

Maitland

MI Bespoke Funds ICVC

Annual Report 31 March 2023

MI Bespoke Funds ICVC

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* These collectively comprise the Authorised Corporate Director's Report.

Directory

Authorised Corporate Director (ACD) & Registrar

Maitland Institutional Services Limited
Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 01245 398950
Fax: 01245 398951
Website: www.maitlandgroup.com
(Authorised and regulated by the Financial Conduct Authority)

Customer Service Centre

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 0345 026 4281
Fax: 0845 280 2234
E-mail: bespokefunds@maitlandgroup.com

Directors of the Authorised Corporate Director

A.C. Deptford
P.J. Foley-Brickley
T. Oddy (appointed 9 June 2023)
C. O'Keeffe
D. Phillips (Non-Executive Director)
J. Thompson (Non-Executive Director)

Investment Manager

Lowes Investment Management Ltd
Fernwood House, Clayton Road, Jesmond, Newcastle Upon Tyne NE2 1TL
(Authorised and regulated by the Financial Conduct Authority)

Fund Managers

Paul Milburn
Doug Millward

Depositary

BNP Paribas Trust Corporation UK Limited
10 Harewood Avenue, London NW1 6AA
(Authorised and regulated by the Financial Conduct Authority)

Independent Auditor

Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
30 Finsbury Square, London EC2A 1AG

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes Sourcebook published by the FCA, ('the COLL Rules') requires the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net gains or losses on the property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association ('IA') in May 2014 and updated in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's and its Sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or terminate its Sub-fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

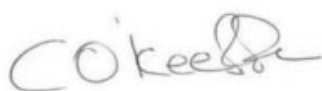
The ACD is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the Sourcebook. The ACD is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the ACD is aware:

- there is no relevant audit information of which the Company's Auditor is unaware; and
- the ACD has taken steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Auditor is aware of the information.

Certification of the Annual Report by the Authorised Corporate Director

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the COLL Sourcebook') and the Statement of Recommended Practice issued by the Investment Association.



C. O'Keeffe

P.J. Foley-Brickley

Directors

Maitland Institutional Services Limited

29 June 2023

Statement of the Depositary's Responsibilities in Respect of the Fund and Report of the Depositary to the Shareholders

The Depositary has a duty to ensure that the Company is managed in accordance with the COLL Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together, the 'Regulations'), the Company's Instrument of Incorporation and Prospectus (together, the 'Scheme Documents') as detailed below.

The Depositary is responsible for:

1. general oversight including overseeing the sale, issue, repurchase, redemption, cancellation and pricing of shares and the application of income of the Company;
2. the safekeeping of all property of the Company by holding in custody all custodial assets of the Company and maintaining appropriate record keeping and verifying ownership of other assets of the Company;
3. monitoring the cash flows of the Company, ensuring that all payments due to the Company have been received and all cash of the Company is held in accordance with the Regulations.

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

Report of the Depositary for the Year Ended 31 March 2023

Having carried out such procedures as we considered necessary to discharge our responsibilities and duties as Depositary of the Company, it is our opinion, based upon the information available to us and the explanations provided during the period under review that, in all material respects the Company, acting through its Authorised Corporate Director, has carried out:

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

BNP Paribas Securities Services

29 June 2023

Independent Auditor's Report to the Shareholders of MI Bespoke Funds ICVC ('the Company')

Opinion

We have audited the financial statements of MI Bespoke Funds ICVC (the 'Company') for the year ended 31 March 2023. These financial statements comprise the financial statements of the following sub-fund of the Company:

- MI Diversified Strategy Fund (the 'Sub-fund')

The financial statements of the sub-fund comprise the statement of total return, statement of change in net assets attributable to Shareholders, the balance sheet, notes to the financial statements and the distribution table.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014 as amended in June 2017, the rules of the Collective Investment Schemes Sourcebook and the Company's Instrument of Incorporation.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company and the sub-fund as at 31 March 2023 and of the net revenue and net capital gains/(losses) on the scheme property of the Company and the Sub-fund for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014 as amended in June 2017, the Collective Investment Schemes Sourcebook, and the Company's Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Authorised Corporate Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the sub-fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company and the sub-fund to cease or continue as a going concern.

In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks associated with the Company's and the sub-fund's business model including effects arising from macro-economic uncertainties such as the Ukrainian War and Cost of Living Crisis, we assessed and challenged the reasonableness of estimates made by the Authorised Corporate Director and the related disclosures and analysed how those risks might affect the Company's and the sub-fund's financial resources or ability to continue operations over the going concern period.

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.

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 and the sub-fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The responsibilities of the Authorised Corporate Director with respect to going concern are described in the 'Responsibilities of the Authorised Corporate Director' section of this report.

Independent Auditor's Report to the Shareholders of MI Bespoke Funds ICVC ('the Company')

continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- we have been given all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit, and
- the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Collective Investment Schemes Sourcebook requires us to report to you if, in our opinion:

- proper accounting records for the Company or the sub-fund have not been kept, or
- the financial statements are not in agreement with those accounting records.

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and the Sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to terminate the sub-fund, windup the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent Auditor's Report to the Shareholders of MI Bespoke Funds ICVC ('the Company')

continued

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management. We determined that the most significant laws and regulations were the Collective Investment Schemes Sourcebook, the Investment Association Statement of Recommended Practice ('SORP') 'Financial Statements of UK Authorised Funds' and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- We enquired of the Authorised Corporate Director and management to obtain an understanding of how the Company is complying with those legal and regulatory frameworks and whether there were any instances of non-compliance with laws and regulations and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the breaches register;
- In assessing the potential risks of material misstatement, we obtained an understanding of: the Company's operations, including the nature of its revenue sources, and of its objective to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement and the Company's control environment, including the policies and procedures implemented to mitigate risks of fraud or non-compliance with the relevant laws and regulations;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:
 - evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
 - testing journal entries, including manual journal entries processed at the year end for financial statements preparation; and
 - challenging the assumptions and judgements made by management in its significant accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
 - knowledge of the industry in which the Company operates; and
 - understanding of the legal and regulatory frameworks applicable to the Company.

Independent Auditor's Report to the Shareholders of MI Bespoke Funds ICVC ('the Company')

continued

Use of our report

This report is made solely to the Company's Shareholders, as a body, in accordance with regulation 67(2) of the Open-Ended Investment Companies Regulations 2001, and with Rule 4.5.12 of the Collective Investment Schemes Sourcebook. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

London, United Kingdom

29 June 2023

Investment Objective and Policy

The investment objective of the MI Diversified Strategy Fund is to achieve long term capital growth. The Sub-fund intends to meet its objectives through exposure to a combination of equities, fixed interest and structured products. The majority of the Sub-fund's exposure will be to equities. It may also have exposure to property. With the exception of structured products, this exposure will be through investment in OEICs, unit trusts, investment trusts, Exchange Traded Funds and other collective investment schemes across several management groups. It may also invest in equities from the world's major markets, bonds and other transferable securities. The Sub-fund has no specific limits on exposures to any asset class, geographic area, industry or economic sectors.

The Sub-fund may hold derivatives for efficient portfolio management purposes only. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund.

Investment Manager's Report

for the year ended 31 March 2023

Performance Review

For the period since the interim accounts (30th September 2022 to 31st March 2023) the total return of the C share class was 4.76%, compared to 4.16% for the IA Flexible Investment sector average. The total return of the B share class over the six months was 4.71%.

Over the full accounting period (31st March 2022 to 31st March 2023), the total return of the C share class was -4.11%, compared to -4.03% for the IA Flexible Investment sector average. The total return of the B share class over the same period was -4.25%.

The Sub-fund is ranked 70th out of 161 funds available over the six months, 80th out of 159 over the accounting year and 66th out of 96 since launch, placing it in the second, second and third quartiles of its sector over the respective periods.

Source: FE Analytics. Total return. Bid to bid.

Market Review

The six-month period since the interim accounts were published was a positive one for both equities and fixed interest assets, particularly compared to the three months to the end of September 2022. Investors continued to worry about the impact of a recession on corporate earnings, but there were other positives around which caused something of a relief rally in asset prices, including the relaxing of Covid restrictions in China and inflation coming off its peak levels at the end of 2022, particularly in the US.

Within equity markets it was those considered more economically sensitive which posted the strongest performance. European equities, which had previously languished on the back of concerns over the economy, especially due to high energy costs, were the strongest performers, both in local currency and pound sterling terms. The warmer than usual winter meant that energy reserves are now close to historic highs for this time of year, removing supply concerns, and alleviating fears of the impact of higher energy costs and supply on economic activity and corporate profitability.

After a weak October the Chinese stock market rallied strongly to year end as the authorities began to relax Covid restrictions, particularly regarding mobility. Investors embraced this, believing that we could see something of a sharp rally in the equity market, similar to that which was seen in western markets as economies reopened properly. This was further encouraged by the low valuations which the market was trading at relative to its own history.

The return from US equities was strong for the period in local currency terms, but market leadership was very narrow, with BlackRock reporting that 90% of returns in the first quarter of 2023 came from only seven names. Technology stocks were strong leaders here, with investors revisiting them after a weaker period of performance but predominantly on the back of lower bond yields and expectations that the US Federal Reserve would be cutting interest rates before the end of 2023.

In the UK meanwhile we saw the FTSE 250 outperform its large company counterpart, the FTSE 100 over the last three months of 2022, but this trend was reversed in the first three months of 2023. The former contains companies which generate a greater proportion of their earnings from the UK economy.

Investment Manager's Report

continued

Movement in currency had a material impact on the return which UK based investors received from overseas equity markets. For example, in local currency terms the S&P 500 posted a total return of 15.32%. In sterling terms however the return was reduced to 4.11%, with the US dollar wakening from very strong levels. It was here that the main impact was seen.

UK fixed income markets also enjoyed a strong period, in particular corporate credit, but suffered a marked increase in volatility in the first three months of 2023. Yields initially fell at the end of 2022, and this continued in January as markets began to anticipate that inflation was close to peak and that it would soon roll over. Moving into February however, this view started to evaporate, with inflation proving significantly stickier than previously thought. Whilst the overall direction was still expected to be down, investors were starting to feel that it could take longer to reach central bank targets, particularly due to tightness in the labour market.

It was all about turn again in March, however. Whilst views on inflation remained the same, we were reminded that the pace of rate rises which we have seen not only here in the UK but also the US could lead to 'incidents', whereby frailties in the financial system would potentially be uncovered. We had already seen it in September during the Liability Driven Investment issues which rocked the pension and consequently the UK gilt market. This time it was in the respect of the banking system. Silicon Valley Bank and Signature Bank were both lost in the US, with the rest of the regional banking sector coming under pressure. In Switzerland meanwhile we saw UBS take over Credit Suisse, with the latter suffering from a vote of no confidence and a run on its deposit base. All of these banks clearly had idiosyncratic issues, but it was enough to spook investors all the same. Despite central banks being clear that interest rates would only be used to control inflation and that they had other tools to ensure enough liquidity remained in the system, the market took a different view, pricing in a series of interest rate cuts before the year end. Bond yields fell as a consequence.

Portfolio Activity

The portfolio continues to provide a broad range of asset classes and geographical allocations.

In October the remaining holding in the AHFM Defined Returns fund was sold. This was following the decision to replace this holding with direct structured notes, allowing greater control of the shape of the strategies and the underlying indices used.

In November, we reduced the overweight position in fixed interest slightly, taking mainly from funds with a longer duration as it was felt there was better value in shorter dated bonds at that time. The allocation to Jupiter European was also changed, swapping to the LF Lightman European fund instead. With inflation remaining stubbornly high, it was felt that this would favour a value investment style, which is more aligned to the Lightman fund.

January saw the Baillie Gifford Emerging Markets Growth fund being replaced by the Redwheel Next Generation Emerging Markets Equity fund. Although happy with exposure to emerging markets, the Redwheel fund offered access to a broader range of countries outside the more developed emerging market regions, but remaining more liquid than the traditional Frontier countries.

The Sub-fund saw net outflows during the period which were funded by reducing existing holdings when needed, allowing the adjustment of allocations at the same time.

Outlook

As it has been for some time now, inflation continues to be the main focus in investment markets. Remaining stubbornly high for an extended period in most developed markets, this has led central banks to sharply raise interest rates over the past year, with more rises still expected, especially in the US and here in the UK. History shows that there is a delay between interest rate rises and the effect it has on inflation, so we expect the Federal Reserve in the US and the Bank of England here in the UK to pause after one or two more increases this year to see what effect their actions so far have had.

We do not believe they will rush to reduce rates, however, despite a shrinking economy, having already made it clear that they see inflation and a lack of economic growth as two separate issues which they will deal with by different methods.

Recent falls caused by the problems in the banking sector shows the nervousness in equity markets at present, but also presented opportunities, with indiscriminate selling providing good valuation opportunities for some companies. This is likely to continue throughout the year, favouring active fund managers, especially those with a value style of investing.

Investment Manager's Report

continued

The re-opening of the Chinese economy after their protracted zero Covid policy is also likely to be supportive, especially in emerging market countries, with global supply chain issues easing.

Fixed interest assets have suffered from a capital value perspective over the last year with rapidly rising base rates leading to increasing yields. If central banks are reaching an end to their rate rises as expected, then this should lead to a calmer period for bonds, which will be aided further if inflation does begin to fall as the year progresses. Again though, we feel this will favour those fund managers who can be truly active, but care will need to be taken when managing duration as the yield curve normalises once again.

We believe the Sub-fund is currently well positioned to benefit from the above, especially with the tilt towards value orientated funds, but the economic picture will likely change through the year, especially in terms of inflation and possible recessions in different regions, all of which will need careful monitoring.

Lowes Investment Management

April 2023

MI Diversified Strategy Fund

Portfolio Statement

as at 31 March 2023

Holding	Security	Market value £	% of total net assets 2023
STRUCTURED PRODUCTS 4.83% (3.58%)			
Structured Products 4.83% (3.58%)			
500,000	Citi CSDI Autocall 28.10.30†	528,350	1.43
500,000	Morgan Stanley Preference 29.07.30†	538,600	1.46
500,000	Société Générale UK3 8 Year ATM Autocall in GBP on UKX 21.09.26†	719,750	1.94
		1,786,700	4.83
FUNDS 89.56% (91.40%)			
Bond Funds 15.55% (19.16%)			
1,864,486	Artemis Target Return Bond - GBP Accumulation*	1,977,101	5.34
99,995	Gam Star Credit Opportunities - GBP Accumulation*	1,604,918	4.34
9,608	MI TwentyFour Dynamic Bond - I Net Accumulation^*	1,574,331	4.25
5,091	Nomura Global Dynamic Bond - I GBP*	597,856	1.62
		5,754,206	15.55
Commodity Funds 7.34% (4.36%)			
50,793	Merian Gold & Silver - R Accumulation*	950,339	2.57
681,618	TB Amati Strategic Metals - B Accumulation*	732,944	1.98
57,496	WisdomTree Physical Silver ETF	1,032,916	2.79
		2,716,199	7.34
Emerging Markets 8.26% (4.60%)			
675,408	FSSA All China - E Accumulation*	937,736	2.54
257,956	Lazard Emerging Markets - A Accumulation GBP*	994,565	2.69
5,862	Redwheel Next Generation Emerging Markets Equity - I GBP Accumulation*	1,122,209	3.03
		3,054,510	8.26
Europe 12.79% (13.30%)			
14,750	Carmignac Portfolio Long-Short European Equities GBP Accumulation*	2,240,991	6.06
1,347,679	ES R&M European - F Accumulation*	1,911,818	5.17
391,014	LF Lightman European - R Accumulation*	578,974	1.56
		4,731,783	12.79
Far East 7.13% (5.67%)			
587,514	First State Asia Focus - B Accumulation*	1,365,677	3.69
450,176	Merian Asia Pacific - R Accumulation*	1,273,729	3.44
		2,639,406	7.13
Global 0.00% (3.52%)			
Japan 7.58% (8.60%)			
1,041,772	First State Japan Focus - B Accumulation*	1,089,694	2.95
901,830	Man GLG Japan Core Alpha - A Accumulation*	1,714,379	4.63
		2,804,073	7.58

MI Diversified Strategy Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
United Kingdom 20.57% (22.00%)			
353,988	Liontrust Special Situations - A Income*	1,679,105	4.54
1,433,682	Schroder Recovery - Z Accumulation*	2,010,022	5.43
1,338,857	TM Crux UK Special Situations - I Accumulation*	1,641,171	4.44
1,768,337	TM Tellworth UK Select*	2,279,387	6.16
		<hr/>	
		7,609,685	20.57
United States of America 10.34% (10.19%)			
43,859	Dodge & Cox US Stock - GBP Accumulation*	2,078,928	5.62
258,241	Threadneedle American Extended Alpha*	1,748,086	4.72
		<hr/>	
		3,827,014	10.34
		<hr/>	
	Investment assets	34,923,576	94.39
	Net other assets	2,075,150	5.61
		<hr/>	
	Net assets	36,998,726	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 31.03.22.

^Maitland Institutional Services Limited also acts as ACD for this fund.

*Collective Investment Schemes permitted under COLL, not listed on any exchange.

†Structured Products, not listed on any exchange.

Comparative Tables

Change in net assets per share

	B Income		
	31.03.23 p	31.03.22 p	31.03.21 p
Opening net asset value per share	139.29	135.95	109.49
Return before operating charges [^]	-4.46	5.69	28.68
Operating charges	-1.52	-1.83	-1.63
Return after operating charges [^]	-5.98	3.86	27.05
Distributions	-1.29	-0.52	-0.59
Closing net asset value per share	132.02	139.29	135.95
[^] After direct transaction costs of	0.00	-0.03	0.00
Performance			
Return after charges	-4.29%	2.10%	24.70%
Other information			
Closing net asset value	£517,694	£627,093	£642,043
Closing number of shares	392,122	453,475	472,262
Operating charges	1.15%	1.30%	1.28%
Ongoing operating charges	1.15%	1.30%	1.25%
Direct transaction costs	0.00%	0.02%	0.00%
Prices			
Highest share price	139.00	146.65	138.30
Lowest share price	123.98	132.59	107.67

	C Income		
	31.03.23 p	31.03.22 p	31.03.21 p
Opening net asset value per share	140.05	137.68	110.89
Return before operating charges [^]	-3.28	4.73	29.02
Operating charges	-1.54	-1.50	-1.33
Return after operating charges [^]	-4.82	3.23	27.69
Distributions	-1.50	-0.86	-0.90
Closing net asset value per share	133.73	140.05	137.68
[^] After direct transaction costs of	0.00	-0.03	0.00
Performance			
Return after charges	-3.45%	2.35%	24.97%
Other information			
Closing net asset value	£3,025,501	£3,576,389	£3,932,340
Closing number of shares	2,262,343	2,553,699	2,863,362
Operating charges	1.15%	1.05%	1.03%
Ongoing operating charges	1.15%	1.05%	1.00%
Direct transaction costs	0.00%	0.02%	0.00%
Prices			
Highest share price	141.00	148.73	140.32
Lowest share price	125.71	134.60	109.05

Comparative Tables

continued

Change in net assets per share (continued)

	C Accumulation		
	31.03.23 p	31.03.22 p	31.03.21 p
Opening net asset value per share	145.90	142.54	114.03
Return before operating charges [^]	-3.43	4.91	29.87
Operating charges	-1.60	-1.55	-1.36
Return after operating charges [^]	-5.03	3.36	28.51
Distributions	-1.62	-0.91	-0.94
Retained distributions on accumulation shares	1.62	0.91	0.94
Closing net asset value per share	140.87	145.90	142.54
[^] After direct transaction costs of	0.00	-0.03	0.00
Performance			
Return after charges	-3.45%	2.36%	25.00%
Other information			
Closing net asset value	£33,455,531	£42,766,633	£39,737,046
Closing number of shares	23,749,674	29,312,014	27,878,316
Operating charges	1.15%	1.05%	1.03%
Ongoing operating charges	1.15%	1.05%	1.00%
Direct transaction costs	0.00%	0.02%	0.00%
Prices			
Highest share price	146.87	153.99	144.33
Lowest share price	130.94	139.36	112.16

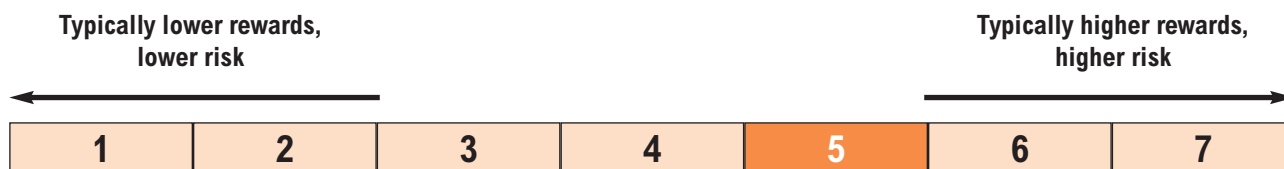
Operating charges include indirect costs incurred in the maintenance and running of the Sub-fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. Included within this figure are the charges of the underlying funds (synthetic ongoing charge). The figures used within this table have been calculated against the average Net Asset Value for the accounting year.

The return after charges is calculated as the closing Net Asset Value per share plus the distributions on income shares minus the opening Net Asset Value per share as a % of the opening Net Asset Value per share. The basis of valuation of investments used to calculate Net Asset Value per share is described in notes to the Financial Statements 1h) and complies with requirements of the current Statement of Recommended Practice for UK Authorised Funds. This differs from the basis used to calculate daily published single prices, in which listed investments are valued at 12:00 mid prices.

Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, which are offset (where applicable) against any dilution levies charged within the accounting year. The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the Risk and Reward Indicator.



During the year under review the category changed from 4 to 5, this is due to the price volatility of the Sub-fund. The Sub-fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

- Counterparty risk: The Sub-fund can conclude various transactions with contractual partners. If a contractual partner becomes insolvent, it can no longer or can only partly settle unpaid debts owed to the Sub-fund.
- Market risk: External factors can cause an entire asset class to decline in value which would result in a decrease in the value of investments.
- Currency risk: As the Sub-fund invests in overseas securities, movements in exchange rates, when not hedged, may cause the value of investments to increase or decrease.
- For further risk information please see the Prospectus.

Risk warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

MI Diversified Strategy Fund

Statement of Total Return

for the year ended 31 March 2023

	Note	£	31.03.23 £	£	31.03.22 £
Income					
Net capital (losses)/gains	2		(2,284,125)		710,991
Revenue	3	662,139		453,335	
Expenses	4	(119,297)		(130,135)	
Interest payable and similar charges	4	(5,668)		–	
Net revenue before taxation		537,174		323,200	
Taxation	5	(34,296)		(29,224)	
Net revenue after taxation			502,878		293,976
Total return before distributions			(1,781,247)		1,004,967
Distributions	6		(502,864)		(293,986)
Change in net assets attributable to Shareholders from investment activities			(2,284,111)		710,981

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2023

	£	31.03.23 £	£	31.03.22 £
Opening net assets attributable to Shareholders		46,970,116		44,321,429
Amounts receivable on issue of shares	4,467,462		8,660,364	
Less: Amounts payable on cancellation of shares	(12,539,747)		(6,989,544)	
		(8,072,285)		1,670,820
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		(2,284,111)		710,981
Retained distributions on accumulation shares		385,006		266,886
Closing net assets attributable to Shareholders		36,998,726		46,970,116

The notes on pages 18 to 28 form an integral part of these Financial Statements.

MI Diversified Strategy Fund

Balance Sheet

as at 31 March 2023

	Note	£	31.03.23 £	£	31.03.22 £
ASSETS					
Fixed Assets					
Investments			34,923,576		44,611,337
Current Assets					
Debtors	7	1,345,821		301,695	
Cash and bank balances	9	871,678		2,809,348	
Total current assets			2,217,499		3,111,043
Total assets			37,141,075		47,722,380
LIABILITIES					
Creditors					
Bank overdrafts	9	–		(368,478)	
Distribution payable		(39,114)		(24,554)	
Other creditors	8	(103,235)		(359,232)	
Total creditors			(142,349)		(752,264)
Total liabilities			(142,349)		(752,264)
Net assets attributable to Shareholders			36,998,726		46,970,116

The notes on pages 18 to 28 form an integral part of these Financial Statements.

Notes to the Financial Statements

for the year ended 31 March 2023

1. Accounting Policies

(a) Basis of accounting

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

The financial statements have been prepared on the going concern basis.

The Authorised Status and head office of the Company can be found within the general information starting on page 30.

The Certification of the Annual Report by the Authorised Corporate Director can be found on page 2.

(b) Recognition of revenue

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

Dividends on quoted equities and preference shares are recognised when the securities are quoted ex-dividend.

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distributable revenue.

Any reported revenue from an offshore reporting fund is recognised as revenue no later than the date on which the reporting fund makes the information available.

Structured product returns have been treated as either revenue or capita depending on the motives and circumstances on acquisition. Interest on bank and short-term deposits is recognised on an earned basis.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(c) Treatment of stock and special dividends

The ordinary element of stocks received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax accounting treatment follows the treatment of the principal amount.

(d) Treatment of expenses

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

(e) Allocation of revenue and expenses to multiple share classes

Any revenue or expense not directly attributable to a particular Sub-fund will normally be allocated pro-rata to the net assets of the relevant share classes and Sub-fund on the day that the revenue or expense is recognised.

With the exception of the Investment Manager's fee which is directly attributable to individual share classes, all revenue and expenses are apportioned to the Sub-fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the revenue or expense is recognised.

(f) Taxation

Corporation tax is provided at 20% on revenue, after deduction of expenses.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

Notes to the Financial Statements

continued

(g) Distribution policy

The net revenue after taxation as disclosed in the financial statements, after adjustment for items of a capital nature, is distributable to Shareholders as dividend distributions. Any revenue deficit is funded from capital.

At the year end, there were no items of a capital nature.

Distributions not claimed within a six year period will be forfeited and added back to the capital of the Sub-fund.

(h) Basis of valuation of investments

Listed investments are valued at close of business bid prices on the last business day of the accounting year excluding any accrued interest in the case of fixed and floating rate interest securities.

Collective investment schemes are valued at quoted bid price for dual priced funds and at quoted price for single priced funds, on the last business day of the accounting period.

Unlisted or suspended investments are valued by the ACD taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Structured products are valued using the prices made available by the counterparties which are based on agreed terms linked to indices, interest and other market risk factors. These products are essentially loans to Issuers with a repayment amount linked to the performance of the underlying securities that the Issuers promise to pay at maturity.

Market value is defined by the SORP as fair value, which generally is the bid value of each security.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

- Level 1 – Unadjusted quoted price in an active market for identical instrument.
- Level 2 – Valuation techniques using observable inputs other than quoted prices within Level 1.
- Level 3 – Valuation techniques using unobservable inputs.

(i) Exchange rates

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the closing exchange rates ruling on that date.

(j) Dilution levy

The Authorised Corporate Director may require a dilution levy on the purchase and redemption of shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property is in continual decline; on a Sub-fund experiencing large levels of net sales relative to its size; on 'large deals' (typically being a purchase or redemption of Shares to a size exceeding 5% of the Net Asset Value of the Company); in any case where the Authorised Corporate Director is of the opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

2. Net Capital (Losses)/Gains	31.03.23	31.03.22
	£	£
Non-derivative securities	(2,282,916)	714,486
Transaction charges	(1,209)	(3,495)
Net capital (losses)/gains	(2,284,125)	710,991

Notes to the Financial Statements

continued

3. Revenue	31.03.23	31.03.22
	£	£
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	353,898	166,320
Interest distributions	287,380	271,757
Offshore distributions	11,912	10,759
Bank interest	8,949	–
Underwriting commission	–	4,499
Total revenue	662,139	453,335
4. Expenses	31.03.23	31.03.22
	£	£
Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	77,644	74,055
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	21,000	20,966
Safe custody and other bank charges	9,888	16,467
	30,888	37,433
Auditor's remuneration*:		
Audit fee	10,065	9,363
Audit fee - predecessor fee	(7,200)	–
Tax compliance services	2,163	1,978
Tax compliance services - predecessor tax advisor	(2,100)	–
	2,928	11,341
Other expenses:		
Legal fees	4,118	3,558
Printing costs	3,719	3,748
	7,837	7,306
Expenses	119,297	130,135
Interest payable and similar charges	5,668	–
Total	124,965	130,135

*Included within the auditor's remuneration is irrecoverable VAT of £488 (2022: £1,890).

Notes to the Financial Statements

continued

5. Taxation	31.03.23	31.03.22
	£	£
(a) Analysis of charge in the year:		
Corporation tax at 20%	34,296	29,224
Total tax charge (note 5b)	34,296	29,224
(b) Factors affecting taxation charge for the year:		
Net revenue before taxation	537,174	323,200
Corporation tax at 20%	107,435	64,640
Effects of:		
UK dividends	(70,780)	(33,264)
Adjustments in respect of prior periods	23	–
Non-taxable overseas earnings	(2,382)	(2,152)
Total tax charge (note 5a)	34,296	29,224

(c) Deferred tax

There was no liability to deferred tax at the balance sheet date (2022: nil).

6. Distributions

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	31.03.23	31.03.22
	£	£
Final distribution 31.03.23	424,120	291,439
Revenue deducted on cancellation of shares	106,456	38,155
Revenue received on issue of shares	(27,712)	(35,608)
Distributions	502,864	293,986

Reconciliation of net revenue after taxation to net distributions:

Net revenue after taxation per Statement of Total Return	502,878	293,976
Undistributed revenue brought forward	7	17
Undistributed revenue carried forward	(21)	(7)
Distributions	502,864	293,986

Notes to the Financial Statements

continued

7. Debtors	31.03.23	31.03.22
	£	£
Amounts receivable on issues	117,764	301,271
Sales awaiting settlement	1,227,639	–
Prepaid expenses:		
Legal fee	418	424
Total debtors	1,345,821	301,695

8. Other Creditors	31.03.23	31.03.22
	£	£
Amounts payable on cancellations	40,969	296,156
Accrued expenses:		
Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	9,564	6,063
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	3,500	3,500
Safe custody and other bank charges	827	1,773
	4,327	5,273
Auditor's remuneration*:		
Audit fee	10,065	9,363
Audit fee - predecessor fee	–	7,200
Tax compliance services	2,163	1,978
Tax compliance services - predecessor tax advisor	–	2,100
	12,228	20,641
Other accrued expenses:		
Printing cost	1,850	1,875
Taxation payable:		
Corporation tax payable	34,297	29,224
Total other creditors	103,235	359,232

*Included within the auditor's remuneration is irrecoverable VAT of £2,038 (2022: £3,440).

9. Cash and Bank Balances	31.03.23	31.03.22
	£	£
Cash and bank balances	871,678	2,809,348
Overdraft positions	–	(368,478)
Cash and bank balances	871,678	2,440,870

Notes to the Financial Statements

continued

10. Related Party Transactions

Maitland Institutional Services Limited ('MISL') is regarded as a related party by virtue of having the ability to act in respect of the operations of the Sub-fund in its capacity as the Authorised Corporate Director ('ACD'). MISL also acts as the ACD of MI TwentyFour Dynamic Bond - I Net Accumulation.

ACD and other fees payable to Maitland Institutional Services Ltd are disclosed in note 4 and amounts due at the year end are shown in note 8.

Fees payable to Lowes Financial Management Ltd ('the Investment Manager') are disclosed in note 4 and amounts due at the year end are shown in note 8.

Amounts receivable on issue and payable on cancellation of shares and dilution levy are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and in note 6, amounts due at the year end are shown in notes 7 and 8.

At the year end, the Sub-fund held the following Collective Investment Scheme, for which MISL act as the ACD.

Accumulation Units	Held at 31.03.23	Change in period	% Change in period	Held at 31.03.22
MI TwentyFour Dynamic Bond - I Net Accumulation	9,608	–	–	9,608

No rebate has been accrued for in this cross investment.

11. Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (2022: none).

12. Risk Management Policies and Disclosures

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

In doing so, the ACD accepts market price risk in relation to the investment portfolio.

The risks arising from financial instruments and the ACD's policies for the monitoring and managing of these risks are stated below in accordance with the Risk Management Policy of the ACD.

These policies have been consistent for both years through 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 Sub-fund 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. Investors should consider the degree of exposure of the Sub-fund in the context of all their investments.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the ACD as per the policies as set out in the Prospectus. The investment guidelines and investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Conduct Authority's Collective Investment Schemes Sourcebook describe the nature of the market risk to which the Sub-fund will be exposed.

At the balance sheet date, if the price of the investments held by the Sub-fund increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £3,492,358 (2022: £4,461,134).

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Currency risk

The majority of the Sub-fund's assets comprise of investments and cash denominated in sterling. As a result, the income and capital value of the Sub-fund are not affected by currency movements.

The Company invests in Collective Investment Schemes, therefore the Sub-fund maybe indirectly exposed to the underlying Collective Investment Scheme investments.

There is no material direct foreign currency exposure in the Sub-fund (2022: none).

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investments will fluctuate as a result of changes in interest rates. The Sub-fund may invest in fixed and floating rate securities. The revenue of the Sub-fund 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.

Structured products are exposed to interest rate risk and therefore are affected by changes in interest rates.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

Stress testing and scenario analysis is carried out on a regular basis.

A risk limit system is employed to monitor the risks related to the investment types, concentration and diversification of the Sub-fund's portfolio.

The table below details the interest rate risk profile at the balance sheet date:

31.03.23

Currency	Floating rate financial assets £	Fixed rate financial assets £	Assets on which interest distributions are paid £	Assets on which interest is not paid [^] £	Total £
Pound sterling	871,678	–	5,754,206	30,515,191	37,141,075
	871,678	–	5,754,206	30,515,191	37,141,075

[^]Comprises of Equity Shares which receive dividend revenue, non interest bearing balance sheet debtors and Structured Products.

Currency	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
Pound sterling	–	142,349	142,349
	–	142,349	142,349

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Interest rate risk (continued)

31.03.22

Currency	Floating rate financial assets £	Fixed rate financial assets £	Assets on which interest distributions are paid £	Assets on which interest is not paid [^] £	Total £
Pound sterling	2,809,348	–	8,996,792	35,916,240	47,722,380
	2,809,348	–	8,996,792	35,916,240	47,722,380

[^]Comprises of Equity Shares which receive dividend revenue, non interest bearing balance sheet debtors and Structured Products.

Currency	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
Pound sterling	368,478	383,786	752,264
	368,478	383,786	752,264

Floating rate interest-bearing assets at the balance sheet date consist of bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

At the balance sheet date, if interest rates increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £662,588 (2022: £1,143,766) in respect of floating rate assets.

Credit risk

Credit risk arises from two main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principal in a timely manner. Secondly, there is the possibility of default of the issuer and default in the underlying assets of a Collective Investment Scheme, meaning that a Sub-fund may not receive back the full principal originally invested. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer or scheme can limit credit risk.

Structured products bear the issuer credit risk. A decline of the issuer creditworthiness will reduce the market value of the product. There is the risk, that the Issuer may not be able to fulfil their obligations, irrespective of whether the products are capital or principal protected. Investors may lose all or part of their investment if the Issuer are unable to pay the redemption amount. No assets of the Issuer are segregated and specifically set aside in order to pay the holders of the structured notes in the event of liquidation of the Issuer, and the holders of the Notes will rank behind secured or preferred creditors.

Liquidity risk

Liquidity risk is the risk that a Sub-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.

Structured products entail a materially relevant liquidity risk. Certain exceptional market circumstances may have a negative effect on the liquidity of the products. The investor may not be able to sell the product easily or may have to sell it at a price that significantly impacts how much the investor gets back. This may result in a partial or total loss of the invested amount.

Under normal circumstances, a Sub-fund will remain close to fully invested. However, where circumstances require: either because a view of illiquid securities markets or high levels of redemptions in the Sub-fund, the Sub-fund 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.

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Liquidity risk (continued)

The ACD manages the Sub-fund's cash to ensure they can meet their liabilities. In addition, the ACD monitors market liquidity of all securities, seeking to ensure the Sub-fund maintains sufficient liquidity to meet known and potential redemption activity. The Sub-fund's cash balances are monitored daily by the ACD and the Investment Manager. All of the Sub-fund's financial liabilities are payable on demand or in less than one year.

MISL conducts regular monitoring to ensure the liquidity profile of the Sub-fund's investments comply with their underlying obligations, particularly their ability to meet redemption requests.

Stress tests are undertaken, under normal and exceptional liquidity conditions, in order to assess the liquidity risk of the Sub-fund.

Counterparty risk

The risk that the counterparty will not deliver the investments for a purchase or the cash for a sale after the Sub-fund has fulfilled its responsibilities which could result in the Sub-fund suffering a loss. The Investment Manager minimises the risk by conducting trades through only the most reputable counterparties.

There were no past due assets as of 31 March 2023 (2022: nil).

Structured products are subject to the credit risk of the counterparty. The following table details the total number of counterparties to which the Sub-fund is exposed, the maximum exposure to any one counterparty, the total exposure to all other counterparties and the lowest long-term credit rating of any one counterparty (or its ultimate parent if unrated).

	Total number of counterparties	Maximum exposure to any one counterparty £	Total exposure to all other counterparties £	Lowest credit rating of any one counterparty^^
31.03.23	3	719,750	1,066,950	A
31.03.22	4	652,500	1,028,179	BBB+

^^Source: BNP Paribas Trust Corporation UK Limited

Fair value of financial assets and liabilities

Investments disclosed as at the balance sheet date are at fair value. Current assets and liabilities disclosed in the balance sheet are at amortised cost which is approximate to fair value.

Notes to the Financial Statements

continued

13. Portfolio Transaction Costs

31.03.23

Analysis of purchases	Gross purchase cost £	Commissions paid		Taxes		Purchases before transaction cost £
		£	%	£	%	
Funds	3,480,000	–	0.00	–	0.00	3,480,000
Corporate actions	596,283	–	0.00	–	0.00	596,283
Structured Products	1,000,000	–	0.00	–	0.00	1,000,000
Total purchases after commissions and tax	5,076,283					

Analysis of sales	Net sale proceeds £	Commissions paid		Taxes		Sales before transaction cost £
		£	%	£	%	
Funds	11,424,140	–	0.00	–	0.00	11,424,140
Structured Products	1,102,053	–	0.00	–	0.00	1,102,053
Total sales after commissions and tax	12,526,193					

Commission as a % of average net assets 0.00%

Taxes as a % of the average net assets 0.00%

31.03.22

Analysis of purchases	Gross purchase cost £	Commissions paid		Taxes		Purchases before transaction cost £
		£	%	£	%	
Funds	12,415,000	–	0.00	7,165	0.06	12,407,835
Corporate Actions	424,907	–	0.00	–	0.00	424,907
Structured Products	500,763	762	0.15	–	0.00	500,001
Total purchases after commissions and tax	13,340,670					

Analysis of sales	Net sale proceeds £	Commissions paid		Taxes		Sales before transaction cost £
		£	%	£	%	
Funds	8,489,649	–	0.00	–	0.00	8,489,649
Structured Products	3,181,554	–	0.00	–	0.00	3,181,554
Total sales after commissions and tax	11,671,203					

Commission as a % of average net assets 0.00%

Taxes as a % of the average net assets 0.02%

Commissions and taxes as a % of the average net assets form part of the direct transaction costs stated within the comparative tables on pages 13 and 14. The direct transaction costs within the comparative tables may differ due to the effect of dilution levies charged (where applicable).

Notes to the Financial Statements

continued

14. Portfolio Dealing Spread

The average portfolio dealing spread at 31 March 2023 is 1.56% (2022: 0.07%).

15. Post Balance Sheet Events

There were no notifiable events post the year end balance sheet date.

16. Fair Value Disclosure

Valuation technique	31.03.23		31.03.22	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1 [^]	1,032,916	–	1,015,236	–
Level 2 ^{^^}	33,890,660	–	43,596,101	–
Level 3 ^{^^^}	–	–	–	–
	34,923,576	–	44,611,337	–

[^]Level 1: Unadjusted quoted price in an active market for an identical instrument.

^{^^}Level 2: Valuation techniques using observable inputs other than quoted prices within level 1.

^{^^^}Level 3: Valuation techniques using unobservable inputs.

17. Shares in Issue

	B Income	C Income	C Accumulation
Opening number of shares	453,475	2,553,699	29,312,014
Shares issued	1,599	57,351	3,146,060
Shares cancelled	(62,952)	(343,856)	(8,713,051)
Shares converted	–	(4,851)	4,651
Closing number of shares	392,122	2,262,343	23,749,674

MI Diversified Strategy Fund

Distribution Tables

for the year ended 31 March 2023

Income share distribution

Share class	Distribution	Shares	Net revenue p	Equalisation p	Distribution payable 2023 p	Distribution paid 2022 p
B	Final	Group 1	1.2937	–	1.2937	0.5181
		Group 2	0.3746	0.9191	1.2937	0.5181
C	Final	Group 1	1.5047	–	1.5047	0.8695
		Group 2	0.6861	0.8186	1.5047	0.8695

Accumulation share distribution

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2023 p	Amount reinvested 2022 p
C	Final	Group 1	1.6211	–	1.6211	0.9105
		Group 2	0.7548	0.8663	1.6211	0.9105

Final period: 01.04.22 - 31.03.23

Group 1: Shares purchased prior to a distribution period

Group 2: Shares purchased during a distribution period

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents accrued revenue included in the purchase price of the shares. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

General Information

Authorised Status

MI Bespoke Funds ICVC (the 'Company') is structured as an Investment Company with Variable Capital ('ICVC'), under regulation 12 (Authorisation) of the OEIC Regulations (Open-Ended Investment Companies Regulations 2001 (SI 2001/1228)).

The Company does not intend to have an interest in immovable property.

The Company is authorised and regulated in the UK by the Financial Conduct Authority ('FCA') as a UCITS Retail Scheme and "Umbrella Company" under the COLL Sourcebook.

The Company was incorporated in England and Wales on 18 March 2015 under registration number IC001027. The Shareholders are not liable for the debts of the Company.

MI Bespoke Funds ICVC is structured as an umbrella company. Provision exists for an unlimited number of Sub-funds, and at the date of this Report one Sub-fund, the MI Diversified Strategy Fund is authorised.

Head Office

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Address for Service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value of the Sub-fund.

Classes of Shares

The Instrument of Incorporation allows each Fund to issue different classes of shares in respect of any Sub-fund.

The Fund currently has the following classes of shares available for investment:

Sub-fund	Share Class			
	B Acc	B Inc	C Acc	C Inc
MI Diversified Strategy Fund	✓*	✓	✓	✓

*This share class has no investment at the date of this report.

The Company may issue both Income and Accumulation Shares.

Holders of Income shares are entitled to be paid the revenue attributable to such shares in respect of each annual accounting period in the currency of the relevant share class.

Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of shares.

Valuation Point

The scheme property of each Sub-fund will normally be valued at 12:00 on each dealing day for the purpose of calculating the price at which shares in each Sub-fund may be issued, sold, repurchased or redeemed.

For the purpose of the pricing of shares, a business day is defined as a day on which the dealing office of the ACD is open for the buying and selling of shares. The ACD may at any time during a business day carry out an additional valuation of the property of a Sub-fund if the ACD considers it desirable to do so, with the Depositary's approval.

General Information

continued

Buying, Redeeming and Switching of Shares

The ACD will accept orders for the purchase, sale and switching of shares on normal business days between 08:30 and 16:30. Instructions to buy or sell shares may either be in writing to:

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Or by telephone to: 0345 026 4281

The ACD has the right to establish facilities for recording telephone calls made or received on this telephone line.

A contract note giving details of the shares purchased will be issued no later than the next business day after the business day on which an application to purchase shares is received and instrumented by the ACD. Certificates will not be issued in respect of shares. Ownership of shares will be evidenced by an entry on the register of Shareholders.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-fund which represents the Net Asset Value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on www.maitlandgroup.com. Neither the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the Company which is also the Head Office of the Company. Copies may be obtained free of charge upon application. They are also available from the website of the Company, the details of which are given in the directory of this report.

Shareholders who have complaints about the operation of the Company should in the first instance contact the ACD, or, following that, may make their complaint direct to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Significant Information

The ACD has assessed the Russia-Ukraine war implications and although the Company has no direct exposure to Russian or Ukrainian assets the crisis has and will have a wider impact in terms of market performance.

ACD Value Assessment

The ACD is required to provide an annual statement for the Company, attesting that in the opinion of the ACD the services provided to the Company and any fees chargeable to the scheme property represent value for money, taking into account the following criteria as set out by the Regulator under COLL 6.6.20R:

- Quality of Service
- Performance
- Economies of Scale
- Comparable Services and Market Rates
- Classes of Shares

This statement references services provided directly by the ACD and those services delegated by the ACD to third parties such as, but not limited to, investment management, depositary services, custody and settlement, audit provision, legal services, printing services, KIID production and maintenance, and other costs as may be set out or allowable in the scheme documentation.

The ACD Value Assessment is published on the Maitland website.

General Information

continued

Remuneration of the ACD

The ACD is subject to a remuneration policy which meets the requirements of the Undertakings for Collective Investment in Transferable Securities Directive ('UCITS') as set out in SYSC 19E of the FCA Handbook.

The policy is designed to ensure practices for employee remuneration are consistent with, and promote, sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instrument of incorporation of the funds managed, and does not impair the ACD's compliance with its duty to act in the best interests of the funds it manages.

The ACD has reviewed the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy or irregularities to process.

This disclosure does not include portfolio management activities as these are undertaken by various third party Investment Managers appointed by the ACD. The Investment Manager is required to make separate public disclosure as part of their obligations under the Capital Requirements Directive.

The ACD is required to disclose the total remuneration it pays to its staff during the financial year of the Company, split into fixed and variable remuneration, with separate aggregate disclosure for staff whose actions may have a material impact to the risk profile of a Sub-fund or the ACD itself. This includes executives, senior risk and compliance staff and certain senior managers. As the ACD provides UCITS and non-UCITS services, the remuneration figures have been prorated by the Net Asset Value of all the non-UCITS funds it manages as a percentage of the total assets under management.

31.03.23	Number of Beneficiaries	Fixed	Variable	Total
Total remuneration paid by the ACD during the year	16	£1,734,405	£562,969	£2,297,374
Remuneration paid to employees who are material risk takers of the ACD who have material impact on the risk profile of the fund	6	£953,495	£483,876	£1,437,371

Further information is available in the ACD's Remuneration Policy Statement which can be obtained from www.maitlandgroup.com or, on request free of charge, by writing to the registered office of the ACD.

Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

Maitland Institutional Services Limited

Registered in England No 6252939. Authorised and regulated by the Financial Conduct Authority.