

# Columbia Threadneedle Opportunity Funds (UK) ICVC

Annual Report and Audited Financial Statements  
Columbia Threadneedle Opportunity Funds (UK) ICVC May 2023

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*\*These pages, together with the investment reports, Directors' Statements, Comparative Table Disclosure and portfolio statements of the individual funds comprise the Manager's Report.*

## Company Information

### Company

Columbia Threadneedle Opportunity Investment Funds (UK) ICVC (the “Company”)

Registered Number IC000862

### Registered Office

Cannon Place, 78 Cannon Street, London EC4N 6AG

### Board of Directors of the Company

Kirstene Baillie (non-executive); Rita Bajaj (non-executive); and the Authorised Corporate Director (the “ACD”) who together form the Company Board.

### Authorised Corporate Director (ACD) of the Company

Threadneedle Investment Services Limited

### Board of Directors of the ACD

K Cates (non-executive)

J Griffiths

J Perrin (Appointed to the Board on 29 September 2022)

A Roughead (non-executive)

R Vincent

L Weatherup

## Authorised Corporate Director's Report

The ACD, on behalf of the Directors of the Company, has pleasure in presenting the Annual Report and Audited Financial Statements for Columbia Threadneedle Opportunity Funds (UK) ICVC for the 12 months to 25 May 2023.

We hope that you find the report informative. Should you require any further information regarding any aspect of your investment, or about other Columbia Threadneedle products, we would be pleased to help. Alternatively, you may find it helpful to visit [columbiathreadneedle.com](http://columbiathreadneedle.com) for further information about Columbia Threadneedle.

Thank you for your continued support.

**L Weatherup**

**Director of the ACD**

## DIRECTORS' STATEMENTS

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes (COLL) Sourcebook, we hereby approve the Annual Report and Audited Financial Statements for each of the funds listed on page 1 (contents page) on behalf of the Board of the Company.

**R Vincent**

**Authorised signatory on behalf of the ACD**

**R Bajaj**

**Non-Executive Director**

29 August 2023

# Notes to the Annual Reports and Financial Statements for Columbia Threadneedle Opportunity Funds (UK) ICVC

## Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014.

#### (b) Going concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the ACD considers that the Company has adequate resources to continue in operational existence for the next twelve months. In assessing the going concern basis of accounting the ACD has had regard to the guidance issued by the Financial Reporting Council. They have considered the current cash position of the funds, forecast income and other forecast cash flows. The Company has agreements relating to its borrowing facilities with which it has complied during the year. Based on this information the ACD believes that the Company has the ability to meet its financial obligations as they fall due for the foreseeable future, which is considered to be for a period of at least twelve months from the date of approval of the accounts. For this reason, they continue to adopt the going concern basis in preparing the accounts.

#### (c) Basis of valuation of investments

The investments of the funds are valued at fair market prices at close of business on the last working day of the accounting period. Investments are stated at their fair value which generally is the bid valuation of each security.

These bid values are sourced from independent pricing sources; to the extent that an independent pricing source is not available then quotes are obtained from a broker. Where the ACD deems that these valuations are unrepresentative of a fair valuation of the security, a fair valuation adjustment is applied based upon the ACD's opinion of fair value.

The close of business on the last working day of the year has been used for the purposes of preparing the report and financial statements.

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

Derivatives are valued based on counterparty valuations, appropriate pricing models and the ACD's opinion of fair value.

The Fair Value of Collective Investment Schemes (CIS) holdings is the bid price for authorised unit trusts and the quoted price for open-ended investment companies and offshore funds.

#### (d) Exchange rates

Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the exchange rates ruling at 12 noon (UK time), being the valuation point on the last working day of the accounting period. Transactions denominated in a foreign currency are translated into sterling at the exchange rates ruling at the date of the transaction.

#### (e) Derivatives

The Funds invest in various types of derivatives.

Derivative revenue and expense are netted off for the purposes of disclosure. The net balance is disclosed within either the revenue or interest payable and similar charges note depending on whether the balance is in a net revenue or expense position respectively.

Any capital gains/losses are included within net capital gains/(losses) and any revenue or expense is included within revenue or interest payable and similar charges respectively in the statement of total return. Cash held at future brokers as margin is reflected separately within cash and bank balances.

Unless specifically noted, the Funds are not permitted to invest in derivatives for investment purposes, but derivatives may be used with the aim of reducing risk or managing the Fund more efficiently. The CT Dynamic Real Return Fund, CT Global Multi Asset Income Fund, CT UK Social Bond Fund, CT Managed Bond Fund, CT Managed Bond Focused Fund, CT Managed Equity & Bond Fund, CT Managed Equity Focused Fund and CT Managed Equity Fund may use derivatives (including Forwards) for investment purposes. This allows the Funds to profit from the fall in the price of an asset (shorting), as well as extending exposure beyond the value of its assets (leverage).

The Funds invest in the following type of derivatives:

#### Forwards

Forward foreign currency contracts are used to manage currency risk arising from holdings of overseas securities. All gains and losses are taken to capital.

#### Futures

A future is a financial contract obligating the buyer to purchase or sell an asset, at a predetermined future date and price. The holder of a futures contract is obligated to fulfil the terms the contract. Futures are held within the funds for Efficient Portfolio Management (EPM) purposes.

The revenue return element in respect of futures is calculated by reference to the quoted yield of the index upon which the future is based compared to LIBOR. The revenue so calculated may represent revenue or expenses in a fund's financial statements, in accordance with whether the fund has held a net long or short position, when considering the accounting period as a whole. The revenue or expense position is reversed where SONIA exceeds the quoted yield of the relevant index.

Any mark to market movement is accounted for as capital.

#### Interest rate swaps

Interest rate swaps are currently used to exchange interest rate streams to/from fixed rates from/to floating rates. Following the accounting for the underlying interest streams any gain/(loss) suffered from a mismatch in the fixed and floating interest rates should therefore be treated as revenue. In addition, any accrued or realised interest will also be treated as revenue if the net position has been received by the Fund, and accounted for as interest payable and similar charges if the net position is paid by the Fund. In addition, any accrued or realised interest will also be treated as revenue if the net position has been received by the Fund, and accounted for as interest payable and similar charges if the net position is paid by the Fund.

The price of these instruments also have a capital value since they are susceptible to changes in perceptions of credit risk, risk free interest rates and credit spreads. While these positions are open or traded on a secondary market, the mark to market return is taken to capital.

#### Credit default swaps

Credit default swaps are used to manage credit risk and protect the capital value of the fund. This can be achieved using two different methods, either by protecting a specific holding which is also held in the fund or by covering a basket of bonds or index which is not necessarily held but will provide a general hedge against a large credit event.

The motive of a credit default swap is to protect the capital value of the fund however the risk of a credit event is reflected in a discount applied to the price of a bond. Therefore ongoing premiums are charged to revenue/expenses on an accruals basis, depending on whether protection is bought or sold.

The premiums and accrued interest paid by the credit default swap is accounted for as revenue and forms part of distributable income and any mark to market movement is accounted for as capital.

#### (f) Recognition of revenue

Revenue is included in the Statement of Total Return on the following bases:

- Dividends on quoted equities and preference shares are recognised when the security is traded ex-dividend.
- Dividends, interest and other income receivable include any withholding taxes but exclude any other taxes such as attributable tax credits.
- Special dividends are treated as either revenue or capital depending on the facts of each particular case.
- Stock dividends are recognised as revenue on the basis of the market value of the shares at the date they are quoted ex-dividend.
- Interest on debt securities and bank and short-term deposits is recognised on an earned basis.
- In the case of debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the effective yield basis of calculating amortisation.
- Dividends and distributions from CIS are recognised when the security is quoted ex-dividend.
- Underwriting commission is recognised when the issue takes place, except where the fund is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission is deducted from the cost of those shares.
- Underwriting commission is treated as revenue except for the proportion that is deducted from the cost of shares, which is capital.
- Equalisation on distributions received is treated as a repayment of capital and deducted from the cost of the investment.

# Notes to the Annual Reports and Financial Statements for Columbia Threadneedle Opportunity Funds (UK) ICVC

## Notes to the financial statements

(continued)

### (g) Treatment of expenses (including management expenses)

All expenses other than those relating to the purchase and sale of investments, are included in expenses, in the Statement of Total Return. Expenses are recognised on an accrual basis and include irrecoverable VAT where appropriate.

### (h) Fee rebate

In addition to any direct charge for management fees within the funds, there would occur, in the absence of a rebate mechanism, an indirect charge for management fees in respect of investments in other Columbia Threadneedle funds. Any such target funds themselves bear a management fee, which reduces the values of those funds from what they otherwise would be. The rebate mechanism operates to ensure that investors in the funds bear only the fee validly applicable to them. Depending upon the ACD's treatment of management fees within the underlying funds, where management fees are taken to capital, any rebate is classified as a capital item and does not form part of the amount available for distribution.

### (i) Allocation of revenue and expenses to multiple share classes

The allocation of revenue and expenses to each share class is based upon the proportion of the fund's capital net assets attributable to each share class, on the day the revenue is earned or the expense is suffered. Revenue equalisation, annual management charge and registration fees are specific to each share class.

### (j) Equalisation policy

The funds operate equalisation to ensure the level of distributable income for any share class is not affected by the issue or cancellation of shares.

### (k) Allocation of return on hedged share classes

Hedged share classes allow the ACD to use currency hedging transactions to reduce the effect of exchange rate fluctuations between the Reference Currency or Reference Currencies and the Hedged Currency (for further definitions refer to page 87). Where undertaken, the allocation of return in relation to hedging transactions is applied in respect of that hedged share class only.

### (l) Deferred tax

Deferred tax liabilities are provided in full in respect of all items for which recognition falls in different accounting periods for accounting and taxation purposes and deferred tax assets are recognised to the extent that they are considered recoverable. Further analysis of the deferred tax assets can be found within the financial statements of the individual funds.

### (m) Dilution adjustment

Under certain circumstances the ACD has the power to charge a dilution adjustment on the purchase and/or redemption of shares. If charged, the dilution adjustment will be paid into the fund. Full details of the operation of the scheme can be found in the Prospectus.

## 2 DISTRIBUTION POLICIES

(a) In accordance with the Collective Investment Schemes Sourcebook, where the revenue from investments exceeds the expenses and taxation for any share class, a distribution will be made from that share class. Should expenses and taxation exceed revenue for any share class, there will be no distribution for that share class and a transfer from capital will be made to cover the shortfall.

Revenue attributable to Accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

(b) Where distributions are unclaimed for a period of six years these are brought back into the relevant fund as capital.

(c) The ACD's charges in respect of the following funds are added back for the purpose of determining the amount available for distribution:

- CT Global Multi Asset Income Fund
- CT UK Social Bond Fund
- CT Managed Equity Income Fund

(d) When a transfer is made between the revenue and capital of the same share class marginal tax relief is not taken into account when determining the distribution. Marginal tax relief is only taken into account where the transfer of benefit is between the revenue and capital property of at least two different share classes of the fund.

## 3 RISK MANAGEMENT POLICIES

In pursuing their investment objectives, the funds may hold a number of financial instruments. These financial instruments comprise securities, derivatives and other investments, cash balances, debtors and creditors that arise directly from the funds' operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for cancellations and debtors for accrued revenue.

The funds may also enter into a range of derivative transactions. Derivatives may be used for investment purposes or with the aim of reducing risk or managing the Fund more efficiently. The funds only execute derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD. Further detail on derivative use can be found in the individual Fund's objective and policy.

The ACD has a Risk Management Policy (RMP\*), which is reviewed by the Depositary. The processes detailed within are designed to monitor and measure as frequently as appropriate the risk of the funds' underlying investments, derivative and forward positions and their contribution to the overall risk profile of the funds.. The ACD reviews (and agrees with the Depositary) policies for managing each of these risks. The main risks arising from financial instruments and the ACD's policies for managing these risks are stated below. Full details of risk factors are contained in the prospectus. These policies have been consistent for both the current and prior period to which these financial statements relate.

### Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the funds might suffer through holding market positions in the face of price movements. This means the value of an investor's holding may go down as well as up and an investor may not recover the amount invested. Bond funds hold a range of fixed interest instruments which may be difficult to value and/or liquidate.

Investors should consider the degree of exposure of these funds in the context of all their investments.

The investment portfolios are exposed to market price fluctuations, which are monitored by the ACD as per the policies as set out in the Prospectus.

The value of the investment can fall as well as rise and investors might not get back the sum originally invested, especially if investments are not held for the long term.

The ACD meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

The investment guidelines and investment and borrowing powers are set out in the instrument of incorporation and the prospectus.

### Liquidity risk

Liquidity risk is the risk that a fund cannot raise sufficient cash to meet its liabilities when due. One of the key factors influencing this will be the ability to sell investments at, or close to, the fair value without a significant loss being realised.

Under normal circumstances, the funds will remain close to fully invested. However, where circumstances require: either because a view of illiquid securities markets or high levels of cancellations in the funds, the funds may hold cash and/or more liquid assets. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the funds' cash to ensure they can meet their liabilities. The ACD receives daily reports of issues and cancellations enabling the ACD to raise cash from the funds' portfolios in order to meet redemption requests. In addition the ACD monitors market liquidity of all securities, seeking to ensure the funds maintain sufficient liquidity to meet known and potential redemption activity. Fund cash balances are monitored daily by the ACD and Administrator.

Where investments cannot be realised in time to meet any potential liability, the funds may borrow up to 10% of their value to ensure settlement. All of the funds' financial liabilities are payable on demand or in less than one year.

The ACD may defer redemptions at a particular Valuation Point on a Dealing Day, to the Valuation Point on the next Dealing Day. This will allow the ACD to match the sale of Scheme Property to the level of redemptions, and should reduce the impact of dilution on a Fund. In exceptional circumstances the ACD, with the prior agreement of the Depositary, may suspend dealing. Suspension will cease as soon as practicable after the exceptional circumstances leading to the suspension have ceased but the ACD and the Depositary will formally review the suspension at least every 28 days and will inform the FCA of the review and any change to the information given to Shareholders. The ACD may also, in certain circumstances, require a redeeming shareholder, in lieu of payment, to be transferred property of the fund.

\*The RMP available on request from the client services team contact details on page 90.

## Notes to the Annual Reports and Financial Statements for Columbia Threadneedle Opportunity Funds (UK) ICVC

### Notes to the financial statements

*(continued)*

#### **Credit risk/Counterparty risk**

Credit risk is the risk that the counterparty in a financial transaction will fail to fulfil their obligation or commitment. Credit risk arises from three main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principal in a timely manner. Secondly, for asset backed investments (including FRNs) there is the possibility of default of the issuer and default in the underlying assets meaning that the fund may not receive back the full principal originally invested. Thirdly, there is counterparty risk, which is the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the fund has fulfilled its responsibilities, which could result in the funds suffering a loss.

In order to manage credit risk the funds are subject to investment limits for issuers of securities. Issuer credit ratings are evaluated periodically and an approved issuer list is maintained and monitored. In addition the funds only buy and sell investments through brokers which have been approved by the ACD as an acceptable counterparty and limits are set and monitored to cover the exposure to any individual broker. Changes in broker's financial ratings are periodically reviewed.

The funds may invest in what are considered riskier bonds (below investment grade). This brings the potential for increased risk of default and could affect both the income and the capital value of the fund. Further details can be found in the portfolio statement of the individual funds.

#### **Interest rate risk**

Interest rate risk is the risk that the value of the funds' investments will fluctuate as a result of changes in interest rates. The fund invests in floating rate securities. The income of these funds may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest 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 interest rate risk profile for fund is shown in the notes to the financial statements, contained within the full financial statements.

#### **Currency risk**

Foreign currency risk is the risk that the value of the funds' investments will fluctuate as a result of changes in foreign currency exchange rates. For those funds where a proportion of the net assets of the fund are denominated in currencies other than the fund's base currency, the balance sheet can be affected by movements in exchange rates. The ACD monitors the foreign currency exposure of the funds and may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the value of investments that are priced in other currencies. Hedged Share Classes are available to investors as set out in the Important Information – Characteristics of Shares section on page 87. The currency risk profile for the relevant funds is shown in their notes to the financial statements, contained within the full financial statements.

### **4 CROSS HOLDINGS**

There were no cross holdings in the current or prior year for any funds within the Columbia Threadneedle Opportunity Funds (UK) ICVC.

### **5 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities

## CT Dynamic Real Return Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve a higher rate of return from capital appreciation and income than the rate of inflation in the UK (defined as the Consumer Price Index (CPI)), over a period of 3 to 5 years. Currently, the Fund looks to achieve an average annual return of CPI +4% when measured over this same time period, before charges are deducted. The Fund also seeks to deliver a positive return over any 3-year period (net of charges), regardless of market conditions. However, there is a risk to capital, and there is no guarantee that a positive return will be achieved in 3 years, or any other timescale.

The Fund actively manages an exposure to bonds, equities (company shares), money market instruments, cash, currencies, commodities, property and other alternative asset classes on a global basis. The exposure to these asset classes varies over time, as deemed necessary to achieve the investment objective, which may result in the Fund having little or no exposure to certain asset classes. The Fund obtains exposure to different asset classes by investing in other collective investment schemes (including funds managed by Columbia Threadneedle companies) or by using derivatives (including forward transactions). The Fund may also invest directly in transferable securities (including bonds and company shares), money market instruments, deposits and cash. The Fund does not invest in physical commodities or directly in real property.

In addition to using derivatives for investment purposes, derivatives may be used with the aim of reducing risk or managing the Fund more efficiently.

#### Performance of Net Income Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Dynamic Real Return Fund has fallen from 130.84p to 126.83p.

For comparison, using noon prices, the performance of the Class 2 share class was -2.87% compared to a return of -0.40% for the Morningstar UK Unit Trusts/OEICs – IA Targeted Absolute Return Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the total return of the UK CPI +4% Index was +13.63%.

#### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US,

eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flattened in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

As regards allocation activity, we took steps early in the period to reduce risk in the portfolio given the deteriorating growth outlook. In part, this was achieved by lowering equity exposure, particularly in Japan and (predominantly emerging) Asia ex Japan. We also took profits in commodities, which had rallied very strongly over the preceding year. More recently we have reduced the allocation to US equities. It is one of the more expensive regional markets and we have concerns that its elevated valuations may not survive the higher interest-rate environment.

By contrast, we increased exposure to UK equities, whose ongoing discount versus overseas peers looks unjustified and should help the market weather the higher interest rates. In addition, our increase was mainly achieved via FTSE 100 index futures; the large-cap index is skewed towards defensive stocks and, being dominated by overseas earners, is insulated to a degree from the travails of the domestic economy.

In fixed income, we took advantage of volatility and weakness in core government bonds to raise the portfolio's duration (sensitivity to changes in interest rates). Initially, most of the increase in duration was focused on the gilt market, where we increased the allocation as a proportion of the fund's net asset value as well as extending the maturity of the holdings within it. Later, following a rally in gilts, we booked some profits and switched the proceeds into US Treasuries.

Additionally, we increased the size and duration of our sterling IG exposure by raising the overall weighting of the allocation, and within it, increasing the proportion of the allocation invested in the all-maturities CT Sterling Corporate Bond Fund and adding a modest holding in the CT Sterling Medium- and Long-dated Corporate Bond Fund. We have become more constructive on duration over the year as core yields have risen very sharply. Markets already appear to have priced in at least as much monetary tightening as there is likely to be in this cycle, inflation seems to have peaked, and we also note the improved hedge that the current elevated yields offer should the economic slowdown prove worse than expected. Despite the challenging backdrop, however, we feel there is also still value to be had in select risk assets, especially the shares and bonds of those companies with relatively defensive cashflows.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(75,153)	(53,298)
Revenue	3	41,645	42,961
Expenses	4	(7,711)	(12,308)
Interest payable and similar charges	5	(194)	(8)
Net revenue before taxation		33,740	30,645
Taxation	6	(5,257)	(4,804)
Net revenue after taxation		28,483	25,841
Total return before distributions		(46,670)	(27,457)
Distributions	7	(28,592)	(25,918)
Change in net assets attributable to shareholders from investment activities		(75,262)	(53,375)

### BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments		1,328,478	1,955,679
<b>Current assets:</b>			
Debtors	8	8,389	7,552
Cash and bank balances	9	57,833	159,886
Cash equivalents**		12	207,439
Total assets		1,394,712	2,330,556
<b>Liabilities:</b>			
<b>Investment liabilities</b>		(1,449)	(14,025)
<b>Creditors:</b>			
Bank overdrafts	9	(44,333)	(41,063)
Distribution payable		(1,697)	(1,172)
Other creditors	10	(6,979)	(14,820)
Total liabilities		(54,458)	(71,080)
<b>Net assets attributable to shareholders</b>		<b>1,340,254</b>	<b>2,259,476</b>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
<b>Opening net assets attributable to shareholders</b>	<b>2,259,476</b>	<b>2,423,287</b>
Amounts receivable on the issue of shares	120,619	247,341
Amounts payable on the cancellation of shares	(987,852)	(381,554)
	(867,233)	(134,213)
Dilution adjustment	621	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(75,262)	(53,375)
Retained distribution on accumulation shares	22,652	23,777
<b>Closing net assets attributable to shareholders</b>	<b>1,340,254</b>	<b>2,259,476</b>

### DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share				
Class 2 – Income shares				
Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.7609	–	0.7609	0.4618
26/11/22 to 25/05/23	1.2916	–	1.2916	0.7810
<b>Group 2</b>				
26/05/22 to 25/11/22	0.1640	0.5969	0.7609	0.4618
26/11/22 to 25/05/23	0.9136	0.3780	1.2916	0.7810
<b>Total distributions in the period</b>			<b>2.0525</b>	<b>1.2428</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.



## CT Dynamic Real Return Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.8437	—	0.8437	0.5074
26/11/22 to 25/05/23	1.4498	—	1.4498	0.8601
<b>Group 2</b>				
26/05/22 to 25/11/22	0.6947	0.1490	0.8437	0.5074
26/11/22 to 25/05/23	0.6179	0.8319	1.4498	0.8601
<b>Total distributions in the period</b>			<b>2.2935</b>	<b>1.3675</b>

#### Class S – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.8863	—	0.8863	0.5901
26/11/22 to 25/05/23	1.4264	—	1.4264	0.9030
<b>Group 2</b>				
26/05/22 to 25/11/22	0.5114	0.3749	0.8863	0.5901
26/11/22 to 25/05/23	0.9446	0.4818	1.4264	0.9030
<b>Total distributions in the period</b>			<b>2.3127</b>	<b>1.4931</b>

#### Class X – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	1.2747	—	1.2747	0.9393
26/11/22 to 25/05/23	1.8992	—	1.8992	1.3005
<b>Group 2</b>				
26/05/22 to 25/11/22	0.7476	0.5271	1.2747	0.9393
26/11/22 to 25/05/23	1.0474	0.8518	1.8992	1.3005
<b>Total distributions in the period</b>			<b>3.1739</b>	<b>2.2398</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.6680	—	0.6680	0.3629
26/11/22 to 25/05/23	1.2002	—	1.2002	0.6844
<b>Group 2</b>				
26/05/22 to 25/11/22	0.4378	0.2302	0.6680	0.3629
26/11/22 to 25/05/23	0.5992	0.6010	1.2002	0.6844
<b>Total distributions in the period</b>			<b>1.8682</b>	<b>1.0473</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.7320	—	0.7320	0.3944
26/11/22 to 25/05/23	1.3237	—	1.3237	0.7455
<b>Group 2</b>				
26/05/22 to 25/11/22	0.4751	0.2569	0.7320	0.3944
26/11/22 to 25/05/23	0.8464	0.4773	1.3237	0.7455
<b>Total distributions in the period</b>			<b>2.0557</b>	<b>1.1399</b>

Group 2: shares purchased during a distribution period.

## CT Dynamic Real Return Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	129.92	132.99	119.17	144.10	146.13	129.55
Return before operating charges (p)	(1.54)	(0.82)	16.05	(1.71)	(0.92)	17.71
Operating charges (p)	(0.93)	(1.01)	(0.82)	(1.03)	(1.11)	(1.13)
Return after operating charges (p)*	(2.47)	(1.83)	15.23	(2.74)	(2.03)	16.58
Distributions (p)	(2.05)	(1.24)	(1.41)	(2.29)	(1.37)	(1.54)
Retained distributions on accumulation shares (p)	–	–	–	2.29	1.37	1.54
Closing net asset value per share (p)	125.40	129.92	132.99	141.36	144.10	146.13
*after direct transaction costs of (p)	0.01	0.01	–	0.01	0.01	–
<b>Performance</b>						
Return after charges (%)	(1.90)	(1.38)	12.78	(1.90)	(1.39)	12.80
<b>Other information</b>						
Closing net asset value (£000)	155,656	184,383	169,438	152,727	569,788	570,811
Closing number of shares	124,127,572	141,915,528	127,410,103	108,039,082	395,398,727	390,618,657
Operating charges (%)**	0.73	0.75	0.74	0.73	0.75	0.74
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	132.58	139.33	135.69	147.05	153.10	148.24
Lowest share price (p)	121.14	129.95	120.01	134.36	143.27	130.47
	Class S – Accumulation shares			Class X – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	129.39	130.94	115.86	151.10	152.42	134.44
Return before operating charges (p)	(1.60)	(0.88)	15.72	(2.00)	(1.16)	18.05
Operating charges (p)	(0.61)	(0.67)	(0.64)	(0.12)	(0.16)	(0.07)
Return after operating charges (p)*	(2.21)	(1.55)	15.08	(2.12)	(1.32)	17.98
Distributions (p)	(2.31)	(1.49)	(1.63)	(3.17)	(2.24)	(2.36)
Retained distributions on accumulation shares (p)	2.31	1.49	1.63	3.17	2.24	2.36
Closing net asset value per share (p)	127.18	129.39	130.94	148.98	151.10	152.42
*after direct transaction costs of (p)	0.01	0.01	–	0.01	0.01	–
<b>Performance</b>						
Return after charges (%)	(1.71)	(1.18)	13.02	(1.40)	(0.87)	13.37
<b>Other information</b>						
Closing net asset value (£000)	463,636	1,166,363	1,370,939	502,501	239,780	216,286
Closing number of shares	364,563,468	901,452,233	1,046,976,591	337,285,672	158,692,584	141,896,896
Operating charges (%)**	0.48	0.50	0.49	0.08	0.10	0.09
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	132.18	137.32	132.81	154.70	160.09	154.55
Lowest share price (p)	120.73	128.64	116.68	141.16	150.21	135.40

## CT Dynamic Real Return Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	129.87	132.93	119.12	142.31	144.52	128.31
Return before operating charges (p)	(1.49)	(0.76)	16.18	(1.64)	(0.84)	17.50
Operating charges (p)	(1.16)	(1.25)	(1.14)	(1.27)	(1.37)	(1.29)
Return after operating charges (p)*	(2.65)	(2.01)	15.04	(2.91)	(2.21)	16.21
Distributions (p)	(1.87)	(1.05)	(1.23)	(2.06)	(1.14)	(1.32)
Retained distributions on accumulation shares (p)	–	–	–	2.06	1.14	1.32
Closing net asset value per share (p)	125.35	129.87	132.93	139.40	142.31	144.52
*after direct transaction costs of (p)	0.01	0.01	–	0.01	0.01	–
<b>Performance</b>						
Return after charges (%)	(2.04)	(1.51)	12.63	(2.04)	(1.53)	12.63
<b>Other information</b>						
Closing net asset value (£000)	9,772	12,130	10,491	55,962	87,032	85,322
Closing number of shares	7,795,696	9,339,947	7,892,285	40,145,719	61,156,563	59,039,142
Operating charges (%)**	0.91	0.93	0.92	0.91	0.93	0.92
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	132.49	139.18	135.56	145.17	151.31	146.63
Lowest share price (p)	121.02	129.81	119.97	132.61	141.49	129.21

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT Dynamic Real Return Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(64,476)	(34,953)
Derivative contracts	(9,258)	(29,938)
Forward currency contracts	(2,344)	3,525
Management fee rebate on collective investment scheme holdings	360	410
Other gains	570	7,662
Transaction costs	(5)	(4)
Net capital losses	(75,153)	(53,298)
The non-derivative securities balance above includes:		
Realised gains*	37,785	21,780
Unrealised losses*	(102,261)	(56,733)
	(64,476)	(34,953)

\*Where realised gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
UK dividends	245	134
Overseas dividends	2,336	2,409
Franked dividend distributions	5,369	7,123
Interest distributions	8,672	9,232
Interest on debt securities	19,529	14,944
Interest on short term investments	113	164
Property income distributions	–	68
Non-taxable offshore fund distributions	561	743
Taxable offshore fund distributions	573	741
Unfranked dividend distributions	1,834	1,091
Derivative revenue	–	5,956
Bank interest	2,413	356
Total revenue	41,645	42,961

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(6,880)	(11,131)
Annual management charge discount*	1	–
Registration fees	(562)	(814)
	(7,441)	(11,945)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(199)	(292)
Safe custody fees	(51)	(62)
Revenue collection expenses	(3)	3
	(253)	(351)
Other expenses:		
Audit fees	(11)	(10)
Non-audit service fees payable to auditors	(6)	(2)
	(17)	(12)
Total expenses**	(7,711)	(12,308)

\*Please see page 87 for additional information on the Annual management charge discount.

\*\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(8)	(8)
Derivative expense	(186)	–
Total interest payable and similar charges	(194)	(8)

#### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Corporation tax	(5,018)	(4,148)
Double taxation relief	69	150
Overseas taxes	(308)	(806)
Total current tax (note 6b)	(5,257)	(4,804)
Total tax charge for the period	(5,257)	(4,804)
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	33,740	30,645
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(6,748)	(6,129)
Effects of:		
Revenue not subject to taxation	1,686	2,062
Overseas taxes	(308)	(805)
Double taxation relief	69	150
Capitalised revenue subject to taxation	(72)	(82)
Conversion transfer from capital	(17)	–
UK Indexation relief	133	–
Current tax charge for period (note 6a)	(5,257)	(4,804)
<b>c) Deferred tax</b>		
Deferred tax charge at the start of the period	–	(1)
Provision at the end of the period	–	(1)

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	9,964	10,354
Final	15,400	15,233
	25,364	25,587
Add: Revenue deducted on the cancellation of shares	3,540	765
Deduct: Revenue received on the creation of shares	(312)	(434)
Net distribution for the period	28,592	25,918
Net revenue after taxation	28,483	25,841
Equalisation on conversion	36	(3)
Tax charge on capital management fee rebates	72	81
Undistributed revenue brought forward	1	–
Undistributed revenue carried forward	–	(1)
Total distributions	28,592	25,918

Details of the distribution per share are set out in the table on pages 7 to 8.

#### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	61	189
Sales awaiting settlement	2,436	861
Accrued revenue	5,540	6,327
Corporation tax recoverable	101	28
Foreign withholding tax recoverable	251	147
Total debtors	8,389	7,552

## CT Dynamic Real Return Fund

### Notes to the financial statements

(continued)

#### 9 CASH AND BANK BALANCES

	2023	2022
	£000	£000
Amounts held at futures clearing houses and brokers	48,880	71,428
Cash and bank balances	8,953	88,458
	57,833	159,886
Cash overdrafts at broker	(44,333)	(41,063)
Net cash and bank balances	13,500	118,823

#### 10 OTHER CREDITORS

	2023	2022
	£000	£000
Amounts payable for the cancellation of shares	(4,041)	(11,810)
Purchases awaiting settlement	(2,572)	(2,211)
Accrued expenses	(30)	(31)
Amounts payable to ACD	(336)	(767)
Deferred tax provision	–	(1)
Total other creditors	(6,979)	(14,820)

#### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

A balance of £46,000 (2022: £67,000), in respect of annual management rebates is receivable at the end of the accounting period.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

The fund has received £5,930,000 (2022: £7,866,000) franked dividend distributions and £360,000 (2022: £410,000) management fee rebate on collective investment scheme holdings.

In addition this investment has produced a non-derivative security gain of £94,040,660 (2022: £56,733,407).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

#### 12 SHAREHOLDER FUNDS

CT Dynamic Real Return Fund currently has four share classes; Class 2, Class S, Class X and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 2 shares	0.65%
Class S shares	0.40%
Class X shares	N/A*
Class Z shares	0.75%

##### Registration fees

Class 2 shares	0.030%
Class S shares	0.030%
Class X shares	0.030%
Class Z shares	0.110%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 9 to 10. The distribution per share class is given in the distribution table on pages 7 to 8. All classes have the same rights on winding up.

\*X Shares are not subject to an Annual Management Charge.

##### Reconciliation of shares

	2023
<b>Class 2 – Income shares</b>	
Opening shares	141,915,528
Shares issued	9,194,831
Shares redeemed	(26,982,787)
Net conversions	–
Closing shares	124,127,572

2023

##### Class 2 – Accumulation shares

Opening shares	395,398,727
Shares issued	48,617,696
Shares redeemed	(184,164,532)
Net conversions	(151,812,809)
Closing shares	108,039,082

##### Class S – Accumulation shares

Opening shares	901,452,233
Shares issued	10,318,134
Shares redeemed	(487,218,194)
Net conversions	(59,988,705)
Closing shares	364,563,468

##### Class X – Accumulation shares

Opening shares	158,692,584
Shares issued	21,107,044
Shares redeemed	(40,268,777)
Net conversions	197,754,821
Closing shares	337,285,672

##### Class Z – Income shares

Opening shares	9,339,947
Shares issued	418,623
Shares redeemed	(1,938,617)
Net conversions	(24,257)
Closing shares	7,795,696

##### Class Z – Accumulation shares

Opening shares	61,156,563
Shares issued	765,403
Shares redeemed	(19,521,206)
Net conversions	(2,255,041)
Closing shares	40,145,719

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% increase applied to the equity proportion of the fund would result in an increase on this portion of the fund by 2.15% and vice versa (2022: 2.23%).

A 1.00% interest rate decrease applied to the bond proportion of the fund would result in an increase on this portion of the fund by 3.82% and vice versa (2022: 1.50%).

##### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total
	£000
<b>Currency 2023</b>	
Australian Dollar	1,647
Brazilian Real	6,676
Canadian Dollar	980
Chilean Peso	1,413
China Renminbi	6,365
Colombian Peso	2,869
Czech Koruna	3,532
Danish Krone	3,092
Euro	18,574
Hong Kong Dollar	2,372
Hungarian Forint	3,416
Indian Rupee	654
Indonesian Rupiah	9,825
Japanese Yen	(4,199)
Malaysian Ringgit	5,149
Mexican Peso	6,605
Norwegian Krone	1,619
Peruvian New Sol	1,551
Polish Zloty	3,477
Romanian Leu	2,306
Singapore Dollar	2,081

## CT Dynamic Real Return Fund

### Notes to the financial statements

(continued)

South Africa Rand	5,344
South Korean Won	3,019
Swiss Franc	4,944
Taiwan Dollar	3,519
Thai Baht	6,361
Turkish Lira	751
US Dollar	125,878

<b>Currency 2022</b>	<b>£000</b>
Australian Dollar	50,220
Brazilian Real	13,331
Chilean Peso	2,574
China Renminbi	15,581
Colombian Peso	5,265
Czech Koruna	5,468
Danish Krone	9,986
Euro	19,199
Hong Kong Dollar	2,257
Hungarian Forint	3,809
Indonesian Rupiah	15,108
Japanese Yen	90,324
Malaysian Ringgit	11,717
Mexican Peso	12,760
Norwegian Krone	3,207
Peruvian New Sol	2,688
Polish Zloty	8,050
Romanian Leu	1,463
Russian Ruble	973
South Africa Rand	12,221
South Korean Won	44,933
Swiss Franc	7,285
Taiwan Dollar	6,410
Thai Baht	11,771
Turkish Lira	1,145
US Dollar	418,753

#### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

	<b>Currency movement</b>	<b>Fund movement</b>
<b>Currency 2022</b>	<b>%</b>	<b>%</b>
US Dollar	11.78	2.18

#### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

<b>2023</b>	<b>Futures and Options Exposure</b>	<b>Forward Foreign Exchange Contracts Exposure</b>	<b>Collateral Pledged</b>
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Barclays	—	1,536	—
HSBC	—	—	20
Lloyds	—	4	—
UBS	988	4,929	—

<b>2022</b>	<b>Futures and Options Exposure</b>	<b>Forward Foreign Exchange Contracts Exposure</b>	<b>Collateral Pledged</b>
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Barclays	—	125	—
Citigroup	—	—	130
HSBC	—	1,373	—

The fund held £7,110,000 (2022: £1,490,000) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

#### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on SONIA (Sterling Overnight Index Average) or its overseas equivalent.

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	<b>Floating rate financial assets</b>	<b>Fixed rate financial assets</b>	<b>Financial assets not carrying interest</b>	<b>Total</b>
<b>Currency 2023</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Australian Dollar	7	—	1,640	1,647
Brazilian Real	—	4,632	2,175	6,807
Canadian Dollar	8	—	972	980
Chilean Peso	—	1,732	—	1,732
China Renminbi	—	4,519	1,846	6,365
Colombian Peso	—	8,120	545	8,665
Czech Koruna	6	2,959	567	3,532
Danish Krone	11	—	3,081	3,092
Euro	1,155	102,819	21,532	125,506
Hong Kong Dollar	476	—	1,896	2,372
Hungarian Forint	—	1,292	2,124	3,416
Indian Rupee	—	643	11	654
Indonesian Rupiah	—	8,043	2,898	10,941
Japanese Yen	7,058	—	21,347	28,405
Malaysian Ringgit	38	3,698	2,728	6,464
Mexican Peso	7	8,121	341	8,469
Norwegian Krone	—	—	1,619	1,619
Peruvian New Sol	—	1,755	33	1,788
Polish Zloty	6	3,303	262	3,571
Romanian Leu	2	1,048	1,256	2,306
Singapore Dollar	85	—	2,432	2,517
South Africa Rand	6	8,624	301	8,931
South Korean Won	10	—	3,009	3,019
Swiss Franc	59	—	4,885	4,944
Taiwan Dollar	22	—	3,497	3,519
Thai Baht	—	1,539	4,822	6,361
Turkish Lira	6	767	19	792
UK Sterling	2,827	282,111	885,891	1,170,829
US Dollar	47,308	65,490	172,588	285,386
<b>Currency 2022</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Australian Dollar	—	—	50,220	50,220
Brazilian Real	827	8,177	4,327	13,331
Chilean Peso	—	2,126	448	2,574
China Renminbi	3,730	13,996	3,484	21,210
Colombian Peso	—	4,962	401	5,363
Czech Koruna	—	4,848	3,006	7,854
Danish Krone	7	—	9,979	9,986
Euro	4,573	167,557	25,431	197,561
Hong Kong Dollar	467	—	1,790	2,257
Hungarian Forint	—	2,414	2,546	4,960
Indonesian Rupiah	—	15,575	4,044	19,619
Japanese Yen	1,815	—	88,509	90,324
Malaysian Ringgit	—	14,520	138	14,658
Mexican Peso	218	15,731	837	16,786
Norwegian Krone	—	—	3,207	3,207
Peruvian New Sol	—	3,966	88	4,054
Polish Zloty	—	6,092	1,958	8,050
Romanian Leu	—	1,393	1,517	2,910
Russian Ruble	350	623	—	973
South Africa Rand	475	17,013	349	17,837
South Korean Won	36,548	—	8,450	44,998
Swiss Franc	20	—	7,265	7,285
Taiwan Dollar	23	—	6,387	6,410
Thai Baht	—	4,862	7,040	11,902
Turkish Lira	253	569	323	1,145
UK Sterling	67,016	598,138	1,006,729	1,671,883
US Dollar	49,096	1,708	409,430	460,234

## CT Dynamic Real Return Fund

### Notes to the financial statements

(continued)

	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
Currency 2023	£000	£000	£000	£000
Brazilian Real	–	–	(131)	(131)
Chilean Peso	–	–	(319)	(319)
Colombian Peso	–	–	(5,796)	(5,796)
Euro	–	–	(106,932)	(106,932)
Indonesian Rupiah	–	–	(1,116)	(1,116)
Japanese Yen	–	–	(32,604)	(32,604)
Malaysian Ringgit	–	–	(1,315)	(1,315)
Mexican Peso	–	–	(1,864)	(1,864)
Peruvian New Sol	–	–	(237)	(237)
Polish Zloty	–	–	(94)	(94)
Singapore Dollar	–	–	(436)	(436)
South Africa Rand	–	–	(3,587)	(3,587)
Turkish Lira	–	–	(41)	(41)
UK Sterling	(44,333)	–	(16,062)	(60,395)
US Dollar	–	–	(159,508)	(159,508)
Currency 2022	£000	£000	£000	£000
China Renminbi	–	–	(5,629)	(5,629)
Colombian Peso	–	–	(98)	(98)
Czech Koruna	–	–	(2,386)	(2,386)
Euro	–	–	(178,362)	(178,362)
Hungarian Forint	–	–	(1,151)	(1,151)
Indonesian Rupiah	–	–	(4,511)	(4,511)
Malaysian Ringgit	–	–	(2,941)	(2,941)
Mexican Peso	–	–	(4,026)	(4,026)
Peruvian New Sol	–	–	(1,366)	(1,366)
Romanian Leu	–	–	(1,447)	(1,447)
South Africa Rand	–	–	(5,616)	(5,616)
South Korean Won	–	–	(65)	(65)
Thai Baht	–	–	(131)	(131)
UK Sterling	(41,063)	–	(147,842)	(188,905)
US Dollar	–	–	(41,481)	(41,481)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

#### Derivative risks

Derivatives including forward foreign exchange contracts and futures and options are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts and futures and options during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts and futures and options with an asset value of £8,806,000 (2022: £8,803,000) and a liability value of £1,449,000 (2022: £14,025,000).

### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 1*	454,945	(445)	778,518	(13,175)
Level 2	873,545	(1,004)	1,384,600	(850)
	1,328,490	(1,449)	2,163,118	(14,025)

Included within Level 1, are debt securities of £296,121,000 (2022: £349,125,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

### 16 PORTFOLIO TRANSACTION COSTS

#### 25 May 2023

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	503,632	–	–	–	–
Equities	58,683	22	0.04	55	0.09
Collective investment schemes	415,243	4	–	–	–
<b>Total</b>	977,558	26		55	

#### Gross purchases total:

	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	645,540	–	–	–	–
Equities	133,664	29	0.02	28	0.02
Collective investment schemes	977,444	–	–	–	–
Corporate actions	3,968	–	–	–	–
<b>Total</b>	1,760,616	29		28	

#### Total sales net of transaction costs:

1,760,559

#### Transaction costs as a percentage of average Net Assets

Commissions: 0.00%  
Taxes: 0.00%

#### Commissions

£000
<b>Futures and Options</b>
83

#### 25 May 2022

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	379,007	–	–	–	–
Equities	97,315	25	0.03	38	0.04
Collective investment schemes	277,743	30	0.01	–	–
Corporate actions	378	–	–	–	–
<b>Total</b>	754,443	55		38	

#### Gross purchases total:

	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	255,063	–	–	–	–
Equities	77,630	23	0.03	9	0.01
Collective investment schemes	430,380	32	0.01	–	–
Corporate actions	2,772	–	–	–	–
<b>Total</b>	765,845	55		9	

#### Total sales net of transaction costs:

765,781

## CT Dynamic Real Return Fund

### Notes to the financial statements

(continued)

#### Transaction costs as a percentage of average Net Assets

Commissions:	0.00%
Taxes:	0.00%

#### Commissions £000

<b>Futures and Options</b>	<b>182</b>
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Portfolio transaction costs are incurred by the fund when buying and selling underlying investments. These vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs:** Broker commissions, fees and taxes.

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the balance sheet date, the portfolio dealing spread was 0.30% (25 May 2022: 0.14%), being the difference between the respective buying and selling prices for the fund's investments.

### 17 POST BALANCE SHEET EVENT

The table below shows net redemptions between the period-ended 25 May 2023 and 17 August 2023 as a percentage of the closing NAV for share classes with significant movements. The net redemptions of shares were reviewed again on 24 August with no material movements noted since 17 August. This change is reflective of conditions that arose after the period-end and hence is considered a non-adjusting event.

Class Name	% Movement
Class 2 - Income shares	(19,91)



## CT Global Multi Asset Income Fund

### Investment Report

#### Investment Objective and Policy

The investment objective of the Fund is to achieve income with the prospect of capital appreciation over the medium to long term.

The Fund's investment policy is to actively manage a global portfolio with exposure primarily to fixed income, equities and property and, in addition, to cash, money market instruments, currencies, commodities and other alternative asset classes. The ACD will vary the exposure between these asset classes as deemed necessary in order to achieve the investment objective, and this may result in the Fund having no exposure to particular asset classes.

The Fund will invest in regulated and unregulated collective investment schemes and may also invest in transferable securities, derivatives, forward transactions, cash, deposits and money market instruments. Investments in collective investment schemes may include those managed, operated or advised by the ACD, or a company in the same group as the ACD.

The Fund's exposure to property and commodities will be gained indirectly through, but not limited to, investment in collective investment schemes, securitised notes, financial derivative instruments and/or property related securities including Real Estate Investment Trusts (REITs). The Fund will not invest in physical commodities or directly in real property.

The Fund may use derivatives for the purposes of Efficient Portfolio Management and for investment purposes.

#### Performance of Net Income Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Global Multi-Asset Income Fund has fallen from 125.44p to 118.96p.

For comparison, using noon prices, the performance of the Class 2 share class was -2.75% compared to a return of -2.73% for the Morningstar UK Unit Trusts/OEICs – IA Mixed Investment 20-60% Shares Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (MSCI World 40%, Bloomberg Global Aggregate (Hedged to GBP) 40%, MSCI UK Monthly Property 20%) has a total return of -2.51%.

#### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate.

Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes

energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and, to a lesser extent, corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flattened in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while

emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market narrowed by about 9% on the same basis.

As regards allocation activity, we took steps early in the period to reduce risk in the portfolio given the deteriorating growth outlook. To this end we lowered equity exposure in Europe, the UK, Japan, and Asia ex Japan. Initially we added to US equities, given that it is a relatively defensive market, home to many structural growth opportunities and comparatively well insulated from events in Ukraine. More recently we trimmed the position again – mainly on valuation grounds – in favour of Europe, where we saw greater scope for an improvement in consumer and business confidence. Overall, though, the US equity allocation was little changed and still accounted for over a quarter of net asset value (NAV) on 25 May 2023. The European and global equity allocations rose over the year while the others fell or were cut entirely (Japan).

Meanwhile, we lowered the property allocation in the wake of Chancellor Kwarteng's disastrous mini-budget. However, capital values have continued to fall in 2023 despite the more fiscally conservative stance taken by his successor, and expectations that UK inflation will fall swiftly later this year. We have therefore availed of cheaper valuations to build the position back up, including several new real-estate investment trust (REIT) holdings. The allocation finished the period at 14.2% of NAV, versus 16.5% at the start.

Within fixed income, we reduced exposure to EM debt and euro HY credit, but our most significant move was taking advantage of rising US Treasury and UK gilt yields to add duration (interest-rate sensitivity) in the fund. On the UK side of the developed government bond allocation, we took a much larger position in the CT Sterling Bond Fund and swapped a direct gilt holding into a longer-dated equivalent. We also initiated direct holdings in medium- and long-dated US Treasuries. Overall, the developed government bond allocation rose from 3.3% of NAV to 15.1%.

Additionally, we increased the size and duration of our sterling IG exposure by raising the weighting of the allocation from 8.8% to 15.6%, by giving greater prominence to the underlying all-maturities fund than to the short-dated fund, and by starting a new position in the CT Sterling Medium- and Long-Dated Corporate Bond fund.

We have become more constructive on duration over the year as core yields have risen very sharply. Markets already appear to have priced in at least as much monetary tightening as there is likely to be in this cycle, inflation seems to have peaked, and we also note the improved hedge that the current elevated yields offer should the economic slowdown prove worse than expected. Despite the challenging backdrop, however, we feel there is also still value to be had in select risk assets, especially the shares and bonds of those companies with relatively defensive cashflows.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital (losses)/gains	2	(2,687)	103
Revenue	3	2,250	1,591
Expenses	4	(491)	(365)
Interest payable and similar charges	5	(1)	–
Net revenue before taxation		1,758	1,226
Taxation	6	(180)	(134)
Net revenue after taxation		1,578	1,092
Total return before distributions		(1,109)	1,195
Distributions	7	(1,988)	(1,393)
Change in net assets attributable to shareholders from investment activities		(3,097)	(198)

### BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
Assets:			
Fixed assets:			
Investments		73,061	46,595
Current assets:			
Debtors	8	625	734
Cash and bank balances	9	1,465	2,487
Total assets		75,151	49,816
Liabilities:			
Investment liabilities		(6)	(88)
Creditors:			
Bank overdrafts	9	–	(109)
Distribution payable		(367)	(234)
Other creditors	10	(704)	(98)
Total liabilities		(1,077)	(529)
Net assets attributable to shareholders		74,074	49,287

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	49,287	52,141
Amounts receivable on the issue of shares	33,587	9,191
Amounts payable on the cancellation of shares	(6,779)	(12,695)
	26,808	(3,504)
Dilution adjustment	4	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(3,097)	(198)
Retained distribution on accumulation shares	1,072	848
Closing net assets attributable to shareholders	74,074	49,287

### DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share

#### Class 2 – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
Group 1				
26/05/22 to 25/08/22	0.6429	–	0.6429	0.5942
26/08/22 to 25/11/22	0.9172	–	0.9172	0.9848
26/11/22 to 25/02/23	0.8657	–	0.8657	0.6334
26/02/23 to 25/05/23	1.2414	–	1.2414	1.4462
Group 2				
26/05/22 to 25/08/22	0.4245	0.2184	0.6429	0.5942
26/08/22 to 25/11/22	0.4943	0.4229	0.9172	0.9848
26/11/22 to 25/02/23	0.5566	0.3091	0.8657	0.6334
26/02/23 to 25/05/23	0.2883	0.9531	1.2414	1.4462
Total distributions in the period			3.6672	3.6586

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Global Multi Asset Income Fund

### DISTRIBUTION TABLE

(continued)

#### Class E – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.6148	–	0.6148	0.5675
26/08/22 to 25/11/22	0.8735	–	0.8735	0.9404
26/11/22 to 25/02/23	0.7192	–	0.7192	0.6077
26/02/23 to 25/05/23	1.1883	–	1.1883	1.3831
<b>Group 2</b>				
26/05/22 to 25/08/22	0.3283	0.2865	0.6148	0.5675
26/08/22 to 25/11/22	0.4728	0.4007	0.8735	0.9404
26/11/22 to 25/02/23	0.4569	0.2623	0.7192	0.6077
26/02/23 to 25/05/23	0.7041	0.4842	1.1883	1.3831
<b>Total distributions in the period</b>			<b>3.3958</b>	<b>3.4987</b>

#### Class 2 – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.8149	–	0.8149	0.7330
26/08/22 to 25/11/22	1.1706	–	1.1706	1.2214
26/11/22 to 25/02/23	0.9776	–	0.9776	0.7913
26/02/23 to 25/05/23	1.6132	–	1.6132	1.8161
<b>Group 2</b>				
26/05/22 to 25/08/22	0.5623	0.2526	0.8149	0.7330
26/08/22 to 25/11/22	0.5162	0.6544	1.1706	1.2214
26/11/22 to 25/02/23	0.5706	0.4070	0.9776	0.7913
26/02/23 to 25/05/23	0.7779	0.8353	1.6132	1.8161
<b>Total distributions in the period</b>			<b>4.5763</b>	<b>4.5618</b>

#### Class Z – Income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.6208	–	0.6208	0.5738
26/08/22 to 25/11/22	0.8991	–	0.8991	0.9653
26/11/22 to 25/02/23	0.7424	–	0.7424	0.6131
26/02/23 to 25/05/23	1.2300	–	1.2300	1.4268
<b>Group 2</b>				
26/05/22 to 25/08/22	0.4772	0.1436	0.6208	0.5738
26/08/22 to 25/11/22	0.4991	0.4000	0.8991	0.9653
26/11/22 to 25/02/23	0.4951	0.2473	0.7424	0.6131
26/02/23 to 25/05/23	0.5652	0.6648	1.2300	1.4268
<b>Total distributions in the period</b>			<b>3.4923</b>	<b>3.5790</b>

#### Class Z – Accumulation shares

Distribution Period	Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.7885	–	0.7885	0.7067
26/08/22 to 25/11/22	1.1429	–	1.1429	1.1930
26/11/22 to 25/02/23	0.9501	–	0.9501	0.7638
26/02/23 to 25/05/23	1.5845	–	1.5845	1.7861
<b>Group 2</b>				
26/05/22 to 25/08/22	0.4768	0.3117	0.7885	0.7067
26/08/22 to 25/11/22	0.5748	0.5681	1.1429	1.1930
26/11/22 to 25/02/23	0.6417	0.3084	0.9501	0.7638
26/02/23 to 25/05/23	0.7621	0.8224	1.5845	1.7861
<b>Total distributions in the period</b>			<b>4.4660</b>	<b>4.4496</b>

Group 2: shares purchased during a distribution period.

## CT Global Multi Asset Income Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class E – Income shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	123.03	123.89	112.28	117.34	117.86	106.52
Return before operating charges (p)	(0.62)	3.90	16.12	(0.65)	3.60	15.23
Operating charges (p)	(0.98)	(1.10)	(0.99)	(0.58)	(0.62)	(0.54)
Return after operating charges (p)*	(1.60)	2.80	15.13	(1.23)	2.98	14.69
Distributions (p)	(3.67)	(3.66)	(3.52)	(3.40)	(3.50)	(3.35)
Retained distributions on accumulation shares (p)	–	–	–	–	–	–
Closing net asset value per share (p)	117.76	123.03	123.89	112.71	117.34	117.86
*after direct transaction costs of (p)	0.05	–	–	0.04	–	–
<b>Performance</b>						
Return after charges (%)	(1.30)	2.26	13.48	(1.05)	2.53	13.79
<b>Other information</b>						
Closing net asset value (£000)	120	1,003	1,214	13,082	7,553	8,122
Closing number of shares	101,834	814,964	979,848	11,607,300	6,436,903	6,890,834
Operating charges (%)**	0.80	0.83	0.82	0.50	0.49	0.48
Direct transaction costs (%)***	0.04	–	–	0.04	–	–
<b>Prices</b>						
Highest share price (p)	127.98	131.05	126.87	122.14	124.83	120.69
Lowest share price (p)	116.48	123.17	112.90	111.21	117.42	107.11

  

	Class 2 – Accumulation shares			Class Z – Income shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	156.30	152.90	134.65	123.05	123.91	112.28
Return before operating charges (p)	(0.89)	4.76	19.45	(0.63)	3.90	16.15
Operating charges (p)	(1.25)	(1.36)	(1.20)	(1.06)	(1.18)	(1.08)
Return after operating charges (p)*	(2.14)	3.40	18.25	(1.69)	2.72	15.07
Distributions (p)	(4.58)	(4.56)	(4.26)	(3.49)	(3.58)	(3.44)
Retained distributions on accumulation shares (p)	4.58	4.56	4.26	–	–	–
Closing net asset value per share (p)	154.16	156.30	152.90	117.87	123.05	123.91
*after direct transaction costs of (p)	0.06	–	–	0.05	–	–
<b>Performance</b>						
Return after charges (%)	(1.38)	2.22	13.55	(1.37)	2.20	13.42
<b>Other information</b>						
Closing net asset value (£000)	13,373	8,019	9,188	21,798	11,460	8,593
Closing number of shares	8,675,108	5,130,440	6,008,888	18,492,573	9,313,701	6,935,079
Operating charges (%)**	0.80	0.83	0.82	0.87	0.90	0.89
Direct transaction costs (%)***	0.04	–	–	0.04	–	–
<b>Prices</b>						
Highest share price (p)	162.57	163.20	154.86	127.98	131.04	126.87
Lowest share price (p)	148.72	153.65	135.40	116.49	123.18	112.90

## CT Global Multi Asset Income Fund

### Comparative Table Disclosure

(continued)

	Class Z – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	155.65	152.37	134.26
Return before operating charges (p)	(0.86)	4.75	19.41
Operating charges (p)	(1.36)	(1.47)	(1.30)
Return after operating charges (p)*	(2.22)	3.28	18.11
Distributions (p)	(4.47)	(4.45)	(4.16)
Retained distributions on accumulation shares (p)	4.47	4.45	4.16
Closing net asset value per share (p)	153.43	155.65	152.37
*after direct transaction costs of (p)	0.06	–	–
<b>Performance</b>			
Return after charges (%)	(1.43)	2.15	13.49
<b>Other information</b>			
Closing net asset value (£000)	25,701	21,252	25,024
Closing number of shares	16,750,785	13,653,804	16,423,781
Operating charges (%)**	0.87	0.90	0.89
Direct transaction costs (%)***	0.04	–	–
<b>Prices</b>			
Highest share price (p)	161.88	162.58	154.32
Lowest share price (p)	148.07	153.12	135.01

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT Global Multi Asset Income Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL (LOSSES)/GAINS

Net capital (losses)/gains during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(4,045)	236
Derivative contracts	186	(1)
Forward currency contracts	1,277	(206)
Management fee rebate on collective investment scheme holdings	35	36
Other (losses)/gains	(140)	38
Net capital (losses)/gains	(2,687)	103
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(646)	982
Unrealised losses*	(3,399)	(746)
	(4,045)	236

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
UK dividends	225	131
Franked dividend distributions	634	438
Interest distributions	453	275
Interest on debt securities	259	55
Property income distributions	150	132
Non-taxable offshore fund distributions	184	176
Taxable offshore fund distributions	294	382
Bank interest	48	2
Management fee rebate on collective investment scheme holdings	3	–
Total revenue	2,250	1,591

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(411)	(302)
Registration fees	(57)	(42)
	(468)	(344)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(8)	(6)
Safe custody fees	(9)	(9)
	(17)	(15)
Other expenses:		
Audit fees	(13)	(13)
Expenses cap*	7	7
	(6)	(6)
Total expenses**	(491)	(365)

\*Excess expenses are paid by the ACD.

\*\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(1)	–
Total interest payable and similar charges	(1)	–

#### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Corporation tax	(180)	(125)
Double taxation relief	–	2
Overseas taxes	–	(11)
Total current tax (note 6b)	(180)	(134)
Total tax charge for the period	(180)	(134)
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	1,758	1,226
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(352)	(245)
Effects of:		
Revenue not subject to taxation	173	127
Overseas taxes	–	(11)
Double taxation relief	–	2
Capitalised revenue subject to taxation	(7)	(7)
UK Indexation relief	6	–
Current tax charge for period (note 6a)	(180)	(134)

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	1,278	829
Final	772	571
	2,050	1,400
Add: Revenue deducted on the cancellation of shares	24	37
Deduct: Revenue received on the creation of shares	(86)	(44)
Net distribution for the period	1,988	1,393
Net revenue after taxation	1,578	1,092
Annual management charge to capital	410	301
Total distributions	1,988	1,393

Details of the distribution per share are set out in the table on pages 16 to 17.

#### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	231	498
Accrued revenue	394	236
Total debtors	625	734

#### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	548	110
Cash and bank balances	917	2,377
	1,465	2,487
Cash overdrafts at broker	–	(109)
Net cash and bank balances	1,465	2,378

#### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(151)	(8)
Purchases awaiting settlement	(364)	–
Accrued expenses	(3)	(3)
Amounts payable to ACD	(35)	(24)
Corporation tax payable	(151)	(63)
Total other creditors	(704)	(98)

# CT Global Multi Asset Income Fund

## Notes to the financial statements

(continued)

### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

A balance of £8,000 (2022: £6,000), in respect of annual management rebates is receivable at the end of the accounting period.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security loss of £3,143,995 (2022: £945,311).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

### 12 SHAREHOLDER FUNDS

CT Global Multi Asset Income Fund currently has three share classes; Class 2, Class E and Class Z shares. The charges on each share class are as follows:

#### Annual management charge

Class 2 shares	0.65%
Class E shares	0.40%
Class Z shares	0.65%

#### Registration fees

Class 2 shares	0.035%
Class E shares	0.035%
Class Z shares	0.110%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 18 to 19. The distribution per share class is given in the distribution table on pages 16 to 17. All classes have the same rights on winding up.

#### Reconciliation of shares

	2023
<b>Class 2 – Income shares</b>	
Opening shares	814,964
Shares issued	139,927
Shares redeemed	(83,694)
Net conversions	(769,363)
Closing shares	101,834
<b>Class E – Income shares</b>	
Opening shares	6,436,903
Shares issued	5,170,895
Shares redeemed	(1,279,368)
Net conversions	1,278,870
Closing shares	11,607,300
<b>Class 2 – Accumulation shares</b>	
Opening shares	5,130,440
Shares issued	4,186,303
Shares redeemed	(694,240)
Net conversions	52,605
Closing shares	8,675,108
<b>Class Z – Income shares</b>	
Opening shares	9,313,701
Shares issued	11,228,867
Shares redeemed	(1,597,262)
Net conversions	(452,733)
Closing shares	18,492,573
<b>Class Z – Accumulation shares</b>	
Opening shares	13,653,804
Shares issued	4,580,178
Shares redeemed	(1,430,453)
Net conversions	(52,744)
Closing shares	16,750,785

### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

#### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% increase applied to the equity proportion of the fund would result in an increase on this portion of the fund by 2.58% and vice versa (2022: 2.40%).

A 1.00% interest rate decrease applied to the bond proportion of the fund would result in an increase on this portion of the fund by 3.95% and vice versa (2022: 1.41%).

#### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total
<b>Currency 2023</b>	<b>£000</b>
US Dollar	(1,897)
<b>Currency 2022</b>	<b>£000</b>
US Dollar	4,245

#### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

#### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	2023	Forward Foreign Exchange Contracts Exposure
Counterparty	£000	£000
Citigroup	–	61
HSBC	–	424
UBS	187	–

As at the prior balance sheet date there was no derivative exposure or collateral to disclose.

The fund held £510,000 (2022: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

#### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on SONIA (Sterling Overnight Index Average) or its overseas equivalent.

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
<b>Currency 2023</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
UK Sterling	1,302	3,152	76,358	80,812
US Dollar	163	6,375	7,881	14,419
<b>Currency 2022</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Japanese Yen	–	–	668	668
UK Sterling	2,348	1,378	42,418	46,144
US Dollar	139	722	5,154	6,015

## CT Global Multi Asset Income Fund

### Notes to the financial statements

(continued)

	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
Currency 2023	£000	£000	£000	£000
UK Sterling	–	–	(4,841)	(4,841)
US Dollar	–	–	(16,316)	(16,316)
Currency 2022	£000	£000	£000	£000
Japanese Yen	–	–	(668)	(668)
UK Sterling	(109)	–	(993)	(1,102)
US Dollar	–	–	(1,770)	(1,770)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

#### Derivative risks

Derivatives including forward foreign exchange contracts and futures and options are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts and futures and options during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts and futures and options with an asset value of £678,000 (2022: £35,000) and a liability value of £6,000 (2022: £88,000).

### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
Valuation technique	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	14,640	–	4,392	–
Level 2	58,421	(6)	42,203	(88)
	73,061	(6)	46,595	(88)

Included within Level 1, are debt securities of £8,871,000 (2022 £4,392,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

### 16 PORTFOLIO TRANSACTION COSTS

25 May 2023

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	12,786	–	–	–	–
Equities	5,535	3	0.06	21	0.38
Collective investment schemes	28,215	–	–	–	–
In specie transactions	–	–	–	–	–
Corporate actions	–	–	–	–	–
<b>Total</b>	46,536	3		21	

Gross purchases total:

	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	4,944	–	–	–	–
Equities	1,533	1	0.06	–	–
Collective investment schemes	10,193	–	–	–	–
In specie transactions	–	–	–	–	–
Corporate actions	–	–	–	–	–
<b>Total</b>	16,670	1		–	

Total sales net of transaction costs:

16,669					
<b>Transaction costs as a percentage of average Net Assets</b>					
Commissions:	0.01%				
Taxes:	0.03%				

Commissions  
£000

Futures and Options

25 May 2023

	Value £000	Commissions £000	%	Taxes £000	%
<b>Purchases</b>					
Bonds	1,387	–	–	–	–
Equities	487	–	–	–	–
Collective investment schemes	1,432	–	–	–	–
<b>Total</b>	3,306	–		–	

Gross purchases total:

3,306					
	Value £000	Commissions £000	%	Taxes £000	%
<b>Sales</b>					
Bonds	869	–	–	–	–
Collective investment schemes	8,432	–	–	–	–
<b>Total</b>	9,301	–		–	

Total sales net of transaction costs:

9,301					
<b>Transaction costs as a percentage of average Net Assets</b>					
Commissions:	0.00%				
Taxes:	0.00%				

Portfolio transaction costs are incurred by the fund when buying and selling underlying investments. These vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

**Direct transaction costs:** Broker commissions, fees and taxes.

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

In order to protect existing investors from the effects of dilution, portfolio transaction costs incurred as a result of investors buying and selling shares in the fund are recovered from those investors through a 'dilution adjustment' to the price they pay or receive.

At the balance sheet date, the portfolio dealing spread was 0.27% (25 May 2022: 0.78%), being the difference between the respective buying and selling prices for the fund's investments.



# CT UK Social Bond Fund

## Investment Report

### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term (5 years or more), through investment in debt securities that are deemed to be supporting and funding socially beneficial activities and development, primarily in the UK. The Fund is actively managed, and seeks to maximise its investment exposure to socially beneficial activities and development, based on assessments produced under the Fund's Social Assessment Methodology.

The Social Assessment Methodology ensures that social impact considerations are integrated into the investment decision-making process. Investment is directed towards eight social outcome areas: housing and property; community services; education, learning and skills; employment and training; financial inclusion; health and social care; transport and communications infrastructure; utilities and the environment. Eligible Investments are assessed to establish an overall view of the investment's "social intensity". Some debt securities will have more direct and tangible social benefits than others, however all those selected for investment are considered to have net positive impacts.

A Social Advisory Committee regularly reviews the Social Assessment Methodology and the assessments carried out and may propose amendments or updates over time. An annual report is made available to investors which provides a summary of the Fund's social impact performance.

The Fund may invest in all forms of debt security (usually investment grade) issued by a supranational, public, private or voluntary and/or charitable sector organisation, including without limitation, bonds, notes, bills, and loans, whether they have a fixed, floating, variable, index-linked rate or have a zero coupon.

Cash or near cash will be retained within the Fund for the purpose of efficient management, and similarly deposits and money market instruments may be held for this reason. The Fund may also use derivatives and forward transactions with the aim of reducing risk or managing the Fund more efficiently (including the hedging of any non-sterling denominated securities back to sterling). Derivatives may also be used for investment purposes provided not less than 60 days' notice is given to investors.

### Performance of Net Income Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT UK Social Bond Fund has fallen from 105.65p to 97.86p.

For comparison, using noon prices, the performance of the Class 2 share class was -4.87%.

For information purposes, using global close prices, the total return of the ICE BofA Sterling Non-Gilts 1-10 Years Index was -5.15%.

### Market Overview and Portfolio Activity

The 12 months under review was a volatile period for fixed income markets. Even before Russia's invasion of Ukraine in February 2022, inflationary pressures had been building due to pandemic-related supply chain disruptions. As energy prices rose further following the invasion, inflation reached over 9% in the US and hit double digits in Europe and the UK. In response, the Federal Reserve, the Bank of England (BoE) and the European Central Bank raised interest rates aggressively. Rising inflation and interest rates triggered fears of an economic slowdown in the UK and globally, as the Russia-Ukraine conflict and China's stringent Covid controls exacerbated the supply-chain bottlenecks that had resulted from the pandemic. Sentiment towards UK assets was further impacted by political uncertainty in the

autumn, as the government unveiled a mini-budget featuring significant un-funded tax cuts. This triggered a slump in stocks and sterling, while gilt yields and mortgage rates surged. The Bank of England (BoE) stepped in and bought bonds in an emergency move to head off a potential crisis in the pensions industry. Later, these price moves were reversed as markets welcomed the replacement of Prime Minister Liz Truss and Chancellor Kwasi Kwarteng with the more fiscally conservative Rishi Sunak and Jeremy Hunt, who reversed most of their predecessors' plans.

Sentiment improved again later in 2022 as investors anticipated slower interest rate hikes and China relaxed its zero-Covid policy, improving the outlook for global growth. In early 2023, falling energy costs sparked further optimism, as did signs that inflation in many advanced economies (including the UK) had likely peaked.

March brought a spell of intense volatility for markets due to the collapse of Silicon Valley Bank and Signature Bank in the US, along with the forced takeover of Credit Suisse by its rival UBS in Europe. This stoked fears of wider trouble in the banking sector, though swift action by financial authorities allayed contagion fears and buoyed hopes that interest rates might soon peak. Markets were calmer over the remainder of the period, though there was some further volatility as negotiations about the US debt ceiling went to the wire (though a deal avoiding a US default has since been reached). Turning to the UK economy, retail sales weakened after consumers reined in spending, as soaring energy costs pushed up inflation and knocked sentiment. Headline consumer price inflation peaked above 11% in October and did not return to single figures until April – and even then, core inflation remained elevated. More positively, GDP growth was flat in Quarter 4 (Q4) 2022 and rose slightly in Q1 2023, confounding recent predictions that the country was headed for a technical recession. The BoE said it still expected the economy to stagnate in the first half of this year, but that it no longer expects a recession in 2023 given lower energy prices and improvements in business and consumer sentiment.

Against this backdrop, yields on core government bonds – those issued by countries such as the US, the UK and Germany – rose over the year (meaning prices fell) as aggressive interest-rate rises rendered fixed-interest payments less attractive. In addition, UK government bonds were extremely volatile during late September and October in response to the then government's aforementioned tax-cutting plans. Corporate bond markets were also weak over much of the period, with the negative impact of higher underlying government bond yields compounded by wider credit spreads (the yield premiums over risk-free government bonds). However, spreads narrowed from the fourth quarter (Q4) of 2022 onwards amid easing concerns about monetary tightening.

On the sustainability front, the biggest developments came in the US and the EU. In August, Congress passed the US Inflation Reduction Act, which, despite its name, largely focuses on green investment and re-shoring initiatives. The bill includes over \$350 billion in funding for renewable energy development, as well as further subsidies for encourage electric vehicle sales and build out charging infrastructure. In Europe, the EU launched its RepowerEU plan to reduce dependence on Russian energy imports and accelerate the green transition. Brussels also expanded several aspects of its Green Deal, including an agreement that all new vehicles in the EU will be zero emission by 2030. Spurred on by the US Inflation Reduction Act, the EU also provided details on its Green Deal Industrial Plan. The plan centres on securing access to key resources for the green transition and making it quicker and easier for green projects to access funding. November's COP27 conference brought fewer high-level emissions pledges, as countries balanced net-zero goals with short-term energy security concerns following Russia's invasion of Ukraine. However, there were signs that ambitions could accelerate again at

the start of 2023. In March, the G7 foreign ministers committed to speeding up investment in green energy projects and eliminating new plastic waste by 2040. Meanwhile, through their industry body Water UK, British water companies pledged investments of £10bn to modernise Britain's water systems and prevent further sewage overflows.

In the primary market we took part in several new issues over the period. These included green bond issues from banking groups Erste Group Bank, Danske Bank, ABN Amro and Co-operative Bank, utilities National Grid and Electricity North West and property investment firm Segro; sustainability bonds from Yorkshire Water, Severn Trent and Japan International Cooperation Agency (JICA); social bonds from Saltair, Intesa Sanpaolo and Irish lender AIB; and general corporate purpose issues from utility Northumbrian Water and Banque Federative du Credit Mutuel, among others.

The sustainability bond from JICA is an international exposure within the fund's allowance to invest outside of the UK, that we have identified to be among the most impactful globally. The sustainability bond will target projects involving agriculture, forestry and fisheries, healthcare, education, water supply, improving access to finance for women, and other essential lending that will create a high social intensity within the regions the company services.

In the case of Severn Trent, the use of proceeds for this bond will be supporting vulnerable customers; investing in training facilities and employability schemes from a social perspective; improving biodiversity; reducing water leakage; and supporting sustainable water usage cycles, climate change adaptation and mitigation, as well as renewable energy generation.

Proceeds from Saltair's offering will be used to provide loans to three UK housing associations, which in turn will fund the construction of more than 1500 affordable homes.

In the secondary market, we added a new position in Crédit Agricole and scaled up a number of holdings including those in utilities Severn Trent and Thames Water, real estate firm Prologis, Unite and Yorkshire Building Society. We also increased our position in green bonds from the UK government.

Outright sales included Orange, Connect Plus and Prudential. We reduced several positions including PRS Finance (a subsidiary of property investment company ARA Venn), Vodafone, European Investment Bank and Optivo Group.

Looking ahead, although the combination of stubbornly high inflation and a tight labour market continue to present a challenge for the BoE, the peak in UK interest rates is surely close.

The economic prognosis has brightened somewhat in terms of consensus growth expectations for the year ahead. Where recession was once the central forecast for Europe and the UK, modest expansion is now anticipated – as is the case in the US. Market valuations (on a credit-spread basis) remain reasonable. Sterling IG spreads went into June around 0.6 standard deviations (SDs) above (i.e. cheaper than) their five-year average and 0.2 SDs above their 20-year average – though the latter figure is closer to flat if we adjust for the modest fall in credit quality over these last two decades. In addition, yields – another way of valuing the market – remain well above their 20-year mean. This is good news for those seeking income.

Over the coming year, our team of analysts expects corporate credit quality to improve modestly in the US and to deteriorate by a small amount in Europe, but both from a strong starting point.

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

## STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(30,629)	(28,861)
Revenue	3	10,019	5,958
Expenses	4	(1,281)	(1,362)
Interest payable and similar charges	5	(4)	(161)
Net revenue before taxation		8,734	4,435
Taxation	6	–	–
Net revenue after taxation		8,734	4,435
Total return before distributions		(21,895)	(24,426)
Distributions	7	(9,702)	(5,453)
Change in net assets attributable to shareholders from investment activities		(31,597)	(29,879)

## BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
Assets:			
Fixed assets:			
Investments		370,612	385,633
Current assets:			
Debtors	8	11,347	7,861
Cash and bank balances	9	11,359	794
Cash equivalents**		18,732	8
Total assets		412,050	394,296
Liabilities:			
Investment liabilities		(4,235)	(2,262)
Creditors:			
Bank overdrafts	9	(5,875)	(3,603)
Distribution payable		(1,433)	(804)
Other creditors	10	(5,556)	(810)
Total liabilities		(17,099)	(7,479)
Net assets attributable to shareholders		394,951	386,817

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	386,817	337,243
Amounts receivable on the issue of shares	132,413	133,847
Amounts payable on the cancellation of shares	(97,834)	(57,100)
	34,579	76,747
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(31,597)	(29,879)
Retained distribution on accumulation shares	5,152	2,706
Closing net assets attributable to shareholders	394,951	386,817

## DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Interest distribution in pence per share				
Class 2 – Income shares				
Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
Group 1				
26/05/22 to 25/08/22	0.4771	–	0.4771	0.4098
26/08/22 to 25/11/22	0.5986	–	0.5986	0.3930
26/11/22 to 25/02/23	0.6868	–	0.6868	0.3913
26/02/23 to 25/05/23	0.7511	–	0.7511	0.4313

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

\*\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.



## CT UK Social Bond Fund

### DISTRIBUTION TABLE

(continued)

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2195	0.2576	0.4771	0.4098
26/08/22 to 25/11/22	0.1317	0.4669	0.5986	0.3930
26/11/22 to 25/02/23	0.5343	0.1525	0.6868	0.3913
26/02/23 to 25/05/23	0.1937	0.5574	0.7511	0.4313
<b>Total distributions in the period</b>			<b>2.5136</b>	<b>1.6254</b>

#### Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.5804	–	0.5804	0.4912
26/08/22 to 25/11/22	0.7315	–	0.7315	0.4728
26/11/22 to 25/02/23	0.8453	–	0.8453	0.4723
26/02/23 to 25/05/23	0.9299	–	0.9299	0.5225
<b>Group 2</b>				
26/05/22 to 25/08/22	0.0689	0.5115	0.5804	0.4912
26/08/22 to 25/11/22	0.4179	0.3136	0.7315	0.4728
26/11/22 to 25/02/23	0.0847	0.7606	0.8453	0.4723
26/02/23 to 25/05/23	0.5580	0.3719	0.9299	0.5225
<b>Total distributions in the period</b>			<b>3.0871</b>	<b>1.9588</b>

#### Class 2 – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.4773	–	0.4773	0.4099
26/08/22 to 25/11/22	0.5987	–	0.5987	0.3932
26/11/22 to 25/02/23	0.6870	–	0.6870	0.3913
26/02/23 to 25/05/23	0.7514	–	0.7514	0.4314
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2253	0.2520	0.4773	0.4099
26/08/22 to 25/11/22	0.2624	0.3363	0.5987	0.3932
26/11/22 to 25/02/23	0.3121	0.3749	0.6870	0.3913
26/02/23 to 25/05/23	0.3667	0.3847	0.7514	0.4314
<b>Total distributions in the period</b>			<b>2.5144</b>	<b>1.6258</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.5910	–	0.5910	0.5002
26/08/22 to 25/11/22	0.7449	–	0.7449	0.4814
26/11/22 to 25/02/23	0.8599	–	0.8599	0.4809
26/02/23 to 25/05/23	0.9469	–	0.9469	0.5320
<b>Group 2</b>				
26/05/22 to 25/08/22	0.1517	0.4393	0.5910	0.5002
26/08/22 to 25/11/22	0.3844	0.3605	0.7449	0.4814
26/11/22 to 25/02/23	0.3942	0.4657	0.8599	0.4809
26/02/23 to 25/05/23	0.2652	0.6817	0.9469	0.5320
<b>Total distributions in the period</b>			<b>3.1427</b>	<b>1.9945</b>

#### Class 2 – Income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.4655	–	0.4655	0.3883
26/08/22 to 25/11/22	0.5876	–	0.5876	0.3769
26/11/22 to 25/02/23	0.6757	–	0.6757	0.3786
26/02/23 to 25/05/23	0.7402	–	0.7402	0.4196
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2081	0.2574	0.4655	0.3883
26/08/22 to 25/11/22	0.3264	0.2612	0.5876	0.3769
26/11/22 to 25/02/23	0.3830	0.2927	0.6757	0.3786
26/02/23 to 25/05/23	0.3517	0.3885	0.7402	0.4196
<b>Total distributions in the period</b>			<b>2.4690</b>	<b>1.5634</b>

#### Class 2 – Accumulation shares

Distribution Period	Gross Revenue	Equalisation	Revenue Accumulated 2022/2023	Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.5626	–	0.5626	0.4626
26/08/22 to 25/11/22	0.7134	–	0.7134	0.4505
26/11/22 to 25/02/23	0.8253	–	0.8253	0.4542
26/02/23 to 25/05/23	0.9101	–	0.9101	0.5050
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2851	0.2775	0.5626	0.4626
26/08/22 to 25/11/22	0.3625	0.3509	0.7134	0.4505
26/11/22 to 25/02/23	0.2615	0.5638	0.8253	0.4542
26/02/23 to 25/05/23	0.5005	0.4096	0.9101	0.5050
<b>Total distributions in the period</b>			<b>3.0114</b>	<b>1.8723</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.4654	–	0.4654	0.3883
26/08/22 to 25/11/22	0.5877	–	0.5877	0.3768
26/11/22 to 25/02/23	0.6756	–	0.6756	0.3787
26/02/23 to 25/05/23	0.7402	–	0.7402	0.4196
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2502	0.2152	0.4654	0.3883
26/08/22 to 25/11/22	0.4007	0.1870	0.5877	0.3768
26/11/22 to 25/02/23	0.3521	0.3235	0.6756	0.3787
26/02/23 to 25/05/23	0.4280	0.3122	0.7402	0.4196
<b>Total distributions in the period</b>			<b>2.4689</b>	<b>1.5634</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.5728	–	0.5728	0.4712
26/08/22 to 25/11/22	0.7266	–	0.7266	0.4588
26/11/22 to 25/02/23	0.8405	–	0.8405	0.4626
26/02/23 to 25/05/23	0.9268	–	0.9268	0.5143
<b>Group 2</b>				
26/05/22 to 25/08/22	0.2194	0.3534	0.5728	0.4712
26/08/22 to 25/11/22	0.2634	0.4632	0.7266	0.4588
26/11/22 to 25/02/23	0.2043	0.6362	0.8405	0.4626
26/02/23 to 25/05/23	0.3565	0.5703	0.9268	0.5143
<b>Total distributions in the period</b>			<b>3.0667</b>	<b>1.9069</b>

#### Class Z EUR Hedged – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/08/22	0.4474	–	0.4474	0.3744
26/08/22 to 25/11/22	0.5785	–	0.5785	0.3620
26/11/22 to 25/02/23	0.6718	–	0.6718	0.3596
26/02/23 to 25/05/23	0.7391	–	0.7391	0.3983
<b>Group 2</b>				
26/05/22 to 25/08/22	0.4474	–	0.4474	0.3744
26/08/22 to 25/11/22	0.5785	–	0.5785	0.3620
26/11/22 to 25/02/23	0.0718	0.6000	0.6718	0.3596
26/02/23 to 25/05/23	0.7391	–	0.7391	0.3983
<b>Total distributions in the period</b>			<b>2.4368</b>	<b>1.4943</b>

Group 2: shares purchased during a distribution period.

## CT UK Social Bond Fund

### Comparative Table Disclosure

	Class 2 – Income shares			Class 2 – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.96	113.10	111.31	127.68	135.56	131.23
Return before operating charges (p)	(5.34)	(6.15)	4.10	(6.53)	(7.45)	4.83
Operating charges (p)	(0.31)	(0.36)	(0.42)	(0.38)	(0.43)	(0.50)
Return after operating charges (p)*	(5.65)	(6.51)	3.68	(6.91)	(7.88)	4.33
Distributions (p)	(2.51)	(1.63)	(1.89)	(3.09)	(1.96)	(2.24)
Retained distributions on accumulation shares (p)	–	–	–	3.09	1.96	2.24
Closing net asset value per share (p)	96.80	104.96	113.10	120.77	127.68	135.56
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.38)	(5.76)	3.31	(5.41)	(5.81)	3.30
<b>Other information</b>						
Closing net asset value (£000)	27,330	17,323	16,467	78,608	36,041	12,046
Closing number of shares	28,234,623	16,503,478	14,560,569	65,088,797	28,227,146	8,886,129
Operating charges (%)**	0.31	0.33	0.37	0.31	0.32	0.37
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.49	114.83	116.09	128.32	137.64	138.11
Lowest share price (p)	92.64	105.21	111.77	113.22	127.46	131.78
	Class 2 – Gross income shares			Class 2 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.99	113.13	111.33	130.01	138.03	133.62
Return before operating charges (p)	(5.34)	(6.15)	4.11	(6.65)	(7.58)	4.92
Operating charges (p)	(0.31)	(0.36)	(0.42)	(0.39)	(0.44)	(0.51)
Return after operating charges (p)*	(5.65)	(6.51)	3.69	(7.04)	(8.02)	4.41
Distributions (p)	(2.51)	(1.63)	(1.89)	(3.14)	(1.99)	(2.28)
Retained distributions on accumulation shares (p)	–	–	–	3.14	1.99	2.28
Closing net asset value per share (p)	96.83	104.99	113.13	122.97	130.01	138.03
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.38)	(5.75)	3.31	(5.41)	(5.81)	3.30
<b>Other information</b>						
Closing net asset value (£000)	71,149	82,074	82,774	29,459	30,485	26,678
Closing number of shares	73,481,336	78,171,092	73,169,361	23,955,524	23,447,554	19,327,520
Operating charges (%)**	0.31	0.33	0.37	0.31	0.33	0.37
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.52	114.86	116.12	130.66	140.14	140.62
Lowest share price (p)	92.66	105.24	111.80	115.29	129.78	134.17

## CT UK Social Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z – Income shares			Class Z – Accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.99	113.12	111.33	126.87	134.77	130.56
Return before operating charges (p)	(5.35)	(6.17)	4.09	(6.49)	(7.42)	4.80
Operating charges (p)	(0.35)	(0.40)	(0.50)	(0.43)	(0.48)	(0.59)
Return after operating charges (p)*	(5.70)	(6.57)	3.59	(6.92)	(7.90)	4.21
Distributions (p)	(2.47)	(1.56)	(1.80)	(3.01)	(1.87)	(2.13)
Retained distributions on accumulation shares (p)	–	–	–	3.01	1.87	2.13
Closing net asset value per share (p)	96.82	104.99	113.12	119.95	126.87	134.77
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.43)	(5.81)	3.22	(5.45)	(5.86)	3.22
<b>Other information</b>						
Closing net asset value (£000)	73,473	81,163	67,802	92,359	112,376	105,519
Closing number of shares	75,884,290	77,307,635	59,938,239	76,998,907	88,578,647	78,297,721
Operating charges (%)**	0.35	0.38	0.44	0.35	0.38	0.44
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.50	114.84	116.10	127.49	136.81	137.33
Lowest share price (p)	92.65	105.22	111.79	112.48	126.65	131.10
	Class Z – Gross income shares			Class Z – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.98	113.12	111.32	129.21	137.26	132.97
Return before operating charges (p)	(5.34)	(6.18)	4.10	(6.61)	(7.56)	4.89
Operating charges (p)	(0.35)	(0.40)	(0.50)	(0.43)	(0.49)	(0.60)
Return after operating charges (p)*	(5.69)	(6.58)	3.60	(7.04)	(8.05)	4.29
Distributions (p)	(2.47)	(1.56)	(1.80)	(3.07)	(1.91)	(2.16)
Retained distributions on accumulation shares (p)	–	–	–	3.07	1.91	2.16
Closing net asset value per share (p)	96.82	104.98	113.12	122.17	129.21	137.26
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.42)	(5.82)	3.23	(5.45)	(5.86)	3.23
<b>Other information</b>						
Closing net asset value (£000)	13,995	17,784	13,788	8,526	9,523	12,117
Closing number of shares	14,455,020	16,939,765	12,189,127	6,979,245	7,370,337	8,828,054
Operating charges (%)**	0.35	0.38	0.44	0.35	0.38	0.44
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	105.50	114.83	116.10	129.84	139.34	139.88
Lowest share price (p)	92.65	105.22	111.78	114.56	128.99	133.53

## CT UK Social Bond Fund

### Comparative Table Disclosure

(continued)

	Class Z EUR Hedged – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	101.49	110.20	111.20
Return before operating charges (p)	(5.20)	(8.33)	(0.50)
Operating charges (p)	(0.34)	(0.38)	(0.50)
Return after operating charges (p)*	(5.54)	(8.71)	(1.00)
Distributions (p)	(2.44)	(1.49)	(1.81)
Retained distributions on accumulation shares (p)	2.44	1.49	1.81
Closing net asset value per share (p)	95.95	101.49	110.20
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	(5.46)	(7.90)	(0.90)
<b>Other information</b>			
Closing net asset value (£000)	52	48	52
Closing number of shares	53,961	47,090	47,090
Operating charges (%)**	0.35	0.38	0.44
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	103.22	111.50	119.48
Lowest share price (p)	91.85	99.59	108.54

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT UK Social Bond Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(34,866)	(30,779)
Derivative contracts	5,151	4,200
Forward currency contracts	(171)	(2,816)
Other (losses)/gains	(742)	537
Transaction costs	(1)	(3)
Net capital losses	(30,629)	(28,861)
The non-derivative securities balance above includes:		
Realised losses*	(15,272)	(2,407)
Unrealised losses*	(19,594)	(28,372)
	(34,866)	(30,779)

\*Where realised losses include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
Interest on debt securities	9,497	5,943
Derivative revenue	118	–
Bank interest	404	15
Total revenue	10,019	5,958

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(968)	(1,017)
Registration fees	(226)	(258)
	(1,194)	(1,275)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(46)	(46)
Safe custody fees	(29)	(29)
	(75)	(75)
Other expenses:		
Audit fees	(12)	(12)
	(12)	(12)
Total expenses*	(1,281)	(1,362)

\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(4)	(2)
Derivative expense	–	(159)
Total interest payable and similar charges	(4)	(161)

#### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 6b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	8,734	4,435
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(1,747)	(887)

	2023 £000	2022 £000
Effects of:		
Distributions treated as tax deductible	1,747	887
Current tax charge for period (note 6a)	–	–

Interest distributions were made in respect of all distributions during the prior period.

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	6,859	4,019
Final	3,031	1,561
	9,890	5,580
Add: Revenue deducted on the cancellation of shares	346	144
Deduct: Revenue received on the creation of shares	(534)	(271)
Net distribution for the period	9,702	5,453
Net revenue after taxation	8,734	4,435
Annual management charge to capital	968	1,017
Equalisation on conversion	–	1
Total distributions	9,702	5,453

Details of the distribution per share are set out in the table on pages 23 to 24.

#### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	329	4,146
Sales awaiting settlement	6,340	–
Accrued revenue	4,678	3,715
Total debtors	11,347	7,861

#### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	9,492	696
Cash and bank balances	1,867	98
	11,359	794
Bank overdrafts	–	(1,748)
Cash overdrafts at broker	(5,875)	(1,855)
Net cash and bank balances	5,484	(2,809)

#### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(883)	(717)
Purchases awaiting settlement	(4,577)	–
Accrued expenses	(11)	(10)
Amounts payable to ACD	(85)	(83)
Total other creditors	(5,556)	(810)

#### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

All transactions have been entered into in the ordinary course of business on normal commercial terms.

## CT UK Social Bond Fund

### Notes to the financial statements

(continued)

#### 12 SHAREHOLDER FUNDS

CT UK Social Bond Fund currently has two share classes; Class 2 and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 2 shares	0.25%
Class Z shares	0.25%

##### Registration fees

Class 2 shares	0.035%
Class Z shares	0.08%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 25 to 27. The distribution per share class is given in the distribution table on pages 23 to 24.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2023
<b>Class 2 – Income shares</b>	
Opening shares	16,503,478
Shares issued	19,344,480
Shares redeemed	(7,829,862)
Net conversions	216,527
Closing shares	28,234,623
<b>Class 2 – Accumulation shares</b>	
Opening shares	28,227,146
Shares issued	44,275,716
Shares redeemed	(7,591,490)
Net conversions	177,425
Closing shares	65,088,797
<b>Class 2 – Gross income shares</b>	
Opening shares	78,171,092
Shares issued	8,358,469
Shares redeemed	(13,047,958)
Net conversions	(267)
Closing shares	73,481,336
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	23,447,554
Shares issued	9,030,536
Shares redeemed	(8,676,930)
Net conversions	154,364
Closing shares	23,955,524
<b>Class Z – Income shares</b>	
Opening shares	77,307,635
Shares issued	15,900,640
Shares redeemed	(17,122,502)
Net conversions	(201,483)
Closing shares	75,884,290
<b>Class Z – Accumulation shares</b>	
Opening shares	88,578,647
Shares issued	14,920,106
Shares redeemed	(26,241,047)
Net conversions	(258,799)
Closing shares	76,998,907
<b>Class Z – Gross income shares</b>	
Opening shares	16,939,765
Shares issued	1,813,956
Shares redeemed	(4,289,259)
Net conversions	(9,442)
Closing shares	14,455,020

2023

##### Class Z – Gross accumulation shares

Opening shares	7,370,337
Shares issued	2,521,687
Shares redeemed	(2,831,953)
Net conversions	(80,826)
Closing shares	6,979,245

##### Class Z EUR Hedged – Gross accumulation shares

Opening shares	47,090
Shares issued	6,871
Shares redeemed	–
Net conversions	–
Closing shares	53,961

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 1.00% interest rate decrease applied to the fixed income proportion of the fund would result in an increase on the net asset value of the fund by 3.67% and vice versa (2022: 4.01%).

##### Currency exposures

A portion of the net assets of the fund are denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be affected by currency movements.

	Total
<b>Currency 2023</b>	<b>£000</b>
Euro	770
US Dollar	144
<b>Currency 2022</b>	<b>£000</b>
Euro	295
US Dollar	95

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Interest Rate Swaps Exposure	Futures and Options Exposure	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2023</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Counterparty</b>				
HSBC	–	–	703	–
Morgan Stanley	1,480	–	–	–
UBS	–	–	1	–
<b>2022</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Counterparty</b>				
J.P. Morgan	–	–	1	–
Morgan Stanley	902	–	–	–
UBS	–	2,902	–	1,400

The fund held £730,000 (2022: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

## CT UK Social Bond Fund

### Notes to the financial statements

(continued)

#### Analysis of investments by credit ratings

	2023		2022	
	Value £000	% of Investment	Value £000	% of Investment
AAA	35,931	9.33	46,254	12.07
Aaa	5,005	1.30	2,351	0.61
AA	26,356	6.84	26,403	6.89
AA-	—	—	1,967	0.51
Aa3	5,314	1.38	12,079	3.15
A+	29,180	7.58	17,259	4.50
A1	5,715	1.48	5,991	1.56
A	22,791	5.92	22,743	5.93
A2	3,800	0.99	5,234	1.37
A-	27,327	7.09	36,501	9.52
A3	5,651	1.47	6,658	1.74
BBB+	67,610	17.56	49,304	12.86
Baa1	12,287	3.19	15,833	4.13
BBB	34,655	9.00	53,200	13.88
(P)BBB	—	—	1,483	0.39
Baa2	15,334	3.98	18,168	4.74
BBB-	20,331	5.28	15,337	4.00
Baa3	1,884	0.49	2,617	0.68
BB+	2,231	0.58	6,575	1.72
BB	2,579	0.67	1,740	0.45
BB-	969	0.25	2,361	0.62
B1	—	—	1,222	0.32
Ba3	3,501	0.91	—	—
B3	409	0.11	746	0.19
Not Rated*	36,361	9.44	29,730	7.75
Liquidity Funds	18,732	4.86	8	—
Derivatives**	1,156	0.30	1,615	0.42
	385,109	100.00	383,379	100.00

\*S&P and Moody's are used for credit ratings, 'non-rated' stocks may be rated by other agencies.

\*\*The derivative positions do not have a significant impact on the risk profile.

#### Interest rate risk

The fund's floating rate investments earn interest which is variable, based on SONIA (Sterling Overnight Index Average) or its overseas equivalent. Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of the fund's financial assets and financial liabilities at 25 May was:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
	£000	£000	£000	£000
<b>Currency 2023</b>				
Euro	52,059	43,473	5,003	100,535
UK Sterling	39,666	244,855	128,968	413,489
US Dollar	3,040	12,219	69	15,328
<b>Currency 2022</b>				
Euro	33,115	52,682	6,203	92,000
UK Sterling	38,550	227,482	130,003	396,035
US Dollar	9,110	21,619	1,587	32,316
	Floating rate financial liabilities	Fixed rate financial liabilities	Financial liabilities not carrying interest	Total
	£000	£000	£000	£000
<b>Currency 2023</b>				
Euro	—	—	(99,765)	(99,765)
UK Sterling	(5,875)	—	(13,577)	(19,452)
US Dollar	—	—	(15,184)	(15,184)
<b>Currency 2022</b>				
Euro	—	—	(91,705)	(91,705)
UK Sterling	(3,603)	—	(6,005)	(9,608)
US Dollar	—	—	(32,221)	(32,221)

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

#### Derivative risks

Derivatives including forward foreign exchange contracts, futures and options and interest rate swaps are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts, futures and options and interest rate swaps during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts, futures and options and interest rate swaps with an asset value of £5,391,000 (2022: £3,877,000) and a liability value of £4,235,000 (2022: £2,262,000).

#### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

Valuation technique	2023		2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1*	69,560	(1,040)	53,446	—
Level 2	319,784	(3,195)	332,195	(2,262)
	389,344	(4,235)	385,641	(2,262)

Included within Level 1, are debt securities of £69,546,000 (2022: £50,544,000). The valuation of some highly liquid exchange-traded debt securities (G7 sovereign debt, supranational debt or certain corporate bonds) is sufficiently close to a binding quoted price to categorise at this level.

\*The total value of investments in the portfolio statement includes the Cash Equivalents amount shown under current assets.

#### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 16 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of bonds amounted to £212,023,708 (2022: £205,648,667) and £192,396,367 (2022: £112,676,253) respectively. Collective investment schemes purchases and sales amounted to £99,573,688 (2022: £43,010,700) and £80,850,000 (2022: £59,830,000) respectively. Corporate action costs and proceeds amounted to £Nil (2022: £Nil) and £297,761 (2022: £1,473,870) respectively.

The purchases and sales are not subject to portfolio transaction costs.

The commissions incurred by the fund when buying and selling futures and options in the current year was £5,256 (2022: £3,502).

**Indirect transaction costs:** 'Dealing spread' – the difference between the buying and selling prices of the fund's underlying investments.

At the balance sheet date, the portfolio dealing spread was 0.47% (25 May 2022: 0.49%), being the difference between the respective buying and selling prices for the fund's investments.

## CT UK Social Bond Fund

### Notes to the financial statements

(continued)

#### 17 POST BALANCE SHEET EVENT

The table below shows net redemptions between the period-ended 25 May 2023 and 17 August 2023 as a percentage of the closing NAV for share classes with significant movements. The net redemptions of shares were reviewed again on 24 August with no material movements noted since 17 August. This change is reflective of conditions that arose after the period-end and hence is considered a non-adjusting event.

Class Name	% Movement
Class Z - Gross accumulation shares	(10,11)



## CT Managed Bond Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide income with potential for long term capital growth. It looks to outperform a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 56% Bloomberg Global Aggregate ex GBP (GBP Hedged) Index,
- 24% Bloomberg Sterling Aggregate Index,
- 10% MSCI ACWI ex UK Index,
- 5% FTSE All-Share Index,
- 5% Sterling Overnight Index Average (SONIA)

The Fund is actively managed and invests at least 80% of its assets in other funds.

The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide.

The Fund focuses on investment in funds providing exposure to bonds (including corporate and government bonds), and to a lesser extent, funds investing in equities (company shares).

The balance of the exposure between these different asset types may vary over time, however, equity exposure will usually not exceed 20% of the Fund's value, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of global investment grade bonds (hedged to sterling), investment grade sterling-denominated bonds, global equities (excluding the UK), UK equities, and cash, against which Fund performance can be evaluated over time.

#### Performance of Gross Accumulation Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Bond Fund has fallen from 103.07p to 95.39p.

For comparison, using noon prices, the performance of the Class 2 share class was -7.04% compared to a return of -3.36% for the Morningstar UK Unit Trusts/OEICs – Morningstar Category GBP Allocation 0-20% Equity Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 56%, Bloomberg Sterling Aggregate Index 24%, MSCI ACWI ex UK Index 10%, FTSE All Share Index 5%, SONIA 5%) has a total return of -3.88%.

#### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically

finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flatlined in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations

about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

We cut the fund's equity exposure over the period, as our Asset Allocation Strategy Group (AASG) downgraded equities from favour to neutral in September. We became more cautious about the outlook for the asset class in the near term due to growth and monetary policy headwinds. We trimmed our equity holdings in every region, with the biggest reductions in the UK and US markets. For the former, we elected to take some profits following the strong absolute and relative performance of the portfolio in 2022. Nevertheless, the UK remains one of our favoured equity markets. In January, our AASG downgraded US equities from favour to neutral; the US is a relatively expensive market and we have particular concerns over margin vulnerability and wage pressures.

In fixed income, we became more positive on duration (which measures sensitivity to changes in interest rates) as the year progressed. At current yield levels, we believe that government bonds offer an attractive level of income and increased diversification benefits.

Within IG, we switched some funds from shorter-dated funds to their longer-dated counterparts. Valuations in IG are reasonable, while corporate credit quality is holding up well.

We cut exposure to high-yield (HY) credit. The AASG downgraded HY to neutral in response to a worsening global growth outlook and a period of outperformance versus IG credit. We also reduced the allocations to EM and Asian debt.

Looking ahead, we believe that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. Globally, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts. For corporate credit, where valuations look reasonable rather than compelling, the low growth outlook should result in below-average excess returns over core bonds in the year ahead, but likely outperformance versus equities.

For equities, meanwhile, sluggish growth presents a mild risk to company earnings. Of more concern, however, global equity valuations (on a price to earnings basis) now look historically high both in absolute terms and relative to other asset classes, such as credit.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(22,281)	(25,316)
Revenue	3	5,678	3,731
Expenses	4	(1,655)	(1,924)
Interest payable and similar charges	5	(2)	–
Net revenue before taxation		4,021	1,807
Taxation	6	–	–
Net revenue after taxation		4,021	1,807
Total return before distributions		(18,260)	(23,509)
Distributions	7	(4,021)	(1,808)
Change in net assets attributable to shareholders from investment activities		(22,281)	(25,317)

### BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
Assets:			
Fixed assets:			
Investments		211,002	264,205
Current assets:			
Debtors	8	867	3,565
Cash and bank balances	9	280	6,200
Total assets		212,149	273,970
Liabilities:			
Investment liabilities		(310)	(3,757)
Creditors:			
Distribution payable		(391)	(155)
Other creditors	10	(723)	(1,501)
Total liabilities		(1,424)	(5,413)
Net assets attributable to shareholders		210,725	268,557

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	268,557	251,754
Amounts receivable on the issue of shares	5,163	88,889
Amounts payable on the cancellation of shares	(43,730)	(48,374)
	(38,567)	40,515
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(22,281)	(25,317)
Retained distribution on accumulation shares	3,016	1,605
Closing net assets attributable to shareholders	210,725	268,557

### DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Interest distribution in pence per share

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
Group 1 26/05/22 to 25/05/23	1.4308	–	1.4308	0.4923
Group 2 26/05/22 to 25/05/23	1.0261	0.4047	1.4308	0.4923
Total distributions in the period			1.4308	0.4923

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.5270	—	1.5270	0.5780
<b>Group 2</b>				
26/05/22 to 25/05/23	1.0563	0.4707	1.5270	0.5780
<b>Total distributions in the period</b>			<b>1.5270</b>	<b>0.5780</b>

#### Class T – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.9276	—	0.9276	0.6018
26/11/22 to 25/05/23	1.0611	—	1.0611	0.3973
<b>Group 2</b>				
26/05/22 to 25/11/22	0.7010	0.2266	0.9276	0.6018
26/11/22 to 25/05/23	0.8288	0.2323	1.0611	0.3973
<b>Total distributions in the period</b>			<b>1.9887</b>	<b>0.9991</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	2.2277	—	2.2277	1.1074
<b>Group 2</b>				
26/05/22 to 25/05/23	1.3076	0.9201	2.2277	1.1074
<b>Total distributions in the period</b>			<b>2.2277</b>	<b>1.1074</b>

Group 2: shares purchased during a distribution period.

## CT Managed Bond Fund

### Comparative Table Disclosure

	Class 1 – Gross accumulation shares			Class 2 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	99.51	108.04	108.36	102.85	111.60	111.93
Return before operating charges (p)	(6.37)	(7.46)	(0.19)	(6.58)	(7.70)	(0.20)
Operating charges (p)	(0.93)	(1.07)	(0.13)	(0.91)	(1.05)	(0.13)
Return after operating charges (p)*	(7.30)	(8.53)	(0.32)	(7.49)	(8.75)	(0.33)
Distributions (p)	(1.43)	(0.49)	–	(1.53)	(0.58)	–
Retained distributions on accumulation shares (p)	1.43	0.49	–	1.53	0.58	–
Closing net asset value per share (p)	92.21	99.51	108.04	95.36	102.85	111.60
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(7.34)	(7.90)	(0.30)	(7.28)	(7.84)	(0.29)
<b>Other information</b>						
Closing net asset value (£000)	14,081	17,735	26,412	77,175	97,199	113,821
Closing number of shares	15,269,969	17,821,950	24,446,892	80,934,431	94,508,551	101,987,104
Operating charges (%)**	0.98	0.99	1.02 <sup>1</sup>	0.93	0.94	0.97 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	100.77	112.10	108.87	104.16	115.83	112.46
Lowest share price (p)	87.92	98.77	106.76	90.89	102.08	110.28
	Class T – Gross income shares			Class Z – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	112.43	122.65	122.93	125.38	135.65	135.99
Return before operating charges (p)	(7.18)	(8.44)	(0.18)	(8.01)	(9.41)	(0.23)
Operating charges (p)	(0.68)	(0.78)	(0.10)	(0.77)	(0.86)	(0.11)
Return after operating charges (p)*	(7.86)	(9.22)	(0.28)	(8.78)	(10.27)	(0.34)
Distributions (p)	(1.99)	(1.00)	–	(2.23)	(1.11)	–
Retained distributions on accumulation shares (p)	–	–	–	2.23	1.11	–
Closing net asset value per share (p)	102.58	112.43	122.65	116.60	125.38	135.65
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(6.99)	(7.52)	(0.23)	(7.00)	(7.57)	(0.25)
<b>Other information</b>						
Closing net asset value (£000)	37,756	43,735	49,941	81,713	109,888	61,580
Closing number of shares	36,804,479	38,899,951	40,717,192	70,082,514	87,641,642	45,397,629
Operating charges (%)**	0.64	0.64	0.66 <sup>1</sup>	0.64	0.64	0.66 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	113.93	126.96	123.55	127.05	141.01	136.64
Lowest share price (p)	99.47	111.97	121.19	110.93	124.43	134.03

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup> Commenced 9 April 2021.

<sup>1</sup> The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

# CT Managed Bond Fund

## Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(21,416)	(18,987)
Forward currency contracts	(394)	(7,482)
Other (losses)/gains	(471)	1,153
Net capital losses	(22,281)	(25,316)
The non-derivative securities balance above includes:		
Realised losses*	(3,828)	(843)
Unrealised losses*	(17,588)	(18,144)
	(21,416)	(18,987)

\*Where realised losses include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	663	662
Unfranked dividend distributions	4,949	3,068
Bank interest	66	1
Total revenue	5,678	3,731

### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(1,607)	(1,872)
	(1,607)	(1,872)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(28)	(32)
Safe custody fees	(9)	(9)
	(37)	(41)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(1,655)	(1,924)

\*Including irrecoverable VAT where applicable.

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(2)	–
Total interest payable and similar charges	(2)	–

### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 6b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	4,021	1,807
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(804)	(361)
Effects of:		
Revenue not subject to taxation	133	132
Excess expenses	–	20
Distributions treated as tax deductible	671	209
Current tax charge for period (note 6a)	–	–

The fund has not recognised a deferred tax asset of £Nil (2022: £20,173) arising as a result of having unutilised management expenses. The movement in deferred tax asset may not agree to the excess expenses figure quoted above due to prior year adjustments. It is unlikely that these expenses will be utilised in future years.

Interest distributions were made in respect of all distributions during the prior period.

### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	350	240
Final	3,406	1,759
	3,756	1,999
Add: Revenue deducted on the cancellation of shares	290	186
Deduct: Revenue received on the creation of shares	(25)	(377)
Net distribution for the period	4,021	1,808
Net revenue after taxation	4,021	1,807
Equalisation on conversion	–	1
Total distributions	4,021	1,808

Details of the distribution per share are set out in the table on pages 32 to 33.

### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	12	602
Sales awaiting settlement	853	2,963
Accrued revenue	2	–
Total debtors	867	3,565

### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	–	2,550
Cash and bank balances	280	3,650
Total cash and bank balances	280	6,200

### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(616)	(1,369)
Accrued expenses	(6)	(6)
Amounts payable to ACD	(101)	(126)
Total other creditors	(723)	(1,501)

### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security loss of £17,587,858 (2022: £18,144,340).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

## CT Managed Bond Fund

### Notes to the financial statements

(continued)

#### 12 SHAREHOLDER FUNDS

CT Managed Bond Fund currently has four share classes; Class 1, Class 2, Class T and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 1 shares	0.90%
Class 2 shares	0.85%
Class T shares	0.55%
Class Z shares	0.55%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on page 34.

The distribution per share class is given in the distribution table on pages 32 to 33.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2023
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	17,821,950
Shares issued	640,971
Shares redeemed	(3,141,413)
Net conversions	(51,539)
Closing shares	15,269,969
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	94,508,551
Shares issued	3,817,950
Shares redeemed	(17,398,648)
Net conversions	6,578
Closing shares	80,934,431
<b>Class T – Gross income shares</b>	
Opening shares	38,899,951
Shares issued	575,841
Shares redeemed	(2,671,313)
Net conversions	–
Closing shares	36,804,479
<b>Class Z – Gross accumulation shares</b>	
Opening shares	87,641,642
Shares issued	151,933
Shares redeemed	(17,746,517)
Net conversions	35,456
Closing shares	70,082,514

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 0.94% and vice versa (2022: 0.90%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 6.25% and vice versa (2022: 4.10%).

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2023</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
Citigroup	180	–
HSBC	295	–
UBS	483	–
<b>2022</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
Barclays	129	–
HSBC	–	2,400
UBS	–	150

The fund held £1,000,000 (2022: £110,000) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

##### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

##### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts with an asset value of £1,198,000 (2022: £643,000) and a liability value of £310,000 (2022: £3,757,000).

#### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 2	211,002	(310)	264,205	(3,757)
	211,002	(310)	264,205	(3,757)

#### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 16 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £23,107,190 (2022: £93,812,309) and £61,025,950 (2022: £65,344,726) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.

## CT Managed Bond Focused Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to provide a combination of income and long-term capital growth. It looks to outperform a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 47.5% Bloomberg Global Aggregate ex GBP (GBP Hedged) Index,
- 20% Bloomberg Sterling Aggregate Index;
- 20% MSCI ACWI ex UK Index,
- 7.5% FTSE All-Share Index,
- 5% Sterling Overnight Index Average (SONIA)

The Fund is actively managed, and invests at least 80% of its assets in other funds. The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide.

The Fund focuses on investment in funds providing exposure to bonds (including corporate and government bonds), and to a lesser extent, funds investing in equities (company shares), particularly the shares of UK companies.

The balance of the exposure between these different asset types may vary over time, however, equity exposure will usually not exceed 35% of the Fund's value, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of global investment grade bonds (hedged to sterling), investment grade sterling-denominated bonds, global equities (excluding the UK), UK equities, and cash, against which Fund performance can be evaluated over time.

#### Performance of Gross Accumulation Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Bond Focused Fund has fallen from 123.04p to 116.08p.

For comparison, using noon prices, the performance of the Class 2 share class was -5.73% compared to a return of -3.87% for the Morningstar UK Unit Trusts/OEICs – IA Mixed Investment 0-35% Shares Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 47.50%, Bloomberg Sterling Aggregate Index 20%, MSCI ACWI ex UK Index 20%, FTSE All Share Index 7.5%, SONIA 5%) has a total return of -2.72%.

#### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it,

and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results. Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flatlined in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble

among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

As regards activity, we cut the fund's equity exposure over the period, as our Asset Allocation Strategy Group (AASG) downgraded equities from favour to neutral in September. We became more cautious about the outlook for the asset class in the near term due to growth and monetary policy headwinds. We trimmed our equity holdings in every region, with the biggest reductions in the UK and US markets. For the former, we elected to take some profits following the strong absolute and relative performance of the portfolio in 2022. Nevertheless, the UK remains one of our favoured equity markets. In January, our AASG downgraded US equities from favour to neutral; the US is a relatively expensive market and we have particular concerns over margin vulnerability and wage pressures.

In fixed income, we became more positive on duration (which measures sensitivity to changes in interest rates) as the year progressed. At current yield levels, we believe that government bonds offer an attractive level of income and increased diversification benefits. Meanwhile, valuations in IG are reasonable, while corporate credit quality is holding up well.

We cut exposure to HY credit. The AASG downgraded HY to neutral in response to a worsening global growth outlook and a period of outperformance versus IG credit. We also reduced the allocations to EM and Asian debt.

Looking ahead, we believe that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. Globally, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts. For corporate credit, where valuations look reasonable rather than compelling, the low growth outlook should result in below-average excess returns over core bonds in the year ahead, but likely outperformance versus equities.

For equities, meanwhile, sluggish growth presents a mild risk to company earnings. Of more concern, however, global equity valuations (on a price to earnings basis) now look historically high both in absolute terms and relative to other asset classes, such as credit.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(17,063)	(20,810)
Revenue	3	5,189	4,101
Expenses	4	(1,884)	(2,412)
Interest payable and similar charges	5	(2)	–
Net revenue before taxation		3,303	1,689
Taxation	6	–	–
Net revenue after taxation		3,303	1,689
Total return before distributions		(13,760)	(19,121)
Distributions	7	(3,305)	(1,692)
Change in net assets attributable to shareholders from investment activities		(17,065)	(20,813)

### BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments		214,496	262,767
<b>Current assets:</b>			
Debtors	8	1,037	4,559
Cash and bank balances	9	844	3,892
Total assets		216,377	271,218
<b>Liabilities:</b>			
<b>Investment liabilities</b>		(246)	(2,810)
<b>Creditors:</b>			
Distribution payable		(6)	(3)
Other creditors	10	(680)	(1,838)
Total liabilities		(932)	(4,651)
<b>Net assets attributable to shareholders</b>		215,445	266,567

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	266,567	323,194
Amounts receivable on the issue of shares	5,221	14,304
Amounts payable on the cancellation of shares	(42,354)	(51,743)
	(37,133)	(37,439)
Dilution adjustment	1	–
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(17,065)	(20,813)
Retained distribution on accumulation shares	3,075	1,625
Closing net assets attributable to shareholders	215,445	266,567

### DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Interest distribution in pence per share				
Class 1 – Gross income shares				
Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.0898	–	1.0898	–
<b>Group 2</b>				
26/05/22 to 25/05/23	1.0898	–	1.0898	–
<b>Total distributions in the period</b>			<b>1.0898</b>	<b>–</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Bond Focused Fund

### DISTRIBUTION TABLE

(continued)

#### Class 1 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.2181	—	1.2181	0.2797
<b>Group 2</b>				
26/05/22 to 25/05/23	0.8931	0.3250	1.2181	0.2797
<b>Total distributions in the period</b>			<b>1.2181</b>	<b>0.2797</b>

#### Class 2 – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.5043	—	1.5043	0.5857
<b>Group 2</b>				
26/05/22 to 25/05/23	1.0013	0.5030	1.5043	0.5857
<b>Total distributions in the period</b>			<b>1.5043</b>	<b>0.5857</b>

#### Class Z – Gross income shares

Distribution Period	Gross Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.5250	—	1.5250	0.8114
<b>Group 2</b>				
26/05/22 to 25/05/23	1.5250	—	1.5250	0.8114
<b>Total distributions in the period</b>			<b>1.5250</b>	<b>0.8114</b>

#### Class Z – Gross accumulation shares

Distribution Period	Gross Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.9657	—	1.9657	1.0312
<b>Group 2</b>				
26/05/22 to 25/05/23	1.1099	0.8558	1.9657	1.0312
<b>Total distributions in the period</b>			<b>1.9657</b>	<b>1.0312</b>

Group 2: shares purchased during a distribution period.



## CT Managed Bond Focused Fund

### Comparative Table Disclosure

	Class 1 – Gross income shares			Class 1 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	104.28	112.26	112.79	118.32	127.38	127.99
Return before operating charges (p)	(4.75)	(6.66)	(0.37)	(5.41)	(7.54)	(0.43)
Operating charges (p)	(1.18)	(1.32)	(0.16)	(1.34)	(1.52)	(0.18)
Return after operating charges (p)*	(5.93)	(7.98)	(0.53)	(6.75)	(9.06)	(0.61)
Distributions (p)	(1.09)	–	–	(1.22)	(0.28)	–
Retained distributions on accumulation shares (p)	–	–	–	1.22	0.28	–
Closing net asset value per share (p)	97.26	104.28	112.26	111.57	118.32	127.38
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.69)	(7.11)	(0.47)	(5.70)	(7.11)	(0.48)
<b>Other information</b>						
Closing net asset value (£000)	8	9	112	28,645	37,619	58,184
Closing number of shares	8,722	8,722	100,041	25,673,733	31,794,710	45,676,392
Operating charges (%)**	1.18	1.16	1.23 <sup>†</sup>	1.19	1.19	1.23 <sup>†</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	106.12	117.29	113.40	120.41	133.08	128.68
Lowest share price (p)	93.73	103.83	110.61	106.34	117.80	125.52
	Class 2 – Gross accumulation shares			Class Z – Gross income shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	122.81	131.96	132.55	100.47	108.49	108.94
Return before operating charges (p)	(5.61)	(7.84)	(0.43)	(4.58)	(6.46)	(0.36)
Operating charges (p)	(1.16)	(1.31)	(0.16)	(0.67)	(0.75)	(0.09)
Return after operating charges (p)*	(6.77)	(9.15)	(0.59)	(5.25)	(7.21)	(0.45)
Distributions (p)	(1.50)	(0.59)	–	(1.53)	(0.81)	–
Retained distributions on accumulation shares (p)	1.50	0.59	–	–	–	–
Closing net asset value per share (p)	116.04	122.81	131.96	93.69	100.47	108.49
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(5.51)	(6.93)	(0.45)	(5.23)	(6.65)	(0.41)
<b>Other information</b>						
Closing net asset value (£000)	73,401	88,829	104,878	367	380	368
Closing number of shares	63,254,259	72,328,253	79,479,543	391,629	378,817	339,346
Operating charges (%)**	0.99	0.99	1.02 <sup>†</sup>	0.69	0.69	0.71 <sup>†</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	125.04	138.01	133.27	102.36	113.65	109.54
Lowest share price (p)	110.47	122.27	130.01	90.47	100.66	106.89



## CT Managed Bond Focused Fund

### Comparative Table Disclosure

(continued)

	Class Z – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>			
Opening net asset value per share (p)	129.47	138.69	139.26
Return before operating charges (p)	(5.91)	(8.26)	(0.45)
Operating charges (p)	(0.86)	(0.96)	(0.12)
Return after operating charges (p)*	(6.77)	(9.22)	(0.57)
Distributions (p)	(1.97)	(1.03)	–
Retained distributions on accumulation shares (p)	1.97	1.03	–
Closing net asset value per share (p)	122.70	129.47	138.69
*after direct transaction costs of (p)	–	–	–
<b>Performance</b>			
Return after charges (%)	(5.23)	(6.65)	(0.41)
<b>Other information</b>			
Closing net asset value (£000)	113,024	139,730	159,652
Closing number of shares	92,117,322	107,927,082	115,115,795
Operating charges (%)**	0.69	0.69	0.71 <sup>1</sup>
Direct transaction costs (%)***	–	–	–
<b>Prices</b>			
Highest share price (p)	131.90	145.29	140.02
Lowest share price (p)	116.59	128.68	136.63

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 9 April 2021.

<sup>1</sup>The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT Managed Bond Focused Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(16,823)	(16,140)
Forward currency contracts	151	(5,668)
Other (losses)/gains	(391)	998
Net capital losses	(17,063)	(20,810)
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(2,523)	73
Unrealised losses*	(14,300)	(16,213)
	(16,823)	(16,140)

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	1,146	1,228
Unfranked dividend distributions	3,985	2,872
Bank interest	58	1
Total revenue	5,189	4,101

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(1,835)	(2,355)
	(1,835)	(2,355)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(29)	(37)
Safe custody fees	(9)	(9)
	(38)	(46)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(1,884)	(2,412)

\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(2)	–
Total interest payable and similar charges	(2)	–

#### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 6b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	3,303	1,689
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(661)	(338)

	2023 £000	2022 £000
Effects of:		
Revenue not subject to taxation	229	246
Excess expenses	–	42
Distributions treated as tax deductible	432	51
Conversion transfer from capital	–	(1)
Current tax charge for period (note 6a)	–	–

Interest distributions were made in respect of all distributions during the prior period.

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Final	3,081	1,629
	3,081	1,629
Add: Revenue deducted on the cancellation of shares	246	98
Deduct: Revenue received on the creation of shares	(22)	(35)
Net distribution for the period	3,305	1,692
Net revenue after taxation	3,303	1,689
Equalisation on conversion	1	3
Shortfall transfer from capital to revenue	1	–
Total distributions	3,305	1,692

Details of the distribution per share and any share class with a shortfall are set out in the table on pages 37 to 38.

#### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	56	26
Sales awaiting settlement	979	4,533
Accrued revenue	2	–
Total debtors	1,037	4,559

#### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	–	1,660
Cash and bank balances	844	2,232
Total cash and bank balances	844	3,892

#### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(155)	(623)
Purchases awaiting settlement	(403)	(1,067)
Accrued expenses	(6)	(6)
Amounts payable to ACD	(116)	(142)
Total other creditors	(680)	(1,838)

#### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement. In addition this investment has produced a non-derivative security loss of £14,299,985 (2022: £16,212,918).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

## CT Managed Bond Focused Fund

### Notes to the financial statements

(continued)

#### 12 SHAREHOLDER FUNDS

CT Managed Bond Focused Fund currently has three share classes; Class 1, Class 2 and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 1 shares	1.10%
Class 2 shares	0.90%
Class Z shares	0.60%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on pages 39 to 40. The distribution per share class is given in the distribution table on pages 37 to 38.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2023
<b>Class 1 – Gross income shares</b>	
Opening shares	8,722
Shares issued	–
Shares redeemed	–
Net conversions	–
Closing shares	8,722
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	31,794,710
Shares issued	1,063,503
Shares redeemed	(7,085,431)
Net conversions	(99,049)
Closing shares	25,673,733
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	72,328,253
Shares issued	2,020,413
Shares redeemed	(10,751,153)
Net conversions	(343,254)
Closing shares	63,254,259
<b>Class Z – Gross Income shares</b>	
Opening shares	378,817
Shares issued	4
Shares redeemed	(6,667)
Net conversions	19,475
Closing shares	391,629
<b>Class Z – Gross accumulation shares</b>	
Opening shares	107,927,082
Shares issued	1,327,203
Shares redeemed	(17,537,039)
Net conversions	400,076
Closing shares	92,117,322

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 1.52% and vice versa (2022: 1.55%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 5.29% and vice versa (2022: 3.82%).

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
2023	£000	£000
<b>Counterparty</b>		
Barclays	97	–
Citigroup	53	–
HSBC	344	–
Lloyds	22	–
UBS	387	–

2022	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
Counterparty	£000	£000
Barclays	79	–
HSBC	–	1,620
UBS	–	40

The fund held £1,120,000 (2022: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

##### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

##### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts with an asset value of £1,149,000 (2022: £571,000) and a liability value of £246,000 (2022: £2,810,000).

#### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 2	214,496	(246)	262,767	(2,810)
	214,496	(246)	262,767	(2,810)

#### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 16 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £26,915,963 (2022: £41,486,240) and £64,073,364 (2022: £90,427,485) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.

# CT Managed Equity & Bond Fund

## Investment Report

### Investment Objective and Policy

The Fund aims to provide a combination of long-term capital growth and income. It looks to outperform a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 35% MSCI ACWI ex UK Index,
- 31.5% Bloomberg Global Aggregate ex GBP (GBP Hedged) Index,
- 15% FTSE All-Share Index,
- 13.5% Bloomberg Sterling Aggregate Index,
- 5% Sterling Overnight Index Average (SONIA)

The Fund is actively managed, and invests at least 80% of its assets in other funds. The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide. The Fund focuses on investment in funds providing exposure to equities (company shares), and bonds (including corporate and government bonds).

The balance of the exposure to these different asset types may vary over time, however, equity exposure will usually not exceed 60% of the Fund's value, with at least 30% exposure maintained to bonds, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of global equities (excluding the UK), investment grade bonds (hedged to sterling), UK equities, investment grade sterling denominated bonds, and cash, against which Fund performance will be evaluated over time.

### Performance of Gross Accumulation Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Equity & Bond Fund has fallen from 172.92p to 168.91p.

For comparison, using noon prices, the performance of the Class 2 share class was -3.34% compared to a return of -2.73% for the Morningstar UK Unit Trusts/OEICs – IA Mixed Investment 20-60% Shares Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (MSCI ACWI ex UK Index 35%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 31.50%, FTSE All Share Index 15%, Bloomberg Sterling Aggregate Index 13.50%, SONIA 5%) has a total return of -0.88%.

### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically

finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flattened in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the

US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

As regards activity, we cut the fund's equity exposure over the period, as our Asset Allocation Strategy Group (AASG) downgraded equities from favour to neutral in September. We became more cautious about the outlook for the asset class in the near term due to growth and monetary policy headwinds. We trimmed our equity holdings in every region, with the biggest reductions in the UK and US markets and the smallest reduction in Asian equities. For UK equities, we elected to take some profits following the strong absolute and relative performance of the portfolio. Nevertheless, the UK remains one of our favoured equity markets. Turning to US equities, our AASG downgraded them from favour to neutral in January. Although the US market is home to secular growth opportunities that don't exist elsewhere, it is a relatively expensive market and we have particular concerns over margin vulnerability and wage pressures.

In fixed income, we increased exposure to government bonds, primarily through the purchase of UK gilts. At current yield levels, we believe that government bonds offer an attractive level of income and increased diversification benefits. In credit, we switched some exposure from the short-dated sterling IG fund into its longer dated counterparts as we became more positive on duration (which measures sensitivity to changes in interest rates) as the year progressed. Valuations in IG are reasonable, while corporate credit quality is holding up well. We also reduced the allocations to HY, EM and Asian debt.

Looking ahead, we believe that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. Globally, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts. For corporate credit, where valuations look reasonable rather than compelling, the low growth outlook should result in below-average excess returns over core bonds in the year ahead, but likely outperformance versus equities.

For equities, meanwhile, sluggish growth presents a mild risk to company earnings. Of more concern, however, global equity valuations (on a price to earnings basis) now look historically high both in absolute terms and relative to other asset classes, such as credit.

## STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(41,573)	(95,948)
Revenue	3	24,977	21,056
Expenses	4	(9,774)	(11,958)
Interest payable and similar charges	5	(4)	–
Net revenue before taxation		15,199	9,098
Taxation	6	(199)	–
Net revenue after taxation		15,000	9,098
Total return before distributions		(26,573)	(86,850)
Distributions	7	(15,014)	(9,107)
Change in net assets attributable to shareholders from investment activities		(41,587)	(95,957)

## BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
Assets:			
Fixed assets:			
Investments		1,095,369	1,286,855
Current assets:			
Debtors	8	8,049	9,869
Cash and bank balances	9	534	13,417
Total assets		1,103,952	1,310,141
Liabilities:			
Investment liabilities		(814)	(8,124)
Creditors:			
Distribution payable		(690)	(444)
Other creditors	10	(2,755)	(7,779)
Total liabilities		(4,259)	(16,347)
Net assets attributable to shareholders		1,099,693	1,293,794

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	1,293,794	1,496,569
Amounts receivable on the issue of shares	12,978	27,635
Amounts payable on the cancellation of shares	(178,504)	(142,489)
	(165,526)	(114,854)
Dilution adjustment	–	1
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(41,587)	(95,957)
Retained distribution on accumulation shares	13,012	8,035
Closing net assets attributable to shareholders	1,099,693	1,293,794

## DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share				
Class 1 – Gross accumulation shares				
Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
Group 1 26/05/22 to 25/05/23	1.8331	–	1.8331	0.4621
Group 2 26/05/22 to 25/05/23	1.3441	0.4890	1.8331	0.4621
Total distributions in the period			1.8331	0.4621

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Equity & Bond Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	2.0042	—	2.0042	0.8018
<b>Group 2</b>				
26/05/22 to 25/05/23	1.4217	0.5825	2.0042	0.8018
<b>Total distributions in the period</b>			<b>2.0042</b>	<b>0.8018</b>

#### Class T – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.6088	—	0.6088	0.4144
26/11/22 to 25/05/23	1.0428	—	1.0428	0.6470
<b>Group 2</b>				
26/05/22 to 25/11/22	0.5007	0.1081	0.6088	0.4144
26/11/22 to 25/05/23	0.7702	0.2726	1.0428	0.6470
<b>Total distributions in the period</b>			<b>1.6516</b>	<b>1.0614</b>

#### Class Z – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.8867	—	1.8867	1.1997
<b>Group 2</b>				
26/05/22 to 25/05/23	1.1808	0.7059	1.8867	1.1997
<b>Total distributions in the period</b>			<b>1.8867</b>	<b>1.1997</b>

Group 2: shares purchased during a distribution period.

## CT Managed Equity & Bond Fund

### Comparative Table Disclosure

	Class 1 – Gross accumulation shares			Class 2 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	166.96	178.83	179.84	172.69	184.70	185.70
Return before operating charges (p)	(1.80)	(9.64)	(0.74)	(2.01)	(9.99)	(0.76)
Operating charges (p)	(1.99)	(2.23)	(0.27)	(1.80)	(2.02)	(0.24)
Return after operating charges (p)*	(3.79)	(11.87)	(1.01)	(3.81)	(12.01)	(1.00)
Distributions (p)	(1.83)	(0.46)	–	(2.00)	(0.80)	–
Retained distributions on accumulation shares (p)	1.83	0.46	–	2.00	0.80	–
Closing net asset value per share (p)	163.17	166.96	178.83	168.88	172.69	184.70
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(2.27)	(6.64)	(0.56)	(2.21)	(6.50)	(0.54)
<b>Other information</b>						
Closing net asset value (£000)	118,935	134,147	187,899	323,721	371,424	430,544
Closing number of shares	72,891,011	80,349,300	105,071,839	191,687,125	215,080,125	233,110,346
Operating charges (%)**	1.21	1.23	1.27 <sup>1</sup>	1.06	1.08	1.12 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	173.33	189.49	181.07	179.35	195.85	186.98
Lowest share price (p)	153.94	166.09	175.07	159.29	171.79	180.80
	Class T – Gross income shares			Class Z – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	124.86	134.15	134.85	141.91	151.25	152.01
Return before operating charges (p)	(1.69)	(7.24)	(0.56)	(1.90)	(8.22)	(0.63)
Operating charges (p)	(0.87)	(0.99)	(0.12)	(0.99)	(1.12)	(0.13)
Return after operating charges (p)*	(2.56)	(8.23)	(0.68)	(2.89)	(9.34)	(0.76)
Distributions (p)	(1.65)	(1.06)	(0.02)	(1.89)	(1.20)	(0.03)
Retained distributions on accumulation shares (p)	–	–	–	1.89	1.20	0.03
Closing net asset value per share (p)	120.65	124.86	134.15	139.02	141.91	151.25
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	(2.05)	(6.13)	(0.50)	(2.04)	(6.18)	(0.50)
<b>Other information</b>						
Closing net asset value (£000)	79,811	85,721	96,084	577,226	702,502	782,042
Closing number of shares	66,149,676	68,655,600	71,622,085	415,225,565	495,016,158	517,054,053
Operating charges (%)**	0.71	0.73	0.75 <sup>1</sup>	0.71	0.73	0.75 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	129.78	142.39	135.79	147.50	160.66	153.07
Lowest share price (p)	115.26	124.84	131.33	131.01	140.90	148.04

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup> Commenced 9 April 2021.

<sup>1</sup> The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT Managed Equity & Bond Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(42,257)	(82,457)
Forward currency contracts	1,672	(16,074)
Other (losses)/gains	(988)	2,583
Net capital losses	(41,573)	(95,948)
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(15,941)	2,474
Unrealised losses*	(26,316)	(84,931)
	(42,257)	(82,457)

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	10,979	10,745
Unfranked dividend distributions	13,883	10,311
Bank interest	115	–
Total revenue	24,977	21,056

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(9,616)	(11,763)
Annual management charge discount*	5	–
	(9,611)	(11,763)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(143)	(176)
Safe custody fees	(9)	(8)
	(152)	(184)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses**	(9,774)	(11,958)

\*Please see page 87 for additional information on the Annual management charge discount.

\*\*Including irrecoverable VAT where applicable.

#### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(4)	–
Total interest payable and similar charges	(4)	–

#### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Corporation tax	(199)	–
Total current tax (note 6b)	(199)	–
Total tax charge for the period	(199)	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	15,199	9,098
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(3,040)	(1,820)

	2023 £000	2022 £000
Effects of:		
Revenue not subject to taxation	2,196	2,149
Excess expenses	648	(327)
Conversion transfer from capital	(3)	(2)
Current tax charge for period (note 6a)	(199)	–

The fund has not recognised a deferred tax asset of £Nil (2022: £647,649) arising as a result of having unutilised management expenses. The movement in deferred tax asset may not agree to the excess expenses figure quoted above due to prior year adjustments. It is unlikely that these expenses will be utilised in future years.

#### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	410	290
Final	13,702	8,479
	14,112	8,769
Add: Revenue deducted on the cancellation of shares	945	380
Deduct: Revenue received on the creation of shares	(43)	(42)
Net distribution for the period	15,014	9,107
Net revenue after taxation	15,000	9,098
Equalisation on conversion	14	10
Undistributed revenue carried forward	–	(1)
Total distributions	15,014	9,107

Details of the distribution per share are set out in the table on pages 43 to 44.

#### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	92	184
Sales awaiting settlement	7,871	9,685
Accrued revenue	7	–
Corporation tax recoverable	79	–
Total debtors	8,049	9,869

#### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	–	4,610
Cash and bank balances	534	8,807
Total cash and bank balances	534	13,417

#### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(2,025)	(2,013)
Purchases awaiting settlement	(94)	(5,029)
Accrued expenses	(22)	(14)
Amounts payable to ACD	(614)	(723)
Total other creditors	(2,755)	(7,779)

#### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement. In addition this investment has produced a non-derivative security loss of £26,316,280 (2022: £84,931,174).



## CT Managed Equity & Bond Fund

### Notes to the financial statements

(continued)

All transactions have been entered into in the ordinary course of business on normal commercial terms.

#### 12 SHAREHOLDER FUNDS

CT Managed Equity & Bond Fund currently has four share classes; Class 1, Class 2, Class T and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 1 shares	1.15%
Class 2 shares	1.00%
Class T shares	0.65%
Class Z shares	0.65%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on page 45. The distribution per share class is given in the distribution table on pages 43 to 44.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2023
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	80,349,300
Shares issued	2,941,597
Shares redeemed	(9,853,780)
Net conversions	(546,106)
Closing shares	72,891,011
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	215,080,125
Shares issued	3,575,357
Shares redeemed	(22,307,705)
Net conversions	(4,660,652)
Closing shares	191,687,125
<b>Class T – Gross income shares</b>	
Opening shares	68,655,600
Shares issued	1,095,004
Shares redeemed	(3,600,928)
Net conversions	–
Closing shares	66,149,676
<b>Class Z – Gross accumulation shares</b>	
Opening shares	495,016,158
Shares issued	600,021
Shares redeemed	(86,694,192)
Net conversions	6,303,578
Closing shares	415,225,565

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 2.53% and vice versa (2022: 2.65%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 3.68% and vice versa (2022: 2.23%).

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2023</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
Barclays	203	–
Citigroup	197	–
HSBC	1,317	–
Lloyds	242	–
UBS	1,038	–

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2022</b>	<b>£000</b>	<b>£000</b>
<b>Counterparty</b>		
HSBC	–	4,260
UBS	–	350

The fund held £3,590,000 (2022: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

##### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

##### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts with an asset value of £3,811,000 (2022: £1,807,000) and a liability value of £814,000 (2022: £8,124,000).

#### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 2	1,095,369	(814)	1,286,855	(8,124)
	1,095,369	(814)	1,286,855	(8,124)

#### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 16 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £203,025,578 (2022: £137,779,475) and £379,119,427 (2022: £289,122,968) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.



# CT Managed Equity Focused Fund

## Investment Report

### Investment Objective and Policy

The Fund aims to provide a combination of long-term capital growth and some income. It looks to outperform a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 50% MSCI ACWI ex UK Index,
- 22.5% FTSE All-Share Index,
- 15.5% Bloomberg Global Aggregate ex GBP (GBP Hedged) Index,
- 7% Bloomberg Sterling Aggregate Index
- 5% Sterling Overnight Index Average (SONIA)

The Fund is actively managed, and invests at least 80% of its assets in other funds. The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide. The Fund focuses on investment in funds providing exposure to equities (company shares), but also has some exposure to bonds (including corporate and government bonds).

The balance of the exposure to these different asset types may vary over time, however, equity exposure is usually between 50-85% of the Fund's value, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of global equities (excluding the UK), UK equities, investment grade bonds (hedged to sterling), investment grade sterling denominated bonds, and cash, against which Fund performance will be evaluated over time.

### Performance of Gross Accumulation Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Equity Focused Fund has risen from 202.46p to 204.28p.

For comparison, using noon prices, the performance of the Class 2 share class was -1.19% compared to a return of -1.39% for the Morningstar UK Unit Trusts/ OEICs – IA Mixed Investment 40-85% Shares Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (MSCI ACWI ex UK Index 50%, FTSE All Share Index 22.50%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 15.50%, Bloomberg Sterling Aggregate Index 7%, SONIA 5%) has a total return of +0.89%.

### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically

finished higher, albeit after a rollercoaster ride. The main developed equity regions outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992. Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flattened in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

As regards activity, we cut the fund's equity exposure significantly over the period. In September, our Asset Allocation Strategy Group (AASG) downgraded equities from favour to neutral; we became more cautious about the outlook for the asset class in the near term due to growth and monetary policy headwinds. We trimmed our equity holdings in every region, with the biggest reductions in the UK and US markets. For UK equities, we elected to take some profits following the strong absolute and relative performance of the portfolio. Nevertheless, the UK remains one of our favoured equity markets. Our AASG downgraded US equities from favour to neutral in January. Although the US market is home to secular growth opportunities that don't exist elsewhere, it is a relatively expensive market and we have particular concerns over margin vulnerability and wage pressures. The overall reduction in European equities was smaller. In January, our AASG upgraded Europe ex UK equities from dislike to neutral. We expect Europe to be a major beneficiary of lower natural gas prices and the reopening of the Chinese economy.

In fixed income, we increased exposure to government bonds, primarily through the purchase of UK gilts. At current yield levels, we believe that government bonds offer an attractive level of income and increased diversification benefits. In credit, we switched some exposure from the short-dated sterling IG fund into its longer dated counterparts as we became more positive on duration (which measures sensitivity to changes in interest rates) as the year progressed. Valuations in IG are reasonable, while corporate credit quality is holding up well. We also reduced the allocations to HY, EM and Asian debt.

Looking ahead, we believe that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. Globally, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts. For corporate credit, where valuations look reasonable rather than compelling, the low growth outlook should result in below-average excess returns over core bonds in the year ahead, but likely outperformance versus equities.

For equities, meanwhile, sluggish growth presents a mild risk to company earnings. Of more concern, however, global equity valuations (on a price to earnings basis) now look historically high both in absolute terms and relative to other asset classes, such as credit.

## STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital gains/(losses)	2	272	(46,579)
Revenue	3	14,311	11,897
Expenses	4	(6,401)	(7,518)
Interest payable and similar charges	5	(1)	–
Net revenue before taxation		7,909	4,379
Taxation	6	–	–
Net revenue after taxation		7,909	4,379
<b>Total return before distributions</b>		<b>8,181</b>	<b>(42,200)</b>
Distributions	7	(7,924)	(4,384)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>257</b>	<b>(46,584)</b>

## BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments		699,217	743,967
<b>Current assets:</b>			
Debtors	8	4,072	4,621
Cash and bank balances	9	210	4,017
<b>Total assets</b>		<b>703,499</b>	<b>752,605</b>
<b>Liabilities:</b>			
<b>Investment liabilities</b>		(105)	(2,110)
<b>Creditors:</b>			
Other creditors	10	(3,234)	(5,106)
<b>Total liabilities</b>		<b>(3,339)</b>	<b>(7,216)</b>
<b>Net assets attributable to shareholders</b>		<b>700,160</b>	<b>745,389</b>

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
<b>Opening net assets attributable to shareholders</b>	<b>745,389</b>	<b>823,587</b>
Amounts receivable on the issue of shares	17,564	29,568
Amounts payable on the cancellation of shares	(70,697)	(65,539)
	(53,133)	(35,971)
Dilution adjustment	1	(1)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	257	(46,584)
Retained distribution on accumulation shares	7,646	4,358
<b>Closing net assets attributable to shareholders</b>	<b>700,160</b>	<b>745,389</b>

## DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share

### Class 1 – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.3850	–	1.3850	0.0303
<b>Group 2</b>				
26/05/22 to 25/05/23	0.9116	0.4734	1.3850	0.0303
<b>Total distributions in the period</b>			<b>1.3850</b>	<b>0.0303</b>

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Equity Focused Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.7498	—	1.7498	0.8327
<b>Group 2</b>				
26/05/22 to 25/05/23	1.1649	0.5849	1.7498	0.8327
<b>Total distributions in the period</b>			<b>1.7498</b>	<b>0.8327</b>

#### Class Z – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	2.0474	—	2.0474	1.2882
<b>Group 2</b>				
26/05/22 to 25/05/23	1.2703	0.7771	2.0474	1.2882
<b>Total distributions in the period</b>			<b>2.0474</b>	<b>1.2882</b>

Group 2: shares purchased during a distribution period.

## CT Managed Equity Focused Fund

### Comparative Table Disclosure

	Class 1 – Gross accumulation shares			Class 2 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	194.97	206.93	208.40	202.43	214.42	215.89
Return before operating charges (p)	3.92	(9.15)	(1.13)	4.07	(9.51)	(1.17)
Operating charges (p)	(2.56)	(2.81)	(0.34)	(2.25)	(2.48)	(0.30)
Return after operating charges (p)*	1.36	(11.96)	(1.47)	1.82	(11.99)	(1.47)
Distributions (p)	(1.39)	(0.03)	–	(1.75)	(0.83)	–
Retained distributions on accumulation shares (p)	1.39	0.03	–	1.75	0.83	–
Closing net asset value per share (p)	196.33	194.97	206.93	204.25	202.43	214.42
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	0.70	(5.78)	(0.71)	0.90	(5.59)	(0.68)
<b>Other information</b>						
Closing net asset value (£000)	68,195	75,731	200,205	203,851	266,747	306,660
Closing number of shares	34,735,547	38,841,956	96,748,489	99,807,163	131,771,106	143,018,295
Operating charges (%)**	1.32	1.33	1.38 <sup>1</sup>	1.12	1.13	1.17 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	205.63	223.40	210.33	213.60	231.70	217.89
Lowest share price (p)	182.89	193.02	201.22	190.03	200.40	208.49
<b>Class Z – Gross accumulation shares</b>						
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	159.76	168.63	169.71			
Return before operating charges (p)	3.24	(7.52)	(0.92)			
Operating charges (p)	(1.24)	(1.35)	(0.16)			
Return after operating charges (p)*	2.00	(8.87)	(1.08)			
Distributions (p)	(2.05)	(1.29)	–			
Retained distributions on accumulation shares (p)	2.05	1.29	–			
Closing net asset value per share (p)	161.76	159.76	168.63			
*after direct transaction costs of (p)	–	–	–			
<b>Performance</b>						
Return after charges (%)	1.25	(5.26)	(0.64)			
<b>Other information</b>						
Closing net asset value (£000)	428,114	402,911	316,722			
Closing number of shares	264,667,338	252,199,338	187,822,205			
Operating charges (%)**	0.77	0.78	0.81 <sup>1</sup>			
Direct transaction costs (%)***	–	–	–			
<b>Prices</b>						
Highest share price (p)	168.89	182.52	171.30			
Lowest share price (p)	150.18	158.15	163.94			

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup> Commenced 9 April 2021.

<sup>1</sup> The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

# CT Managed Equity Focused Fund

## Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

### 2 NET CAPITAL GAINS/(LOSSES)

Net capital gains/(losses) during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	85	(43,376)
Forward currency contracts	229	(3,804)
Other (losses)/gains	(42)	601
Net capital gains/(losses)	272	(46,579)
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(6,836)	3,375
Unrealised gains/(losses)*	6,921	(46,751)
	85	(43,376)

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	9,840	8,757
Unfranked dividend distributions	4,380	3,138
Bank interest	91	2
Total revenue	14,311	11,897

### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(6,294)	(7,399)
	(6,294)	(7,399)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(87)	(99)
Safe custody fees	(9)	(9)
	(96)	(108)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(6,401)	(7,518)

\*Including irrecoverable VAT where applicable.

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2023 £000	2022 £000
Interest payable	(1)	–
Total interest payable and similar charges	(1)	–

### 6 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 6b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	7,909	4,379
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(1,582)	(876)
Effects of:		
Revenue not subject to taxation	1,968	1,751
Excess expenses	(383)	(874)
Conversion transfer from capital	(3)	(1)
Current tax charge for period (note 6a)	–	–

The fund has not recognised a deferred tax asset of £3,097,226 (2022: £2,713,958) arising as a result of having unutilised management expenses. The movement in deferred tax asset may not agree to the excess expenses figure quoted above due to prior year adjustments. It is unlikely that these expenses will be utilised in future years.

### 7 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Final	7,646	4,358
	7,646	4,358
Add: Revenue deducted on the cancellation of shares	329	115
Deduct: Revenue received on the creation of shares	(51)	(89)
Net distribution for the period	7,924	4,384
Net revenue after taxation	7,909	4,379
Equalisation on conversion	15	5
Total distributions	7,924	4,384

Details of the distribution per share are set out in the table on pages 48 to 49.

### 8 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	25	541
Sales awaiting settlement	4,041	4,080
Accrued revenue	6	–
Total debtors	4,072	4,621

### 9 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	–	1,100
Cash and bank balances	210	2,917
Total cash and bank balances	210	4,017

### 10 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(1,984)	(922)
Amounts payable to brokers	(710)	–
Purchases awaiting settlement	(109)	(3,716)
Accrued expenses	(15)	(10)
Amounts payable to ACD	(416)	(458)
Total other creditors	(3,234)	(5,106)

### 11 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 8 and 10.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 10.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security gain of £6,921,333 (2022: loss of £46,750,877).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

## CT Managed Equity Focused Fund

### Notes to the financial statements

(continued)

#### 12 SHAREHOLDER FUNDS

CT Managed Equity Focused Fund currently has three share classes; Class 1, Class 2 and Class Z shares. The charges on each share class are as follows:

##### Annual management charge

Class 1 shares	1.25%
Class 2 shares	1.05%
Class Z shares	0.70%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on page 50. The distribution per share class is given in the distribution table on pages 48 to 49.

All classes have the same rights on winding up.

##### Reconciliation of shares

	2023
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	38,841,956
Shares issued	990,307
Shares redeemed	(4,411,746)
Net conversions	(684,970)
Closing shares	34,735,547
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	131,771,106
Shares issued	2,511,626
Shares redeemed	(10,876,809)
Net conversions	(23,598,760)
Closing shares	99,807,163
<b>Class Z – Gross accumulation shares</b>	
Opening shares	252,199,338
Shares issued	6,673,169
Shares redeemed	(24,908,698)
Net conversions	30,703,529
Closing shares	264,667,338

#### 13 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 3.57% and vice versa (2022: 3.70%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 1.88% and vice versa (2022: 1.07%).

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2023</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
HSBC	707	–
UBS	1,134	–
<b>2022</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
Barclays	95	–
HSBC	–	1,200
UBS	–	20

The fund held £2,000,000 (2022: £Nil) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

##### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

##### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts with an asset value of £1,917,000 (2022: £597,000) and a liability value of £105,000 (2022: £2,110,000).

#### 14 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 2	699,217	(105)	743,967	(2,110)
	699,217	(105)	743,967	(2,110)

#### 15 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 16 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £146,472,913 (2022: £129,797,519) and £206,793,140 (2022: £179,207,749) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.

## CT Managed Equity Fund

### Investment Report

#### Investment Objective and Policy

The Fund aims to achieve long term capital growth. It looks to outperform a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 60% MSCI ACWI ex UK Index,
- 25% FTSE All-Share Index,
- 7% Bloomberg Global Aggregate ex GBP (GBP Hedged) Index,
- 3% Bloomberg Sterling Aggregate Index,
- 5% Sterling Overnight Index Average (SONIA)

The Fund is actively managed, and invests at least 80% of its assets in other funds.

The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide.

The Fund focuses on investment in funds providing exposure to equities (company shares), with only limited exposure taken to bonds (including corporate and government bonds).

The balance of the exposure to these different asset types may vary over time, however, equity exposure usually exceeds two-thirds of the Fund's value, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of global equities (excluding the UK), UK equities, investment grade bonds (hedged to sterling), investment grade sterling-denominated bonds, and cash, against which Fund performance will be evaluated over time.

#### Performance of Gross Accumulation Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Equity Fund has risen from 249.05p to 256.20p.

For comparison, using noon prices, the performance of the Class 2 share class was +0.17% compared to a return of -1.12% for the Morningstar UK Unit Trusts/OEICs – IA Flexible Investment Peer Group (on a bid to bid basis, with income reinvested for a UK basic rate taxpayer).

For information purposes, using global close prices, the Composite Index (MSCI ACWI ex UK Index 60%, FTSE All Share Index 25%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 7%, SONIA 5%, Bloomberg Sterling Aggregate Index 3%) has a total return of +1.92%.

#### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for financial markets. With inflation far above target in many developed economies, investors struggled to gauge how far central banks would have to raise interest rates to contain it, and whether policymakers could do so without tipping their respective economies into recession. Most fixed-income assets lost value, while equity markets typically finished higher, albeit after a rollercoaster ride. The main developed equity regions

outperformed emerging markets (EMs), which were little changed in aggregate. Commodities were very weak overall, having risen sharply over the preceding year. Lingering supply issues from the pandemic and more recent ones related to Russia's invasion of Ukraine pushed inflation to multi-decade highs in the US, eurozone and UK. US inflation breached the 9% mark in June (reported in July) before easing over the remainder of the period. Inflation in the UK was the most stubborn. Having peaked above 11% in October, it did not return to single figures until April – and even then, core inflation (which excludes energy and food prices) hit its highest level since 1992.

Core government bonds such as US Treasuries, German Bunds and UK gilts weakened over the year as aggressive interest-rate rises by the Federal Reserve (Fed), European Central Bank (ECB) and Bank of England (BoE) rendered fixed-interest payments less attractive. In addition, UK gilts were extremely volatile during late September and October in response to the unfunded tax-cutting plans of the then chancellor, Kwasi Kwarteng, and their reversal by his successor.

The Fed, ECB and BoE slowed the pace of rate rises after November, as the inflationary tide appeared to be turning. Nevertheless, all three continued to increase borrowing costs at every subsequent opportunity – including hikes each after the collapse of Silicon Valley Bank and other lenders in March. As the period ended, markets were pricing in further rate hikes by all three central banks, with the BoE seen as having the most still to do.

Meanwhile, equities – and to a lesser extent corporate bond spreads (the yield difference between corporate and risk-free government bond yields) – were buffeted throughout the year as fears of recession waxed and waned. In the first half of the period, economic forecasts generally deteriorated amid worries about the impact of soaring inflation, rising interest rates, ongoing Covid lockdowns in China and the potential for European energy shortages linked to the war in Ukraine. At the same time, however, risk assets were supported by surprisingly resilient company results.

Towards the end of 2022, confidence about the global economy was bolstered by signs of easing inflation and anticipation that China might be preparing to move away from its zero-Covid strategy (as duly transpired). The economic optimism continued into the new year, notably with regard to Europe. In January, for example, the flash composite purchasing managers' index (PMI) for the eurozone unexpectedly returned to growth territory. Together with plunging natural gas prices, this sparked hopes that the region might avoid recession after all.

In February, it emerged that the UK economy had flatlined in Quarter 4 rather than shrinking as expected, raising the possibility that it too might escape recession this year. Nevertheless, the twin spectres of inflation and interest-rates were never far away. The same month saw global equities and bonds weaken as strong labour-market and inflation data in the US and eurozone pushed interest-rate expectations higher again. March was dominated by the banking crisis already mentioned, which triggered a brief spell of intense volatility before concerted action by various financial authorities allayed contagion fears.

Markets were largely calmer over the remainder of the period. One minor exception was a volatility spike in early May, amid news of further trouble among regional US lenders. Another, which was accompanied by a jump in US Treasury yields, came in the final days of the period, as negotiations about the US debt ceiling went to the wire.

Overall, the MSCI All Country World Index (ACWI) of equities rose 6.2% in local-currency terms and 6.8% in sterling. Japan was strongest in local terms. A weakening in the yen – as relatively low inflation allowed the Bank of Japan to maintain its ultra-loose monetary policy – helped the export-heavy market in yen terms, though it roughly halved the return in sterling. Europe ex UK was comfortably ahead of the ACWI as recession fears eased, while the US was roughly in line. The UK trailed the global index, while emerging markets and developed Asia ex Japan brought up the rear.

In fixed income, core bond yields rose across the board. Gilts underperformed their US and German counterparts, partly reflecting the relative persistence of inflation in the UK versus Europe and especially the US. Global investment-grade (IG) credit spreads were surprisingly little changed given the volatility, tightening by around 3% in risk adjusted terms, while spreads in the euro high-yield (HY) market tightened by about 9% on the same basis.

As regards activity, we trimmed our exposure to equities during the period. In September, our Asset Allocation Strategy Group (AASG) downgraded the asset class from favour to neutral; we became more cautious about the near-term outlook for equities due to growth and monetary policy headwinds. The biggest reduction was in UK equities; we elected to take some profits following the strong absolute and relative performance of the portfolio in the fourth quarter of 2022. Nevertheless, the UK remains one of our favoured equity markets. We also trimmed US equities, which the AASG downgraded from favour to neutral in January. The US is a relatively expensive market and we have particular concerns over margin vulnerability and wage pressures. By contrast, Europe ex UK equities were upgraded from dislike to neutral in January, and the allocation ended the year under review at a similar size. We expect Europe to be a major beneficiary of lower natural gas prices and the reopening of the Chinese economy. Elsewhere, we made small reductions to EM, Asian and Japanese equities.

In fixed income, we increased exposure to government bonds, primarily through the purchase of UK gilts. At current yield levels, we believe that government bonds offer an attractive level of income and increased diversification benefits. We initially took some profits in IG debt but added to the position later in the period after valuations became more attractive following the spread widening in March. By contrast, we trimmed exposure to HY debt. The AASG downgraded HY to neutral in response to a worsening global growth outlook and a period of outperformance versus IG credit.

Looking ahead, we believe that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. Globally, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts. For corporate credit, where valuations look reasonable rather than compelling, the low growth outlook should result in below-average excess returns over core bonds in the year ahead, but likely outperformance versus equities.

For equities, meanwhile, sluggish growth presents a mild risk to company earnings. Of more concern, however, global equity valuations (on a price to earnings basis) now look historically high both in absolute terms and relative to other asset classes, such as credit.

### STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital gains/(losses)	2	10,718	(28,167)
Revenue	3	9,424	7,555
Expenses	4	(4,870)	(5,213)
Net revenue before taxation		4,554	2,342
Taxation	5	–	–
Net revenue after taxation		4,554	2,342
Total return before distributions		15,272	(25,825)
Distributions	6	(4,561)	(2,344)
Change in net assets attributable to shareholders from investment activities		10,711	(28,169)

### BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
Assets:			
Fixed assets:			
Investments		508,444	500,038
Current assets:			
Debtors	7	1,624	2,428
Cash and bank balances	8	336	1,509
Total assets		510,404	503,975
Liabilities:			
Investment liabilities		(90)	(902)
Creditors:			
Distribution payable		(390)	(270)
Other creditors	9	(1,114)	(3,980)
Total liabilities		(1,594)	(5,152)
Net assets attributable to shareholders		508,810	498,823

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	498,823	510,625
Amounts receivable on the issue of shares	33,855	51,546
Amounts payable on the cancellation of shares	(38,530)	(37,189)
	(4,675)	14,357
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	10,711	(28,169)
Retained distribution on accumulation shares	3,951	2,010
Closing net assets attributable to shareholders	508,810	498,823

### DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share				
Class 1 – Gross accumulation shares				
Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
Group 1 26/05/22 to 25/05/23	1.3061	–	1.3061	0.0969
Group 2 26/05/22 to 25/05/23	0.8159	0.4902	1.3061	0.0969
Total distributions in the period			1.3061	0.0969

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Equity Fund

### DISTRIBUTION TABLE

(continued)

#### Class 2 – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	1.7942	—	1.7942	0.8274
<b>Group 2</b>				
26/05/22 to 25/05/23	1.2821	0.5121	1.7942	0.8274
<b>Total distributions in the period</b>			<b>1.7942</b>	<b>0.8274</b>

#### Class T – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/11/22	0.5631	—	0.5631	0.3270
26/11/22 to 25/05/23	1.1654	—	1.1654	0.7777
<b>Group 2</b>				
26/05/22 to 25/11/22	0.4661	0.0970	0.5631	0.3270
26/11/22 to 25/05/23	0.7639	0.4015	1.1654	0.7777
<b>Total distributions in the period</b>			<b>1.7285</b>	<b>1.1047</b>

#### Class Z – Gross accumulation shares

Distribution Period	Revenue	Equalisation	Gross Revenue Accumulated 2022/2023	Gross Revenue Accumulated 2021/2022
<b>Group 1</b>				
26/05/22 to 25/05/23	2.0214	—	2.0214	1.2983
<b>Group 2</b>				
26/05/22 to 25/05/23	1.2902	0.7312	2.0214	1.2983
<b>Total distributions in the period</b>			<b>2.0214</b>	<b>1.2983</b>

Group 2: shares purchased during a distribution period.



## CT Managed Equity Fund

### Comparative Table Disclosure

	Class 1 – Gross accumulation shares			Class 2 – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	239.84	252.99	255.32	249.01	262.13	264.47
Return before operating charges (p)	9.72	(9.56)	(1.92)	10.10	(9.94)	(1.96)
Operating charges (p)	(3.36)	(3.59)	(0.41)	(2.99)	(3.18)	(0.38)
Return after operating charges (p)*	6.36	(13.15)	(2.33)	7.11	(13.12)	(2.34)
Distributions (p)	(1.31)	(0.10)	–	(1.79)	(0.83)	–
Retained distributions on accumulation shares (p)	1.31	0.10	–	1.79	0.83	–
Closing net asset value per share (p)	246.20	239.84	252.99	256.12	249.01	262.13
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.65	(5.20)	(0.91)	2.86	(5.01)	(0.88)
<b>Other information</b>						
Closing net asset value (£000)	85,911	90,370	144,082	138,520	151,313	153,302
Closing number of shares	34,894,307	37,678,774	56,950,807	54,083,872	60,766,835	58,482,217
Operating charges (%)**	1.39	1.39	1.38 <sup>1</sup>	1.19	1.19	1.22 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	257.92	275.91	257.83	268.15	286.15	267.09
Lowest share price (p)	227.68	236.91	245.07	236.56	245.96	253.91

  

	Class T – Gross income shares			Class Z – Gross accumulation shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	155.80	164.56	166.01	179.28	188.07	189.67
Return before operating charges (p)	6.34	(6.25)	(1.23)	7.30	(7.18)	(1.41)
Operating charges (p)	(1.33)	(1.41)	(0.17)	(1.53)	(1.61)	(0.19)
Return after operating charges (p)*	5.01	(7.66)	(1.40)	5.77	(8.79)	(1.60)
Distributions (p)	(1.73)	(1.10)	(0.05)	(2.02)	(1.30)	(0.06)
Retained distributions on accumulation shares (p)	–	–	–	2.02	1.30	0.06
Closing net asset value per share (p)	159.08	155.80	164.56	185.05	179.28	188.07
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	3.22	(4.65)	(0.84)	3.22	(4.67)	(0.84)
<b>Other information</b>						
Closing net asset value (£000)	53,228	54,027	60,156	231,151	203,113	153,085
Closing number of shares	33,459,369	34,676,450	36,555,136	124,915,671	113,294,773	81,397,939
Operating charges (%)**	0.84	0.84	0.86 <sup>1</sup>	0.84	0.84	0.86 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	167.61	179.94	167.67	193.54	205.64	191.56
Lowest share price (p)	148.22	154.66	159.43	170.55	177.07	182.15

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup> Commenced 9 April 2021.

<sup>1</sup> The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.



## CT Managed Equity Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL GAINS/(LOSSES)

Net capital gains/(losses) during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	11,172	(27,069)
Forward currency contracts	(419)	(1,308)
Other (losses)/gains	(35)	210
Net capital gains/(losses)	10,718	(28,167)
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(2,095)	1,760
Unrealised gains/(losses)*	13,267	(28,829)
	11,172	(27,069)

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised gains/(losses).

#### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	7,903	6,514
Unfranked dividend distributions	1,451	1,039
Bank interest	70	2
Total revenue	9,424	7,555

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(4,790)	(5,129)
	(4,790)	(5,129)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(61)	(64)
Safe custody fees	(8)	(9)
	(69)	(73)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(4,870)	(5,213)

\*Including irrecoverable VAT where applicable.

#### 5 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 5b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	4,554	2,342
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(911)	(468)
Effects of:		
Revenue not subject to taxation	1,581	1,303
Excess expenses	(668)	(834)
Conversion transfer from capital	(2)	(1)
Current tax charge for period (note 5a)	–	–

The fund has not recognised a deferred tax asset of £2,830,588 (2022: £2,162,517) arising as a result of having unutilised management expenses. The movement in deferred tax asset may not agree to the excess expenses figure quoted above due to prior year adjustments. It is unlikely that these expenses will be utilised in future years.

#### 6 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	191	117
Final	4,341	2,280
	4,532	2,397
Add: Revenue deducted on the cancellation of shares	125	65
Deduct: Revenue received on the creation of shares	(96)	(118)
Net distribution for the period	4,561	2,344
Net revenue after taxation	4,554	2,342
Equalisation on conversion	7	2
Total distributions	4,561	2,344

Details of the distribution per share are set out in the table on pages 52 to 53.

#### 7 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	78	685
Sales awaiting settlement	1,543	1,743
Accrued revenue	3	–
Total debtors	1,624	2,428

#### 8 CASH AND BANK BALANCES

	2023 £000	2022 £000
Amounts held at futures clearing houses and brokers	–	530
Cash and bank balances	336	979
Total cash and bank balances	336	1,509

#### 9 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(773)	(145)
Purchases awaiting settlement	–	(3,495)
Accrued expenses	(12)	(8)
Amounts payable to ACD	(329)	(332)
Total other creditors	(1,114)	(3,980)

#### 10 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 7 and 9.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 9.

A balance of £Nil (2022: £Nil), in respect of annual management rebates is receivable at the end of the accounting period.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security gain of £13,267,164 (2022: loss of £28,829,018).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

#### 11 SHAREHOLDER FUNDS

CT Managed Equity Fund currently has four share classes; Class 1, Class 2, Class T and Class Z shares. The charges on each share class are as follows:

<b>Annual management charge</b>	
Class 1 shares	1.30%
Class 2 shares	1.10%
Class T shares	0.75%
Class Z shares	0.75%

## CT Managed Equity Fund

### Notes to the financial statements

(continued)

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on page 54. The distribution per share class is given in the distribution table on pages 52 to 53. All classes have the same rights on winding up.

#### Reconciliation of shares

	2023
<b>Class 1 – Gross accumulation shares</b>	
Opening shares	37,678,774
Shares issued	982,429
Shares redeemed	(3,177,410)
Net conversions	(589,486)
Closing shares	34,894,307
<b>Class 2 – Gross accumulation shares</b>	
Opening shares	60,766,835
Shares issued	4,731,009
Shares redeemed	(3,671,212)
Net conversions	(7,742,760)
Closing shares	54,083,872
<b>Class T – Gross income shares</b>	
Opening shares	34,676,450
Shares issued	410,496
Shares redeemed	(1,892,152)
Net conversions	264,575
Closing shares	33,459,369
<b>Class Z – Gross accumulation shares</b>	
Opening shares	113,294,773
Shares issued	10,235,766
Shares redeemed	(9,914,335)
Net conversions	11,299,467
Closing shares	124,915,671

### 12 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

#### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 4.15% and vice versa (2022: 4.30%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 0.92% and vice versa (2022: 0.48%).

#### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

#### Credit/Counterparty exposure

The following details exposure to counterparties obtained through the use of derivatives:

	Forward Foreign Exchange Contracts Exposure	Collateral Pledged
<b>2023</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
HSBC	2	–
Lloyds	106	–
UBS	402	–
<b>2022</b>		
<b>Counterparty</b>	<b>£000</b>	<b>£000</b>
Barclays	105	–
HSBC	–	530

The fund held £670,000 (2022: £110,000) of collateral received from the fund's counterparties. The collateral held was in the form of cash. Collateral received is not owned by the fund and therefore is not included in the fund's cash balance.

Positive exposure represents the fund's exposure to that counterparty and not the fund's holdings with that counterparty.

#### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

#### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

#### Derivative risks

Derivatives including forward foreign exchange contracts are employed when they are the cheapest and most efficient method of gaining exposure. This increases the risk profile of the fund and may result in a higher degree of volatility. All open positions are regularly reviewed by the fund manager. The fund has entered into various forward foreign exchange contracts during this accounting period. Such contracts commit the fund to future deliveries or receipts, typically three months forward, of assets and liabilities, at prices decided at the point of striking the contract. They therefore allow the fund manager to limit risk, or to enhance fund performance in return for the acceptance of greater risk.

At 25 May 2023, the fund had outstanding forward foreign exchange contracts with an asset value of £576,000 (2022: £337,000) and a liability value of £90,000 (2022: £902,000).

### 13 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£000	£000	£000	£000
Level 2	508,444	(90)	500,038	(902)
	508,444	(90)	500,038	(902)

### 14 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

### 15 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £94,326,716 (2022: £107,449,067) and £106,685,816 (2022: £97,937,693) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.

# CT Managed Equity Income Fund

## Investment Report

### Investment Objective and Policy

The Fund aims to provide income with the prospect of some capital growth over the long term. It looks to achieve an income yield higher than a composite index over rolling 3-year periods, after the deduction of charges.

This composite index comprises:

- 60% FTSE All-Share Index,
- 15% iBoxx GBP Non-Gilts Index,
- 10% MSCI Europe Index,
- 10% MSCI ACWI Index,
- 5% ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (Hedged to Sterling) Index

The Fund is actively managed, and invests at least 70% of its assets in other funds. The Fund usually invests in other Columbia Threadneedle funds, however, funds managed by companies outside the Columbia Threadneedle group may also be held, when this is considered appropriate. These funds may invest worldwide.

The Fund focuses on investment in funds providing exposure to equities (company shares), but also has some exposure to bonds (which may include both corporate and government bonds).

The balance of the exposure to these different asset types may vary over time, however, equity exposure is usually between 70-90% of the Fund's value, under normal market conditions.

The Fund may also hold money market instruments, deposits, cash, and near cash. Derivatives may be used with the aim of reducing risk or managing the Fund more efficiently, and up to 20% of the value of the Fund may be invested in funds that use derivatives for investment purposes.

The composite index is representative of the Fund's investment exposure, and provides a suitably weighted target benchmark of UK equities, global equities, European equities (including UK), investment grade sterling-denominated bonds, and euro and sterling-denominated below investment grade bonds, against which Fund performance will be evaluated over time.

### Performance of Gross Income Class 2 Shares\*

From 26 May 2022 to 25 May 2023, the published share price of the CT Managed Equity Income Fund has fallen from 79.17p to 78.34p.

For comparison, using noon prices, the performance of the Class 2 share class was +0.67%.

For information purposes, using global close prices, the Composite Index (FTSE All Share Index 60%, iBoxx Sterling Non-Gilts 15%, MSCI Europe 10%, MSCI ACWI 10%, ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (GBP Hedged) 5%) has a total return of +0.28%.

### Market Overview and Portfolio Activity

The 12 months under review constituted a volatile period for most financial markets, including UK equities.

Even before Russia's invasion of Ukraine in February 2022, inflationary pressures had been building due to pandemic-related supply chain disruptions. As energy prices rose further following the invasion, inflation reached over 9% in the US and

hit double digits in Europe and the UK. In response, the Federal Reserve, the Bank of England (BoE) and the European Central Bank raised interest rates aggressively. The Bank of Japan remained an outlier, maintaining its ultra-loose monetary policy. Rising inflation and interest rates triggered fears of an economic slowdown in the UK and globally, as the Russia-Ukraine conflict and China's stringent Covid controls exacerbated the supply-chain bottlenecks that had resulted from the pandemic. At the same time, though, UK equities were supported by surprisingly resilient company results and a slew of overseas takeover and private-equity bids. The UK stock market also benefited from strength in the sizeable mining and energy sectors in the first few months of the review period as prices of these underlying commodities rose sharply following the Russian invasion.

Sentiment towards UK assets was further impacted by political uncertainty in the autumn, as the then government unveiled a mini-budget featuring significant unfunded tax cuts. This triggered a slump in stocks and sterling, while gilt yields and mortgage rates surged. The (BoE) stepped in and bought bonds in an emergency move to head off a potential crisis in the pensions industry. Later, these price moves were reversed as markets welcomed the replacement of Prime Minister Liz Truss and Chancellor Kwasi Kwarteng with the more fiscally conservative Rishi Sunak and Jeremy Hunt, who reversed most of their predecessors' plans.

Sentiment improved again later in 2022 as China relaxed its zero-Covid policy, improving the outlook for global growth. In early 2023, falling energy costs sparked further optimism, as did signs that inflation in many advanced economies (including the UK) had likely peaked.

March brought a spell of intense volatility for markets due to the collapse of Silicon Valley Bank and Signature Bank in the US, along with the forced takeover of Credit Suisse by its rival UBS in Europe. This stoked fears of wider trouble in the banking sector and equities sold off sharply. Although the FTSE All-Share was initially impacted by its sizeable exposure to financials, mining and energy stocks, markets later rebounded as swift action by financial authorities allayed contagion fears and investors grew hopeful that interest rates might soon peak. However, energy and mining stocks remained subdued after their robust gains earlier in 2022 amid concerns about slowing Chinese demand for commodities. Markets were calmer over the remainder of the period, though there was some further volatility as negotiations about the US debt ceiling went to the wire (though a deal avoiding a US default has since been reached).

Turning to the UK economy, retail sales weakened after consumers reined in spending, as soaring energy costs pushed up inflation and knocked sentiment. Headline consumer price inflation peaked above 11% in October and did not return to single figures until April – and even then, core inflation remained elevated. More positively, GDP growth was flat in Quarter 4 (Q4) 2022 and rose slightly in Q1 2023, confounding recent predictions that the country was headed for a technical recession. The BoE said it still expected the economy to stagnate in the first half of this year, but that it no longer expects a recession in 2023 given lower energy prices and improvements in business and consumer sentiment.

Against this backdrop, the MSCI All-Country World Index (ACWI) posted a positive return over the period in sterling. The FTSE All-Share also advanced but was slightly behind the global index. Having outperformed over much of 2022, UK equities lagged in 2023, as oil and industrial metal prices retreated from their post-invasion highs. The UK stock market was also impacted

by news that inflation was falling more slowly than anticipated, stoking expectations of further interest-rate hikes by the BoE.

Of the other major equity regions, Japanese stocks fared best, markedly outperforming their global peers. Europe ex UK stocks followed, also beating the global index, as the region's economic outlook improved from late 2022 onwards due to falls in gas prices and hopes that China's post-Covid reopening would boost trade. US equities were modestly ahead of the MSCI ACWI, as the sizeable technology sector rallied in 2023. Emerging markets brought up the rear as optimism about China's reopening was set against concerns over geopolitical tensions between Beijing and Washington.

In fixed income, yields on core government bonds – those issued by countries such as the US, the UK and Germany – rose over the year (meaning prices fell) as aggressive interest-rate rises rendered fixed-interest payments less attractive. In addition, UK government bonds were extremely volatile during late September and October in response to the then government's aforementioned tax-cutting plans. Corporate bond markets were also weak over much of the period, with the negative impact of higher underlying government bond yields compounded by wider credit spreads (the yield premiums over risk-free government bonds). However, spreads narrowed from the fourth quarter (Q4) of 2022 onwards amid easing concerns about monetary tightening.

At the end of the period, the fund's largest allocation was to UK equities, which accounted for circa 65% of the net asset value. The remainder was invested in global and European equities (c. 20% in total), IG and HY bonds (c. 14%), with a small cash position.

Looking ahead, we feel that there is likely to be a slowdown in growth versus the trend level, accompanied by reduced, but still above-trend inflation. In the UK, we have recently increased our inflation and interest-rate expectations given recent signs that inflationary pressures not directly linked to gas prices are persisting more stubbornly than previously anticipated.

Despite the challenging backdrop, however, we feel there is also still value to be had in select risk assets, especially the shares and bonds of those companies with relatively defensive cashflows.

UK equities are still deeply discounted relative to global peers, which is helping UK companies to remain attractive targets for overseas takeover and private-equity bids. The UK is home to world-leading businesses with favourable prospects – many of which are trading at distressed levels. Within the underlying UK equity income funds, our role in investing in companies goes beyond valuations; we feel that engagement is key and see ourselves as owners and not renters of businesses. Our ongoing constructive engagement approach enables us to take a contrarian and long-term view. As patient, conviction investors, we will continue to avoid short-term trades and concentrate on company fundamentals to target strong, risk-adjusted returns. As regards fixed income, disinflation combined with restrictive monetary policy suggests a constructive fundamental outlook for core government bonds, where yield premia are historically high compared with long-term GDP forecasts.

In corporate credit, while valuations (based on spreads) are no longer compelling, they still look reasonable. Furthermore, yields – another way of valuing the market – remain elevated. This is good news for those seeking income.

## STATEMENT OF TOTAL RETURN

for the accounting period 26 May 2022 to 25 May 2023

	Notes	2023 £000	2022 £000
Income			
Net capital losses	2	(345)	(1,789)
Revenue	3	2,414	2,385
Expenses	4	(680)	(800)
Net revenue before taxation		1,734	1,585
Taxation	5	–	–
Net revenue after taxation		1,734	1,585
Total return before distributions		1,389	(204)
Distributions	6	(2,414)	(2,386)
Change in net assets attributable to shareholders from investment activities		(1,025)	(2,590)

## BALANCE SHEET

as at 25 May 2023

	Notes	2023 £000	2022 £000
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments		62,739	69,591
<b>Current assets:</b>			
Debtors	7	315	1,080
Cash and bank balances		690	265
Total assets		63,744	70,936
<b>Liabilities:</b>			
<b>Creditors:</b>			
Distribution payable		(643)	(478)
Other creditors	8	(133)	(192)
Total liabilities		(776)	(670)
Net assets attributable to shareholders		62,968	70,266

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the accounting period 26 May 2022 to 25 May 2023

	2023 £000	2022 £000
Opening net assets attributable to shareholders	70,266	80,337
Amounts receivable on the issue of shares	3,039	2,626
Amounts payable on the cancellation of shares	(9,312)	(10,107)
	(6,273)	(7,481)
Change in net assets attributable to shareholders from investment activities (see statement of total return above)	(1,025)	(2,590)
Closing net assets attributable to shareholders	62,968	70,266

## DISTRIBUTION TABLE

for the accounting period 26 May 2022 to 25 May 2023

Dividend distribution in pence per share

### Class 1 – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/ Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/06/22	0.1450	–	0.1450	0.1450
26/06/22 to 25/07/22	0.1450	–	0.1450	0.1450
26/07/22 to 25/08/22	0.1450	–	0.1450	0.1350
26/08/22 to 25/09/22	0.1950	–	0.1950	0.1900
26/09/22 to 25/10/22	0.1950	–	0.1950	0.1900
26/10/22 to 25/11/22	0.1950	–	0.1950	0.1900
26/11/22 to 25/12/22	0.1950	–	0.1950	0.1900
26/12/22 to 25/01/23	0.1950	–	0.1950	0.1900
26/01/23 to 25/02/23	0.1950	–	0.1950	0.1900
26/02/23 to 25/03/23	0.1950	–	0.1950	0.1900
26/03/23 to 25/04/23	0.1950	–	0.1950	0.1900
26/04/23 to 25/05/23	0.7195	–	0.7195	0.4988

\*In pound Sterling and against UK peer group (See Performance summary on page 84).

## CT Managed Equity Income Fund

### DISTRIBUTION TABLE

(continued)

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 2</b>				
26/05/22 to 25/06/22	—	0.1450	0.1450	0.1450
26/06/22 to 25/07/22	—	0.1450	0.1450	0.1450
26/07/22 to 25/08/22	—	0.1450	0.1450	0.1350
26/08/22 to 25/09/22	—	0.1950	0.1950	0.1900
26/09/22 to 25/10/22	—	0.1950	0.1950	0.1900
26/10/22 to 25/11/22	—	0.1950	0.1950	0.1900
26/11/22 to 25/12/22	—	0.1950	0.1950	0.1900
26/12/22 to 25/01/23	—	0.1950	0.1950	0.1900
26/01/23 to 25/02/23	—	0.1950	0.1950	0.1900
26/02/23 to 25/03/23	—	0.1950	0.1950	0.1900
26/03/23 to 25/04/23	—	0.1950	0.1950	0.1900
26/04/23 to 25/05/23	—	0.7195	0.7195	0.4988
<b>Total distributions in the period</b>			<b>2.7145</b>	<b>2.4438</b>

#### Class 2 – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/06/22	0.1500	—	0.1500	0.1500
26/06/22 to 25/07/22	0.1500	—	0.1500	0.1500
26/07/22 to 25/08/22	0.1500	—	0.1500	0.1400
26/08/22 to 25/09/22	0.2000	—	0.2000	0.2000
26/09/22 to 25/10/22	0.2000	—	0.2000	0.2000
26/10/22 to 25/11/22	0.2000	—	0.2000	0.2000
26/11/22 to 25/12/22	0.2000	—	0.2000	0.2000
26/12/22 to 25/01/23	0.2000	—	0.2000	0.2000
26/01/23 to 25/02/23	0.2000	—	0.2000	0.2000
26/02/23 to 25/03/23	0.2000	—	0.2000	0.2000
26/03/23 to 25/04/23	0.2000	—	0.2000	0.2000
26/04/23 to 25/05/23	0.7862	—	0.7862	0.5088
<b>Total distributions in the period</b>			<b>2.8362</b>	<b>2.5488</b>
<b>Group 2</b>				
26/05/22 to 25/06/22	—	0.1500	0.1500	0.1500
26/06/22 to 25/07/22	0.0039	0.1461	0.1500	0.1500
26/07/22 to 25/08/22	—	0.1500	0.1500	0.1400
26/08/22 to 25/09/22	—	0.2000	0.2000	0.2000
26/09/22 to 25/10/22	—	0.2000	0.2000	0.2000
26/10/22 to 25/11/22	—	0.2000	0.2000	0.2000
26/11/22 to 25/12/22	—	0.2000	0.2000	0.2000
26/12/22 to 25/01/23	—	0.2000	0.2000	0.2000
26/01/23 to 25/02/23	—	0.2000	0.2000	0.2000
26/02/23 to 25/03/23	—	0.2000	0.2000	0.2000
26/03/23 to 25/04/23	—	0.2000	0.2000	0.2000
26/04/23 to 25/05/23	0.0688	0.7174	0.7862	0.5088
<b>Total distributions in the period</b>			<b>2.8362</b>	<b>2.5488</b>

#### Class Z – Gross income shares

Distribution Period	Revenue	Equalisation	Distribution Paid/Payable 2022/2023	Distribution Paid 2021/2022
<b>Group 1</b>				
26/05/22 to 25/06/22	0.2050	—	0.2050	0.2050
26/06/22 to 25/07/22	0.2050	—	0.2050	0.2050
26/07/22 to 25/08/22	0.2050	—	0.2050	0.2050
26/08/22 to 25/09/22	0.2750	—	0.2750	0.2700
26/09/22 to 25/10/22	0.2750	—	0.2750	0.2700
26/10/22 to 25/11/22	0.2750	—	0.2750	0.2700
26/11/22 to 25/12/22	0.2750	—	0.2750	0.2700
26/12/22 to 25/01/23	0.2750	—	0.2750	0.2700
26/01/23 to 25/02/23	0.2750	—	0.2750	0.2700
26/02/23 to 25/03/23	0.2750	—	0.2750	0.2700
26/03/23 to 25/04/23	0.2750	—	0.2750	0.2700
26/04/23 to 25/05/23	1.1809	—	1.1809	0.8002
<b>Group 2</b>				
26/05/22 to 25/06/22	—	0.2050	0.2050	0.2050
26/06/22 to 25/07/22	—	0.2050	0.2050	0.2050
26/07/22 to 25/08/22	—	0.2050	0.2050	0.2050
26/08/22 to 25/09/22	—	0.2750	0.2750	0.2700
26/09/22 to 25/10/22	—	0.2750	0.2750	0.2700
26/10/22 to 25/11/22	—	0.2750	0.2750	0.2700
26/11/22 to 25/12/22	—	0.2750	0.2750	0.2700
26/12/22 to 25/01/23	—	0.2750	0.2750	0.2700
26/01/23 to 25/02/23	—	0.2750	0.2750	0.2700
26/02/23 to 25/03/23	—	0.2750	0.2750	0.2700
26/03/23 to 25/04/23	—	0.2750	0.2750	0.2700
26/04/23 to 25/05/23	0.0368	1.1441	1.1809	0.8002
<b>Total distributions in the period</b>			<b>3.9959</b>	<b>3.5752</b>

Group 2: shares purchased during a distribution period.

## CT Managed Equity Income Fund

### Comparative Table Disclosure

	Class 1 – Gross income shares			Class 2 – Gross income shares		
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	75.39	78.37	77.63	78.71	81.73	80.94
Return before operating charges (p)	2.50	0.51	1.28	2.63	0.54	1.34
Operating charges (p)	(0.96)	(1.05)	(0.13)	(0.94)	(1.01)	(0.12)
Return after operating charges (p)*	1.54	(0.54)	1.15	1.69	(0.47)	1.22
Distributions (p)	(2.71)	(2.44)	(0.41)	(2.84)	(2.55)	(0.43)
Closing net asset value per share (p)	74.22	75.39	78.37	77.56	78.71	81.73
*after direct transaction costs of (p)	–	–	–	–	–	–
<b>Performance</b>						
Return after charges (%)	2.04	(0.69)	1.48	2.15	(0.58)	1.51
<b>Other information</b>						
Closing net asset value (£000)	22,898	24,890	42,149	16,800	19,350	21,660
Closing number of shares	30,851,514	33,012,852	53,784,703	21,659,072	24,584,446	26,503,106
Operating charges (%)**	1.31	1.31	1.38 <sup>1</sup>	1.21	1.21	1.23 <sup>1</sup>
Direct transaction costs (%)***	–	–	–	–	–	–
<b>Prices</b>						
Highest share price (p)	77.42	81.90	78.79	80.91	85.46	82.17
Lowest share price (p)	67.26	71.03	76.81	70.25	74.13	80.10
<b>Class Z – Gross income shares</b>						
	25/05/2023	25/05/2022	25/05/2021 <sup>1</sup>			
<b>Change in net assets per share</b>						
Opening net asset value per share (p)	110.63	114.41	113.26			
Return before operating charges (p)	3.71	0.76	1.86			
Operating charges (p)	(0.88)	(0.96)	(0.11)			
Return after operating charges (p)*	2.83	(0.20)	1.75			
Distributions (p)	(4.00)	(3.58)	(0.60)			
Closing net asset value per share (p)	109.46	110.63	114.41			
*after direct transaction costs of (p)	–	–	–			
<b>Performance</b>						
Return after charges (%)	2.56	(0.17)	1.55			
<b>Other information</b>						
Closing net asset value (£000)	23,270	26,026	16,528			
Closing number of shares	21,258,812	23,525,153	14,445,771			
Operating charges (%)**	0.81	0.81	0.81 <sup>1</sup>			
Direct transaction costs (%)***	–	–	–			
<b>Prices</b>						
Highest share price (p)	114.11	119.90	115.01			
Lowest share price (p)	98.92	104.16	112.11			

\*\*The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a share class of a fund based on the financial year's expenses and may vary from year to year. It includes charges such as the fund's annual management charge, registration fee, custody fees and distribution cost but ordinarily excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The non-UCITS retail scheme Key Investor Information document (NURS-KII) contains the current OCF. The calculation includes the fund's share of the expenses of the underlying fund less any fee rebates received. The share of costs of the underlying funds may fluctuate due to changes in investment decisions, which may be required as a result of changes in market conditions. For a more detailed breakdown please visit [columbiathreadneedle.com/fees](http://columbiathreadneedle.com/fees).

\*\*\*Transaction costs have not been reduced by any amounts collected from dilution levies/adjustments.

<sup>1</sup>Commenced 9 April 2021.

<sup>1</sup>The Ongoing Charges Figure is annualised based on the fees incurred since commencement date.

Highest and Lowest share prices are based on official published daily NAVs priced at 12 noon on the last business day of the year on a mid basis. The closing net asset value per share is at close of business on a bid basis.

## CT Managed Equity Income Fund

### Notes to the financial statements

for the accounting period 26 May 2022 to 25 May 2023

#### 1 ACCOUNTING POLICIES

The accounting policies for the fund are the same as those disclosed on pages 4 and 5.

#### 2 NET CAPITAL LOSSES

Net capital losses during the period comprise:

	2023 £000	2022 £000
Non-derivative securities*	(345)	(1,789)
Net capital losses	(345)	(1,789)
The non-derivative securities balance above includes:		
Realised (losses)/gains*	(115)	230
Unrealised losses*	(230)	(2,019)
	(345)	(1,789)

\*Where realised (losses)/gains include gains/(losses) arising in previous periods, a corresponding (loss)/gain is included in unrealised losses.

#### 3 REVENUE

	2023 £000	2022 £000
Franked dividend distributions	2,065	2,082
Unfranked dividend distributions	336	302
Bank interest	13	1
Total revenue	2,414	2,385

#### 4 EXPENSES

	2023 £000	2022 £000
Payable to the ACD or associates of the ACD, and the agents of either of them:		
Annual management charge	(652)	(771)
	(652)	(771)
Payable to the depositary or associates of the depositary, and the agents of either of them:		
Depositary fees	(8)	(9)
Safe custody fees	(9)	(9)
	(17)	(18)
Other expenses:		
Audit fees	(11)	(11)
	(11)	(11)
Total expenses*	(680)	(800)

\*Including irrecoverable VAT where applicable.

#### 5 TAXATION

	2023 £000	2022 £000
<b>a) Analysis of charge in period</b>		
Total current tax (note 5b)	–	–
Total tax charge for the period	–	–
<b>b) Factors affecting taxation charge for period</b>		
Net revenue before taxation	1,734	1,585
Net revenue before taxation multiplied by the standard rate of corporation tax of 20% (2022: 20%)	(347)	(317)
Effects of:		
Revenue not subject to taxation	413	416
Excess expenses	(66)	(99)
Current tax charge for period (note 5a)	–	–

The fund has not recognised a deferred tax asset of £297,770 (2022: £231,649) arising as a result of having unutilised management expenses. The movement in deferred tax asset may not agree to the excess expenses figure quoted above due to prior year adjustments. It is unlikely that these expenses will be utilised in future years.

#### 6 DISTRIBUTIONS

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares and comprises:

	2023 £000	2022 £000
Interim	1,739	1,885
Final	643	478
	2,382	2,363
Add: Revenue deducted on the cancellation of shares	50	33
Deduct: Revenue received on the creation of shares	(18)	(10)
Net distribution for the period	2,414	2,386
Net revenue after taxation	1,734	1,585
Annual management charge to capital	680	800
Equalisation on conversion	–	1
Total distributions	2,414	2,386

Details of the distribution per share are set out in the table on pages 58 to 59.

#### 7 DEBTORS

	2023 £000	2022 £000
Amounts receivable for the issue of shares	–	142
Sales awaiting settlement	–	573
Accrued revenue	315	365
Total debtors	315	1,080

#### 8 OTHER CREDITORS

	2023 £000	2022 £000
Amounts payable for the cancellation of shares	(86)	(140)
Accrued expenses	(3)	(4)
Amounts payable to ACD	(44)	(48)
Total other creditors	(133)	(192)

#### 9 RELATED PARTY TRANSACTIONS

Threadneedle Investment Services Limited, as ACD, is a related party and acts as principal in respect of all transactions of shares in the fund.

The aggregate monies received through issues and paid on cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

Any amounts due to or from Threadneedle Investment Services Limited at the end of the accounting period are disclosed in Notes 7 and 8.

Amounts payable to Threadneedle Investment Services Limited in respect of fund management and registration services are disclosed in Note 4 and amounts outstanding at the year end in Note 8.

The fund invests in other sub-funds managed by Columbia Threadneedle, all transactions in respect of which are transacted with Threadneedle Investment Services Limited. Details of the investments are shown in the Portfolio Statement.

In addition this investment has produced a non-derivative security loss of £230,074 (2022: £2,019,214).

All transactions have been entered into in the ordinary course of business on normal commercial terms.

#### 10 SHAREHOLDER FUNDS

CT Managed Equity Income Fund currently has three share classes; Class 1, Class 2 and Class Z shares. The charges on each share class are as follows:

Annual management charge	
Class 1 shares	1.20%
Class 2 shares	1.10%
Class Z shares	0.70%

The net asset value of each share class, the net asset value per share, and the number of shares in each class are given in the comparative tables on page 60.

The distribution per share class is given in the distribution table on pages 58 to 59.

All classes have the same rights on winding up.



## CT Managed Equity Income Fund

### Notes to the financial statements

(continued)

#### Reconciliation of shares

	2023
<b>Class 1 – Gross income shares</b>	
Opening shares	33,012,852
Shares issued	2,069,585
Shares redeemed	(4,205,046)
Net conversions	(25,877)
Closing shares	30,851,514
<b>Class 2 – Gross income shares</b>	
Opening shares	24,584,446
Shares issued	1,320,449
Shares redeemed	(4,158,229)
Net conversions	(87,594)
Closing shares	21,659,072
<b>Class Z – Gross income shares</b>	
Opening shares	23,525,153
Shares issued	479,335
Shares redeemed	(2,825,451)
Net conversions	79,775
Closing shares	21,258,812

#### 11 RISK MANAGEMENT

The analysis and tables provided below refer to the risk management policies narrative disclosure on pages 5 to 6.

##### Market price risk sensitivity

The sensitivity figures provided are forecasts. A 5% market increase applied to the fund would result in an estimated increase in net asset value of the fund by 3.81% and vice versa (2022: 3.75%).

A 1.00% interest rate decrease applied to the fund would result in an estimated increase in net asset value of the fund by 0.98% and vice versa (2022: 1.10%).

##### Currency sensitivity analysis

As the fund has no material currency exposure, no sensitivity analysis has been shown (2022: same).

##### Credit/Counterparty exposure

As at the balance sheet date there is no derivative exposure or collateral to disclose (2022: same).

The fund did not hold any collateral received from the fund's counterparties in either the current or prior year.

##### Interest rate risk

Cash balances are held in floating rate accounts where interest is calculated with reference to prevailing market rates.

##### Interest rate risk sensitivity

No sensitivity analysis shown as the fund has minimal exposure to interest rate risk in relation to cash balances (2022: same). Any impact to the rate of the underlying securities is considered in market price risk section.

#### 12 FAIR VALUE DISCLOSURE

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The fair value hierarchy has the following levels:

**Level 1** – Quoted prices for identical instruments in active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

**Level 2** – Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investments schemes.

**Level 3** – Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

Valuation technique	2023		2022	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 2	62,739	–	69,591	–
	62,739	–	69,591	–

#### 13 CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities and commitments outstanding (2022: Nil).

#### 14 PORTFOLIO TRANSACTION COSTS

During the period under review the fund's purchases and sales of collective investment schemes purchases and sales amounted to £Nil (2022: £Nil) and £6,507,245 (2022: £8,606,151) respectively.

The purchases and sales are not subject to portfolio transaction costs.

At the balance sheet date, the portfolio dealing spread was Nil (25 May 2022: Nil), being the difference between the respective buying and selling prices for the fund's investments.

**Statement of Authorised Corporate Director's (ACD)  
Responsibilities in relation to the Financial  
Statements of the Company**

The Open-Ended Investment Companies Regulations 2001 and the Collective Investment Schemes Sourcebook (COLL), as issued (and amended) by the Financial Conduct Authority (FCA), require the ACD to prepare financial statements for each annual accounting period which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial position of each sub-fund and its net revenue/(expenses) and the net gains/(losses) on the property of each sub-fund for the period. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association (IMA);
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records, which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- make judgements and estimates that are reasonable and prudent; and
- 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.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the Collective Investment Schemes Sourcebook, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of the Depositary's Responsibilities in Respect of the  
Scheme and Report of the Depositary to the Shareholders of  
the Columbia Threadneedle Opportunity Funds (UK) ICVC (the  
Company) for the Period ended 25 May 2023**

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

- (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 Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
- (iii) has, otherwise, ensured the proper operation of the Company.

Citibank UK Limited  
UK Branch

29 August 2023



## Independent auditors' report to the Shareholders of Columbia Threadneedle Opportunity Funds (UK) ICVC

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

In our opinion, the financial statements of Columbia Threadneedle Opportunity Funds (UK) ICVC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 25 May 2023 and of the net revenue 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.

Columbia Threadneedle Opportunity Funds (UK) ICVC is an Open Ended Investment Company ('OEIC') with nine 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 Audited Financial Statement (the "Annual Report"), which comprise: the balance sheets as at 25 May 2023; the statements of total return and the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

#### 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.

#### Conclusions relating to going concern

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 any sub-funds' 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.

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 any sub-funds' 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.

#### 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.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

#### 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 Authorised Corporate Director's (ACD) Responsibilities in relation to the Financial Statements of the Company, 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.

## Independent auditors' report to the Shareholders of Columbia Threadneedle Opportunity Funds (UK) ICVC

(continued)

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 any sub-fund of the Company. 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  
Edinburgh  
29 August 2023

## CT Dynamic Real Return Fund

### Portfolio Statement

as at 25 May 2023

			Value £000	% of Net Asset Value				Value £000	% of Net Asset Value
Holding	Investment				Holding	Investment			
<b>AUSTRALIA 0.12% (0.00%)</b>					<b>DENMARK 0.23% (0.44%)</b>				
	<b>Pharmaceuticals and Biotechnology 0.12% (0.00%)</b>					<b>Non-life Insurance 0.00% (0.10%)</b>			
10,233	CSL		1,640	0.12		<b>Pharmaceuticals and Biotechnology 0.11% (0.20%)</b>			
	<b>Total Australia</b>		<b>1,640</b>	<b>0.12</b>	11,398	Novo Nordisk	1,494	0.11	
<b>BELGIUM 0.02% (0.01%)</b>						<b>Electricity 0.12% (0.14%)</b>			
	<b>Corporate Bonds 0.02% (0.01%)</b>				20,950	Orsted	1,537	0.12	
EUR	Azelis Finance 5.75% 15/03/2028		321	0.02		<b>Total Denmark</b>	<b>3,031</b>	<b>0.23</b>	
	<b>Total Belgium</b>		<b>321</b>	<b>0.02</b>					
<b>BRAZIL 0.34% (0.36%)</b>					<b>FINLAND 0.07% (0.15%)</b>				
	<b>Government Bonds 0.34% (0.36%)</b>					<b>Corporate Bonds 0.07% (0.06%)</b>			
BRL	Brazil Government International Bond 10% 01/01/2025		2,555	0.19	EUR	1,160,000	Teollisuuden Voima 2.125% 04/02/2025	973	0.07
BRL	Brazil Government International Bond 10% 01/01/2029		2,077	0.15		<b>Industrial Materials 0.00% (0.09%)</b>			
	<b>Total Brazil</b>		<b>4,632</b>	<b>0.34</b>		<b>Total Finland</b>	<b>973</b>	<b>0.07</b>	
<b>CANADA 0.07% (0.00%)</b>					<b>FRANCE 2.55% (1.96%)</b>				
	<b>Chemicals 0.07% (0.00%)</b>					<b>Corporate Bonds 1.56% (1.56%)</b>			
21,266	Nutrien		972	0.07	EUR	1,334,000	Altice France 2.125% 15/02/2025	1,027	0.08
	<b>Total Canada</b>		<b>972</b>	<b>0.07</b>	EUR	1,738,000	Altice France 2.5% 15/01/2025	1,350	0.10
<b>CAYMAN ISLANDS 0.00% (0.04%)</b>					EUR	829,000	Banijay Entertainment 3.5% 01/03/2025	703	0.05
	<b>Software and Computer Services 0.00% (0.04%)</b>				EUR	700,000	Casino Guichard-Perrachon 3.58% 07/02/2025	111	0.01
	<b>Total Cayman Islands</b>		<b>—</b>	<b>—</b>	EUR	1,720,000	Constellium 4.25% 15/02/2026	1,455	0.11
<b>CHILE 0.13% (0.09%)</b>					EUR	643,000	Elior Group 3.75% 15/07/2026	479	0.04
	<b>Government Bonds 0.13% (0.09%)</b>				EUR	93,989	Elis 0% 06/10/2023	2,563	0.19
CLP	Chile Government International Bond 4.7% 01/09/2030		1,732	0.13	EUR	500,000	Elis 2.875% 15/02/2026	421	0.03
	<b>Total Chile</b>		<b>1,732</b>	<b>0.13</b>	EUR	460,000	Emeria 7.75% 31/03/2028	381	0.03
<b>CHINA 0.34% (0.62%)</b>					EUR	2,089,000	Faurecia 2.625% 15/06/2025	1,751	0.13
	<b>Government Bonds 0.34% (0.62%)</b>				EUR	206,000	Faurecia 2.625% 15/06/2025 (Frankfurt Exchange)	173	0.01
CNY	China Government Bond 2.85% 04/06/2027		1,065	0.08	EUR	700,000	Faurecia 2.75% 15/02/2027	543	0.04
CNY	China Government Bond 3.13% 21/11/2029		3,454	0.26	EUR	1,207,000	Getlink 3.5% 30/10/2025	1,017	0.08
	<b>Total China</b>		<b>4,519</b>	<b>0.34</b>	EUR	500,000	Getlink 3.5% 30/10/2025 (Frankfurt Exchange)	421	0.03
<b>COLOMBIA 0.61% (0.22%)</b>					EUR	200,000	Iliad 0.75% 11/02/2024	169	0.01
	<b>Government Bonds 0.61% (0.22%)</b>				EUR	2,739,000	Iliad Holdings 5.125% 15/10/2026	2,271	0.17
COP	Colombia Government International Bond 9.85% 28/06/2027		3,495	0.26	EUR	875,000	Loxam SAS 3.25% 14/01/2025	743	0.06
COP	Titulos de Tesoreria 7% 26/03/2031		1,337	0.10	EUR	645,000	Loxam SAS 6% 15/04/2025	274	0.02
COP	Titulos de Tesoreria 7.5% 26/08/2026		3,288	0.25	EUR	2,108,000	Paprec Holdings 4% 31/03/2025	1,786	0.13
	<b>Total Colombia</b>		<b>8,120</b>	<b>0.61</b>	EUR	2,248,000	Parts Europe 6.5% 16/07/2025	1,956	0.15
<b>CZECH REPUBLIC 0.22% (0.24%)</b>					EUR	302,000	Tereos Finance Groupe 7.25% 15/04/2028	260	0.02
	<b>Corporate Bonds 0.00% (0.03%)</b>				EUR	1,100,000	Valeo 3.25% 22/01/2024	950	0.07
	<b>Government Bonds 0.22% (0.21%)</b>					<b>Personal Goods 0.25% (0.08%)</b>			
CZK	Czech Republic Government Bond 0.25% 10/02/2027		657	0.05		4,724	L'Oreal	1,671	0.12
CZK	Czech Republic Government Bond 1.2% 13/03/2031		2,302	0.17		2,483	LVMH Moet Hennessy Vuitton	1,778	0.13
	<b>Total Czech Republic</b>		<b>2,959</b>	<b>0.22</b>		<b>Oil, Gas and Coal 0.32% (0.00%)</b>			
					90,085	Totalenergies	4,310	0.32	
						<b>Non-life Insurance 0.11% (0.00%)</b>			
					59,816	AXA	1,403	0.11	
						<b>Medical Equipment and Services 0.14% (0.14%)</b>			
					12,433	Essilor International	1,886	0.14	
						<b>Electronic and Electrical Equipment 0.17% (0.18%)</b>			
					16,206	Schneider Electric	2,272	0.17	
						<b>Total France</b>	<b>34,124</b>	<b>2.55</b>	

## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>GERMANY 1.21% (1.19%)</b>					<b>INDONESIA 0.80% (0.84%)</b>				
		<b>Corporate Bonds 1.10% (1.11%)</b>					<b>Government Bonds 0.60% (0.69%)</b>		
EUR	1,150,000	Cheplapharm Arzneimittel 3.5% 11/02/2027	907	0.07	IDR	70,618,000,000	Indonesia Government International Bond 6.375% 15/04/2032	3,814	0.29
EUR	300,000	Deutsche Lufthansa 1.625% 16/11/2023	257	0.02	IDR	46,366,000,000	Indonesia Government International Bond 7.25% 15/02/2026	2,582	0.19
EUR	500,000	Deutsche Lufthansa 2% 14/07/2024	423	0.03	IDR	14,935,000,000	Indonesia Government International Bond 8.375% 15/04/2039	936	0.07
EUR	900,000	Deutsche Lufthansa 2.875% 11/02/2025	756	0.06	IDR	11,592,000,000	Indonesia Government International Bond 9% 15/03/2029	711	0.05
EUR	900,000	Deutsche Lufthansa 2.875% 16/05/2027	716	0.05			<b>Banks 0.20% (0.15%)</b>		
EUR	600,000	Deutsche Lufthansa 3% 29/05/2026	493	0.04		8,916,466	Bank Rakyat Indonesia	2,647	0.20
EUR	1,887,000	Gruenthal 3.625% 15/11/2026	1,549	0.12			<b>Total Indonesia</b>	<b>10,690</b>	<b>0.80</b>
EUR	521,000	HT Troplast 9.25% 15/07/2025	448	0.03					
EUR	951,508	IHO Verwaltungs 8.75% 15/05/2028	839	0.06					
EUR	895,000	IHO Verwaltungs PIK 3.875% 15/05/2027	689	0.05	<b>ISLE OF MAN 0.10% (0.18%)</b>				
EUR	1,900,000	Mahle 2.375% 14/05/2028	1,270	0.09			<b>Corporate Bonds 0.10% (0.18%)</b>		
EUR	1,264,000	PCF 4.75% 15/04/2026	906	0.07	EUR	3,160,000	Playtech 3.75% 12/10/2023	1,030	0.08
EUR	1,100,000	Schaeffler 2.75% 12/10/2025 (Frankfurt listing)	915	0.07	EUR	315,000	Playtech 4.25% 07/03/2026	267	0.02
EUR	607,000	SGL Carbon 4.625% 30/09/2024	523	0.04			<b>Total Isle of Man</b>	<b>1,297</b>	<b>0.10</b>
EUR	1,579,000	Techem Verwaltungsgesellschaft 2% 15/07/2025	1,306	0.10	<b>ITALY 0.47% (0.63%)</b>				
EUR	675,000	Thyssenkrupp 2.875% 22/02/2024	578	0.04			<b>Corporate Bonds 0.47% (0.63%)</b>		
EUR	1,090,000	Tui Cruises 6.5% 15/05/2026 (Frankfurt Exchange)	861	0.06	EUR	804,000	Fabbrica Italiana Sintetici 5.625% 01/08/2027	633	0.05
EUR	800,000	ZF Finance 3% 21/09/2025	662	0.05	EUR	1,785,000	Gamma Bidco 5.125% 15/07/2025	1,570	0.12
EUR	700,000	ZF Finance 5.75% 03/08/2026	611	0.05	EUR	203,000	International Design Group 6.5% 15/11/2025	170	0.01
		<b>Personal Goods 0.11% (0.08%)</b>			EUR	500,000	Leonardo 1.5% 07/06/2024	423	0.03
	10,804	Adidas	1,450	0.11	EUR	694,000	Lottomatica 7.125% 01/06/2028	605	0.04
		<b>Total Germany</b>	<b>16,159</b>	<b>1.21</b>	EUR	1,100,000	Nexi 1.625% 30/04/2026	877	0.07
<b>GIBRALTAR 0.09% (0.00%)</b>					EUR	300,000	Telecom Italia 2.5% 19/07/2023	260	0.02
		<b>Corporate Bonds 0.09% (0.00%)</b>			EUR	660,000	Telecom Italia 6.875% 15/02/2028	573	0.04
EUR	1,600,000	888 Acquisitions 7.558% 15/07/2027	1,269	0.09	EUR	1,400,000	TIM 4% 11/04/2024	1,198	0.09
		<b>Total Gibraltar</b>	<b>1,269</b>	<b>0.09</b>			<b>Total Italy</b>	<b>6,309</b>	<b>0.47</b>
<b>HONG KONG 0.14% (0.08%)</b>					<b>JAPAN 0.45% (0.30%)</b>				
		<b>Life Insurance 0.14% (0.08%)</b>					<b>Corporate Bonds 0.08% (0.04%)</b>		
	236,200	AIA Group	1,869	0.14	EUR	1,300,000	SoftBank Group 2.125% 06/07/2024	1,088	0.08
		<b>Total Hong Kong</b>	<b>1,869</b>	<b>0.14</b>			<b>Leisure Goods 0.12% (0.07%)</b>		
<b>HUNGARY 0.10% (0.11%)</b>						21,500	Sony	1,653	0.12
		<b>Government Bonds 0.10% (0.11%)</b>				5,500	Keyence	2,200	0.17
HUF	66,600,000	Hungary Government International Bond 3% 21/08/2030	114	0.01			<b>Electronic and Electrical Equipment 0.17% (0.12%)</b>		
HUF	644,920,000	Hungary Government International Bond 4.75% 24/11/2032	1,178	0.09		41,400	Recruit Holdings	1,038	0.08
		<b>Total Hungary</b>	<b>1,292</b>	<b>0.10</b>			<b>Industrial Support Services 0.08% (0.07%)</b>		
<b>INDIA 0.35% (0.13%)</b>							<b>Total Japan</b>	<b>5,979</b>	<b>0.45</b>
		<b>Government Bonds 0.05% (0.00%)</b>			<b>JERSEY 0.26% (0.23%)</b>				
INR	64,490,000	India Government Bond 7.26% 06/02/2033	643	0.05			<b>Corporate Bonds 0.26% (0.23%)</b>		
		<b>Banks 0.30% (0.13%)</b>			EUR	1,419,000	Adient Global Holdings 3.5% 15/08/2024	181	0.01
	78,465	HDFC Bank ADR	4,095	0.30	EUR	1,463,000	Avis Budget Finance 4.125% 15/11/2024	1,258	0.09
		<b>Total India</b>	<b>4,738</b>	<b>0.35</b>	EUR	1,405,000	Avis Budget Finance 4.5% 15/05/2025	1,194	0.09
					EUR	609,000	Kane Bidco 5% 15/02/2027	489	0.04
					GBP	365,000	Kane Bidco 6.5% 15/02/2027	321	0.03
							<b>Total Jersey</b>	<b>3,443</b>	<b>0.26</b>

## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>LUXEMBOURG 0.73% (0.75%)</b>					EUR	239,000	Teva Pharmaceutical Finance 4.5% 01/03/2025	206	0.01
		<b>Corporate Bonds 0.73% (0.75%)</b>			EUR	890,000	Trivium Packaging Finance 3.75% 15/08/2026	703	0.05
EUR	2,015,000	Altice Financing 2.25% 15/01/2025	1,633	0.12	EUR	1,181,000	United Group 4.875% GTD 01/07/2024	1,019	0.08
GBP	1,867,000	B&M European Value Retail 3.625% 15/07/2025	1,759	0.13	EUR	500,000	ZF Europe Finance 2% 23/02/2026	396	0.03
EUR	1,855,000	Cirsa Finance International 6.25% 20/12/2023	388	0.03			<b>Chemicals 0.08% (0.00%)</b>		
GBP	539,000	Garfunkelux 7.75% 01/11/2025	382	0.03	17,107		Akzo Nobel	1,076	0.08
EUR	1,383,000	HSE Finance 5.625% 15/10/2026	666	0.05			<b>Food Producers 0.00% (0.09%)</b>		
EUR	1,314,000	Inpost 2.25% 15/07/2027	988	0.07			<b>Aerospace and Defence 0.00% (0.06%)</b>		
EUR	319,326	LHMC Finco 2 7.25% 02/10/2025 (Luxembourg listing)	269	0.02			<b>Total Netherlands</b>	<b>12,131</b>	<b>0.90</b>
EUR	2,222,000	Matterhorn Telecom 2.625% 15/09/2024	1,911	0.14	<b>NORWAY 0.12% (0.14%)</b>				
EUR	100,000	Matterhorn Telecom 3.125% 15/09/2026	80	0.01			<b>Oil, Gas and Coal 0.12% (0.14%)</b>		
EUR	1,337,000	Rossini 6.75% 30/10/2025	1,171	0.09	74,369		Equinor	1,619	0.12
EUR	652,000	Sani/Ikos Financial Holdings 5.625% 15/12/2026	525	0.04			<b>Total Norway</b>	<b>1,619</b>	<b>0.12</b>
		<b>Total Luxembourg</b>	<b>9,772</b>	<b>0.73</b>	<b>PANAMA 0.04% (0.05%)</b>				
<b>MALAYSIA 0.28% (0.64%)</b>							<b>Corporate Bonds 0.04% (0.05%)</b>		
		<b>Government Bonds 0.28% (0.64%)</b>			EUR	126,000	Carnival 7.625% 01/03/2026	102	0.01
MYR	11,126,000	Malaysian Government Bond 3.84% 15/04/2033	1,940	0.15	EUR	488,000	Carnival 10.125% 01/02/2026	445	0.03
MYR	9,775,000	Malaysian Government Bond 4.392% 15/04/2026	1,758	0.13			<b>Total Panama</b>	<b>547</b>	<b>0.04</b>
		<b>Total Malaysia</b>	<b>3,698</b>	<b>0.28</b>	<b>PERU 0.13% (0.18%)</b>				
<b>MEXICO 2.67% (0.74%)</b>							<b>Government Bonds 0.13% (0.18%)</b>		
		<b>Corporate Bonds 0.04% (0.04%)</b>			PEN	8,669,000	Peruvian Government International Bond 6.15% 12/08/2032	1,755	0.13
EUR	620,000	Petroleos Mexicanos 3.75% 21/02/2024	528	0.04			<b>Total Peru</b>	<b>1,755</b>	<b>0.13</b>
		<b>Government Bonds 2.63% (0.70%)</b>			<b>POLAND 0.25% (0.27%)</b>				
MXN	188,775,500	Mexican Bonos 8.5% 18/11/2038	8,121	0.61			<b>Government Bonds 0.25% (0.27%)</b>		
GBP	37,000,000	United Mexican States 5.625% 19/03/2114	27,102	2.02	PLN	12,917,000	Poland Government Bond 1.75% 25/04/2032	1,762	0.13
		<b>Total Mexico</b>	<b>35,751</b>	<b>2.67</b>	PLN	9,172,000	Poland Government Bond 2.5% 25/07/2027	1,541	0.12
<b>NETHERLANDS 0.90% (0.75%)</b>							<b>Total Poland</b>	<b>3,303</b>	<b>0.25</b>
		<b>Corporate Bonds 0.82% (0.60%)</b>			<b>REPUBLIC OF IRELAND 0.44% (0.63%)</b>				
EUR	299,000	Axalta Coating Systems 3.75% 15/01/2025	256	0.02			<b>Corporate Bonds 0.17% (0.18%)</b>		
EUR	938,000	Darling Global Finance 3.625% 15/05/2026	798	0.06	EUR	1,084,000	Eircom Finance 1.75% 01/11/2024	925	0.07
EUR	1,250,000	Kongsberg Actuation Systems 5% 15/07/2025	750	0.06	EUR	1,204,000	Eircom Finance 3.5% 15/05/2026	979	0.07
EUR	1,160,000	OI European Group 2.875% 15/02/2025	985	0.07	EUR	412,000	*Permanent TSB Group Variable 25/04/2028	360	0.03
EUR	1,200,000	OI European Group 3.125% 15/11/2024	1,039	0.08			<b>Chemicals 0.19% (0.00%)</b>		
EUR	1,100,000	Phoenix PIB Dutch Finance 2.375% 05/08/2025	913	0.07	8,877		New Linde	2,566	0.19
EUR	1,115,000	PPF Telecom Group 1 2.125% 31/01/2025	924	0.07			<b>Medical Equipment and Services 0.00% (0.20%)</b>		
EUR	644,000	PPF Telecom Group 3.5% 20/05/2024	553	0.04			<b>Construction and Materials 0.08% (0.25%)</b>		
EUR	675,000	Q-Park Holdings 1.5% 01/03/2025	558	0.04	28,939		CRH (Dublin listing)	1,126	0.08
EUR	487,129	Summer Bidco 9% PIK 15/11/2025 (Frankfurt Stock Exchange)	444	0.03			<b>Total Republic of Ireland</b>	<b>5,956</b>	<b>0.44</b>
EUR	1,930,000	Teva Pharmaceutical Finance 3.75% 09/05/2027	1,511	0.11					

## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>ROMANIA 0.18% (0.12%)</b>					<b>SWITZERLAND 0.45% (0.32%)</b>				
		<b>Corporate Bonds 0.10% (0.06%)</b>					<b>Food Producers 0.30% (0.18%)</b>		
EUR	1,700,000	RCS & RDS 2.5% 05/02/2025	1,402	0.10		11,993	DSM-Firmenich	1,164	0.09
		<b>Government Bonds 0.08% (0.06%)</b>				28,549	Nestle	2,846	0.21
RON	7,380,000	Romania Government Bond 4.75% 11/10/2034	1,048	0.08		4,029	Lonza	2,039	0.15
		<b>Total Romania</b>	<b>2,450</b>	<b>0.18</b>			<b>Total Switzerland</b>	<b>6,049</b>	<b>0.45</b>
<b>RUSSIA 0.00% (0.03%)</b>					<b>TAIWAN 0.26% (0.28%)</b>				
		<b>Government Bonds 0.00% (0.03%)</b>					<b>Technology Hardware and Equipment 0.26% (0.28%)</b>		
		<b>Total Russia</b>	—	—		245,000	Taiwan Semiconductor Manufacturing	3,497	0.26
<b>SINGAPORE 0.18% (0.00%)</b>							<b>Total Taiwan</b>	<b>3,497</b>	<b>0.26</b>
		<b>Banks 0.18% (0.00%)</b>			<b>THAILAND 0.11% (0.21%)</b>				
	128,600	DBS Group Holdings	2,432	0.18			<b>Government Bonds 0.11% (0.21%)</b>		
		<b>Total Singapore</b>	<b>2,432</b>	<b>0.18</b>	THB	77,611,000	Thailand Government Bond 2% 17/06/2042	1,539	0.11
<b>SOUTH AFRICA 0.64% (0.75%)</b>							<b>Total Thailand</b>	<b>1,539</b>	<b>0.11</b>
		<b>Corporate Bonds 0.10% (0.08%)</b>			<b>TURKEY 0.06% (0.03%)</b>				
ZAR	48,000,000	Eskom Holdings 7.5% 15/09/2033	1,359	0.10			<b>Government Bonds 0.06% (0.03%)</b>		
		<b>Government Bonds 0.54% (0.67%)</b>			TRY	18,724,193	Turkey Government International Bond 11% 24/02/2027	767	0.06
ZAR	196,815,484	South Africa Government Bond 8.25% 31/03/2032	6,579	0.49			<b>Total Turkey</b>	<b>767</b>	<b>0.06</b>
ZAR	22,700,000	South Africa Government Bond 8.5% 31/01/2037	686	0.05	<b>UNITED KINGDOM 20.07% (17.82%)</b>				
		<b>Total South Africa</b>	<b>8,624</b>	<b>0.64</b>			<b>Corporate Bonds 2.32% (2.43%)</b>		
<b>SOUTH KOREA 0.13% (0.37%)</b>					GBP	1,500,000	Bellis Acquisition 3.25% 16/02/2026	1,243	0.09
		<b>Technology Hardware and Equipment 0.13% (0.37%)</b>			GBP	100,000	Bellis Acquisition 4.5% 16/02/2026	85	0.01
	3,987	Samsung SDI	1,706	0.13	GBP	1,063,000	Boparan Finance 7.625% 30/11/2025	699	0.05
		<b>Total South Korea</b>	<b>1,706</b>	<b>0.13</b>	GBP	268,000	*Co-operative Bank Finance 6% 06/04/2027	247	0.02
<b>SPAIN 0.68% (0.62%)</b>					GBP	305,000	Co-operative Group 5.125% 17/05/2024	301	0.02
		<b>Corporate Bonds 0.68% (0.62%)</b>			GBP	100,000	Co-operative Group 6.25% 08/07/2026	94	0.01
EUR	800,000	*Banco de Sabadell Variable 24/03/2026	657	0.05	GBP	920,000	Deuce Finco 5.5% 15/06/2027	773	0.06
EUR	500,000	Cellnex Finance 2.25% 12/04/2026	408	0.03	EUR	908,000	EC Finance 3% 15/10/2026	739	0.05
EUR	1,300,000	Cellnex Telecom 2.375% 16/01/2024	1,117	0.08	GBP	980,000	Heathrow Finance 5% 01/03/2024	961	0.07
EUR	1,545,000	Gestamp Automocion 3.25% 30/04/2026	1,283	0.10	EUR	236,000	Ineos Finance 2.125% 15/11/2025	193	0.01
EUR	150,000	Grifols 1.625% 15/02/2025	125	0.01	EUR	2,095,000	Ineos Finance 2.875% 01/05/2026	1,681	0.13
EUR	2,932,000	Grifols 3.2% 01/05/2025	2,440	0.18	EUR	450,000	Ineos Finance 6.625% 15/05/2028	387	0.03
EUR	1,300,000	Grupo-Antolin Irausa 3.375% 30/04/2026	936	0.07	EUR	909,000	Ineos Quattro Finance 2 2.5% 15/01/2026 (Germany listing)	712	0.05
EUR	700,000	International Consolidated Airlines 0.5% 04/07/2023	605	0.05	EUR	1,103,000	Ineos Quattro Finance 2 2.5% 15/01/2026 (Luxembourg listing)	864	0.06
EUR	700,000	International Consolidated Airlines 2.75% 25/03/2025	586	0.04	GBP	624,000	Inspired Entertainment 7.875% 01/06/2026	589	0.04
EUR	1,150,000	Lorca Telecom Bondco 4% 18/09/2027	913	0.07	EUR	356,000	International Game Technology 3.5% 15/07/2024	114	0.01
		<b>Total Spain</b>	<b>9,070</b>	<b>0.68</b>	EUR	1,261,000	International Game Technology 3.5% 15/06/2026	1,064	0.08
<b>SWEDEN 0.23% (0.21%)</b>					GBP	2,279,000	Iron Mountain UK 3.875% 15/11/2025	2,154	0.16
		<b>Corporate Bonds 0.23% (0.21%)</b>			EUR	997,000	Jaguar Land Rover Automotive 2.2% 15/01/2024	852	0.06
EUR	1,710,000	Intrum 4.875% 15/08/2025	1,294	0.09	EUR	159,000	Jaguar Land Rover Automotive 4.5% 15/01/2026	132	0.01
EUR	1,170,000	Verisure Holdings 3.875% 15/07/2026	944	0.07	EUR	178,000	Jaguar Land Rover Automotive 4.5% 15/07/2028	133	0.01
EUR	115,000	Verisure Holdings 7.125% 01/02/2028	100	0.01	EUR	279,000	Jaguar Land Rover Automotive 5.875% 15/11/2024	244	0.02
EUR	928,000	Volvo Car 2% 24/01/2025	772	0.06					
		<b>Total Sweden</b>	<b>3,110</b>	<b>0.23</b>					



## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED KINGDOM 20.07% (17.82%) (continued)</b>									
EUR	1,253,000	Jaguar Land Rover Automotive 6.875% 15/11/2026	1,075	0.08	EUR	246,000	Netflix 3.625% 15/05/2027	209	0.02
GBP	1,500,000	Jerrold Finco 4.875% 15/01/2026	1,329	0.10	USD	685,000	Occidental Petroleum 5.875% 01/09/2025	554	0.04
GBP	1,465,000	Ladbroses Group Finance 5.125% 08/09/2023	1,455	0.11	EUR	271,000	Olympus Water US Holdings 9.625% 15/11/2028	236	0.02
GBP	711,000	Marks & Spencer 3.75% 19/05/2026	644	0.05	EUR	2,746,000	Silgan Holdings 3.25% 15/03/2025	2,330	0.17
GBP	2,629,000	Pinewood 3.25% 30/09/2025 (Guernsey listing)	2,458	0.18	EUR	200,000	Spectrum Brands 4% 01/10/2026	170	0.01
EUR	240,000	Pinnacle Bidco 5.5% 15/02/2025	205	0.02			<b>Government Bonds 4.84% (0.00%)</b>		
GBP	1,216,000	Pinnacle Bidco 6.375% 15/02/2025	1,185	0.09	USD	14,000,000	United States Treasury Note/Bond 1.625% 15/05/2031	9,667	0.72
GBP	271,000	Premier Foods Finance 3.5% 15/10/2026	245	0.02	USD	38,891,000	United States Treasury Note/Bond 3% 15/08/2052	26,067	1.94
GBP	1,412,000	Rolls-Royce 3.375% 18/06/2026	1,271	0.09	USD	40,200,000	United States Treasury Note/Bond 3.375% 15/08/2042	29,202	2.18
EUR	1,623,000	Sherwood Financing 4.5% 15/11/2026	1,181	0.09			<b>Chemicals 0.19% (0.12%)</b>		
GBP	493,000	Sherwood Financing 6% 15/11/2026	400	0.03		18,856	ECOLAB	2,548	0.19
EUR	631,000	Synthomer 3.875% 01/07/2025	508	0.04			<b>Automobiles and Parts 0.00% (0.10%)</b>		
GBP	474,000	TalkTalk Telecom Group 3.875% 20/02/2025	364	0.03			<b>Consumer Services 0.31% (0.12%)</b>		
GBP	668,000	Travis Perkins 4.5% 07/09/2023	659	0.05		1,694	Mercadolibre	1,715	0.13
EUR	2,425,000	Victoria 3.625% 26/08/2026	1,724	0.13		78,559	Uber Technologies	2,416	0.18
GBP	1,400,000	Virgin Media Secured Finance 5% 15/04/2027	1,276	0.10			<b>Leisure Goods 0.16% (0.17%)</b>		
GBP	1,059,000	Zenith Finco 6.5% 30/06/2027	816	0.06		21,086	Electronic Arts	2,144	0.16
		<b>Government Bonds 17.24% (15.10%)</b>					<b>Media 0.10% (0.14%)</b>		
GBP	35,000,000	United Kingdom Gilt 0% 07/08/2023	34,660	2.59		18,816	Walt Disney	1,345	0.10
GBP	67,572,000	United Kingdom Gilt 0.75% 22/07/2023	67,163	5.01			<b>Retailers 0.38% (0.35%)</b>		
GBP	20,700,000	United Kingdom Gilt 0.875% 31/07/2033	14,810	1.10		54,083	Amazon.com	5,043	0.38
GBP	100,000,000	United Kingdom Gilt 1.25% 31/07/2051	47,201	3.52			<b>Beverages 0.11% (0.00%)</b>		
GBP	14,506,000	United Kingdom Gilt 2.25% 07/09/2023	14,400	1.07		9,840	PepsiCo	1,466	0.11
GBP	27,970,000	United Kingdom Gilt 4.25% 07/06/2032	27,938	2.08			<b>Banks 0.25% (0.29%)</b>		
GBP	27,000,000	United Kingdom Index-Linked Gilt 0.125% 22/03/2051	25,001	1.87		30,183	JPMorgan Chase	3,320	0.25
		<b>Industrial Metals and Mining 0.08% (0.10%)</b>					<b>Finance and Credit Services 0.00% (0.07%)</b>		
	48,140	Anglo American	1,091	0.08			<b>Investment Banking and Brokerage Services 0.17% (0.09%)</b>		
		<b>Beverages 0.15% (0.12%)</b>				26,192	InterContinental Exchange	2,232	0.17
	57,098	Diageo	1,984	0.15			<b>Health Care Providers 0.13% (0.22%)</b>		
		<b>Oil, Gas and Coal 0.21% (0.00%)</b>				4,968	Elevance Health	1,813	0.13
	117,916	Shell	2,760	0.21			<b>Medical Equipment and Services 0.65% (0.55%)</b>		
		<b>Electricity 0.07% (0.07%)</b>				18,085	Abbott Laboratories	1,497	0.11
	52,152	SSE	969	0.07		6,528	Cooper Companies	1,966	0.15
		<b>Total United Kingdom</b>	<b>269,033</b>	<b>20.07</b>		16,549	Dexcom	1,537	0.11
<b>UNITED STATES OF AMERICA 12.21% (6.93%)</b>						7,071	Stryker	1,561	0.12
		<b>Corporate Bonds 0.72% (1.14%)</b>				5,251	Thermo Fisher Scientific	2,217	0.16
EUR	750,000	Avantor Funding 2.625% 01/11/2025 (USA)	624	0.05			<b>Pharmaceuticals and Biotechnology 0.23% (0.17%)</b>		
EUR	100,000	Ball Corporation 0.875% 15/03/2024	84	0.01		9,048	Eli Lilly	3,136	0.23
EUR	500,000	Ford Motor Credit 2.33% 25/11/2025	405	0.03			<b>Electronic and Electrical Equipment 0.10% (0.08%)</b>		
GBP	695,000	Ford Motor Credit 2.748% 14/06/2024	662	0.05		36,143	Trimble Navigation	1,360	0.10
EUR	406,000	Ford Motor Credit 3.021% 06/03/2024	347	0.03			<b>Industrial Engineering 0.00% (0.18%)</b>		
GBP	395,000	Ford Motor Credit 4.535% 06/03/2025	376	0.03			<b>Industrial Support Services 0.37% (0.53%)</b>		
EUR	913,000	Ford Motor Credit 4.867% 03/08/2027	773	0.06		16,678	MasterCard	5,002	0.37
EUR	1,256,000	IQVIA 1.75% 15/03/2026	1,014	0.08					
EUR	400,000	IQVIA 2.875% 15/09/2025	337	0.02					
GBP	1,380,000	MPT Operating Partnership 2.55% 05/12/2023	1,323	0.10					

## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>UNITED STATES OF AMERICA 12.21% (6.93%) (continued)</b>				<b>DERIVATIVES 0.55% (-0.23%)</b>			
	<b>Industrial Transportation 0.15% (0.12%)</b>				<b>Futures and Options 0.07% (-0.28%)</b>		
12,678	Union Pacific	1,986	0.15	USD	167 UBS Russell 1000 Value Index Future Expiring June 2023	(21)	—
	<b>Real Estate Investment Trusts 0.11% (0.22%)</b>			GBP	952 UBS FTSE 100 Index Future Expiring June 2023	703	0.05
2,516	Equinix	1,442	0.11	USD	357 UBS MSCI Emerging Markets Future Expiring June 2023	(25)	—
	<b>Software and Computer Services 1.80% (1.46%)</b>			USD	68 UBS S&P 500 E-mini Future Expiring June 2023	730	0.05
6,584	Adobe Systems	2,093	0.16	JPY	(64) UBS Topix Index Future Expiring June 2023	(399)	(0.03)
68,734	Alphabet Class A	6,880	0.51		<b>Forward foreign exchange contracts 0.48% (0.05%)</b>		
8,099	Autodesk	1,298	0.10		Sell USD 2,693,035		
9,181	CrowdStrike Holdings	1,114	0.08		Buy BRL 13,382,122 Barclays	(4)	—
9,225	Intuit	3,090	0.23		Sell USD 2,283,157		
36,437	Microsoft	9,629	0.72		Buy CNY 15,631,633 Barclays	(59)	—
	<b>Technology Hardware and Equipment 1.00% (0.45%)</b>				Sell USD 698,520		
17,708	Advanced Micro Devices	1,727	0.13		Buy CZK 14,812,887 Barclays	(22)	—
5,382	Lam Research	2,627	0.20		Sell GBP 1,055,106		
31,239	Marvell Technology	1,251	0.09		Buy EUR 1,204,980 UBS	(9)	—
34,341	Micron Technology	1,937	0.14		Sell GBP 1,082,459		
7,799	Nvidia	2,401	0.18		Buy EUR 1,246,000 Barclays	(1)	—
23,459	ON Semiconductor	1,559	0.12		Sell GBP 218,344		
23,107	Qualcomm	1,948	0.14		Buy EUR 250,000 UBS	(1)	—
	<b>Telecommunications Service Providers 0.30% (0.26%)</b>				Sell EUR 1,500,000		
37,079	T-Mobile USA	4,081	0.30		Buy GBP 1,324,604 Barclays	23	—
	<b>Electricity 0.14% (0.10%)</b>				Sell USD 12,700,000		
32,777	Nextera Energy	1,950	0.14		Buy GBP 10,210,136 HSBC	(64)	—
	<b>Total United States of America</b>	<b>163,711</b>	<b>12.21</b>		Sell EUR 116,864,183		
					Buy GBP 103,173,672 Barclays	1,738	0.13
					Sell USD 140,000,000		
					Buy GBP 116,364,700 UBS	3,112	0.23
					Sell EUR 204,090		
					Buy GBP 177,862 UBS	1	—
					Sell USD 3,102		
					Buy GBP 2,493 Barclays <sup>2</sup>	—	—
					Sell USD 3,742		
					Buy GBP 2,977 UBS <sup>2</sup>	—	—
					Sell EUR 315,145		
					Buy GBP 273,995 Citigroup <sup>2</sup>	—	—
					Sell EUR 337,370		
					Buy GBP 293,229 UBS <sup>2</sup>	—	—
					Sell JPY 5,550,000,000		
					Buy GBP 34,392,243 UBS	2,188	0.16
					Sell EUR 511,731		
					Buy GBP 450,343 Barclays	6	—
					Sell EUR 800,000		
					Buy GBP 697,869 Lloyds	4	—
					Sell EUR 804,730		
					Buy GBP 700,419 Citigroup	2	—
					Sell EUR 893,030		
					Buy GBP 775,614 UBS <sup>2</sup>	—	—
					Sell USD 1,157,655		
					Buy GBP 925,641 Citigroup	(11)	—
					Sell USD 2,555,867		
					Buy HUF 885,670,735 UBS	(20)	—
					Sell USD 204,597		
					Buy IDR 3,045,953,608 UBS	(1)	—
					Sell USD 20,321,328		
					Buy JPY 2,750,000,000 UBS	(483)	(0.04)
<b>COLLECTIVE INVESTMENT SCHEMES 49.03% (55.68%)</b>							
	<b>UK equity 1.87% (1.02%)</b>						
17,213,359	CT UK Fund	25,016	1.87				
	<b>UK bond 22.43% (17.64%)</b>						
92,404,530	CT Sterling Corporate Bond Fund	84,190	6.28				
11,097,302	CT Sterling Medium and Long-Dated Corporate Bond Fund	9,739	0.73				
191,398,649	CT Sterling Short-Dated Corporate Bond Fund	206,615	15.42				
	<b>Real estate 3.01% (2.66%)</b>						
11,221,086	CT UK Property Authorised Trust	40,379	3.01				
	<b>Overseas equity 17.90% (14.98%)</b>						
8,815,234	CT American Fund	55,861	4.17				
27,331,331	CT Asia Fund	50,872	3.79				
9,811,273	CT European Fund	20,844	1.55				
12,173,110	CT European Select Fund	25,975	1.94				
42,265,401	CT Japan Fund	86,416	6.45				
	<b>Overseas bond 0.00% (0.73%)</b>						
	<b>Commodity 3.82% (9.47%)</b>						
47,768	Invesco Physical Gold	7,270	0.54				
2,771,687	Threadneedle (Lux) – Enhanced Commodities	43,907	3.28				
	<b>Liquidity Funds 0.00% (9.18%)<sup>1</sup></b>						
10,382	BlackRock Institutional Cash Series Sterling Liquidity Platinum	10	—				
1,812	Insight Liquidity Funds - ILF GBP Liquidity Class 3	2	—				
	<b>Total Collective Investment Schemes</b>	<b>657,096</b>	<b>49.03</b>				



## CT Dynamic Real Return Fund

### Portfolio Statement

(continued)

Holding	Investment	Value £000	% of Net Asset Value		
<b>DERIVATIVES 0.55% (-0.23%) (continued)</b>				<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>	
	Sell USD 357				<b>Value £000</b>
	Buy JPY 47,167 Citigroup <sup>2</sup>	—	—		<b>% of Investment</b>
	Sell USD 1,619,046			Fixed interest	511,203
	Buy KRW 2,160,478,647 UBS	8	—	Floating rate notes	1,264
	Sell USD 3,250,848			Derivatives	7,357
	Buy MYR 14,200,355 Barclays	(143)	(0.01)	Equity	150,121
	Sell USD 165,007			Collective Investment Schemes	657,096
	Buy MYR 733,326 Barclays	(5)	—	<b>Total value of investments<sup>3</sup></b>	<b>1,327,041</b>
	Sell USD 201,585				<b>100.00</b>
	Buy PLN 841,261 UBS	(1)	—	<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>	
	Sell USD 1,520,704				<b>Value £000</b>
	Buy RON 6,836,060 Barclays	(33)	—	UBS Russell 1000 Value Index Future Expiring June 2023	9,941
	Sell USD 6,067,828			UBS FTSE 100 Index Future Expiring June 2023	72,485
	Buy THB 205,815,273 UBS	(87)	(0.01)	UBS MSCI Emerging Markets Future Expiring June 2023	13,938
	Sell IDR 16,945,005,849			UBS S&P 500 E-mini Future Expiring June 2023	730
	Buy USD 1,150,866 Barclays	15	—	UBS Topix Index Future Expiring June 2023	(7,980)
	Sell MYR 7,554,726			<b>Total net exposure</b>	<b>89,114</b>
	Buy USD 1,666,680 Barclays	25	—		
	Sell PLN 492,021				
	Buy USD 116,595 Barclays <sup>2</sup>	—	—		
	Sell BRL 810,740				
	Buy USD 162,441 Barclays <sup>2</sup>	—	—		
	Sell MXN 40,055,963				
	Buy USD 2,191,312 Citigroup	(41)	—		
	Sell IDR 3,915,572,659				
	Buy USD 265,353 Barclays	3	—		
	Sell PEN 1,093,593				
	Buy USD 288,382 Barclays	(7)	—		
	Sell GBP 2,438				
	Buy USD 3,027 Barclays <sup>2</sup>	—	—		
	Sell GBP 2,998				
	Buy USD 3,748 Lloyds <sup>2</sup>	—	—		
	Sell GBP 3,700				
	Buy USD 4,580 Barclays <sup>2</sup>	—	—		
	Sell ZAR 87,003,880				
	Buy USD 4,760,681 UBS	219	0.02		
	Sell CLP 322,990,073				
	Buy USD 402,672 UBS	3	—		
	Sell TRY 1,067,704				
	Buy USD 48,477 Citigroup	(2)	—		
	Sell COP 32,402,157,204				
	Buy USD 7,238,813 Citigroup	(8)	—		
	Sell GBP 6,850,607				
	Buy USD 8,500,000 HSBC	26	—		
	Sell MXN 1,581,556				
	Buy USD 86,501 Citigroup	(2)	—		
	Sell USD 178,376				
	Buy ZAR 3,462,560 UBS <sup>2</sup>	—	—		
	<b>Total Derivatives</b>	<b>7,357</b>	<b>0.55</b>		
<b>Total value of investments<sup>3</sup></b>		<b>1,327,041</b>	<b>99.01</b>		
<b>Net other assets (4.89%)</b>		<b>13,213</b>	<b>0.99</b>		
<b>Net assets</b>		<b>1,340,254</b>	<b>100.00</b>		

May 2022 comparatives in brackets.

\* Variable rate bonds.

<sup>1</sup> Cash equivalents.

<sup>2</sup> Less than £500, rounded to nil.

<sup>3</sup> Includes Cash equivalents.

## CT Global Multi Asset Income Fund

### Portfolio Statement

as at 25 May 2023

			Value £000	% of Net Asset Value				Value £000	% of Net Asset Value
Holding	Investment				Holding	Investment			
<b>GUERNSEY 2.29% (1.60%)</b>									
	<b>Real Estate Investment Trusts 2.29% (1.60%)</b>				149,290	CT High Yield Bond Fund		136	0.18
2,846,709	Schroder Real Estate Investment Trust		1,237	1.67	50,655	Threadneedle (Lux) – European Short-Term High Yield Bond Fund		4,840	6.53
898,294	UK Commercial Property REIT		457	0.62	184,800	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds		1,198	1.62
	<b>Total Guernsey</b>		<b>1,694</b>	<b>2.29</b>		<b>Total Collective Investment Schemes</b>		<b>57,274</b>	<b>77.32</b>
<b>MEXICO 0.88% (1.47%)</b>					<b>DERIVATIVES 0.91% (-0.11%)</b>				
	<b>BBB 0.88% (1.47%)</b>					<b>Futures and Options 0.25% (0.00%)</b>			
GBP	895,000	United Mexican States 5.625% 19/03/2114	656	0.88	USD	74	UBS E-mini Russell 1000 G Future Expiring June 2023	82	0.11
	<b>Total Mexico</b>		<b>656</b>	<b>0.88</b>	USD	(127)	UBS E-mini Russell 1000 V Future Expiring June 2023	105	0.14
<b>UNITED KINGDOM 8.62% (7.31%)</b>					<b>Forward foreign exchange contracts 0.66% (-0.11%)</b>				
	<b>Aa3u 3.37% (2.80%)</b>					Sell USD 19,200,000			
GBP	2,580,000	United Kingdom Gilt 1.25% 31/07/2051	1,218	1.64		Buy GBP 15,955,537 HSBC		424	0.58
GBP	1,380,000	United Kingdom Index-Linked Gilt 0.125% 22/03/2051	1,278	1.73		Sell USD 970,000			
	<b>Real Estate Investment Trusts 5.25% (4.51%)</b>					Buy GBP 778,846 Citigroup		(6)	(0.01)
	1,852,103	Custodian REIT	1,654	2.23		Sell GBP 3,770,000			
	823,729	LXI REIT	812	1.10		Buy USD 4,743,748 Citigroup		67	0.09
	1,033,598	Tritax Big Box REIT	1,422	1.92		<b>Total Derivatives</b>		<b>672</b>	<b>0.91</b>
	<b>Total United Kingdom</b>		<b>6,384</b>	<b>8.62</b>					
<b>UNITED STATES OF AMERICA 8.60% (0.00%)</b>					<b>Total value of investments</b>				
	<b>Aaa 8.60% (0.00%)</b>					<b>Net other assets (5.64%)</b>		<b>73,055</b>	<b>98.62</b>
USD	3,327,000	United States Treasury Note/Bond 3% 15/08/2052	2,230	3.01		<b>Net assets</b>		<b>1,019</b>	<b>1.38</b>
USD	2,591,000	United States Treasury Note/Bond 3.375% 15/08/2042	1,882	2.54	<i>May 2022 comparatives in brackets.</i>				
USD	2,900,000	United States Treasury Note/Bond 3.875% 15/02/2043	2,263	3.05	<b>ANALYSIS OF INVESTMENTS BY ASSET CLASS</b>				
	<b>Total United States of America</b>		<b>6,375</b>	<b>8.60</b>				<b>Value £000</b>	<b>% of Investment</b>
<b>COLLECTIVE INVESTMENT SCHEMES 77.32% (84.09%)</b>						Fixed interest		9,527	13.04
	<b>UK equity 2.87% (3.55%)</b>					Derivatives		672	0.92
1,609,938	CT UK Equity Income Fund		2,127	2.87		Equity		5,582	7.64
	<b>UK bond 20.59% (7.95%)</b>					Collective investment schemes		57,274	78.40
4,116,997	CT Sterling Bond Fund		3,603	4.86		<b>Total value of investments</b>		<b>73,055</b>	<b>100.00</b>
7,192,805	CT Sterling Corporate Bond Fund		6,553	8.85	<b>ANALYSIS OF UNDERLYING EXPOSURE FUTURES AND OPTIONS</b>				
3,435,775	CT Sterling Medium and Long-Dated Corporate Bond Fund		3,500	4.72				<b>Value £000</b>	
1,747,881	CT Sterling Short-Dated Corporate Bond Fund		1,600	2.16		UBS E-mini Russell 1000 G Future Expiring June 2023		7,545	
	<b>Real estate 6.78% (10.29%)</b>					UBS E-mini Russell 1000 V Future Expiring June 2023		(7,560)	
8,361,810	CT UK Property Authorised Investment Fund		5,020	6.78		<b>Total net exposure</b>		<b>(15)</b>	
	<b>Overseas equity 36.61% (37.58%)</b>								
777,110	CT Global Equity Income Fund		1,226	1.66					
5,247,560	CT US Equity Income Fund		19,231	25.96					
269,722	Threadneedle (Lux) – Asian Equity Income Fund		2,588	3.49					
2,978,927	Threadneedle (Lux) – Pan European Equity Dividend		4,072	5.50					
	<b>Overseas bond 10.47% (24.72%)</b>								
200,244	CT Emerging Market Bond Fund		191	0.26					
1,943,524	CT Emerging Market Local Fund		1,389	1.88					

## CT UK Social Bond Fund

### Portfolio Statement

as at 25 May 2023

			Value	% of				Value	% of
	Holding	Investment	£000	Net Asset Value		Holding	Investment	£000	Net Asset Value
<b>FIXED INTEREST 76.10% (78.01%)</b>						<b>A+ 5.63% (4.46%)</b>			
		<b>AAA 8.36% (11.68%)</b>			GBP	4,100,000	Aster Treasury 1.405% 27/01/2036	2,618	0.66
GBP	1,000,000	Asian Infrastructure 0.2% 15/12/2025	879	0.22	EUR	3,100,000	Banque Fédérative du Crédit Mutuel 4% 21/11/2029	2,685	0.68
EUR	1,100,000	Council of Europe Development Bank 0% 09/04/2027	846	0.21	GBP	300,000	Bromford Housing Group 3.125% 03/05/2048	199	0.05
EUR	6,890,000	Council of Europe Development Bank 1% 13/04/2029	5,316	1.35	GBP	4,900,000	Credit Agricole 4.875% 23/10/2029	4,631	1.17
EUR	900,000	European Investment Bank 0% 15/05/2028	673	0.17	EUR	6,549,000	Nationwide Building Society 3.25% 05/09/2029	5,371	1.36
GBP	2,125,000	International Bank for Reconstruction and Development 0.25% 23/09/2027	1,741	0.44	GBP	231,000	Nats En Route 1.75% 30/09/2033	162	0.04
GBP	3,500,000	International Bank for Reconstruction and Development 0.5% 24/07/2023	3,476	0.88	GBP	1,100,000	Platform HG Finance 1.926% 15/09/2041	655	0.17
GBP	1,550,000	International Bank for Reconstruction and Development 0.625% 14/07/2028	1,259	0.32	GBP	213,000	RHP Finance 3.25% 05/02/2048	148	0.04
GBP	2,000,000	International Bank for Reconstruction and Development 1.25% 13/12/2028	1,657	0.42	GBP	460,000	Sovereign Housing Capital 5.705% 10/09/2039	460	0.12
USD	800,000	International Bank for Reconstruction and Development 2.25% 28/03/2024	631	0.16	GBP	2,630,000	Unite USAF II 3.374% 30/06/2023	2,623	0.66
GBP	2,500,000	International Development Association 0.75% 21/09/2028	2,018	0.51	GBP	2,130,000	Unite USAF II 3.921% 30/06/2025	2,012	0.51
EUR	2,933,000	Nationwide Building Society 1.125% 31/05/2028	2,277	0.58	GBP	800,000	Wheatley Group Capital 4.375% 28/11/2044	666	0.17
GBP	1,100,000	Nationwide Building Society 5.625% 28/01/2026	1,105	0.28			<b>A1 0.43% (0.63%)</b>		
EUR	9,915,000	Wellcome Trust 1.125% 21/01/2027	7,913	2.00	GBP	200,000	Cardiff University 3% 07/12/2055	129	0.03
GBP	3,385,000	Wellcome Trust Finance 4.625% 25/07/2036	3,238	0.82	GBP	900,000	De Montfort University 5.375% 30/06/2042	812	0.21
		<b>Aaa 1.27% (0.61%)</b>			GBP	100,000	Onward Homes 2.125% 25/03/2053	49	0.01
EUR	3,400,000	Coventry Building Society 2.625% 07/12/2026	2,851	0.72	GBP	700,000	University of Leeds 3.125% 19/12/2050	485	0.12
GBP	2,500,000	Inter-American Development Bank 0.5% 15/09/2026	2,154	0.55	GBP	450,000	University of Southampton 2.25% 11/04/2057	234	0.06
		<b>AA 6.67% (6.67%)</b>					<b>A 5.77% (5.88%)</b>		
GBP	2,200,000	Community Finance 1 5.017% 31/07/2034	2,095	0.53	GBP	1,500,000	ABN AMRO Bank 5.25% 26/05/2026	1,468	0.37
GBP	500,000	Dwr Cymru Financing 6.015% 31/03/2028	507	0.13	EUR	1,700,000	AstraZeneca 0.375% 03/06/2029	1,226	0.31
USD	7,100,000	International Finance Facility for Immunisation 0.375% 06/11/2023	5,650	1.43	GBP	875,000	BBC Pacific Quay Finance 5.5653% 25/07/2034	657	0.17
USD	5,500,000	International Finance Facility for Immunisation 1% 21/04/2026	4,036	1.02	GBP	250,000	Cambridgeshire Housing Capital 4.25% 15/09/2045	200	0.05
GBP	1,329,000	International Finance Facility for Immunisation 2.75% 07/06/2025	1,262	0.32	GBP	1,103,000	GSK Capital 1.25% 12/10/2028	901	0.23
GBP	9,800,000	LCR Finance 4.5% 07/12/2028	9,647	2.44	GBP	867,000	GSK Capital 1.25% 12/10/2028 (Frankfurt Exchange)	708	0.18
GBP	2,350,000	Network Rail Infrastructure Finance 4.375% 09/12/2030	2,304	0.58	GBP	100,000	Incommunities 3.25% 21/03/2049	69	0.02
GBP	1,202,000	Octagon Healthcare Funding 5.333% 31/12/2035	855	0.22	GBP	1,000,000	Legal & General Group 5.875% 11/12/2031	1,020	0.26
		<b>AA- 0.00% (0.51%)</b>			GBP	1,310,000	Meadowhall Finance 4.986% 12/01/2032	622	0.16
		<b>Aa3 1.34% (3.12%)</b>			EUR	4,200,000	Motability Operations Group 0.125% 20/07/2028 (Frankfurt Exchange)	3,058	0.77
GBP	2,600,000	PRS Finance 1.75% 24/11/2026 55AN	2,188	0.55	GBP	7,915,000	Motability Operations Group 3.75% 16/07/2026	7,531	1.91
GBP	2,300,000	PRS Finance 2% 23/01/2029	1,957	0.50	GBP	300,000	Northern Powergrid 2.5% 01/04/2025	279	0.07
GBP	400,000	Saltaire Finance 1.527% 23/11/2051	186	0.05	GBP	370,000	Penarian Housing 3.212% 07/06/2052	245	0.06
GBP	848,000	Saltaire Finance 4.809% 14/03/2053	807	0.20	EUR	1,950,000	Prologis Euro Finance 1.5% 08/02/2034	1,240	0.31
GBP	400,000	University College London 1.625% 04/06/2061	176	0.04	GBP	3,200,000	Stonewater Funding 1.625% 10/09/2036	2,009	0.51
					GBP	1,650,000	THFC Funding No 1 5.125% 21/12/2037	1,558	0.39
							<b>A2 0.96% (1.35%)</b>		
					GBP	600,000	Blend Funding 3.459% 21/09/2047	425	0.11
					GBP	2,039,000	Coventry Building Society 1% 21/09/2025	1,816	0.46
					GBP	1,250,000	Coventry Building Society 1.875% 24/10/2023	1,229	0.31
					GBP	477,000	Jigsaw Funding 3.375% 05/05/2052	330	0.08

## CT UK Social Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
	<b>FIXED INTEREST 76.10% (78.01%) (continued)</b>								
		<b>A- 6.32% (7.36%)</b>			GBP	308,000	Severn Trent Utilities Finance 5.25% 04/04/2036	291	0.07
GBP	7,900,000	Anglian Water Services Financing 1.625% 10/08/2025	7,263	1.84	GBP	6,400,000	Severn Trent Utilities Finance 6.125% 26/02/2024	6,405	1.62
GBP	1,500,000	Anglian Water Services Financing 2.75% 26/10/2029	1,274	0.32	GBP	2,420,000	Southern Water Services 1.625% 30/03/2027	2,041	0.52
GBP	4,342,000	Clarion Funding 2.625% 18/01/2029	3,700	0.94	GBP	1,620,000	Southern Water Services 2.375% 28/05/2028	1,357	0.34
GBP	700,000	Eastern Power Networks 2.125% 25/11/2033	504	0.13	GBP	4,500,000	United Utilities Water Finance 0.875% 28/10/2029	3,365	0.85
EUR	500,000	ESB Finance 1% 19/07/2034	326	0.08			<b>Baa1 3.11% (4.09%)</b>		
GBP	300,000	Guinness Partnership 4% 24/10/2044	237	0.06	GBP	5,100,000	Bazalgette Finance 2.375% 29/11/2027	4,421	1.12
GBP	875,000	Home Group 3.125% 27/03/2043	583	0.15	GBP	5,750,000	Bupa Finance 5% 08/12/2026	5,406	1.37
GBP	200,000	Metropolitan Funding 4.125% 05/04/2048	151	0.04	GBP	2,500,000	Manchester Airport Group Funding 4.125% 02/04/2024	2,460	0.62
GBP	1,300,000	Paragon Treasury 2% 07/05/2036	854	0.22			<b>BBB 8.57% (6.59%)</b>		
GBP	1,500,000	Peabody Capital No 2 2.75% 02/03/2034	1,142	0.29	GBP	1,700,000	Becton Dickinson 3.02% 24/05/2025	1,612	0.41
GBP	2,000,000	Places For People Treasury 2.875% 17/08/2026	1,813	0.46	GBP	700,000	British Telecommunications 3.125% 21/11/2031	568	0.14
GBP	4,046,000	Realty Income 1.125% 13/07/2027	3,287	0.83	GBP	300,000	British Telecommunications 5.75% 07/12/2028	295	0.07
GBP	581,000	South Eastern Power Networks 1.75% 30/09/2034	392	0.10	GBP	7,100,000	Dwr Cymru Financing 1.625% 31/03/2026	6,311	1.60
GBP	3,100,000	Yorkshire Water Finance 1.75% 26/11/2026	2,691	0.68	GBP	740,000	Dwr Cymru Financing 2.375% 31/03/2034	516	0.13
GBP	734,000	Yorkshire Water Finance 5.5% 28/04/2035	702	0.18	GBP	2,100,000	Haleon UK Capital 2.875% 29/10/2028	1,832	0.46
		<b>A3 1.10% (1.73%)</b>			GBP	1,771,000	Intesa Sanpaolo 6.625% 31/05/2033	1,708	0.43
GBP	3,300,000	Bupa Finance 1.75% 14/06/2027	2,785	0.71	GBP	2,000,000	Liberty Living 2.625% 28/11/2024	1,876	0.48
GBP	300,000	Bupa Finance 2% 05/04/2024	289	0.07	GBP	300,000	Liberty Living 3.375% 28/11/2029	245	0.06
GBP	200,000	Libra Longhurst Group 3.25% 15/05/2043	138	0.04	EUR	1,858,000	National Grid Electricity Distribution 3.875% 16/01/2029	1,600	0.41
GBP	532,000	Optivo Finance 2.857% 07/10/2035	392	0.10	GBP	2,561,000	Northumbrian Water Finance 4.5% 14/02/2031	2,329	0.59
GBP	710,000	Orbit Capital 2% 24/11/2038	432	0.11	GBP	2,758,000	Northumbrian Water Finance 6.375% 28/10/2034	2,802	0.71
GBP	350,000	WHG Treasury 4.25% 06/10/2045	289	0.07	GBP	675,000	Rentokil Initial 5% 27/06/2032	630	0.16
		<b>BBB+ 10.52% (10.11%)</b>			GBP	6,760,000	Thames Water Utilities Finance 1.875% 24/01/2024	6,581	1.67
EUR	3,240,000	Cadent Finance 0.75% 11/03/2032	2,117	0.54	GBP	3,412,000	Thames Water Utilities Finance 2.375% 22/04/2040	2,032	0.51
GBP	1,233,000	Cadent Finance 5.75% 14/03/2034	1,187	0.30	GBP	850,000	Thames Water Utilities Finance 5.125% 28/09/2037	751	0.19
GBP	1,970,000	Electricity North West 8.875% 25/03/2026	2,113	0.54	GBP	1,800,000	Unite Group 3.5% 15/10/2028	1,535	0.39
GBP	2,266,000	ENW Finance 4.893% 24/11/2032	2,103	0.53	GBP	700,000	Western Power Distribution 3.5% 16/10/2026	645	0.16
EUR	1,200,000	Iberdrola Finanzas 1.25% 28/10/2026	975	0.25			<b>(P)BBB 0.00% (0.38%)</b>		
GBP	4,975,000	National Grid Electricity Distribution 2.375% 16/05/2029	4,082	1.03			<b>Baa2 1.23% (2.48%)</b>		
GBP	1,750,000	National Grid Electricity Distribution 3.875% 17/10/2024	1,699	0.43	GBP	500,000	Annington Funding 2.308% 06/10/2032	349	0.09
EUR	541,000	National Grid Electricity Distribution 3.949% 20/09/2032	457	0.12	GBP	1,074,000	Annington Funding 4.75% 09/08/2033	898	0.23
GBP	300,000	NIE Finance 5.875% 01/12/2032	299	0.08	GBP	1,800,000	Eversholt Funding 2.742% 30/06/2040	1,258	0.32
GBP	3,000,000	NIE Finance 6.375% 02/06/2026	3,033	0.77	GBP	1,400,000	National Express Group 2.5% 11/11/2023	1,378	0.35
GBP	2,300,000	Northern Gas Networks Finance 4.875% 30/06/2027	2,221	0.56	EUR	1,162,000	SELP Finance 3.75% 10/08/2027	933	0.24
GBP	1,600,000	Orsted 2.125% 17/05/2027	1,411	0.36			<b>BBB- 0.62% (1.60%)</b>		
GBP	2,000,000	Royal London Finance Bonds No 3 6.125% 13/11/2028	1,888	0.48	GBP	1,200,000	AA Bond 3.25% 31/07/2028	924	0.23
GBP	1,000,000	Scottish Hydro Electric 2.25% 27/09/2035	690	0.17	GBP	550,000	DS Smith 2.875% 26/07/2029	461	0.12
GBP	2,741,000	Severn Trent Utilities Finance 2.625% 22/02/2033	2,093	0.53	GBP	500,000	Grainger 3.375% 24/04/2028	418	0.11
GBP	1,886,000	Severn Trent Utilities Finance 4.625% 30/11/2034	1,697	0.43	EUR	900,000	Tesco Corporate Treasury Services 0.375% 27/07/2029	621	0.16

## CT UK Social Bond Fund

### Portfolio Statement

(continued)

	Holding	Investment	Value £000	% of Net Asset Value		Holding	Investment	Value £000	% of Net Asset Value
<b>FIXED INTEREST 76.10% (78.01%) (continued)</b>					<b>BBB+ 6.60% (2.63%)</b>				
		<b>Baa3 0.48% (0.64%)</b>							
GBP	2,200,000	Pearson 3.75% 04/06/2030	1,884	0.48	GBP	8,500,000	*Barclays Variable 03/11/2026	7,555	1.91
		<b>BB+ 0.21% (0.21%)</b>			GBP	1,800,000	*Legal & General Group 4.5% 01/11/2050	1,517	0.38
GBP	600,000	Marks & Spencer 3.25% 10/07/2027	534	0.14	GBP	2,400,000	*Legal & General Group 5.375% 27/10/2045	2,310	0.59
GBP	300,000	Marks & Spencer 3.75% 19/05/2026	272	0.07	GBP	1,000,000	*Legal & General Group Variable 26/11/2049	819	0.21
		<b>BB 0.10% (0.13%)</b>			USD	1,630,000	*Nationwide Building Society Variable 08/03/2029	1,220	0.31
GBP	610,000	Peterborough Progress Health 5.581% 02/10/2042	403	0.10	EUR	924,000	*NatWest Group 4.699% 14/03/2028	804	0.20
		<b>BB- 0.24% (0.60%)</b>			EUR	14,900,000	*NatWest Group Variable 26/02/2030	10,356	2.62
GBP	214,000	Co-operative Group 5.125% 17/05/2024	211	0.05	GBP	2,100,000	*Royal London Finance Bonds No 4 Variable 07/10/2049	1,505	0.38
EUR	800,000	Getlink 3.5% 30/10/2025	674	0.17			<b>BBB 0.20% (7.19%)</b>		
EUR	100,000	Getlink 3.5% 30/10/2025 (Frankfurt Exchange)	84	0.02	GBP	1,000,000	*Legal & General Group 5.625% 24/09/2168	787	0.20
		<b>B3 0.10% (0.19%)</b>					<b>Baa2 2.67% (2.22%)</b>		
GBP	420,000	Pinnacle Bidco 6.375% 15/02/2025	409	0.10	GBP	9,200,000	*Yorkshire Building Society Variable 15/09/2029	7,061	1.79
		<b>Liquidity Funds 4.74% (0.00%)<sup>1</sup></b>			GBP	4,148,000	*Yorkshire Building Society Variable 11/10/2030	3,457	0.88
GBP	18,731,720	BlackRock Institutional Cash Series Sterling Liquidity Platinum	18,732	4.74			<b>BBB- 4.54% (2.37%)</b>		
		<b>Not Rated 8.33% (6.99%)</b>			EUR	1,900,000	*AIB Group 2.25% 04/04/2028	1,491	0.38
GBP	543,100	A2D Funding II 4.5% 30/09/2026	517	0.13	EUR	8,334,000	*AIB Group 4.625% 23/07/2029	7,070	1.79
GBP	420,000	A2Dominion Housing Group 3.5% 15/11/2028	372	0.09	EUR	1,288,000	*Bank of Ireland Group 4.875% 16/07/2028	1,122	0.28
GBP	655,000	Anglian Water Osprey Finance 2% 31/07/2028	513	0.13	EUR	4,540,000	*Bank of Ireland Group Variable 10/05/2027	3,492	0.88
USD	2,400,000	Japan International Cooperation Agency 4% 23/05/2028	1,902	0.48	EUR	3,000,000	*Deutsche Bank Bank Variable 24/05/2028	2,389	0.61
GBP	100,000	John Lewis 6.125% 21/01/2025	97	0.02	EUR	1,000,000	*Iberdrola International 2.625% 26/03/2067	854	0.22
GBP	1,789,000	Newriver REIT 3.5% 07/03/2028	1,480	0.37	EUR	400,000	*Iberdrola International Variable 12/02/2168	336	0.09
GBP	2,550,000	Pension Insurance 3.625% 21/10/2032	1,848	0.47	GBP	1,200,000	*NGG Finance 5.625% 18/06/2073	1,153	0.29
GBP	1,100,000	Pension Insurance 6.5% 03/07/2024	1,088	0.28			<b>Baa3 0.00% (0.04%)</b>		
GBP	2,250,000	RCB Bonds 3.5% 08/12/2031	1,880	0.48			<b>BB+ 0.35% (1.47%)</b>		
GBP	895,000	Retail Charity Bond 3.9% 23/11/2027	760	0.19	EUR	500,000	*Orsted 1.75% 09/12/3019	370	0.09
GBP	2,420,000	Retail Charity Bond 4% 31/10/2027	2,067	0.52	EUR	300,000	*Orsted 2.25% Perpetual	248	0.06
EUR	3,700,000	Segro Capital 0.5% 22/09/2031	2,230	0.56	USD	1,000,000	*Vodafone Group Variable 03/10/2078	807	0.20
GBP	25,102,000	United Kingdom Gilt 0.875% 31/07/2033	17,959	4.55			<b>BB 0.55% (0.32%)</b>		
GBP	470,104	United Kingdom Gilt 1.5% 31/07/2053	234	0.06	EUR	2,900,000	*Bank of Ireland Group 1.375% 11/08/2031	2,176	0.55
		<b>Total Fixed Interest</b>	<b>300,547</b>	<b>76.10</b>			<b>Ba3 0.89% (0.00%)</b>		
<b>FLOATING RATE NOTES 21.12% (20.68%)</b>							<b>Co-operative Bank Finance 6% 06/04/2027</b>	2,166	0.55
		<b>AAA 0.74% (0.27%)</b>					<b>Co-operative Bank Finance 9.5% 24/05/2028</b>	1,335	0.34
GBP	2,800,000	*Asian Development Bank FRN 23/05/2029	2,902	0.74			<b>B1 0.00% (0.32%)</b>		
		<b>AA 0.00% (0.16%)</b>					<b>Not Rated 0.86% (0.71%)</b>		
		<b>A+ 1.76% (0.00%)</b>			GBP	2,350,000	*Royal London Finance Bonds No 6 Variable 25/11/2171	992	0.25
EUR	4,803,000	*Danske Bank Variable 10/01/2031	4,137	1.05	GBP	1,336,000	*Triodos Bank Variable 05/02/2032	2,422	0.61
EUR	3,300,000	*Erste Group Bank 4% 16/01/2031	2,813	0.71			<b>Total Floating Rate Notes</b>	<b>83,406</b>	<b>21.12</b>
		<b>A1 1.01% (0.91%)</b>							
GBP	4,000,000	*UK Municipal Bonds Agency FRN 12/03/2025	4,006	1.01					
		<b>A- 0.61% (2.07%)</b>							
EUR	2,806,000	*HSBC Holdings 1.5% 04/12/2024	2,408	0.61					
		<b>A3 0.34% (0.00%)</b>							
GBP	1,336,000	*Nordea Bank 6% 02/06/2026	1,326	0.34					



## CT Managed Bond Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.56% (98.14%)</b>							
	<b>UK equity 5.17% (5.39%)</b>				Sell EUR 7,000,000		
381,388	CT UK Equity Income Fund	1,557	0.74		Buy GBP 6,233,420 HSBC	158	0.08
4,389,729	CT UK Fund	6,380	3.02		Sell EUR 7,700,000		
2,473,822	CT UK Institutional Fund	2,967	1.41		Buy GBP 6,777,707 Barclays	86	0.04
	<b>Total UK equity</b>	<b>10,904</b>	<b>5.17</b>		Sell EUR 9,000,000		
	<b>UK bond 34.71% (31.94%)</b>				Buy GBP 7,977,020 Barclays	147	0.07
34,827,503	CT Sterling Bond Fund	29,847	14.17		Sell USD 1,100,000		
23,372,420	CT Sterling Corporate Bond Fund	26,002	12.34		Buy GBP 896,344 Barclays	7	–
4,340	CT Sterling Short-Term Money Market Fund	5	–		<b>Total derivatives</b>	<b>888</b>	<b>0.42</b>
22,386,193	CT UK Fixed Interest Fund	17,284	8.20				
	<b>Total UK bond</b>	<b>73,138</b>	<b>34.71</b>				
	<b>Overseas equity 10.42% (12.47%)</b>				<b>Total value of investments</b>	<b>210,692</b>	<b>99.98</b>
1,199,185	CT American Fund	7,599	3.61		<b>Net other assets (3.02%)</b>	<b>33</b>	<b>0.02</b>
1,411,858	CT Asia Fund	2,628	1.25		<b>Net assets</b>	<b>210,725</b>	<b>100.00</b>
606,286	CT European Fund	1,288	0.61				
201,264	CT Global Emerging Markets Equity Fund	223	0.10				
2,176,547	CT Global Select Fund	5,625	2.67				
728,024	CT Japan Fund	1,489	0.71				
959,763	CT US Equity Income Fund	983	0.47				
156,259	Threadneedle (Lux) – Global Smaller Companies Fund	2,115	1.00				
	<b>Total overseas equity</b>	<b>21,950</b>	<b>10.42</b>				
	<b>Overseas bond 49.26% (48.34%)</b>						
25,522,156	CT Dollar Bond Fund	29,356	13.93				
590,561	CT Emerging Market Bond Fund	737	0.35				
353,159	CT Emerging Market Local Fund	813	0.39				
6,781,861	CT European Bond Fund	5,986	2.84				
38,750,914	CT Global Bond Fund	40,351	19.15				
534,704	CT High Yield Bond Fund	695	0.33				
677,523	Threadneedle (Lux) – European Corporate Bond Fund	6,541	3.10				
99,525	Threadneedle (Lux) – Flexible Asian Bond Fund	966	0.46				
1,779,909	Threadneedle (Lux) – Global Corporate Bond	17,745	8.42				
73,836	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	622	0.29				
	<b>Total overseas bond</b>	<b>103,812</b>	<b>49.26</b>				
	<b>Total collective investment schemes</b>	<b>209,804</b>	<b>99.56</b>				
<b>DERIVATIVES 0.42% (-1.16%)</b>							
	<b>Forward foreign exchange contracts 0.42% (-1.16%)</b>						
	Sell USD 21,500,000						
	Buy GBP 17,183,655 Barclays	(189)	(0.09)				
	Sell USD 21,750,000						
	Buy GBP 18,078,087 UBS	483	0.23				
	Sell USD 22,700,000						
	Buy GBP 18,228,422 Barclays	(121)	(0.06)				
	Sell JPY 350,000,000						
	Buy GBP 2,168,361 HSBC	137	0.07				
	Sell JPY 421,000,000						
	Buy GBP 2,571,120 Citigroup	116	0.05				
	Sell JPY 530,000,000						
	Buy GBP 3,166,050 Citigroup	64	0.03				

May 2022 comparatives in brackets.



## CT Managed Bond Focused Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.03% (98.36%)</b>							
	<b>UK equity 7.56% (8.01%)</b>				Sell JPY 500,000,000		
541,642	CT UK Equity Income Fund	2,212	1.03		Buy GBP 2,986,839 Citigroup	60	0.03
6,500,979	CT UK Fund	9,448	4.38		Sell EUR 7,800,000		
2,693,075	CT UK Institutional Fund	3,230	1.50		Buy GBP 6,945,811 HSBC	177	0.08
1,247,134	CT UK Smaller Companies Fund	1,400	0.65		Sell USD 850,000		
	<b>Total UK equity</b>	<b>16,290</b>	<b>7.56</b>		Buy GBP 692,631 UBS	5	—
	<b>UK bond 29.18% (27.94%)</b>				Sell EUR 8,600,000		
45,603,755	CT Sterling Bond Fund	39,082	18.14		Buy GBP 7,622,486 Barclays	141	0.06
20,785,397	CT Sterling Corporate Bond Fund	23,124	10.73		Sell EUR 9,000,000	101	0.05
624,826	CT Sterling Short-Term Money Market Fund	656	0.31		Buy GBP 7,921,995 Barclays		
	<b>Total UK bond</b>	<b>62,862</b>	<b>29.18</b>		<b>Total derivatives</b>	<b>903</b>	<b>0.42</b>
	<b>Overseas equity 20.83% (22.67%)</b>				<b>Total value of investments</b>	<b>214,250</b>	<b>99.45</b>
2,790,166	CT American Fund	17,681	8.21		<b>Net other assets (2.48%)</b>	<b>1,195</b>	<b>0.55</b>
2,608,554	CT Asia Fund	4,855	2.25		<b>Net assets</b>	<b>215,445</b>	<b>100.00</b>
1,436,894	CT European Fund	3,053	1.42				
617,806	CT Global Emerging Markets Equity Fund	685	0.32				
4,592,528	CT Global Select Fund	11,869	5.51				
1,316,616	CT Japan Fund	2,692	1.25				
1,947,843	CT US Equity Income Fund	1,994	0.92				
151,542	Threadneedle (Lux) – Global Smaller Companies Fund	2,051	0.95				
	<b>Total overseas equity</b>	<b>44,880</b>	<b>20.83</b>				
	<b>Overseas bond 41.46% (39.74%)</b>						
14,176,321	CT Dollar Bond Fund	16,306	7.57				
839,147	CT Emerging Market Bond Fund	1,047	0.49				
357,668	CT Emerging Market Local Fund	824	0.38				
8,078,246	CT European Bond Fund	7,130	3.31				
40,029,065	CT Global Bond Fund	41,682	19.35				
810,974	CT High Yield Bond Fund	1,055	0.49				
690,902	Threadneedle (Lux) – European Corporate Bond Fund	6,670	3.10				
124,511	Threadneedle (Lux) – Flexible Asian Bond Fund	1,209	0.56				
1,245,084	Threadneedle (Lux) – Global Corporate Bond	12,413	5.76				
116,325	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	979	0.45				
	<b>Total overseas bond</b>	<b>89,315</b>	<b>41.46</b>				
	<b>Total collective investment schemes</b>	<b>213,347</b>	<b>99.03</b>				
<b>DERIVATIVES 0.42% (-0.84%)</b>							
	<b>Forward foreign exchange contracts 0.42% (-0.84%)</b>						
	Sell USD 1,400,000						
	Buy GBP 1,125,902 Citigroup	(7)	—				
	Sell USD 16,500,000						
	Buy GBP 13,187,456 Barclays	(145)	(0.07)				
	Sell USD 17,700,000						
	Buy GBP 14,213,351 Lloyds	(94)	(0.04)				
	Sell USD 17,200,000						
	Buy GBP 14,296,235 UBS	382	0.18				
	Sell JPY 424,000,000						
	Buy GBP 2,589,442 Lloyds	116	0.05				
	Sell JPY 425,600,000						
	Buy GBP 2,636,726 HSBC	167	0.08				

May 2022 comparatives in brackets.

## CT Managed Equity & Bond Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.26% (99.33%)</b>				<b>DERIVATIVES 0.27% (-0.49%)</b>			
	<b>UK equity 14.77% (15.69%)</b>				<b>Forward foreign exchange contracts 0.27% (-0.49%)</b>		
18,776,481	CT UK Equity Alpha Income Fund	22,956	2.09		Sell JPY 1,970,000,000		
1,320,062	CT UK Equity Income Fund	5,390	0.49		Buy GBP 11,768,147 Citigroup	237	0.02
52,154,096	CT UK Fund	75,796	6.89		Sell JPY 1,970,000,000		
21,137,221	CT UK Growth & Income Fund	26,081	2.37		Buy GBP 12,031,132 Lloyds	541	0.05
17,380,300	CT UK Institutional Fund	20,848	1.90		Sell JPY 2,000,000,000		
10,059,488	CT UK Smaller Companies Fund	11,294	1.03		Buy GBP 12,390,632 HSBC	785	0.07
	<b>Total UK equity</b>	<b>162,365</b>	<b>14.77</b>		Sell EUR 20,400,000		
	<b>UK bond 20.86% (20.62%)</b>				Buy GBP 17,956,523 Barclays	228	0.02
164,839,691	CT Sterling Bond Fund	141,268	12.85		Sell EUR 23,500,000		
77,832,853	CT Sterling Corporate Bond Fund	86,589	7.87		Buy GBP 20,926,482 HSBC	532	0.05
1,491,970	CT Sterling Short-Term Money Market Fund	1,567	0.14		Sell EUR 26,000,000		
	<b>Total UK bond</b>	<b>229,424</b>	<b>20.86</b>		Buy GBP 23,044,726 Barclays	425	0.04
	<b>Overseas equity 36.68% (38.17%)</b>				Sell USD 4,200,000		
18,073,454	CT American Fund	114,530	10.41		Buy GBP 3,422,340 Barclays	25	—
5,359,280	CT American Select Fund	14,229	1.29		Sell USD 46,700,000		
2,895,308	CT American Smaller Companies Fund (US)	15,825	1.44		Buy GBP 38,815,939 UBS	1,038	0.09
13,622,810	CT Asia Fund	25,356	2.30		Sell USD 54,000,000		
6,408,816	CT European Fund	13,615	1.24		Buy GBP 43,158,947 Barclays	(475)	(0.04)
5,922,525	CT European Smaller Companies Fund	7,382	0.67		Sell USD 56,000,000		
12,753,426	CT Global Emerging Markets Equity Fund	14,150	1.29		Buy GBP 44,968,795 Lloyds	(299)	(0.03)
60,723,362	CT Global Select Fund	156,927	14.27		Sell USD 8,400,000		
10,641,987	CT Japan Fund	21,759	1.98		Buy GBP 6,755,410 Citigroup	(40)	—
1,063,287	CT Latin America Fund	1,172	0.11		<b>Total derivatives</b>	<b>2,997</b>	<b>0.27</b>
8,230,372	CT US Equity Income Fund	8,427	0.77				
95,650	Threadneedle (Lux) – Asian Equity Income Fund	1,000	0.09		<b>Total value of investments</b>	<b>1,094,555</b>	<b>99.53</b>
667,398	Threadneedle (Lux) – Global Smaller Companies Fund	9,032	0.82		<b>Net other assets (1.16%)</b>	<b>5,138</b>	<b>0.47</b>
	<b>Total overseas equity</b>	<b>403,404</b>	<b>36.68</b>		<b>Net assets</b>	<b>1,099,693</b>	<b>100.00</b>
	<b>Overseas bond 26.95% (24.85%)</b>						
5,314,552	CT Dollar Bond Fund	6,113	0.56				
3,774,587	CT Emerging Market Bond Fund	4,708	0.43				
3,789,811	CT Emerging Market Local Fund	8,728	0.79				
3,256,580	CT European Bond Fund	2,874	0.26				
193,452,676	CT Global Bond Fund	201,442	18.32				
2,004,321	CT High Yield Bond Fund	2,606	0.24				
3,279,262	CT Strategic Bond Fund	3,358	0.30				
1,720,818	Threadneedle (Lux) – European Corporate Bond Fund	16,614	1.51				
45,791	Threadneedle (Lux) – European Short-Term High Yield Bond Fund	5,014	0.46				
654,066	Threadneedle (Lux) – Flexible Asian Bond Fund	6,349	0.58				
3,322,889	Threadneedle (Lux) – Global Corporate Bond	33,129	3.01				
644,982	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	5,430	0.49				
	<b>Total overseas bond</b>	<b>296,365</b>	<b>26.95</b>				
	<b>Total collective investment schemes</b>	<b>1,091,558</b>	<b>99.26</b>				

May 2022 comparatives in brackets.

## CT Managed Equity Focused Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.59% (99.73%)</b>				<b>DERIVATIVES 0.26% (-0.20%)</b>			
	<b>UK equity 21.81% (23.01%)</b>				<b>Forward foreign exchange contracts 0.26% (-0.20%)</b>		
1,480,710	CT UK Equity Income Fund	6,046	0.86		Sell USD 4,500,000		
73,403,394	CT UK Fund	106,677	15.24		Buy GBP 3,564,823 HSBC	(76)	(0.01)
3,769,815	CT UK Growth & Income Fund	4,652	0.66		Sell USD 6,200,000		
20,666,297	CT UK Institutional Fund	24,789	3.54		Buy GBP 4,986,136 Lloyds	(29)	–
9,388,368	CT UK Smaller Companies Fund	10,540	1.51		Sell USD 51,000,000		
	<b>Total UK equity</b>	<b>152,704</b>	<b>21.81</b>		Buy GBP 42,389,998 UBS	1,134	0.16
	<b>UK bond 12.17% (12.08%)</b>				Sell JPY 1,360,000,000		
62,897,537	CT Sterling Bond Fund	53,903	7.70		Buy GBP 8,425,630 HSBC	534	0.08
26,300,601	CT Sterling Corporate Bond Fund	29,259	4.18		Sell EUR 11,000,000		
1,965,699	CT Sterling Short-Term Money Market Fund	2,065	0.29		Buy GBP 9,795,375 HSBC	249	0.03
	<b>Total UK bond</b>	<b>85,227</b>	<b>12.17</b>		<b>Total derivatives</b>	<b>1,812</b>	<b>0.26</b>
	<b>Overseas equity 52.93% (53.56%)</b>				<b>Total value of investments</b>	<b>699,112</b>	<b>99.85</b>
18,586,171	CT American Fund	117,779	16.82		<b>Net other assets (0.47%)</b>	<b>1,048</b>	<b>0.15</b>
21,567,897	CT American Select Fund	57,265	8.18		<b>Net assets</b>	<b>700,160</b>	<b>100.00</b>
2,989,294	CT American Smaller Companies Fund (US)	16,338	2.33				
14,993,942	CT Asia Fund	27,908	3.98				
3,724,724	CT European Fund	7,913	1.13				
5,385,700	CT European Smaller Companies Fund	6,713	0.96				
8,925,324	CT Global Emerging Markets Equity Fund	9,903	1.41				
11,021,365	CT Global Extended Alpha Fund	25,962	3.71				
20,400,409	CT Global Focus Fund	32,327	4.62				
9,723,734	CT Japan Fund	19,881	2.84				
673,296	CT Latin America Fund	742	0.11				
6,175,216	CT Pan European Focus Fund	13,219	1.89				
6,231,580	CT US Equity Income Fund	6,381	0.91				
20,583	Threadneedle (Lux) – American Absolute Alpha	222	0.03				
777,162	Threadneedle (Lux) – Asian Equity Income Fund	8,127	1.16				
370,473	Threadneedle (Lux) – Global Smaller Companies Fund	5,014	0.72				
67,686	Threadneedle (Lux) – Pan European Absolute Alpha	997	0.14				
1,180,287	Threadneedle (Lux) – Pan European Smaller Companies	13,920	1.99				
	<b>Total overseas equity</b>	<b>370,611</b>	<b>52.93</b>				
	<b>Overseas bond 12.68% (11.08%)</b>						
2,854,520	CT Dollar Bond Fund	3,283	0.47				
1,383,867	CT Emerging Market Bond Fund	1,726	0.25				
577,499	CT Emerging Market Local Fund	1,330	0.19				
53,520,531	CT Global Bond Fund	55,731	7.96				
1,323,736	CT High Yield Bond Fund	1,721	0.24				
1,344,034	CT Strategic Bond Fund	1,376	0.20				
33,910	Threadneedle (Lux) – European Short-Term High Yield Bond Fund	3,713	0.53				
382,776	Threadneedle (Lux) – Flexible Asian Bond Fund	3,716	0.53				
1,465,960	Threadneedle (Lux) – Global Corporate Bond	14,615	2.09				
183,767	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	1,547	0.22				
	<b>Total overseas bond</b>	<b>88,758</b>	<b>12.68</b>				
	<b>Total collective investment schemes</b>	<b>697,300</b>	<b>99.59</b>				

May 2022 comparatives in brackets.

## CT Managed Equity Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value	Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.81% (100.17%)</b>				<b>DERIVATIVES 0.10% (-0.11%)</b>			
	<b>UK equity 24.36% (25.56%)</b>				<b>Forward foreign exchange contracts 0.10% (-0.11%)</b>		
2,489,108	CT UK Equity Income Fund	10,164	2.00		Sell JPY 270,000,000		
1,865,134	CT UK Extended Alpha Fund	5,168	1.01		Buy GBP 1,672,735 Lloyds	106	0.02
59,251,360	CT UK Fund	86,110	16.92		Sell USD 18,100,000		
830,369	CT UK Growth & Income Fund	1,025	0.20		Buy GBP 15,044,293 UBS	402	0.08
13,562,102	CT UK Institutional Fund	16,268	3.20		Sell EUR 3,000,000		
4,666,593	CT UK Smaller Companies Fund	5,239	1.03		Buy GBP 2,671,466 HSBC	68	0.01
	<b>Total UK equity</b>	<b>123,974</b>	<b>24.36</b>		Sell USD 3,900,000		
	<b>UK bond 6.38% (4.75%)</b>				Buy GBP 3,089,513 HSBC	(66)	(0.01)
22,100,890	CT Sterling Bond Fund	18,940	3.72		Sell USD 5,100,000		
10,754,454	CT Sterling Corporate Bond Fund	11,964	2.35		Buy GBP 4,101,499 Citigroup	(24)	—
1,500,481	CT Sterling Short-Term Money Market Fund	1,576	0.31		<b>Total derivatives</b>	<b>486</b>	<b>0.10</b>
	<b>Total UK bond</b>	<b>32,480</b>	<b>6.38</b>		<b>Total value of investments</b>	<b>508,354</b>	<b>99.91</b>
	<b>Overseas equity 62.91% (63.41%)</b>				<b>Net other assets/(liabilities) (-0.06%)</b>	<b>456</b>	<b>0.09</b>
14,364,566	CT American Fund	91,027	17.89		<b>Net assets</b>	<b>508,810</b>	<b>100.00</b>
28,190,931	CT American Select Fund	74,850	14.71				
2,126,308	CT American Smaller Companies Fund (US)	11,622	2.28				
12,159,557	CT Asia Fund	22,633	4.45				
4,742,938	CT European Fund	10,076	1.98				
3,051,787	CT European Select Fund	6,512	1.28				
3,184,897	CT European Smaller Companies Fund	3,970	0.78				
4,064,400	CT Global Emerging Markets Equity Fund	4,509	0.89				
6,882,777	CT Global Extended Alpha Fund	16,213	3.19				
12,069,842	CT Global Focus Fund	19,126	3.76				
8,753,104	CT Japan Fund	17,897	3.52				
542,020	CT Latin America Fund	597	0.12				
5,134,451	CT Pan European Focus Fund	10,991	2.16				
5,456,218	CT US Equity Income Fund	5,587	1.10				
1,179,135	Threadneedle (Lux) – Asia Contrarian Equity Fund	9,742	1.91				
434,845	Threadneedle (Lux) – Asian Equity Income Fund	4,547	0.89				
183,582	Threadneedle (Lux) – Global Smaller Companies Fund	2,485	0.49				
651,686	Threadneedle (Lux) – Pan European Smaller Companies	7,686	1.51				
	<b>Total overseas equity</b>	<b>320,070</b>	<b>62.91</b>				
	<b>Overseas bond 6.16% (6.45%)</b>						
1,798,197	CT Dollar Bond Fund	2,068	0.41				
523,059	CT Emerging Market Bond Fund	652	0.13				
432,123	CT Emerging Market Local Fund	995	0.19				
15,966,048	CT Global Bond Fund	16,625	3.27				
1,134,986	CT High Yield Bond Fund	1,476	0.29				
8,931	Threadneedle (Lux) – European Short-Term High Yield Bond Fund	978	0.19				
59,686	Threadneedle (Lux) – Flexible Asian Bond Fund	579	0.11				
753,288	Threadneedle (Lux) – Global Corporate Bond	7,510	1.48				
54,760	Threadneedle (Lux) – Global Emerging Market Short-Term Bonds	461	0.09				
	<b>Total overseas bond</b>	<b>31,344</b>	<b>6.16</b>				
	<b>Total collective investment schemes</b>	<b>507,868</b>	<b>99.81</b>				

May 2022 comparatives in brackets.

## CT Managed Equity Income Fund

### Portfolio Statement

as at 25 May 2023

Holding	Investment	Value £000	% of Net Asset Value
<b>COLLECTIVE INVESTMENT SCHEMES 99.64% (99.04%)</b>			
<b>UK equity 65.38% (66.44%)</b>			
12,150,714	CT Monthly Extra Income Fund	12,666	20.12
9,493,962	CT UK Equity Alpha Income Fund	10,294	16.35
9,074,872	CT UK Equity Income Fund	11,992	19.04
5,988,511	CT UK Monthly Income Fund	6,214	9.87
	<b>Total UK equity</b>	<b>41,166</b>	<b>65.38</b>
<b>UK bond 9.07% (9.40%)</b>			
6,268,104	CT Sterling Corporate Bond Fund	5,711	9.07
	<b>Total UK bond</b>	<b>5,711</b>	<b>9.07</b>
<b>Overseas equity 19.81% (18.16%)</b>			
4,121,854	CT Global Equity Income Fund	6,502	10.32
4,371,094	Threadneedle (Lux) – Pan European Equity Dividend	5,975	9.49
	<b>Total overseas equity</b>	<b>12,477</b>	<b>19.81</b>
<b>Overseas bond 5.38% (5.04%)</b>			
3,726,082	CT High Yield Bond Fund	3,385	5.38
	<b>Total overseas bond</b>	<b>3,385</b>	<b>5.38</b>
	<b>Total collective investment schemes</b>	<b>62,739</b>	<b>99.64</b>
<b>Total value of investments</b>		<b>62,739</b>	<b>99.64</b>
<b>Net other assets (0.96%)</b>		<b>229</b>	<b>0.36</b>
<b>Net assets</b>		<b>62,968</b>	<b>100.00</b>

May 2022 comparatives in brackets.

## Performance Summary for the twelve months ended 31 May 2023

Fund Name	Sector	Index	Class 2 Net Return %	Sector Median Net Return %	Index Total Return %
<b>CT Dynamic Real Return Fund</b>	IA Targeted Absolute Return	UK CPI+4%	-2.87	-0.40	13.63
<b>CT Global Multi-Asset Income Fund</b>	IA Mixed Investment 20-60% Shares	MSCI World (40%), Bloomberg Global Aggregate (Hedged to GBP) (40%), MSCI UK Monthly Property (20%)	-2.75	-2.73	-2.51
<b>CT UK Social Bond Fund</b>	–	ICE BofA Sterling Non-Gilts 1-10 Yrs	-4.87	–	-5.15
<b>CT Managed Bond Fund</b>	Morningstar Category GBP Allocation 0-20% Equity	Composite Benchmark <sup>1</sup>	-7.04	-3.36	-3.88
<b>CT Managed Bond Focused Fund</b>	IA Mixed Investment 0-35% Shares	Composite Benchmark <sup>2</sup>	-5.73	-3.87	-2.72
<b>CT Managed Equity &amp; Bond Fund</b>	IA Mixed Investment 20-60% Shares	Composite Benchmark <sup>3</sup>	-3.34	-2.73	-0.88
<b>CT Managed Equity Focused Fund</b>	IA Mixed Investment 40-85% Shares	Composite Benchmark <sup>4</sup>	-1.19	-1.39	0.89
<b>CT Managed Equity Fund</b>	IA Flexible Investment	Composite Benchmark <sup>5</sup>	0.17	-1.12	1.92
<b>CT Managed Equity Income Fund</b>	–	Composite Benchmark <sup>6</sup>	0.67	–	0.28

The Fund Sector is taken from the UK Unit Trusts/OEICs universe. Comparing the fund's performance to this Fund Sector is only relevant for UK Investors.

Net returns (Source: Morningstar) are calculated using official noon prices, bid to bid basis with net income reinvested and are net of assumed fees and expenses but does not include any initial charges. All data shown in GBP.

<sup>1</sup> Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 56%, Bloomberg Sterling Aggregate Index 24%, MSCI ACWI ex UK 10%, FTSE All Share Index 5%, SONIA 5%

<sup>2</sup> Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 47.50%, Bloomberg Sterling Aggregate Index 20%, MSCI ACWI ex UK 20%, FTSE All Share Index 7.5%, SONIA 5%

<sup>3</sup> MSCI ACWI ex UK 35%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 31.50%, FTSE All Share Index 15%, Bloomberg Sterling Aggregate Index 13.50%, SONIA 5%

<sup>4</sup> MSCI ACWI ex UK 50%, FTSE All Share Index 22.50%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 15.50%, Bloomberg Sterling Aggregate Index 7%, SONIA 5%

<sup>5</sup> MSCI ACWI ex UK 60%, FTSE All Share Index 25%, Bloomberg Global Aggregate ex GBP (Hedged to GBP) Index 7%, SONIA 5%, Bloomberg Sterling Aggregate Index 3%

<sup>6</sup> FTSE All Share Index 60%, iBoxx Sterling Non-Gilts 15%, MSCI Europe 10%, MSCI ACWI 10%, ICE BofA European Currency High Yield Excluding Subordinated Financials Constrained (GBP Hedged) 5%

## Risk and Reward Profiles

Fund	Share Class	SRRI*
CT Dynamic Real Return Fund	Class 2 – Income shares	5
	Class 2 – Accumulation shares	5
	Class S – Accumulation shares	5
	Class X – Accumulation shares	5
	Class Z – Income shares	5
	Class Z – Accumulation shares	5
CT Global Multi Asset Income Fund	Class 2 – Income shares	4
	Class E – Income shares	4
	Class 2 – Accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
CT UK Social Bond Fund	Class 2 – Income shares	3
	Class 2 – Accumulation shares	3
	Class 2 – Gross income shares	3
	Class 2 – Gross accumulation shares	3
	Class Z – Income shares	3
	Class Z – Accumulation shares	3
	Class Z – Gross income shares	3
	Class Z – Gross accumulation shares	3
	Class Z EUR Hedged – Gross accumulation shares	3
CT Managed Bond Fund	Class 1 – Accumulation shares	4
	Class 2 – Accumulation shares	4
	Class T – Income shares	4
	Class Z – Accumulation shares	4
CT Managed Bond Focused Fund	Class 1 – Income shares	4
	Class 1 – Accumulation shares	4
	Class 2 – Accumulation shares	4
	Class Z – Income shares	4
	Class Z – Accumulation shares	4
CT Managed Equity and Bond Fund	Class 1 – Accumulation shares	4
	Class 2 – Accumulation shares	4
	Class T – Income shares	4
	Class Z – Accumulation shares	4
CT Managed Equity Focused Fund	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class Z – Accumulation shares	5
CT Managed Equity Fund	Class 1 – Accumulation shares	5
	Class 2 – Accumulation shares	5
	Class T – Income shares	5
	Class Z – Accumulation shares	5
CT Managed Equity Income Fund	Class 1 – Income shares	5
	Class 2 – Income shares	5
	Class Z – Income shares	5

\*As at 25 May 2023 the synthetic risk and reward indicator (SRRI) is explained in the table below:



## Risk and Reward Profiles

SRRI	
1	The fund is in this specific category because historically it has shown a low level of volatility (how much the value of the fund went up and down compared to other categories).
2	The fund is in this specific category because historically it has shown a relatively low level of volatility (how much the value of the fund went up and down compared to other categories).
3	The fund is in this specific category because historically it has shown a medium to low level of volatility (how much the value of the fund went up and down compared to other categories).
4	The fund is in this specific category because historically it has shown a medium level of volatility (how much the value of the fund went up and down compared to other categories).
5	The fund is in this specific category because historically it has shown a medium to high level of volatility (how much the value of the fund went up and down compared to other categories).
6	The fund is in this specific category because historically it has shown a high level of volatility (how much the value of the fund went up and down compared to other categories).
7	The fund is in this specific category because historically it has shown a very high level of volatility (how much the value of the fund went up and down compared to other categories).

The Risk and Reward Profile is based on past performance data in pound sterling. If your investment in the fund is not in pound sterling, please check the figure for the risk and reward profile disclosed on our website ([columbiathreadneedle.com](http://columbiathreadneedle.com)) according to the currency of your investment in the fund.

Historical data may not be a reliable indication of the future risk profile of the funds.

The SRRI category shown is not guaranteed to remain unchanged and that the categorisation of the funds may shift over time. The NURS-KII contains the current SRRI.

The lowest category does not mean a risk-free investment.

No form of capital protection or capital guarantee applies to any of the classes.

The risk and reward profile of the CT Managed Bond Fund changed to 4 for Class 1 Accumulation and Class 2 Accumulation on 4 October 2022.

The risk and reward profile of the CT Managed Bond Fund changed to 4 for Class T Income and Class Z Accumulation on 11 November 2022.

## Important Information

Columbia Threadneedle Opportunity Funds (UK) ICVC (the Company) is an open-ended investment company with variable capital incorporated in England and Wales under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 (as amended) and the shareholders are not liable for the debts of the Company.

The Company is structured as an umbrella company in which different sub-funds (funds) may be established from time to time by the ACD with the approval of the Financial Conduct Authority (FCA) and the agreement of the depositary.

References in this document to any fund do not constitute an offer or invitation to subscribe to shares in such a fund. We recommend that you obtain detailed information before the purchase of shares. Subscriptions to a fund may only be made on the basis of the current Prospectus or NURS-KII and the latest annual and Interim Reports & Financial Statements. Please refer also to the Risk Factors in the Prospectus.

Past performance is not a guide to future returns. The value of investments and any income from them is not guaranteed and may fall as well as rise and the investor may not get back the original investment. Exchange rate movements could increase or decrease the value of underlying investments/holdings. The dealing price of the funds may include a dilution adjustment. Further details are available in the Prospectus.

The mention of any specific shares or bonds should not be taken as a recommendation to deal and anyone considering dealing in these financial instruments should consult a stockbroker or financial adviser. The research and analysis included in this document has been produced by Threadneedle for its own investment management activities, may have been acted upon prior to publication and is made available here incidentally. Any opinions expressed are made as at the date of publication but are subject to change without notice.

### Prospectus

A prospectus (the Prospectus) which describes each fund in detail, is available from Threadneedle Investment Services Limited, Client Services, PO Box 10033, Chelmsford CM99 2AL.

The funds are segregated portfolios of assets and, accordingly, the assets of a fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the umbrella, or any other fund, and shall not be available for any such purpose.

Each fund has the investment powers equivalent to those of a non-UCITS retail scheme (NURS) (as defined in the FCA rules).

Other funds may be launched in the future.

### Non-UCITS retail scheme Key Investor Information document (NURS-KII) – Subscription requirements

The NURS-KII is a pre-contractual document and investors have to confirm that they have read the latest NURS-KII before making a subscription. Threadneedle has the right to reject a subscription if the investor does not confirm that they have read the latest NURS-KII at the time of application. Investors can obtain the latest NURS-KII from [columbiathreadneedle.com](http://columbiathreadneedle.com).

### Changes to the management of the ACD

During the period from 26 May 2022 to 25 May 2023 the following changes have been made to the directors of the ACD:

- Appointment of Mr James Perrin on 29 September 2022.

### Changes to the Directors of the Company

During the period from 26 May 2022 to 25 May 2023 there were no changes to the directors of the Company.

### Changes to the Prospectus

During the period from 26 May 2022 to 25 May 2023 the main changes to the Prospectus of the Company were as follows:

- On 4 July 2022 the name of the Company was changed from the Threadneedle Opportunity Investment Funds ICVC to the Columbia Threadneedle Opportunity Funds (UK) ICVC.
- Addition of Inflation Risk Factor.
- Addition of Economies of Scale model text.
- Update to the Directors of the ACD.

### Changes to the Instrument of Incorporation

The following changes were made to the Instrument of Incorporation of the Company during the period from 26 May 2022 to 25 May 2023:

- On 4 July 2022 the name of the Company was changed from the Threadneedle Opportunity Investment Funds ICVC to the Columbia Threadneedle Opportunity Funds (UK) ICVC.

### AMC Discount

The ACD applies a discount to its annual management charge (AMC) on the primary share classes of funds with a Net Asset Value over £1 billion. This discount is applied on a sliding scale as set out in the table below, based on the Net Asset Value of the Fund as at 31 December each year. The discount will take effect from 1 May in the following year for a period of 12 months. If 1 May is not a business day in England and Wales, the discount will apply from the last business day prior to 1 May.

The primary share class, as defined by the Investment Association (IA), is the highest charging 'unbundled' (free of rebates or commission) class that is freely available in the retail market. The qualifying primary share classes, funds and the rate of any discount to be applied will be disclosed in the annual Value Assessment Report published on our website [columbiathreadneedle.com](http://columbiathreadneedle.com).

Fund size	Annual Management Charge Discount
<b>As at 31 December</b>	
Under £1billion	None
£1billion to < £2billion	0.01%
£2billion to < £3billion	0.02%
£3billion to < £4billion	0.03%
£4billion to < £5billion	0.04%
£5 billion or more	0.05%

### Example

A fund with a Net Asset Value of £2.5billion and a primary share class with an AMC of 0.75% would benefit from a discounted AMC of 0.73% (0.02% discount applied from 1 May for a full year).

### Russia/Ukraine

The large-scale invasion of Ukraine by Russia in February 2022 has resulted in sanctions and market disruptions, including volatility in regional and global stock and commodities markets and significant devaluations of Russian currency. The extent and duration of the military action are impossible to predict but could be significant. Market disruption caused by the Russian military action, and any counter measures or responses thereto (including international sanctions, a downgrade in the country's credit rating, purchasing and financing restrictions, boycotts, tariffs, changes in consumer or purchaser preferences, cyberattacks and espionage) could have a severe adverse impact on regional and/or global securities and commodities markets, including markets for oil and natural gas. These and other related events could have a negative impact on Fund performance and the value of an investment in the Funds.

## Important Information

(continued)

### Value Assessment Report

As required by the FCA we have carried out an annual Value Assessment Report and this report is available on our website as follows:

<https://www.columbiathreadneedle.co.uk/en/ret/value-assessment-report/>  
<https://www.columbiathreadneedle.co.uk/en/intm/value-assessment-report/>  
<https://www.columbiathreadneedle.co.uk/en/inst/value-assessment-report/>

### Task Force on Climate-related Disclosures (TCFD)

TCFD information for the funds covered by this Report has been made available on the relevant Fund Details or Document Library pages of our website and can be found at [www.columbiathreadneedle.com](http://www.columbiathreadneedle.com).

### Characteristics of Shares

The Company is structured as an umbrella company and currently consists of 3 different sub-funds. Several classes of share may be issued in respect of each fund, distinguished by their criteria for subscription and fee structure.

Share Class	Minimum Investment	Eligibility
Class 1	GBP 2,000 EUR 2,500 USD 3,000	All investors not precluded by law or by the terms of this Prospectus, and typically where rebates are paid to the investor or commission is paid to an intermediary.
Class 2	GBP 5 million EUR 7.5 million USD 7.5 million	Institutional investors and retail investors at the ACD's discretion. At the discretion of the ACD, to eligible distributors that have entered into separate fee arrangements with their clients.
Class E	GBP 100 million	Certain eligible distributors, wholesale strategic partners and other entities at the discretion of the ACD, investing under a specific agreement and subject to such entities meeting any criteria imposed by the ACD prior to investing prior to investing.
Class S	GBP 100 million	Certain defined contribution pension schemes and other entities at the discretion of the ACD, investing under a specific agreement and subject to such entities meeting any criteria imposed by the ACD prior to investing
Class T	GBP 2,000	All investors not precluded by law or by the terms of the Prospectus in the CT Managed Bond Fund, the CT Managed Equity & Bond Fund and the CT Managed Equity Fund
Class X	GBP 3 million EUR 5 million USD 5 million	Eligible Shareholders investing under a specific agreement.
Class Z	GBP 2,000 EUR 2,500 USD 3,000	All investors not precluded by law or by the terms of the Prospectus. At the discretion of the ACD, to eligible distributors that have entered into separate fee arrangements with their clients

The limits for minimum initial investment, minimum subsequent investment and minimum holding of shares may be waived at the discretion of the ACD. For further information and for information regarding the minimum subsequent investment and minimum holding of shares please refer to the Prospectus.

### Hedged Share Classes (HSCs)

HSCs use currency hedging transactions to try to reduce the exposure to the Reference Currency and replace it with an exposure to the hedged Currency. The terms Reference Currency, Portfolio Currency and Hedged Currency are defined as follows:

- "Reference Currency" or "Reference Currencies" means (according to the context) the primary investment currency of the share class against which the currency hedging transaction will be applied in order to reduce any exchange rate fluctuation with the Hedged Currency;
- "Portfolio Currency" or "Portfolio Currencies" means (according to the context) the currency or currencies in which the underlying assets of the fund are invested in line with the investment objectives applicable to the fund;
- "Hedged Currency" is the currency in which the Hedged Share Class is denominated.

These HSCs should not be confused with other share classes that may be denominated in other currencies but will not be hedged. For full details of the HSCs available, including details of the Reference Currency or Portfolio Currency of each fund for which HSCs are available, please refer to the latest version of the Prospectus.

### Income Equalisation

Since each Fund operates equalisation, the first allocation made after the acquisition of shares may include an amount of equalisation. This amount represents the ACD's best estimate of the income included in the price at which the shares were acquired (subject to grouping where appropriate) and represents a capital repayment for UK tax purposes which should be deducted from the cost of shares in arriving at any capital gain realised on their subsequent disposal.

### Performance

For the period under review, where applicable, fund performance has been compared to the relevant peer group. We show a peer group comparison as this more accurately reflects the way the fund is managed. We continue to show stock market indices for information purposes and for those funds where The Investment Association sector is not felt to be a representative peer group. Audited peer group information is only available from Morningstar's Fund Services at month end points.

### Investor Reports

Annual long-form reports and financial statements of the Company will be made available and published within four months of the close of each annual accounting period and half-yearly long report and financial statements will be published within two months of the close of each interim accounting period. These are available on our website [columbiathreadneedle.com/shortform](http://columbiathreadneedle.com/shortform) and from Threadneedle Investment Services Limited P.O. Box 10033, Chelmsford, Essex CM99 2AL. The annual accounting period for the Funds ends on 25 May and the interim reporting period ends on 25 November.

### Foreign Account Tax Compliance Act (FATCA)

Columbia Threadneedle Investments and its funds have registered with the US Internal Revenue Service in accordance with FATCA and other current related legislation. Columbia Threadneedle has put in place appropriate processes and procedures to maintain its compliance with the statutory requirements, including ensuring that Columbia Threadneedle obtain the required certification from its clients and investors as necessary to mitigate any requirement upon Columbia Threadneedle to withhold or report such clients under the legislation. This registration and compliance process will ensure that Columbia Threadneedle will not suffer withholding tax under FATCA.

## Important Information

(continued)

### Common reporting standard (CRS)

Columbia Threadneedle Investments and its funds have registered with the US Internal Revenue Service in accordance with FATCA and other current related legislation. Columbia Threadneedle has put in place appropriate processes and procedures to maintain its compliance with the statutory requirements, including ensuring that Columbia Threadneedle obtain the required certification from its clients and investors as necessary to mitigate any requirement upon Columbia Threadneedle to withhold or report such clients under the legislation. This registration and compliance process will ensure that Columbia Threadneedle will not suffer withholding tax under FATCA.

### Holdings in shares of other funds of the Company

None of the funds of the Company held shares in other funds of the Company (listed on the contents page on page 1) at the end of the period.

### AIFMD Remuneration Disclosures

This disclosure is made in respect of the Group's Remuneration Policy as it applies to Threadneedle Investment Services Limited ("the Manager") in respect of the Alternative Investment Fund Managers Directive ("AIFMD") and other applicable rules and guidance.

The Remuneration Policy applies to all of the Company's subsidiary entities, to which the AIFMD requirements apply, and was last approved by the Remuneration Committee in June 2022.

#### 1. The Remuneration Committee

The Remuneration Committee of the UK HoldCo ("the Committee") is a sub-committee of the UK HoldCo Board with the responsibility to establish the philosophy and objectives that will govern the Group's compensation and benefit programmes; review and approve compensation and benefit plans, policies, and practices; and oversee and approve the Group's remuneration. It has been determined to be independent of the day-to-day executive management of the Group, its Members being Directors of the Group who are nominated by Ameriprise Financial, the Group's parent company.

Current Committee Members are Mr Walter Berman and Mr William Turner. Meetings are normally held in January, March, June, September and December. The Global Head of Reward acts as Secretary to the Committee. The Committee may invite the attendance of any Group employee or functional expert from the parent company as deemed appropriate, to allow it to fulfil its responsibilities including ensuring remuneration is consistent with effective risk management and does not encourage excessive risk taking.

#### 2. Determining Incentive Remuneration Pools

The Manager made its annual Total Incentive Award decisions from separate pools covering the Real Estate business, Distribution unit, Investments business and Support functions, ultimately aggregated for governance and oversight at the EMEA regional level. Those pools are determined at the final discretion of the Remuneration Committee with reference to four un-weighted factors being a 'Top-Down' assessment of market practice, legal and regulatory requirements and any other internal or external contextual factors; a 'Bottom-Up' calculation based on business performance against Plan and Target Incentive level for the firm (see 'Pay for Performance' below); the overall financial and strategic performance of the Group; and the financial and strategic performance of Ameriprise Financial as the Group's parent company and shareholder. The Committee also receives ongoing reports through the year from the Risk function regarding risk assessments and any themes or areas of note related to risk control or risk-related behavioural concerns.

The Committee takes all of these factors into account in order to make a balanced decision on the Total Incentive pool for the year in question.

#### 3. Determining Individual Total Incentive Awards

Individual reward decisions are wholly discretionary, although strongly informed by the annual performance appraisal and by known market

remuneration levels for equivalent jobs as well as by the pool funding available. Risk and Compliance provide a critical input to final performance rating setting, ensuring that any risk and relevant behavioural concerns are reflected in performance appraisals and subsequently in remuneration recommendations. The Heads of Risk and Compliance also report directly to the final Remuneration Committee of the award process to ensure that the Committee receives a direct report on which to base its final risk adjustment decisions.

Base salaries are maintained at a market-competitive level in order to ensure that, if required, it is possible to award zero incentive.

### Pay for Performance

The bottom-up element of the incentive pool determination process measures team and wider business performance against key business targets for each area of the Group, including longer-term investment performance for the Investments and Real Estate divisions and a mix of gross and net sales for Distribution. Investment performance is assessed against each fund's benchmarks and its risk profile. All such assessments' impacts on the bottom-up calculation are capped so as not to incentivise managers to take excessive risk in order to deliver higher incentive pools. While the Group and parent company financial and strategic results are important factors in pool determination, the model is set up to ensure that delivery of the business' core goals, including delivering investment performance to its customers, is an explicit and significant driver in pool determination for those divisions.

Individual discretionary awards from the available funding, in context of market-competitive reward levels for the job in question, are driven strongly by each individual's ratings against Goals (objectives) and the Group's Values, each of which is separately rated on a 5-point scale to ensure the Values assessment is given due prominence. Goals focus on the key deliverables for the role that year, in particular on the delivery of investment performance for Investments employees and for the Real Estate division: all employees are also managed against a mandatory Risk Management Goal. Investment performance, where relevant to the role, is assessed against each fund's benchmark and its risk profile.

Ratings are consistency-checked across the business with the input of the Heads of Risk and Compliance to ensure balance and due reflection of risk management. For Sales, Real Estate and Investments incentives there is no pre-determined grid or formula driving awards, which are discretionary in order to be able to account for and reflect all relevant factors.

### Delivery of Total Incentives

Threadneedle believes that deferred awards for higher earners and risk-takers are a matter of good practice and an important part of aligning key staff's interests with the long-term interests of customers and shareholders. To that end, Total Incentive awards for all employees in the Group may be delivered partly in deferred awards through the Ameriprise Financial Long-Term Incentive Award ("LTIA") programme and, for Code Staff/Identified Staff and those in the Investments division, through a fund deferral programme.

Staff qualifying as Code Staff/ Identified employees and those of a comparable level of seniority are subject to a higher rate of deferral. 50% of the overall incentive award is delivered in fund-linked units subject to a holding period after delivery. The fund linked units are designed to reflect the performance of a cross section of products and asset classes within the region.

### 4. Identified Staff

The Manager defines its Code Staff/ Identified Staff in line with the definitions provided by SYSC 19B and associated guidance. Those Identified Staff are the senior management, risk takers, control functions and other employees whose total remuneration takes them in to the

## Important Information

(continued)

same bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages. In practice, that includes the named Fund Managers of the Manager's funds.

### 5. Remuneration Payment Disclosure

The AIFM's performance periods for remuneration operate on a calendar year basis.

Total Remuneration paid by the Manager to 18 AIFM Remuneration Code Staff Senior Managers in respect of its AIFM activities in the 2022 performance year was £0.69m, of which £0.24m was fixed and £0.45m was variable. Total Remuneration paid to other members of AIFM Remuneration Code Staff whose actions had a material impact on the risk profile of the AIFM in respect of AIFM activities was £0.91m, of which £0.39m was fixed and £0.52m was variable.

### Key Risks of the Fund:

The following table below shows the key risks applying to each Fund. A definition of the key risks can be found overleaf.

Funds/ Key risks	Investment	Investment in Funds	Currency	No Capital Guarantee	Issuer	Liquidity	Inflation	Interest Rate	Valuation	Investment in Derivatives	Derivatives for EPM / Hedging	Volatility	Property Valuation	Social Investment Criteria
CT Dynamic Real Return Fund	X	X	X	X	X		X	X	X	X		X		
CT Global Multi Asset Income Fund	X	X	X		X			X	X	X		X	X	
CT UK Social Bond Fund	X				X	X		X			X	X		X
CT Managed Equity Fund	X	X	X								X	X		
CT Managed Equity Focused Fund	X	X	X		X			X			X	X		
CT Managed Equity & Bond Fund	X	X	X		X			X			X	X		
CT Managed Bond Focused Fund	X	X	X		X			X			X	X		
CT Managed Bond Fund	X	X	X		X			X			X	X		
CT Managed Equity Income Fund	X	X	X		X			X			X	X		

### Description of the Key Risks:

#### Investment Risk:

The value of investments can fall as well as rise and investors might not get back the sum originally invested.

#### Investment in Funds Risk:

The Investment Policy allows the Fund to invest principally in units of other collective investment schemes. Investors should consider the investment policy and asset composition in the underlying Funds when assessing their portfolio exposure.

#### Currency Risk:

Where investments are in assets that are denominated in multiple currencies, or currencies other than your own, changes in exchange rates may affect the value of the investments.

#### No Capital Guarantee Risk:

Positive returns are not guaranteed and no form of capital protection applies.

#### Issuer Risk:

The Fund invests in securities whose value would be significantly affected if the issuer refused, was unable to or was perceived to be unable to pay.

#### Liquidity Risk:

The Fund holds assets which could prove difficult to sell. The Fund may have to lower the selling price, sell other investments or forego more appealing investment opportunities.

#### Inflation Risk:

The Fund targets returns in excess of inflation. In times of heightened inflation this may not be possible to achieve.

#### Interest Rate Risk:

Changes in interest rates are likely to affect the Fund's value. In general, as interest rates rise, the price of a fixed rate bond will fall, and vice versa.

#### Valuation Risk:

The Fund's assets may sometimes be difficult to value objectively and the actual value may not be recognised until assets are sold.

#### Investment in Derivatives Risk:

The Investment Policy of the Fund allows it to invest materially in derivatives.

#### Derivatives for EPM / Hedging Risk:

The investment policy of the Fund allows it to invest in derivatives for the purposes of reducing risk or minimising the cost of transactions.

#### Volatility Risk:

The Fund may exhibit significant price volatility.

#### Property Valuation Risk:

The value of a property is a matter of a valuer's opinion and the true value may not be recognised until the property is sold. Should the Standing Independent Valuer express material uncertainty regarding the value of one or more immovables under management and that material uncertainty applies to 20% or more of the value of the Company, it may be necessary to temporarily suspend dealing.

Further risks applicable to the fund can be found in the Prospectus.

#### Social Investment Criteria Risk:

The Fund aims to invest in assets that are deemed to be supporting and funding socially beneficial activities and development and utilises a Social Assessment Methodology. This will affect the Fund's exposure to certain issuers, industries, sectors, and regions, and may impact the relative performance of the Fund positively or negatively, depending on whether such investments are in or out of favour. The concept of socially beneficial activities and development is subjective. It is therefore possible that an investment may not perform in a way that an investor considers to be a socially beneficial activity or development, even though it has been selected in accordance with the Social Assessment Methodology.

## Directory

### **The Company and Head Office:**

Columbia Threadneedle Opportunity Funds (UK) ICVC

### **Registered Office**

Cannon Place  
78 Cannon Street  
London EC4N 6AG

### **The Company Board**

Kirstene Baillie  
Rita Bajaj and a representative of the Authorised Corporate Director (ACD)

### **ACD and UK AIFMD**

Threadneedle Investment Services Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### **Registrar**

Threadneedle Investment Services Limited  
Delegated to:  
SS&C Financial Services Europe Limited  
Authorised and regulated by the Financial Conduct Authority (FCA)  
St Nicholas Lane  
Basildon  
Essex SS15 5FS

### **Investment Manager**

Threadneedle Asset Management Limited  
Cannon Place  
78 Cannon Street  
London EC4N 6AG

### **Depository**

Citibank UK Limited  
(Authorised by the Prudential Regulatory Authority (PRA)  
and regulated by the FCA and PRA)  
Citigroup Centre  
33 Canada Square  
Canary Wharf  
London E14 5LB

### **Legal Advisers**

Eversheds Sutherland (International) LLP  
One Wood Street  
London EC2V 7WS

### **Independent Auditor**

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Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### **ACD Client Services Details**

#### **UK Investors**

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**Fax** (dealing): 0845 113 0274

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*\*Please note that calls and electronic communications may be recorded.*

To find out more visit [columbiathreadneedle.com](https://columbiathreadneedle.com)

