.

These Funds will be terminated at the earliest opportunity following approval of the financial statements and therefore the financial statements of these Funds have been prepared on a basis other than going concern and any additional costs in respect of the termination of these Funds will be borne by the ACD. No adjustments were necessary in the Funds' financial statements to reduce assets to their realisable values, to provide for liabilities arising from the termination or to reclassify fixed assets and long term liabilities as current assets and liabilities.

The financial statements of Aviva Investors Japan Equity MoM 1 Fund have been prepared on a going concern basis.

### REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AVIVA INVESTORS MANAGER OF MANAGER ICVC (ICVC2) (CONTINUED)

### AUTHORISED CORPORATE DIRECTOR'S REPORT

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

#### Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for 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.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds 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 Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

#### Auditors' 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 auditors' 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.

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.

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;

- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

#### Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### OTHER REQUIRED REPORTING

#### OPINION ON MATTER REQUIRED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

#### COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK EXCEPTION REPORTING

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Glasgow  
21 November 2022

## SECURITIES FINANCING TRANSACTIONS REGULATION DISCLOSURE

None of the Funds in the Company currently undertakes securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365) or uses total return swaps.

## GENERAL INFORMATION

Investments in Aviva Investors Manager of Manager ICVC (ICVC2) are intended to be medium to long term investments and should not be considered as a short term investment.

Past performance is not a guide to the future.

The value of an investment in the Funds and the revenue from it may go down as well as up, and you may not get back the original amount invested.

Where Funds are invested abroad, the value of your investment may rise and fall purely on account of movement in exchange rates.

Please refer to the Prospectus (which is available on the internet at [www.avivainvestors.com](http://www.avivainvestors.com) or from the ACD on request) for a full description of the risks involved when investing in the Funds.

Any future returns and opinions expressed should not be relied upon as indicating any guarantee of return from investment in the Funds.

The performance figure given for each fund is based on midday values for the Aviva Investors UK Listed Equity High Alpha Fund and at 2pm for all other Funds.

The information contained within this document should not be construed as a recommendation to purchase or sell stocks.

### **Publication of Prices**

Information on the prices of Shares will be available by calling 0800 051 2003 or on the internet at [www.avivainvestors.com](http://www.avivainvestors.com). Calls may be recorded for training or monitoring purposes. Calls are free from UK landlines and mobiles.

## VALUE ASSESSMENT

Value Assessments for the Aviva Investors Manager of Manager ICVC (ICVC2) can now be found at [www.avivainvestors.com/value-assessments](http://www.avivainvestors.com/value-assessments).

## REMUNERATION POLICY (UNAUDITED)

In line with the requirements of the Undertakings for Collective Investment in Transferable Securities Directive V ("UCITS V"), Aviva Investors UK Fund Services Limited ("AIUKFSL") is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the UCITS Directive.

There are four components of pay:

**Basic Salary** – set within an appropriate market range, which is sufficient to allow the possibility, where performance so warrants, that an employee may receive no variable pay.

**Annual bonus** – a discretionary short-term incentive plan where individuals may receive a bonus based on business and individual performance against targets. Where bonuses are equal to or greater than £75,000, a 3 year deferral with pro-rata vesting in Aviva funds and/or Aviva Group Plc shares occurs, following this a further holding period applies where regulation requires.

The extent to which each aspect of performance affects the overall payment level depends on the role and responsibilities of the individual. Performance is measured against a combination of individual, business unit, Aviva Investors and Group performance over an appropriate period.

A rounded assessment of financial performance is made accounting for a range of financial considerations, including, but not limited to operating profit, investment performance and net flows. The assessment of Aviva Investors' financial performance is formed with reference to –:

- Actual results vs. prior period results
- Actual results vs. agreed plans
- Actual results relative to competitors
- Actual results vs., and progress towards, our long-term target ambition.

The remuneration of employees in Control Functions (defined as Risk, Compliance and Audit) is determined independently of the financial results of Aviva Investors in order to reinforce the independence of these functions.

The non-financial considerations include consideration of risk, conduct, culture, customer and employee engagement metrics, with Aviva values clearly underpinning all our decisions.

The Performance assessment does not encourage risk taking outside the Aviva Investors stated risk appetite and includes mechanisms by which performance against risk and conduct related measures has a significant impact on the availability and size of business and individual variable awards.

Through Aviva Investors' Global Reward Framework, all investment employees should support responsible investment and integrate ESG considerations into their investment processes, including the consideration of Sustainability Risk. ESG metrics and research are embedded in the investment process and form part of the investment scorecard and annual risk attestation. The Chief Investment Officers and investment desk heads consider how investment employees demonstrate their commitment to ESG processes as part of the determination of performance and pay outcomes.

**Long Term Incentive Awards (LTIA)** – discretionary long-term incentive plan to align reward with long-term investment performance, Aviva Group and Shareholders, and with the additional intention to help retain key talent. Part of the long-term incentive plan is in Aviva Investors Funds and part is in Aviva Restricted Share Units (RSUs), for the AI CEO the RSUs have additional performance conditions of Total Shareholder Return and Solvency II Return on Equity. Vesting is after 3 years and awards for Identified Staff will be subject to a pre-vesting assessment of individual performance, behaviours, and alignment with the company values of Aviva Investors throughout the three-year performance period.

**Benefits in Kind** – standard benefits are provided that are appropriate to the market.

Code Staff are not permitted to undertake personal hedging strategies in respect of any variable remuneration.

Aviva Investors believes in rewarding strong performance and achievement of our business and individual goals; however, the manner in which these goals are achieved is also important. We do not consider it appropriate to reward people who have engaged in inappropriate behaviour or conduct which is not in line with Aviva's values and variable pay awards are subject to the Aviva Group Malus and Clawback Policy. As such, Aviva may decide that a Deferred Award which has not vested will lapse wholly or in part if they consider that:

- the participant or their team has, in the opinion of the Directors, engaged in misconduct which ought to result in the complete or partial forfeit or repayment of their award;
- there has been, in the opinion of the Directors, a material failure of risk management by reference to Group risk management standards, policies and procedures, taking into account the proximity of the participant to the failure of risk management in question and the level of the participant's responsibility;
- there is, in the opinion of the Directors, a materially adverse misstatement of Aviva's or the participant's relevant business unit's financial statements for which the participant has some responsibility;
- the participant participated in or was responsible for conduct which resulted in significant, or potentially significant, loss(es) to their relevant business unit, Aviva or any member of the Aviva Group;
- the participant failed to meet appropriate standards of fitness and propriety;
- there is evidence of misconduct or material error that would justify, or would have justified, had the participant still been employed, summary termination of their contract of employment; or
- any other circumstances required by local regulatory obligations to which any member of the Group or business unit is subject.

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the UCITS funds it manages, and takes into account the promotion of sound and effective risk management and the achievement of fair outcomes for all customers.

## REMUNERATION POLICY (UNAUDITED) (CONTINUED)

AIUKFSL has no employees but is a wholly owned subsidiary of Aviva Investors Holdings Limited. For the year to 31 December 2021, apportioned remuneration based on the time assessed to be spent on AIUKFSL UCITS activity paid by Aviva Plc, the ultimate parent of AIUKFSL, to its senior management team, and staff whose actions have a material impact on the risk profile of AIUKFSL ("Code staff"), is as follows:

	Senior Management	Other Code Staff
Total Remuneration:	£1.3m	£1.1m
Of which, Fixed Remuneration:	33%	38%
Variable Remuneration:	63%	56%
Pension/Benefits:	4%	6%
Number of Code staff:	20	26

