



# **TB ENIGMA FUNDS**

ANNUAL REPORT &  
AUDITED FINANCIAL STATEMENTS

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For the year ended 31 May 2023



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*Note: The Authorised Corporate Director’s Report consists of ‘Authorised Status’ and ‘Structure of the Company’ on page 2, ‘Authorised Status’ and ‘Investment Objective and Policy’ on pages 11 and 36, ‘Investment Review’ as provided by the Investment Manager on pages 13 to 15 and 38 to 40, and ‘Directory’ on page 61.*



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## **THE AUTHORISED CORPORATE DIRECTOR AND INVESTMENT MANAGER**

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The Authorised Corporate Director (the 'ACD') of TB Enigma Funds (the 'Company') is T. Bailey Fund Services Limited ('TBFS'). Ekins Guinness LLP is the Investment Manager (the 'Investment Manager') of the Company.

Ekins Guinness LLP and T. Bailey Fund Services Limited are authorised and regulated by the Financial Conduct Authority. Further information about Ekins Guinness LLP can be found at [www.ekinsguinness.com](http://www.ekinsguinness.com).

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## **YOUR INVESTMENTS**

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You can buy or sell shares in the Company through your Financial Advisor. Alternatively, you can telephone the dealing line, 0115 988 8286, during normal office hours. Application forms can be requested in writing from the ACD or by calling the Client Services Team on the dealing line. They can also be downloaded from [www.tbaileys.co.uk](http://www.tbaileys.co.uk).

The Company is eligible for ISA investments/transfers and the shares are available as part of a regular savers scheme.

The most recent price of shares in issue are can be found at [www.tbaileys.co.uk](http://www.tbaileys.co.uk), or by phone using the contact details set out in the prospectus.

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## **OTHER INFORMATION**

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Full details of TB Enigma Funds are set out in the Prospectus, which provides investors with extensive information about the Fund including risks and expenses. A copy of the Prospectus is available on request from the ACD, or can be downloaded from [www.tbaileys.co.uk](http://www.tbaileys.co.uk).

The Key Investor Information document, Supplementary Information document and Value Assessment are also available from [www.tbaileys.co.uk](http://www.tbaileys.co.uk).

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## **AUTHORISED STATUS**

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TB Enigma Funds is an investment company with variable capital incorporated in Great Britain, and having its head office in England, under registered number IC001087 and authorised and regulated by the Financial Conduct Authority ("FCA") with effect from 2 June 2017.

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## **STRUCTURE OF THE COMPANY**

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The Company is a UK UCITS.

The Company is structured as an umbrella so that the Scheme Property of the Company may be divided among one or more sub-funds. The assets of each sub-fund will generally be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. New sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. If a new sub-fund is introduced, a new Prospectus will be prepared to set out the required information in relation to that sub-fund.

The Company is compliant with the Protected Cell Regime for OEICs. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-fund and shall not be available for any such purpose.

As at the balance sheet date, there were two sub-funds in existence; TB Enigma Dynamic Growth Fund and TB Enigma Global Sector Rotation Fund\*.

*\*TB Enigma Global Sector Rotation Fund launched 7 November 2022.*

The base currency of the Company is Pound Sterling.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the prices on purchase of the shares.

The ACD is the sole director of the Company.

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## **CROSS HOLDINGS BETWEEN SUB-FUNDS**

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As at the year-end there were no cross holdings between the two sub-funds.

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## REMUNERATION POLICY OF THE AUTHORISED CORPORATE DIRECTOR

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### Introduction and Scope

TBFS has policies and practices for those staff whose professional activities have a material impact on the risk profile of the combined activities. TBFS is a UCITS firm and is therefore subject to the UCITS Remuneration Code.

The Remuneration Policy of the Authorised Corporate Director:

- Is consistent with and promotes sound and effective risk management;
- Does not encourage risk taking that exceeds the level of tolerated risk of the firm;
- Encourages behaviour that delivers results which are aligned to the interests of TBFS's clients and the UCITS funds it manages;
- Aligns the interests of Code Staff with the long-term interests of TBFS's clients and the UCITS funds it manages;
- Recognises that remuneration should be competitive and reflect both financial and personal performance. Accordingly, Remuneration for Code Staff is made up of fixed pay (salary and benefits, including pension) and variable (performance-related) pay; and
- Recognises that fixed and variable components should be appropriately balanced and that the variable component should be flexible enough so that in some circumstances no variable component may be paid at all. Variable pay is made up of short-term awards typically based on short-term financial and strategic measures for the area of the business in which the member of Code Staff works.

In accordance with BIPRU 11.5.18R the following disclosures are made:

### Decision making process for determining remuneration policy, link between pay and performance

There is no remuneration committee. Remuneration is set within the context of a 5-year plan which ensures any threats to capital adequacy, liquidity and solvency caused by excessive remuneration would be identified. The bonus and commission arrangements including the staff bonus pool are set annually as part of the annual operating plan and any changes to the pool require approval by the TBFS Board.

To assist with the above process, a benchmarking exercise was conducted in 2019 which incorporated information from external consultants in connection with remuneration.

### Policy on link between pay and performance

The staff bonus scheme is operated to allow for meaningful rewards to be paid to staff whose performance during the year merits recognition but within the context of an annual operating plan. The Board bears in mind the projected performance of the company when making any adjustments to the scheme. This is agreed within the setting of the annual operating plan and reviewed once full year results are available.

The final bonus total is signed off by the TBFS board. The bonus payments are non-contractual and can be amended or withdrawn at any time.

Payment of scheme bonus to individuals is linked to their performance against agreed objectives from staff appraisals. All bonuses are monetary and paid through the payroll.

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**REMUNERATION POLICY OF THE AUTHORISED CORPORATE DIRECTOR (CONTINUED)**

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Staff are eligible to be a part of the scheme once they have completed a full years' service prior to the start of the relevant appraisal year. The same process applies to all grades of staff including executive directors.

There are no commission-based payments made to staff.

No other pay reward schemes exist within the business.

**Total remuneration paid by the ACD**

	For the year ended 30 September 2022	For the year ended 30 September 2021
<b>Total Number of Staff</b>	<b>65</b>	<b>51</b>
	<b>£'000</b>	<b>£'000</b>
Fixed	2,118	1,797
Variable	143	111
<b>Total Remuneration Paid</b>	<b>2,261</b>	<b>1,908</b>

**Total remuneration paid by the ACD to Remuneration Code Staff**

	For the year ended 30 September 2022		For the year ended 30 September 2021	
	Senior Management	Staff with Material Impact	Senior Management	Staff with Material Impact
<b>Total Number of Staff</b>	<b>9</b>	<b>-</b>	<b>10</b>	<b>-</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fixed	798	-	800	-
Variable	49	-	9	-
<b>Total Remuneration Paid</b>	<b>847</b>	<b>-</b>	<b>809</b>	<b>-</b>

Please note that there were no remuneration payments made directly from TB Enigma Funds or its sub-fund.



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## STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

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The Authorised Corporate Director (the "ACD") of the TB Enigma Funds (the "Company") is responsible for preparing the Annual Report and the Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Authority's Collective Investment Schemes' Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each annual accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association ("IA SORP") in May 2014; and amended in June 2017; and
- give a true and fair view of the financial position of the Company as at the end of that period and the net revenue and expense and the net capital gains or losses on the property of the Company for that period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the IA SORP have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the applicable IA SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for management of the Company in accordance with the COLL and the Prospectus, and for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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## DIRECTORS' STATEMENT

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In accordance with COLL 4.5.8BR, the Annual Report and the Audited Financial Statements were approved by the board of directors of the ACD of the Company and authorised for issue on 12 September 2023.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the Company and sub-fund consist predominantly of readily realisable securities and accordingly the Company has adequate resources to continue in operational existence for at least the next twelve months from the approval of these financial statements.

**Gavin Padbury**  
Senior Director – Head of T. Bailey Fund Services  
T. Bailey Fund Services Limited  
Nottingham, United Kingdom  
12 September 2023

**Mark Smith**  
Director of Fund Administration  
T. Bailey Fund Services Limited  
Nottingham, United Kingdom  
12 September 2023

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## STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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

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

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

The Depositary must ensure that:

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

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

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## DEPOSITARY'S REPORT TO THE SHAREHOLDERS OF TB ENIGMA FUNDS

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

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

**NatWest Trustee & Depositary Services Limited**  
**London, United Kingdom**  
**12 September 2023**

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of TB Enigma Funds (the 'Company'):

- give a true and fair view of the financial position of the company as at 31 May 2023 and of the net revenue and expense and the net capital gains and losses on the property of the company for the year ended 31 May 2023; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the related individual notes 1 to 15; and
- the distribution tables

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), 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 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the authorised corporate director's (ACD'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 ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TB ENIGMA FUNDS  
(CONTINUED)**

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**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 ACD is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of depositary and ACD**

As explained more fully in the statement of depositary's responsibilities and the statement of the ACD's responsibilities, the depositary is responsible for safeguarding the assets of the company and the ACD 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 ACD 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 ACD is responsible for assessing the company'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 ACD either intends to liquidate the company or to cease operations, or have 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.

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:

Our assessment focussed on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included, but were not limited to, compliance with the Collective Investment Schemes sourcebook of the Financial Conduct Authority ("COLL"), the relevant instruments of incorporation, the statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association in May 2014 ("the SORP") and United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TB ENIGMA FUNDS  
(CONTINUED)**

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We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the company to assess compliance with provisions of relevant laws and regulations. This included ensuring compliance with the Collective Investment Schemes Sourcebook.
- obtaining an understanding of the company's policies and procedures and how the company has complied with these, through discussions and process walkthroughs.
- obtaining an understanding of the company's risk assessment process, including the risk of fraud, designing our audit procedures to respond to our risk assessment. This included performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- enquiring of management concerning actual and potential litigation and claims and understanding whether there have been instances of non-compliance with laws and regulations; and
- reviewing minutes of those charged with governance and reviewing correspondence with the FCA.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's Report.

### **Report on other legal and regulatory requirements**

#### **Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook**

In our opinion:

- proper accounting records for the Company have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the annual report for the year ended 31 May 2023 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TB ENIGMA FUNDS  
(CONTINUED)**

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**Use of our report**

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. 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.

**Cooper Parry Group Limited  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
12 September 2023**

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## TB ENIGMA DYNAMIC GROWTH FUND, AUTHORISED STATUS

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TB Enigma Dynamic Growth Fund (the 'Fund') is a sub-fund of TB Enigma Funds with investment powers equivalent to those of a UK UCITS as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

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## INVESTMENT OBJECTIVE AND POLICY

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The aim of TB Enigma Dynamic Growth Fund is to provide capital growth and income over the long-term (periods of 5 years or more).

The Investment Manager uses a global quantitative investment methodology to invest dynamically across a range of asset classes including equities, bonds (which may include fixed and floating interest rate sovereign and corporate bonds), commodities, cash and near cash. More information on this methodology is set out in the Prospectus under "Fund Characteristics".

The allocations within the Fund to different asset classes and also the selection of sectors and regions within the equity allocation are actively managed. The investment strategy is flexible and dynamic to adapt to changing market conditions, enabling the Investment Manager to select those asset classes that are deemed to be attractive according to the global quantitative investment methodology. At any particular time the portfolio may have between 0 and 100% exposure to any asset class.

The Fund's portfolio will typically be diversified across geographies (including Emerging Markets) and sectors. Under normal market conditions, exposure to the underlying asset classes will be indirect through Exchange Traded Funds (ETFs) and other eligible collective investment schemes (such as unit trusts and OEICs), which may employ active or passive strategies, investment companies and Exchange Traded Commodities (ETCs).

The Fund may also invest directly in equities or bonds, money market instruments, cash, near cash and deposits where the Investment Manager considers such direct investment to be in the interests of investors. For example, the Investment Manager may consider direct investment provides a more efficient or cost-effective exposure to particular sectors or geographies than an indirect exposure. The Investment Manager may adopt an active currency overlay using derivatives including currency forwards with the intention of reducing currency risk and/or enhancing returns. Derivatives may also be used for the purpose of meeting the Fund's investment objectives and for Efficient Portfolio Management (including hedging). The overall exposure to the Fund through the use of derivatives is intended to be limited.

*The Investment objective and policy were updated on 30 November 2022.*

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## FUND BENCHMARKS

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Shareholders may wish to compare the performance of the Fund against the UK Consumer Prices Index (CPI). The CPI is a measure of UK inflation, and so is considered an appropriate measure of what constitutes a return in real terms.

The UK Consumer Price Index is a Comparator Benchmark of the Fund.

Shareholders may also wish to compare the Fund's performance against other funds within the Investment Association's (IA) Flexible Sector as that will give investors an indication of how the Fund is performing compared with others investing in a similar but not identical investment universe. As the sector aligns with the Fund's asset allocation, it is considered that this is an appropriate comparator.

The IA Flexible Sector is a Comparator Benchmark of the Fund.

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## **TB ENIGMA DYNAMIC GROWTH FUND, RISK PROFILE**

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The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

The Fund invests in global markets, with some regions being regarded as more risky. The movements of exchange rates may lead to further changes in the value of investments and the income from them.

The investment strategy followed by the Investment Manager involves potentially investing in a range of different asset classes and adjusting the asset allocation according to analysis of valuation analytics and technical measurements including price momentum, price trends and overbought / oversold indicators, all using historical market data. The asset allocation is therefore likely to change dynamically and significantly over time depending on market conditions and could for example vary from 100% equity to 100% bonds and other fixed interest over time.

Whilst the intention for using derivatives is to generate positive returns or to reduce risk, this outcome is not guaranteed and derivatives involve additional risk which could lead to significant losses.

There is a risk that any company providing services such as safekeeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

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## **SYNTHETIC RISK AND REWARD INDICATOR**

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The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category five\* because it invests in a variety of asset classes.

*\* The fund was in risk category four at the beginning of the period and has since changed to risk category five.*

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## **ONGOING CHARGES FIGURE**

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The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. As the Fund invests in other funds, the weighted average costs of the underlying funds have also been taken into account. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Comparative tables on pages 17 to 20.



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## TB ENIGMA DYNAMIC GROWTH FUND, INVESTMENT REVIEW

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### Performance

	Cumulative returns for the periods ended 31 May 2023 (%)			
	1 year	3 years	5 years	From launch <sup>1</sup>
B Accumulation Shares	(5.90)	22.55	19.35	27.00
IA Flexible Investment Sector*	(1.34)	16.59	17.69	23.59
UK Consumer Price Index*	8.69	21.01	24.10	27.11

\* *Comparator Benchmarks*

<sup>1</sup> *From 12 July 2017.*

*Source: Financial Express. Total Return, Bid to Bid. Performance based on actual published net asset values. Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the income derived from them is not guaranteed and may go down as well as up.*

### Overview

In the year under review, from 31 May 2022 to 31 May 2023, there has been economic turmoil caused by the most significant rise in inflation in four decades. The price inflation witnessed has been primarily within the western economies, much less so in Asia. There are number of reasons for the rise in inflation, including post-Covid supply side constraints, the rise in the oil price partly caused by the Ukraine war and tight labour markets. However, the chief culprit is undoubtedly the massive rise in the monetary base generated by central banks to rescue the economies from the stoppage during the Covid pandemic. As a result, short term interest rates have been raised significantly and aggressively, and the so-called Quantitative Easing, introduced to stimulate economies following the 2008 Global Financial Crisis, has been abandoned.

The tightening of monetary policy has had a major impact on financial markets. Bond markets have been weak as yields rise with inflation. Bond yields had admittedly started from very low levels, due to the previously low inflation and monetary stability. Nominal Government 10 year bond yields have reached a level not seen for a decade. The rise in interest rates also triggered a major fall in Equity prices between November 2021 and October 2022.

The TB Enigma Dynamic Growth Fund adopted a defensive position for much of 2022 and therefore avoided some of the falls in Equities and Bonds. The Fund had reduced its Equity allocation in late 2021 because of the generally poor, even dangerous, Equity valuations. The Equity allocations were reduced further in early 2022 as the bear market in Equities set in. Additionally, the Equity positioning at the Sector level was altered to a more defensive allocation. For example, the long-held overweight in Technology was cut right back because most of the "Growth" sectors were out of favour and had poor relative momentum. For much of 2022, the Fund also had low allocations to Government 10 year Bond markets, preferring cash, short-dated Government securities, gold and other commodities.

Although Bond markets have not yet started to recover, Equity markets have staged a strong recovery since the lows of October 2022 although a significant part of this has been in a handful of mega-cap Technology companies in the US (the so-called "Magnificent 7"). Investors have taken heart that inflation has peaked and is generally now falling, although inflation has been stickier in the UK.

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**TB ENIGMA DYNAMIC GROWTH FUND, INVESTMENT REVIEW (CONTINUED)**

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The Fund has continued to be positioned fairly defensively, so admittedly has not benefitted as much as it could have from the strong Equity rally so far in 2023. The asset allocation as at the financial year end was as follows:

<b>Sector</b>	<b>Asset allocation as at 31 May 2023 (%)</b>	<b>Asset allocation as at 31 May 2022 (%)</b>
Exchange Traded Funds – Equities	37.8	26.0
Exchange Traded Funds – Bonds	36.2	13.8
Exchange Traded Funds – Commodities	-	12.3
Exchange Traded Commodities – Gold	9.1	4.9
Cash & equivalents	16.9	43.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

The full list of holdings as at the year end is shown in the Portfolio Statement on page 16.

### **Outlook**

Following a significant fall in Equity markets such as seen last year up until the low point in October, our asset allocation model is often cautious about when to re-invest. This is because a rally that follows a significant fall can often be temporary, and it is sometimes better to be patient to let it play out. Therefore, unless Equity markets become cheap or become very oversold (neither of which were the case after the bear market in 2022), our model chooses to wait for a sufficient improvement in momentum and trends in order to try and avoid the risk that the previous bear market will resume. As at the end of May, the extent of the rally (breadth and length) had still not given a strong re-investment signal, so our asset allocation model has remained at a reasonable level of Equity commitment (around 40%) rather than being fully invested. However, it is now over six months since Equity markets bottomed so the momentum and trend signals are improving all the time.

Equity markets have taken great encouragement that the inflation shock is largely over. Although inflation is still sticky in some areas and central banks may still tighten further, there are clear indications that inflation will be back to much lower levels by the end of this year and especially next year. In 2024, the debate will be the extent and speed at which central banks cut interest rates. Falling interest rates is generally positive for equity markets, which is what has been driving Equity markets higher this year.

The most important question for investors is whether the coming fall in inflation will come with an economic recession. Equity markets can cope with a mild recession, and this is the central expectation that many investors are assuming will be the case.

The greatest risk is highlighted by those economists who most accurately predicted the inflation shock, because of the massive expansion of the monetary base deliberately engineered by central banks, and who are now warning of a nasty recession. Their reason is that the monetary aggregates are now falling at the fastest rate in post-war history, especially in the US. If they are right, Equity markets are likely to suffer from a fall in corporate earnings.

The outlook for Equities in 2024, when interest rates fall, is therefore positive. The uncertainty is from what level they rise from, which will depend on the extent to which any recession hits corporate earnings. There are many other factors which will impact Equity markets but, in our opinion, this is the key factor. It would be foolish to suggest that we, or anyone, can predict the future. However, our asset allocation model is flexible and can change its allocation according to investor sentiment. In the same way that this model successfully reduced its allocation to Equities in late 2021 and early 2022, we believe it has a good chance of doing the same if and when Equities struggle in the event that a particularly nasty recession emerges.

## TB ENIGMA DYNAMIC GROWTH FUND, INVESTMENT REVIEW (CONTINUED)

In summary, instead of trying to predict the future, we have a model that can react according to Value and Momentum measurements which we think is a good way of determining the investment strategy for the Fund.

The Fund is not managed against any benchmark and the Investment Association Flexible Sector returns are shown purely for comparison purposes only.

### PORTFOLIO HOLDINGS

<b>EQUITIES</b>	<b>37.9%</b>
<b>Global Sector ETFs</b>	<b>33.5%</b>
db x-trackers MSCI World Information Technology Ind	15.1%
db x-trackers MSCI World Consumer Staples Index UC	4.8%
db x-trackers MSCI World Industrials Index UCITS ETF (	4.5%
db x-trackers MSCI World Communication Services Inc	4.3%
SPDR MSCI World Health Care UCITS ETF	3.7%
db x-trackers MSCI World Utilities Index UCITS ETF (DF	1.2%
<b>Regional Equity ETFs</b>	<b>4.4%</b>
Vanguard FTSE Japan UCITS ETF	2.0%
iShares S&P 500 UCITS ETF	1.3%
Vanguard FTSE Developed Europe ex UK UCITS ETF	1.1%
<b>FIXED INCOME</b>	<b>36.0%</b>
<b>Medium/Long Duration</b>	<b>7.9%</b>
iShares \$ Treasury Bond 7-10yr UCITS ETF	7.9%
<b>Short Duration &amp; Cash Equivalents</b>	<b>28.2%</b>
SPDR Barclays 1-3 Year US Treasury Bond UCITS ETF	16.1%
\$ Treasury Bond 0-1y UCITS ETF USD Acc	12.1%
<b>GOLD &amp; COMMODITIES</b>	<b>9.0%</b>
Invesco Physical Gold	6.5%
WisdomTree Gold Bullion Securities	2.5%
<b>CASH</b>	<b>17.1%</b>
<b>TOTAL</b>	<b>100.0%</b>

### ANALYSIS OF EQUITY EXPOSURE

(pro-rated to 100% on a look-through basis across the ETFs)

BY SECTOR	Equity Allocation	Mkt Cap Wgt	Relative	
			-25%	+25%
Technology	41.2%	20.7%		
Cons. Staples	14.7%	7.5%		
Industrials	13.8%	9.3%		
Comm. Services	12.0%	8.0%		
Utilities	3.5%	3.1%		
Healthcare	11.1%	13.0%		
Real Estate	0.1%	2.7%		
Basic Materials	0.5%	4.9%		
Energy	0.3%	5.1%		
Cons. Discretionary	1.0%	11.2%		
Financials	1.7%	14.5%		
	<b>100.0%</b>	<b>100.0%</b>		

BY REGION	Equity Allocation	Mkt Cap Wgt	Relative	
			-25%	+25%
USA	66.9%	60.0%		
Japan	12.0%	5.7%		
Europe ex UK	14.3%	10.6%		
UK	2.9%	3.9%		
Australasia	0.6%	2.1%		
Canada	1.4%	3.6%		
Dev. Asia ex Japan	0.3%	4.2%		
Emerging Mkts	1.6%	10.0%		
	<b>100.0%</b>	<b>100.0%</b>		

**Charles Ekins**  
**Fund Manager**  
**Ekins Guinness LLP**  
**Whitchurch, Hampshire, United Kingdom**  
**12 September 2023**

## TB ENIGMA DYNAMIC GROWTH FUND, PORTFOLIO STATEMENT

As at 31 May 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
<b>Exchange Traded Funds - Equities</b>		
<b>(37.8%; 31.05.22 - 26.0%)</b>		
3,530 iShares Core S&P 500	118,450	1.3
7,543 SPDR MSCI World Health Care UCITS	331,997	3.6
3,321 Vanguard FTSE Developed Europe ex UK	102,220	1.1
7,124 Vanguard FTSE Japan	178,603	2.0
12,375 Xtrackers MSCI World Consumer Staples UCITS	437,875	4.8
10,839 Xtrackers MSCI World Industrials	402,164	4.4
27,839 Xtrackers MSCI World Information Technology	1,371,836	15.1
29,770 Xtrackers MSCI World Telecom Services UCITS	389,579	4.3
4,405 Xtrackers MSCI World Utilities	108,320	1.2
	<b>3,441,044</b>	<b>37.8</b>
<b>Exchange Traded Funds - Bonds</b>		
<b>(36.2%; 31.05.22 - 13.8%)</b>		
271,579 iShares \$ Treasury Bond 0-1yr	1,107,408	12.2
4,999 iShares Treasury Bond 7-10yr	718,029	7.9
37,748 SPDR Bloomberg Barclays 1-3yr US Treasury Bond	1,467,622	16.1
	<b>3,293,059</b>	<b>36.2</b>
<b>Exchange Traded Funds - Gold</b>		
<b>(9.1%; 31.05.22 - 4.9%)</b>		
1,563 Gold Bullion Securities	230,078	2.5
3,889 Invesco Physical Gold	597,745	6.6
	<b>827,823</b>	<b>9.1</b>
<b>Cash and Equivalents</b>		
<b>(0.0%; 31.05.22 - 35.3%)</b>		
2,750,847 Forward FX GBP v \$3,400,000 (expires 30.06.23)	3,239	0.0
	<b>3,239</b>	<b>0.0</b>
<b>Portfolio of investments</b>	<b>7,565,165</b>	<b>83.1</b>
<b>Net other assets</b>	<b>1,538,860</b>	<b>16.9</b>
<b>Total net assets</b>	<b>9,104,025</b>	<b>100.0</b>

*Exchange Traded Funds - Commodities Sector disinvested since the beginning of the period (31 May 2022: 12.3%).*

*All Exchange Traded Funds (ETFs) are quoted on official stock exchanges.*

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**TB ENIGMA DYNAMIC GROWTH FUND, COMPARATIVE TABLE**


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<b>B Income Shares</b>	<b>1 Jun 2022 to 31 May 2023</b>	<b>1 Jun 2021 to 31 May 2022</b>	<b>1 Jun 2020 to 31 May 2021</b>
	(pence per share)	(pence per share)	(pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	130.80	127.88	102.58
Return before operating charges*	(6.50)	6.49	26.23
Operating charges	(0.88)	(0.93)	(0.81)
Return after operating charges*	(7.38)	5.56	25.42
Distributions on income shares	(1.52)	(2.64)	(0.12)
Closing net asset value per share	121.90	130.80	127.88
* after direct transaction costs of:	0.38	0.21	0.11
<b>Performance</b>			
Return after charges*	(5.64)%	4.35%	24.78%
<b>Other information</b>			
Closing net asset value	£3,262,281	£4,357,605	£4,745,141
Closing number of shares	2,676,128	3,331,398	3,710,641
Operating charges (p.a.)	0.85%	0.87%	0.91%
Direct transaction costs (p.a.)	0.30%	0.16%	0.10%
<b>Prices</b>			
Highest published share price	132.19	138.92	128.98
Lowest published share price	121.52	127.05	100.56

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA DYNAMIC GROWTH FUND, COMPARATIVE TABLE (CONTINUED)**


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<b>B Accumulation Shares</b>	<b>1 Jun 2022 to 31 May 2023</b> <small>(pence per share)</small>	<b>1 Jun 2021 to 31 May 2022</b> <small>(pence per share)</small>	<b>1 Jun 2020 to 31 May 2021</b> <small>(pence per share)</small>
<b>Change in net assets per share</b>			
Opening net asset value per share	134.11	128.35	102.86
Return before operating charges*	(6.70)	6.70	26.30
Operating charges	(0.91)	(0.94)	(0.81)
Return after operating charges*	(7.61)	5.76	25.49
Distributions	(1.58)	(2.64)	(0.13)
Retained distributions on accumulation shares	1.58	2.64	0.13
Closing net asset value per share	126.50	134.11	128.35
* after direct transaction costs of:	0.39	0.21	0.11
<b>Performance</b>			
Return after charges*	(5.67)%	4.49%	24.78%
<b>Other information</b>			
Closing net asset value	£3,149,017	£5,560,899	£5,267,367
Closing number of shares	2,489,254	4,146,569	4,103,773
Operating charges (p.a.)	0.85%	0.87%	0.91%
Direct transaction costs (p.a.)	0.30%	0.16%	0.10%
<b>Prices</b>			
Highest published share price	135.53	139.48	129.34
Lowest published share price	125.45	127.41	100.84

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA DYNAMIC GROWTH FUND, COMPARATIVE TABLE (CONTINUED)**


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<b>Z Income Shares</b>	<b>31 Jan 2023 to*</b> <b>31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	(0.88)
Operating charges	(0.15)
Return after operating charges*	(1.03)
Distributions	(0.46)
Closing net asset value per share	98.51
* after direct transaction costs of:	0.10
<b>Performance</b>	
Return after charges*	(1.03)%
<b>Other information</b>	
Closing net asset value	£409,491
Closing number of shares	415,699
Operating charges (p.a.)	0.60%
Direct transaction costs (p.a.)	0.30%
<b>Prices</b>	
Highest published share price	102.19
Lowest published share price	98.10

*\*Z Income share class launched 31 January 2023.*

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA DYNAMIC GROWTH FUND, COMPARATIVE TABLE (CONTINUED)**

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<b>Z Accumulation Shares</b>	<b>20 Feb 2023 to*</b> <b>31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	(2.51)
Operating charges	(0.12)
Return after operating charges*	(2.63)
Distributions	(1.19)
Retained distributions on accumulation shares	1.19
Closing net asset value per share	97.37
* after direct transaction costs of:	0.08
<b>Performance</b>	
Return after charges*	(2.63)%
<b>Other information</b>	
Closing net asset value	£2,283,236
Closing number of shares	2,344,871
Operating charges (p.a.)	0.60%
Direct transaction costs (p.a.)	0.30%
<b>Prices</b>	
Highest published share price	100.41
Lowest published share price	96.52

*\*Z Accumulation share class launched 20 February 2023.*

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*



**TB ENIGMA DYNAMIC GROWTH FUND, STATEMENT OF TOTAL RETURN**  
For the year ended 31 May 2023

	Note	£	31.05.23 £	31.05.22 £
Income				
Net capital (losses)/gains	2		(680,090)	245,277
Revenue	3	182,636		253,171
Expenses	4	(66,220)		(68,757)
Interest payable and similar charges	6	(938)		(756)
Net revenue before taxation		115,478		183,658
Taxation	5	-		-
Net revenue after taxation			115,478	183,658
<b>Total (loss)/return before distributions</b>			<b>(564,612)</b>	<b>428,935</b>
Distributions	6		(115,478)	(194,664)
<b>Change in shareholders' funds from investment activities</b>			<b>(680,090)</b>	<b>234,271</b>

*Note: All of the Company's and sub-fund's results are derived from continuing operations.*

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
For the year ended 31 May 2023

	Note	£	31.05.23 £	31.05.22 £
<b>Opening net assets attributable to shareholders</b>			<b>9,918,504</b>	<b>10,012,508</b>
<i>Movements due to sales and repurchases of shares:</i>				
Amounts receivable on issue of shares		3,563,531		641,463
Amounts payable on cancellation of shares		(3,781,363)		(1,071,538)
			(217,832)	(430,075)
Change in shareholders' funds from investment activities			(680,090)	234,271
Retained distributions on accumulation shares	6		83,443	101,800
<b>Closing net assets attributable to shareholders</b>			<b>9,104,025</b>	<b>9,918,504</b>

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**TB ENIGMA DYNAMIC GROWTH FUND, BALANCE SHEET**As at 31 May 2023

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	Note	31.05.23 £	31.05.22 £
<b>Assets:</b>			
<b>Fixed Assets:</b>			
Investments		7,565,165	9,153,127
<b>Current Assets:</b>			
Debtors	7	1,288,618	625,510
Cash and bank balances	8	1,560,144	1,284,302
<b>Total assets</b>		<b>10,413,927</b>	<b>11,062,939</b>
<b>Liabilities:</b>			
Investment liabilities		-	1,454
<b>Creditors</b>			
Distribution payable on income shares	6	18,826	-
Other creditors	9	1,291,076	1,142,981
<b>Total liabilities</b>		<b>1,309,902</b>	<b>1,144,435</b>
<b>Net assets attributable to shareholders</b>		<b>9,104,025</b>	<b>9,918,504</b>

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**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 May 2023

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**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 Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Statement of the Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

**(b) Functional currency**

The functional currency used in the financial statements is Pound Sterling because it is the currency of the primary economic environment in which the Fund operates.

**(c) Recognition of revenue**

Dividends and distributions on holdings, net of any irrecoverable tax, are recognised when the underlying transferable security or collective investment scheme is quoted ex-dividend or ex-distribution. Bank interest and management fee rebates are accounted for on an accruals basis.

All revenue is recognised on the condition that the flow of economic benefits is probable and the amount can be measured reliably.

**(d) Treatment of stock and special dividends**

Stock dividends are credited to the capital account when the stock is quoted ex-dividend. The cash equivalent is then transferred to the revenue account and forms part of the distributable revenue.

The allocation of special dividends is considered on a case-by-case basis in determining whether the dividend is to be treated as revenue or capital.

**(e) Equalisation on distributions**

Equalisation on revenue distributions received from underlying holdings in collective investment schemes is treated as a return of capital.

**(f) Treatment of expenses**

All expenses, except those relating to the purchase and sale of investments, are allocated to the revenue account on accrual basis.

**(g) Allocation of revenue and expense to multiple share classes**

Any assets or liabilities not attributable to a particular share class will be allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the relevant share classes.

**1. Accounting policies (continued)**

**(h) Taxation/deferred taxation**

Corporation tax is provided for on taxable revenue, less deductible expenses, at a rate of 20%. This is the rate that has been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided for in respect of all items that have been included in these financial statements, or those of a previous period, that will be included in future periods for taxation purposes, other than those timing differences regarded as permanent. Any liability to deferred tax is provided for at the rate of tax expected to apply to the reversal of timing difference.

**(i) Distribution policy**

Revenue produced by the Fund's investments accrues six-monthly. At the end of each period, the revenue plus an adjustment for expenses allocated to capital, is accumulated/distributed at the discretion of the Investment Manager as per the prospectus.

**(j) Exchange rates**

Assets and liabilities in overseas currencies at the year-end are translated into Sterling at the latest available rates of exchange on the balance sheet date. Transactions in overseas currencies occurring during the year are recorded at the rate of exchange on the date of the transaction.

**(k) Financial instruments**

Financial assets and financial liabilities are recognised in the Fund's balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at transaction price (including transaction costs) and subsequently measured at amortised cost, except for the Fund's investments classified as financial assets at fair value through profit or loss, which are initially recognised at fair value (excluding transaction costs).

The investments are measured at closing prices on the balance sheet date, with any gains or losses arising on measurement recognised in the Statement of Total Return. If closing prices are not available, the latest available prices are used. If separate offer and bid prices are quoted for shares or units, then the bid price is used. If no price or recent available price exists, the investments are valued at a price which, in the opinion of the ACD, reflects the fair value of the asset. This may involve the use of an appropriate valuation technique/methodology.

The ACD did not apply any critical accounting judgements and key sources of estimation and uncertainty.

**(l) Management Fee Rebates**

Management fee rebates are accounted for on an accruals basis and are allocated to the capital or revenue account of the Fund, according to whether the underlying fund charges its fees to capital or revenue.

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**2. Net capital (losses)/gains**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Non-derivative securities	(358,339)	(470,556)
Currency gains	303,015	828,093
Forward currency contracts losses	(625,893)	(112,517)
CSDR penalties	1,127	257
<b>Net capital (losses)/gains</b>	<b>(680,090)</b>	<b>245,277</b>

**3. Revenue**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
UK franked distributions	71,321	254,008
UK unfranked distributions	94,843	7,400
Franked income currency gains/(losses)	1,389	(5,834)
Bank interest	15,083	176
Unfranked income currency losses	-	(2,579)
<b>Total revenue</b>	<b>182,636</b>	<b>253,171</b>

**4. Expenses**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
<b>Payable to the ACD, associates of the ACD and agents of either:</b>		
Annual management charge	66,220	68,757
<b>Total expenses</b>	<b>66,220</b>	<b>68,757</b>

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**5. Taxation**

**(a) Analysis of the charge in the year**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
<b>Analysis of charge in the year</b>		
Corporation tax	-	-
<b>Total current tax for the year (see note 5(b))</b>	<u>-</u>	<u>-</u>
Deferred tax (see note 5(c))	-	-
<b>Total taxation for the year</b>	<u>-</u>	<u>-</u>

Corporation tax has been provided at a rate of 20%.

**(b) Factors affecting the current taxation charge for the year**

The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised Open-Ended Investment Company (20%). The differences are explained below:

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Net revenue before taxation	<u>115,478</u>	<u>183,658</u>
Corporation tax at 20%	23,096	36,732
<b>Effects of:</b>		
Revenue not subject to taxation	(14,542)	(49,635)
Prior period excess expenses utilised	(8,554)	-
Excess expenses for which no relief taken	-	12,903
<b>Current tax charge for the year (see note 5(a))</b>	<u>-</u>	<u>-</u>

**(c) Provision for deferred tax**

As at 31 May 2023, the Fund had surplus management expenses of £182,665 (31 May 2022: £225,435). The deferred tax in respect of this would be £36,533 (31 May 2022: £45,087). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised at the year-end (see note 5(a)). Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future.

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**6. Distributions**

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

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Interim - Income	28,313	92,380
Final - Income	18,826	-
	<u>47,139</u>	<u>92,380</u>
Interim - Accumulation	38,950	101,800
Final - Accumulation	44,493	-
	<u>83,443</u>	<u>101,800</u>
Add: Revenue deducted on cancellation of shares	11,063	565
Deduct: Revenue received on issue of shares	(26,167)	(81)
<b>Net distribution for the year</b>	<b><u>115,478</u></b>	<b><u>194,664</u></b>
Interest	938	756
<b>Total finance costs</b>	<b><u>116,416</u></b>	<b><u>195,420</u></b>
<b>Reconciliation to net distribution for the year</b>		
Net revenue after taxation for the year	115,478	183,658
Losses transferred to capital	-	11,006
<b>Net distribution for the year</b>	<b><u>115,478</u></b>	<b><u>194,664</u></b>

Details of the distribution per share are set out in the Distribution Tables on page 35.

**7. Debtors**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Amounts receivable for issue of shares	1,285,658	484,460
Sales awaiting settlement	-	140,872
Accrued revenue	2,960	178
<b>Total debtors</b>	<b><u>1,288,618</u></b>	<b><u>625,510</u></b>

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**8. Cash and bank balances**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Cash and bank balances	1,560,144	1,284,302
<b>Total cash and bank balances</b>	<b>1,560,144</b>	<b>1,284,302</b>

**9. Other Creditors**

	<b>31.05.23</b>	<b>31.05.22</b>
	£	£
Amounts payable for cancellation of shares	1,285,647	9,941
Purchases awaiting settlement	-	1,127,217
Accrued managers fees	5,429	5,823
<b>Total creditors</b>	<b>1,291,076</b>	<b>1,142,981</b>

**10. Related party transactions**

The ACD is regarded as a related party of the Fund. The ACD acts as either agent or principal for the Depositary in respect of all transactions of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the statement of change in net assets attributable to shareholders.

As at the balance sheet date, there were no shares held by the ACD, the Depositary or associates of either the ACD or the Depositary. As at 31 May 2023, one nominee shareholder held shares equal to approximately 26.4% of the Fund's total Net Asset Value.

Details of transactions occurring during the accounting year with the ACD and the Depositary, and any balances due at the year-end are fully disclosed in the notes to the Financial Statements.



**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**11. Share classes**

As at the year end, the Fund had four share classes. The following table shows a breakdown of the change in shares in issue of each share class in the year:

	<b>B Income</b>
Opening shares at the start of the year	3,331,397.966
Total creation of shares in the year	170,433.523
Total cancellation of shares in the year	(825,703.612)
<b>Closing shares at the end of the year</b>	<b>2,676,127.877</b>

	<b>B Accumulation</b>
Opening shares at the start of the year	4,146,568.741
Total creation of shares in the year	492,577.629
Total cancellation of shares in the year	(2,149,892.578)
<b>Closing shares at the end of the year</b>	<b>2,489,253.792</b>

	<b>Z Income</b>
Opening shares at the start of the year	-
Total creation of shares in the year	415,699.200
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>415,699.200</b>

	<b>Z Accumulation</b>
Opening shares at the start of the year	-
Total creation of shares in the year	2,344,870.927
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>2,344,870.927</b>

The annual management charge of each share class is as follows:

B Income Shares	0.70% p.a.
B Accumulation Shares	0.70% p.a.
Z Income Shares	0.45% p.a.
Z Accumulation Shares	0.45% p.a.

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 Summary of Fund Performance tables on pages 17 to 20. The distributions per share class are given in the Distribution Tables on page 35. Both share classes have the same rights on winding up.

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**12. Risk management policies**

In pursuing the investment objectives, financial instruments are held which may expose the Fund to various types of risk. The main risks inherent in the investment portfolio, and the ACD's policies for managing these risks, which were applied consistently throughout the year, are set out below:

**(a) Currency exposures**

The Fund's financial assets are mainly invested in other Collective Investment Schemes and transferrable securities whose prices are generally quoted in Sterling. The Fund may also invest in other schemes whose prices are quoted in other currencies. This gives rise to a direct currency exposure, details of which are shown in the following table:

	Net foreign currency assets at 31 May 2023			Net foreign currency assets at 31 May 2022		
	Monetary exposures	Non- monetary exposures	Total	Monetary exposures	Non- monetary exposures	Total
	£'000	£'000	£'000	£'000	£'000	£'000
US Dollar	10	7,460	7,470	83	7,962	8,045

The Investment Manager has used forward currency contracts throughout the year to help manage the currency exposure.

In addition, the Fund holds collective investment schemes which may in turn hold underlying investments in foreign currencies. The Fund may therefore have an indirect exposure to exchange rate movements on those underlying investments. Movements in exchange rates will impact on the prices of such underlying investments and as a result may affect the value of the Fund.

If GBP to foreign currency exchange rates had strengthened by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £678,155 (31 May 2022: £813,418). If GBP to foreign currency exchange rates had weakened by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £828,856 (31 May 2022: £994,178). These calculations assume all other variables remain constant.

**(b) Cash flow risk and interest rate risk profile of financial assets and liabilities**

The Fund's revenue is mainly received from holdings in collective investment schemes. The revenue cash flow from these and from their underlying investments may fluctuate depending upon decisions made by the companies in which they invest. The Fund does not have any long-term financial liabilities. The Fund is affected by the impact of movements in interest rates on its own cash balances and on certain underlying investments held by the collective investment schemes in which it invests.

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**12. Risk management policies (continued)**

**(b) Cash flow risk and interest rate risk profile of financial assets and liabilities (continued)**

The direct exposure of the Fund to interest rate risk as at the balance sheet date is shown in the following table:

	Floating rate financial assets  £'000	Fixed rate financial assets  £'000	Financial assets not bearing interest  £'000	Floating rate financial liabilities  £'000	Financial liabilities not bearing interest  £'000	Total  £'000
<b>31.05.23</b>						
Sterling	1,550	-	1,394	-	(1,310)	1,634
US Dollar	10	-	7,460	-	-	7,470
<b>30.05.22</b>						
Sterling	1,201	-	690	-	(17)	1,874
US Dollar	83	-	9,089	-	(1,127)	8,045

Short-term debtors and creditors are included as financial assets and liabilities not carrying interest in the above table. The floating rate financial assets and liabilities comprise: Sterling denominated bank account balances that bear interest at the Bank of England base rate less 75 basis points (to a minimum of NIL) and overdrafts that bear interest at the Bank of England base rate plus 100 basis points. Financial assets and liabilities not carrying interest mainly comprise investments that do not have a maturity date. Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Liquidity risk**

All of the Fund's underlying financial assets are considered to be readily realisable. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement. All of the Fund's financial liabilities are payable on demand or in less than one year.

**(d) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis. Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. The Fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**12. Risk management policies (continued)**

**(e) Market price risk and fair value of financial assets and liabilities**

The value of the shares/units in the underlying schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual share/unit held within an underlying scheme or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

The Investment Manager seeks to minimise these risks by holding diversified portfolios of collective investment schemes in line with the investment objectives. In addition, the management of the Fund complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook, which includes rules prohibiting a holding greater than 20% of the assets of the Fund in any one underlying investment.

If the value of shares/units in the underlying investments were to increase or decrease by 10%, the change in the net asset value of the Fund would be £75,619 (31 May 2022: £915,313). This calculation assumes all other variables remain constant.

**(f) Fair value of financial assets and liabilities**

<b>Basis of Valuation</b>	<b>INVESTMENT ASSETS</b>	
	<b>31 May 2023</b>	<b>31 May 2022</b>
	<b>£</b>	<b>£</b>
Level 1: Quoted Prices	7,561,926	9,153,127
Level 2: Observable Market Data	3,239	-
Level 3: Unobservable Data	-	-
	<b>7,565,165</b>	<b>9,153,127</b>

<b>Basis of Valuation</b>	<b>INVESTMENT LIABILITIES</b>	
	<b>31 May 2023</b>	<b>31 May 2022</b>
	<b>£</b>	<b>£</b>
Level 1: Quoted Prices	-	-
Level 2: Observable Market Data	-	1,454
Level 3: Unobservable Data	-	-
	<b>-</b>	<b>1,454</b>

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

**(g) Commitments on derivatives**

At the balance sheet date the Fund held forward currency contracts with a total unrealised gain amount of £3,239 (31 May 2022: unrealised loss of £1,454).

**TB ENIGMA DYNAMIC GROWTH FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
For the year ended 31 May 2023

**13. Transaction costs**

**(a) Direct transaction costs**

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties incurred when purchasing and selling the underlying securities. In addition to the direct transaction costs below, indirect costs are incurred through the bid offer spread. It is not possible for the ACD to quantify these indirect costs. A breakdown of the purchases and sales, and the related direct transaction costs incurred by the Fund in the year are shown in the table below:

	31.05.23		31.05.22	
	£		£	
<b>Analysis of total purchase costs</b>				
<b>PURCHASES</b>				
Exchange Traded Funds	39,164,973		33,645,594	
Net purchases before direct transaction costs	39,164,973		33,645,594	
		<b>% of total</b>		<b>% of total</b>
<b>DIRECT TRANSACTION COSTS</b>		<b>purchases</b>		<b>purchases</b>
Exchange Traded Funds	14,971	0.04%	7,507	0.02%
Total direct transaction costs	14,971	0.04%	7,507	0.02%
<b>Gross purchases total</b>	<b>39,179,944</b>		<b>33,653,101</b>	
<b>Analysis of total sale costs</b>				
<b>SALES</b>				
Exchange Traded Funds	40,677,870		34,850,100	
Gross sales before direct transaction costs	40,677,870		34,850,100	
		<b>% of total</b>		<b>% of total</b>
<b>DIRECT TRANSACTION COSTS</b>		<b>sales</b>		<b>sales</b>
Exchange Traded Funds	(13,647)	0.03%	(7,966)	0.02%
Total direct transaction costs	(13,647)	0.03%	(7,966)	0.02%
<b>Net sales total</b>	<b>40,664,223</b>		<b>34,842,134</b>	
	<b>31.05.23</b>	<b>% of</b>	<b>31.05.22</b>	<b>% of</b>
	<b>£</b>	<b>average NAV</b>	<b>£</b>	<b>average NAV</b>
<b>Analysis of total direct transaction costs</b>				
Exchange Traded Funds	28,618	0.30%	15,473	0.16%
Total direct transaction costs	<b>28,618</b>	<b>0.30%</b>	<b>15,473</b>	<b>0.16%</b>

**13. Transaction costs (continued)**

**(b) Average Portfolio Dealing Spread**

The average portfolio dealing spread of the investments at the balance sheet date was 0.15% (31 May 2022: 0.12%). This is calculated as the difference between the offer and bid value of the portfolio as a percentage of the offer value.

**14. Capital commitments and contingent liabilities**

The Fund had no capital commitments or contingent liabilities at the balance sheet date.

**15. Post balance sheet events**

Subsequent to the year-end, the net asset value per share of each share class has changed as follows:

- The B Income shares have decreased from 121.90p to 120.30p as at 18 August 2023.
- The B Accumulation shares have decreased from 126.5p to 124.84p as at 18 August 2023.
- The Z Income shares have decreased from 98.51p to 97.27p as at 18 August 2023.
- The Z Accumulation shares have decreased from 97.37p to 96.14p as at 18 August 2023.

These movements take into account routine transactions but also reflect the market movements of recent months. There are no post balance sheet events which require adjustments at the year-end.

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**TB ENIGMA DYNAMIC GROWTH FUND, DISTRIBUTION TABLE**For the year ended 31 May 2023

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**Interim Distribution (30 November 2022)**

Group 1 - Shares purchased on or prior to 31 May 2022

Group 2 - Shares purchased after 31 May 2022

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Shares	Revenue	Equalisation <sup>1</sup>	Paid/Accumulated	Paid/Accumulated
	(pence)	(pence)	31.01.23 (pence)	31.01.22 (pence)
<b>B Income</b>				
Group 1	0.8869	-	<b>0.8869</b>	<b>2.6406</b>
Group 2	0.5887	0.2982	<b>0.8869</b>	<b>2.6406</b>
<b>B Accumulation</b>				
Group 1	0.9106	-	<b>0.9106</b>	<b>2.6427</b>
Group 2	0.6067	0.3039	<b>0.9106</b>	<b>2.6427</b>

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**Final Distribution (31 May 2023)**

Group 1 - Shares purchased on or prior to 30 November 2022

Group 2 - Shares purchased after 30 November 2022

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Shares	Revenue	Equalisation <sup>1</sup>	Paid/Accumulated	Paid/Accumulated
	(pence)	(pence)	31.07.23 (pence)	31.07.22 (pence)
<b>B Income</b>				
Group 1	0.6318	-	<b>0.6318</b>	-
Group 2	0.5442	0.0876	<b>0.6318</b>	-
<b>Z Income</b>				
Group 1	0.4612	-	<b>0.4612</b>	N/A
Group 2	0.4612	-	<b>0.4612</b>	N/A
<b>B Accumulation</b>				
Group 1	0.6651	-	<b>0.6651</b>	-
Group 2	0.4875	0.1776	<b>0.6651</b>	-
<b>Z Accumulation</b>				
Group 1	1.1913	-	<b>1.1913</b>	N/A
Group 2	0.9726	0.2187	<b>1.1913</b>	N/A

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Note: Z Income and Z Accumulation shares had not launched at the time of the interim distribution.

<sup>1</sup> Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

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## **TB ENIGMA GLOBAL SECTOR ROTATION FUND, AUTHORISED STATUS**

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TB Enigma Global Sector Rotation Fund (the 'Fund') is a sub-fund of TB Enigma Funds with investment powers equivalent to those of a UK UCITS as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

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## **INVESTMENT OBJECTIVE AND POLICY**

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The aim of TB Enigma Global Sector Rotation Fund is to provide capital growth over the long term (periods of 5 years or more).

The Investment Manager uses a global quantitative investment methodology to invest in equity sectors and regions.

The selection of sectors and regions is actively managed. The investment strategy is flexible and dynamic to adapt to changing market conditions, enabling the Investment Manager to rotate across different sectors and different regions that are deemed to be attractive according to the global quantitative investment methodology. More information on this methodology is set out in the Prospectus under "Fund Characteristics".

The Fund's portfolio will typically be diversified across geographies (including Emerging Markets) and sectors. Under normal market conditions, at least 80% of the Fund will be indirectly exposed to equity securities of companies listed anywhere in the world, through Exchange Traded Funds (ETFs) and other eligible collective investment schemes (such as unit trusts and OEICs), which may employ active or passive strategies, and investment companies.

The Fund may also invest directly in equities, money market instruments, cash, near cash and deposits where the Investment Manager considers such direct investment to be in the interests of investors. For example, the Investment Manager may consider direct investment provides a more efficient or cost-effective exposure to particular sectors or geographies than an indirect exposure.

The Investment Manager may adopt an active currency overlay using derivatives including currency forwards with the intention of reducing currency risk and/or enhancing returns. Derivatives may also be used for the purpose of meeting the Fund's investment objectives and for Efficient Portfolio Management (including hedging). The overall exposure to the Fund through the use of derivatives is intended to be limited.

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## **FUND BENCHMARKS**

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Shareholders may wish to compare the performance of the Fund against the MSCI World Index (the 'Index'). The Index is MSCI's flagship global equity index which is designed to represent large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country. On this basis the Index is considered an appropriate performance comparator for the Fund.

The MSCI World Index is a Comparator Benchmark of the Fund.



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## **TB ENIGMA GLOBAL SECTOR ROTATION FUND, RISK PROFILE**

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The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

The Fund invests in global markets, with some regions being regarded as more risky. The movements of exchange rates may lead to further changes in the value of investments and the income from them.

The investment strategy followed by the Investment Manager involves investing in a range of indirectly and directly-held equities and adjusting the sector and regional exposures actively according to analysis of valuation analytics and technical measurements including price momentum, price trends and overbought / oversold indicators, all using historical market data

Whilst the intention for using derivatives is to generate positive returns or to reduce risk, this outcome is not guaranteed and derivatives involve additional risk which could lead to significant losses.

There is a risk that any company providing services such as safekeeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

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## **SYNTHETIC RISK AND REWARD INDICATOR**

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The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category five because it invests in global shares, which have experienced high rises and falls in value in the past 5 years.

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## **ONGOING CHARGES FIGURE**

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The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. As the Fund invests in other funds, the weighted average costs of the underlying funds have also been taken into account. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Comparative tables on pages 42 to 45.

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## TB ENIGMA GLOBAL SECTOR ROTATION FUND, INVESTMENT REVIEW

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### Performance

	Cumulative returns for the periods ended 31 May 2023 (%)	
	6 months	From launch <sup>1</sup>
B Accumulation Shares	2.28	6.57
MSCI World Index*	(0.15)	1.69

\* *Comparator Benchmarks*

<sup>1</sup> *From 7 November 2022.*

*Source: Financial Express. Total Return, Bid to Bid. Performance based on actual published net asset values. Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the income derived from them is not guaranteed and may go down as well as up.*

### Overview

In 2022, prior to the launch of the Fund on 7 November 2022, there has been economic turmoil caused by the most significant rise in inflation in four decades. The price inflation witnessed has been primarily within the western economies, much less so in Asia. There are number of reasons for the rise in inflation, including post-Covid supply side constraints, the rise in the oil price partly caused by the Ukraine war and tight labour markets. However, the chief culprit is undoubtedly the massive rise in the monetary base generated by central banks to rescue the economies from the stoppage during the Covid pandemic. As a result, short term interest rates have been raised significantly and aggressively, and the so-called Quantitative Easing, introduced to stimulate economies following the 2008 Global Financial Crisis, has been abandoned.

The tightening of monetary policy has had a major impact on financial markets. Bond markets have been weak as yields rise with inflation. Bond yields had admittedly started from very low levels, due to the previously low inflation and monetary stability. Nominal Government 10 year bond yields have reached a level not seen for a decade. The rise in interest rates also triggered a major fall in Equity prices between November 2021 and October 2022.

Many of the so-called "Growth" Sectors, such as Technology, Consumer Discretionary and Communication Services, underperformed significantly during the bear market in 2022. These Sectors had admittedly outperformed strongly for several years in advance of 2022, and some of them had become relatively expensive.

The Fund was therefore launched at an opportune time – in terms of being after a period of extreme weakness in Equity markets generally and during a period of significant Sector rotation, which is exactly what the Fund is designed to identify and capture.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, INVESTMENT REVIEW (CONTINUED)**

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The asset allocation as at the financial year end was as follows:

<b>Sector</b>	<b>Asset allocation as at 31 May 2023 (%)</b>
Exchange Traded Funds – Equities	95.6
Cash & equivalents	4.4
<b>Total</b>	<b>100.0</b>

The full list of holdings as at the year end is shown in the Portfolio Statement on page 41.

### **Outlook**

Following the significant fall in Equity markets in 2022, they reached a bottom in October 2022 and have since generated reasonable positive returns. Equity markets have taken great encouragement that the inflation shock is largely over. Although inflation is still sticky in some areas and central banks may still tighten further, there are clear indications that inflation will be back to much lower levels by the end of this year and especially next year. In 2024, the debate will be the extent and speed at which central banks cut interest rates. Falling interest rates is generally positive for equity markets, which is what has been driving Equity markets higher this year. There is significant uncertainty as to whether the fall in inflation will coincide with an economic recession, which would undoubtedly put pressure on the level of Equity markets because it would potentially bring about a significant setback in corporate earnings.

However, this Fund is generally fully invested in Equity markets and is designed for professional and retail investors who wish to remain in Equities through the economic and market cycles. The focus for the Fund is to capture the most attractive Sector opportunities rather than the actual level of Equity markets themselves.

Global equities have risen by around 8% in calendar 2023 up to the end of May 2023, but only by 4.5% in Sterling terms due to the appreciation of Sterling. The UK has lagged with a return of 1.6%. Leadership has come from the growth sectors and has been unusually concentrated. Global Technology is up 31% year-to-date in USD terms, fuelled by exuberance in AI, Global Communication Services is up 26% and Consumer Discretionary is up 17%. By contrast, 6 of the 11 sectors are down year-to-date, the weakest being Energy (down 10%). Some informed commentators are pointing out that the S&P 500 is up 8% year-to-date but, excluding the top 7 best-performing (Tech-related) companies, it is essentially flat.

This concentrated leadership is offering up opportunities and risk. Technology is now somewhat overbought in relative terms and some other Sectors such as Materials and Real Estate are oversold. Our models haven't made wholesale changes yet and we prefer to see further confirmation first, but allocations are shifting slowly to reflect this risk. The exposure to Healthcare was reduced in May - although relative Value Yield is attractive, Healthcare has been in a relative price downtrend which indicated poor investor sentiment.

Apart from Technology, the other main overweights are Industrials and Communication Services. It is very likely that there will be significant rotation into the underperforming Sectors before too long, especially since some are relatively oversold, but it is still slightly too early to make this move. It is unusual for so many Sectors to be underperforming (Energy, Materials, Staples, Healthcare, Utilities, Financials and Real Estate). Investors, and we as managers of this Fund, need to be alert that this situation is unlikely to last.

**TB ENIGMA GLOBAL SECTOR ROTATION FUND, INVESTMENT REVIEW (CONTINUED)**

**PORTFOLIO HOLDINGS**

<b>EQUITIES</b>	<b>95.6%</b>
<b>Global Sector ETFs</b>	<b>95.6%</b>
db x-trackers MSCI World Information Technology Ind	20.2%
SPDR MSCI World Technology UCITS ETF	15.9%
db x-trackers MSCI World Industrials Index UCITS ETF (I	15.8%
db x-trackers MSCI World Consumer Staples Index UC	13.7%
db x-trackers MSCI World Communication Services Inc	10.9%
SPDR MSCI World Health Care UCITS ETF	10.7%
db x-trackers MSCI World Consumer Discretionary Ind	4.0%
db x-trackers MSCI World Utilities Index UCITS ETF (DF	3.5%
db x-trackers MSCI World Financials Index UCITS ETF (I	1.0%
<b>CASH</b>	<b>4.4%</b>

**ANALYSIS OF EQUITY EXPOSURE**

<b>BY SECTOR</b>	<b>Equity Allocation</b>	<b>Mkt Cap Wgt</b>	<b>Relative</b>
			-20% +20%
<b>Technology</b>	37.8%	20.7%	
<b>Industrials</b>	16.5%	9.3%	
<b>Cons. Staples</b>	14.3%	7.5%	
<b>Comm. Services</b>	11.4%	8.0%	
<b>Utilities</b>	3.7%	3.1%	
<b>Healthcare</b>	11.2%	13.0%	
<b>Real Estate</b>	0.0%	2.7%	
<b>Basic Materials</b>	0.0%	4.9%	
<b>Energy</b>	0.0%	5.1%	
<b>Cons. Discretionary</b>	4.2%	11.2%	
<b>Financials</b>	1.0%	14.5%	
	<b>100.0%</b>	<b>100.0%</b>	

<b>BY REGION</b>	<b>Equity Allocation</b>	<b>Mkt Cap Wgt</b>	<b>Relative</b>
			-20% +20%
<b>USA</b>	70.1%	60.0%	
<b>Europe ex UK</b>	13.2%	10.6%	
<b>Japan</b>	8.1%	5.7%	
<b>UK</b>	3.6%	3.9%	
<b>Australasia</b>	0.9%	2.1%	
<b>Canada</b>	1.8%	3.6%	
<b>Dev. Asia ex Japan</b>	0.4%	4.2%	
<b>Emerging Mkts</b>	1.8%	10.0%	
	<b>100.0%</b>	<b>100.0%</b>	

**Charles Ekins**  
**Fund Manager**  
**Ekins Guinness LLP**  
**Whitchurch, Hampshire, United Kingdom**  
**12 September 2023**

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, PORTFOLIO STATEMENT**As at 31 May 2023

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<b>Holding or nominal value of positions</b>	<b>Bid market value £</b>	<b>Percentage of total net assets %</b>
<b>Exchange Traded Funds - Equities</b>		
3,059 SPDR MSCI World Health Care	134,638	10.7
2,451 SPDR MSCI World Technology	226,857	18.1
10,454 Xtrackers MSCI World Telecom Services	136,804	10.9
1,359 Xtrackers MSCI World Consumer	49,656	4.0
4,867 Xtrackers MSCI World Consumer Staples	172,213	13.7
686 Xtrackers MSCI World Financials	12,311	1.0
5,306 Xtrackers MSCI World Industrials	196,871	15.7
4,598 Xtrackers MSCI World Information Technology	226,578	18.0
1,803 Xtrackers MSCI World Utilities	44,336	3.5
	<b>1,200,264</b>	<b>95.6</b>
<b>Portfolio of investments</b>	<b>1,200,264</b>	<b>95.6</b>
<b>Net other assets</b>	<b>55,687</b>	<b>4.4</b>
<b>Total net assets</b>	<b>1,255,951</b>	<b>100.0</b>

All Exchange Traded Funds (ETFs) are quoted on official stock exchanges.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, COMPARATIVE TABLE**

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<b>B Income Shares</b>	<b>22 Nov 2022* to 31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	2.17
Operating charges	(0.36)
Return after operating charges*	1.81
Distributions on income shares	0.00
Closing net asset value per share	101.81
* after direct transaction costs of:	0.11
<b>Performance</b>	
Return after charges*	1.81%
<b>Other information</b>	
Closing net asset value	£40,723
Closing number of shares	40,000
Operating charges (p.a.)	0.95%
Direct transaction costs (p.a.)	0.22%
<b>Prices</b>	
Highest published share price	104.74
Lowest published share price	96.50

\* *B Income Shares launched 22 November 2022.*

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, COMPARATIVE TABLE (CONTINUED)**

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<b>Z Income Shares</b>	<b>13 Jan 2023* to 31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	1.06
Operating charges	(0.17)
Return after operating charges*	0.89
Distributions on income shares	0.00
Closing net asset value per share	100.89
* after direct transaction costs of:	0.08
<b>Performance</b>	
Return after charges*	0.89%
<b>Other information</b>	
Closing net asset value	£521,592
Closing number of shares	517,000
Operating charges (p.a.)	0.70%
Direct transaction costs (p.a.)	0.22%
<b>Prices</b>	
Highest published share price	103.72
Lowest published share price	95.60

\* Z Income shares launched 13 January 2023.

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, COMPARATIVE TABLE (CONTINUED)**


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<b>B Accumulation Shares</b>	<b>7 Nov 2022 to 31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	5.98
Operating charges	(0.41)
Return after operating charges*	5.57
Distributions	0.00
Retained distributions on accumulation shares	0.00
Closing net asset value per share	105.57
* after direct transaction costs of:	0.13
<b>Performance</b>	
Return after charges*	5.57%
<b>Other information</b>	
Closing net asset value	£440,241
Closing number of shares	416,998
Operating charges (p.a.)	0.95%
Direct transaction costs (p.a.)	0.22%
<b>Prices</b>	
Highest published share price	108.61
Lowest published share price	99.58

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*



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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, COMPARATIVE TABLE (CONTINUED)**


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<b>Z Accumulation Shares</b>	<b>23 Nov 2022* to 31 May 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	100.00
Return before operating charges*	1.59
Operating charges	(0.23)
Return after operating charges*	1.36
Distributions	0.00
Retained distributions on accumulation shares	0.00
Closing net asset value per share	101.36
* after direct transaction costs of:	0.11
<b>Performance</b>	
Return after charges*	1.36%
<b>Other information</b>	
Closing net asset value	£253,395
Closing number of shares	250,000
Operating charges (p.a.)	0.70%
Direct transaction costs (p.a.)	0.22%
<b>Prices</b>	
Highest published share price	104.20
Lowest published share price	95.97

\* Z Accumulation shares launched 23 November 2022.

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, STATEMENT OF TOTAL RETURN**For the period from 7 November 2022 to 31 May 2023

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			07.11.22 to 31.05.23
	Note	£	£
Income			
Net capital gains	2		25,427
Revenue	3	725	
Expenses	4	(3,145)	
Interest payable and similar charges	6	<u>(169)</u>	
Net expense before taxation		(2,589)	
Taxation	5	<u>-</u>	
Net expense after taxation			<u>(2,589)</u>
<b>Total return before distributions</b>			<b>22,838</b>
Distributions	6		-
<b>Change in shareholders' funds from investment activities</b>			<b><u>22,838</u></b>

*Note: All of the Company's and sub-fund's results are derived from continuing operations.*

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**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**For the period from 7 November 2022 to 31 May 2023

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			07.11.22 to 31.05.23
		£	£
<b>Opening net assets attributable to shareholders</b>			-
<i>Movements due to sales and repurchases of shares:</i>			
Amounts receivable on issue of shares		1,272,997	
Amounts payable on cancellation of shares		<u>(39,884)</u>	
			1,233,113
Change in shareholders' funds from investment activities			22,838
Retained distributions on accumulation shares	6		-
<b>Closing net assets attributable to shareholders</b>			<b><u>1,255,951</u></b>

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, BALANCE SHEET**As at 31 May 2023

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	Note	31.05.23 £
<b>Assets:</b>		
<b>Fixed Assets:</b>		
Investments		1,200,264
<b>Current Assets:</b>		
Debtors	7	27,043
Cash and bank balances	8	55,971
<b>Total assets</b>		<u><b>1,283,278</b></u>
<b>Liabilities:</b>		
<b>Creditors</b>		
Other creditors	9	27,327
<b>Total liabilities</b>		<u><b>27,327</b></u>
<b>Net assets attributable to shareholders</b>		<u><b>1,255,951</b></u>

**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 Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017..

As described in the Statement of the Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

**(b) Functional currency**

The functional currency used in the financial statements is Pound Sterling because it is the currency of the primary economic environment in which the Fund operates.

**(c) Recognition of revenue**

Dividends and distributions on holdings, net of any irrecoverable tax, are recognised when the underlying transferable security or collective investment scheme is quoted ex-dividend or ex-distribution. Bank interest and management fee rebates are accounted for on an accruals basis.

All revenue is recognised on the condition that the flow of economic benefits is probable and the amount can be measured reliably.

**(d) Treatment of stock and special dividends**

Stock dividends are credited to the capital account when the stock is quoted ex-dividend. The cash equivalent is then transferred to the revenue account and forms part of the distributable revenue.

The allocation of special dividends is considered on a case-by-case basis in determining whether the dividend is to be treated as revenue or capital.

**(e) Equalisation on distributions**

Equalisation on revenue distributions received from underlying holdings in collective investment schemes is treated as a return of capital.

**(f) Treatment of expenses**

All expenses, except those relating to the purchase and sale of investments, are allocated to the revenue account on accrual basis.

**(g) Allocation of revenue and expense to multiple share classes**

Any assets or liabilities not attributable to a particular share class will be allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the relevant share classes.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**1. Accounting policies (continued)****(h) Taxation/deferred taxation**

Corporation tax is provided for on taxable revenue, less deductible expenses, at a rate of 20%. This is the rate that has been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided for in respect of all items that have been included in these financial statements, or those of a previous period, that will be included in future periods for taxation purposes, other than those timing differences regarded as permanent. Any liability to deferred tax is provided for at the rate of tax expected to apply to the reversal of timing difference.

**(i) Distribution policy**

Revenue produced by the Fund's investments accrues six-monthly. At the end of each period, the revenue plus an adjustment for expenses allocated to capital, is accumulated/distributed at the discretion of the Investment Manager as per the prospectus.

**(j) Exchange rates**

Assets and liabilities in overseas currencies at the year-end are translated into Sterling at the latest available rates of exchange on the balance sheet date. Transactions in overseas currencies occurring during the year are recorded at the rate of exchange on the date of the transaction.

**(k) Financial instruments**

Financial assets and financial liabilities are recognised in the Fund's balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at transaction price (including transaction costs) and subsequently measured at amortised cost, except for the Fund's investments classified as financial assets at fair value through profit or loss, which are initially recognised at fair value (excluding transaction costs).

The investments are measured at closing prices on the balance sheet date, with any gains or losses arising on measurement recognised in the Statement of Total Return. If closing prices are not available, the latest available prices are used. If separate offer and bid prices are quoted for shares or units, then the bid price is used. If no price or recent available price exists, the investments are valued at a price which, in the opinion of the ACD, reflects the fair value of the asset. This may involve the use of an appropriate valuation technique/methodology.

The ACD did not apply any critical accounting judgements and key sources of estimation and uncertainty.

**(l) Management Fee Rebates**

Management fee rebates are accounted for on an accruals basis and are allocated to the capital or revenue account of the Fund, according to whether the underlying fund charges its fees to capital or revenue.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**2. Net capital gains**

	07.11.22 to 31.05.23 £
Non-derivative securities	48,523
Currency losses	(23,100)
CSDR penalties	4
<b>Net capital gains</b>	<u><b>25,427</b></u>

**3. Revenue**

	07.11.22 to 31.05.23 £
Bank interest	725
<b>Total revenue</b>	<u><b>725</b></u>

**4. Expenses**

	07.11.22 to 31.05.23 £
<b>Payable to the ACD, associates of the ACD and agents of either:</b>	
Annual management charge	3,145
<b>Total expenses</b>	<u><b>3,145</b></u>

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**5. Taxation****(a) Analysis of the charge in the year**

	<b>07.11.22 to 31.05.23 £</b>
<b>Analysis of charge in the year</b>	
Corporation tax	-
<b>Total current tax for the year (see note 5(b))</b>	<u>-</u>
Deferred tax (see note 5(c))	-
<b>Total taxation for the year</b>	<u>-</u>

Corporation tax has been provided at a rate of 20%.

**(b) Factors affecting the current taxation charge for the year**

The taxation assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised Open-Ended Investment Company (20%). The differences are explained below:

	<b>07.11.22 to 31.05.23 £</b>
Net expense before taxation	<u>(2,589)</u>
Corporation tax at 20%	(518)
<b>Effects of:</b>	
Revenue not subject to taxation	-
Excess expenses for which no relief taken	<u>518</u>
<b>Current tax charge for the year (see note 5(a))</b>	<u>-</u>

**(c) Provision for deferred tax**

As at 31 May 2023, the Fund had surplus management expenses of £2,589. The deferred tax in respect of this would be £518. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised at the year-end (see note 5(a)). Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**6. Distributions**

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

	<b>07.11.22 to 31.05.23</b>
	<b>£</b>
Interim - Income	-
Final - Income	-
	<hr/>
	-
Interim - Accumulation	-
Final - Accumulation	-
	<hr/>
	-
Revenue deducted on cancellation of shares	-
Revenue received on issue of shares	-
	<hr/>
<b>Net distribution for the year</b>	<b>-</b>
	<hr/>
Interest	169
	<hr/>
<b>Total finance costs</b>	<b>169</b>
	<hr/>
<b>Reconciliation to net distribution for the year</b>	
Net expense after taxation for the year	(2,589)
Losses transferred to capital	2,589
	<hr/>
<b>Net distribution for the year</b>	<b>-</b>
	<hr/>

Details of the distribution per share are set out in the Distribution Tables on page 33.

**7. Debtors**

	<b>31.05.23</b>
	<b>£</b>
Sales awaiting settlement	26,908
Accrued revenue	135
	<hr/>
<b>Total debtors</b>	<b>27,043</b>
	<hr/>



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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**8. Cash and bank balances**

	<b>31.05.23</b>
	£
Cash and bank balances	55,971
<b>Total cash and bank balances</b>	<b>55,971</b>

**9. Other Creditors**

	<b>31.05.23</b>
	£
Purchases awaiting settlement	26,712
Accrued managers fees	615
<b>Total creditors</b>	<b>27,327</b>

**10. Related party transactions**

The ACD is regarded as a related party of the Fund. The ACD acts as either agent or principal for the Depositary in respect of all transactions of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the statement of change in net assets attributable to shareholders.

As at the balance sheet date, there were no shares held by the ACD, the Depositary or associates of either the ACD or the Depositary. As at 31 May 2023, one nominee shareholder held shares equal to approximately 41.5% of the Fund's total Net Asset Value.

Details of transactions occurring during the accounting year with the ACD and the Depositary, and any balances due at the year-end are fully disclosed in the notes to the Financial Statements.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**11. Share classes**

As at the year end, the Fund had four share classes. The following table shows a breakdown of the change in shares in issue of each share class in the year:

	<b>B Income</b>
Opening shares at the start of the year	-
Total creation of shares in the year	40,000.000
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>40,000.000</b>

  

	<b>Z Income</b>
Opening shares at the start of the year	-
Total creation of shares in the year	558,000.000
Total cancellation of shares in the year	(41,000.000)
<b>Closing shares at the end of the year</b>	<b>517,000.000</b>

  

	<b>B Accumulation</b>
Opening shares at the start of the year	-
Total creation of shares in the year	416,998.316
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>416,998.316</b>

  

	<b>Z Accumulation</b>
Opening shares at the start of the year	-
Total creation of shares in the year	250,000.000
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>250,000.000</b>

The annual management charge of each share class is as follows:

B Income Shares	0.70% p.a.
B Accumulation Shares	0.70% p.a.
Z Income Shares	0.45% p.a.
Z Accumulation Shares	0.45% p.a.

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 Summary of Fund Performance tables on pages 42 to 45. The distributions per share class are given in the Distribution Tables on page 60. Both share classes have the same rights on winding up.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**12. Risk management policies**

In pursuing the investment objectives, financial instruments are held which may expose the Fund to various types of risk. The main risks inherent in the investment portfolio, and the ACD's policies for managing these risks, which were applied consistently throughout the year, are set out below:

**(a) Currency exposures**

The Fund's financial assets are mainly invested in other Collective Investment Schemes and transferrable securities whose prices are generally quoted in Sterling. The Fund may also invest in other schemes whose prices are quoted in other currencies. This gives rise to a direct currency exposure, details of which are shown in the following table:

Net foreign currency assets at 31 May 2023		
Monetary exposures	Non- monetary exposures	Total
£'000	£'000	£'000
US Dollar	-	1,227

The Investment Manager has used forward currency contracts throughout the year to help manage the currency exposure.

In addition, the Fund holds collective investment schemes which may in turn hold underlying investments in foreign currencies. The Fund may therefore have an indirect exposure to exchange rate movements on those underlying investments. Movements in exchange rates will impact on the prices of such underlying investments and as a result may affect the value of the Fund.

If GBP to foreign currency exchange rates had strengthened by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £109,115. If GBP to foreign currency exchange rates had weakened by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £133,363. These calculations assume all other variables remain constant.

**(b) Cash flow risk and interest rate risk profile of financial assets and liabilities**

The Fund's revenue is mainly received from holdings in collective investment schemes. The revenue cash flow from these and from their underlying investments may fluctuate depending upon decisions made by the companies in which they invest. The Fund does not have any long-term financial liabilities. The Fund is affected by the impact of movements in interest rates on its own cash balances and on certain underlying investments held by the collective investment schemes in which it invests.

**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

**12. Risk management policies (continued)**

**(b) Cash flow risk and interest rate risk profile of financial assets and liabilities (continued)**

The direct exposure of the Fund to interest rate risk as at the balance sheet date is shown in the following table:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not bearing interest £'000	Floating rate financial liabilities £'000	Financial liabilities not bearing interest £'000	Total £'000
<b>31.05.23</b>						
Sterling	56	-	-	-	-	56
US Dollar	-	-	1,227	-	(27)	1,200

Short-term debtors and creditors are included as financial assets and liabilities not carrying interest in the above table. The floating rate financial assets and liabilities comprise: Sterling denominated bank account balances that bear interest at the Bank of England base rate less 75 basis points (to a minimum of NIL) and overdrafts that bear interest at the Bank of England base rate plus 100 basis points. Financial assets and liabilities not carrying interest mainly comprise investments that do not have a maturity date. Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Liquidity risk**

All of the Fund's underlying financial assets are considered to be readily realisable. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement. All of the Fund's financial liabilities are payable on demand or in less than one year.

**(d) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis. Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. The Fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**12. Risk management policies (continued)****(e) Market price risk and fair value of financial assets and liabilities**

The value of the shares/units in the underlying schemes are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual share/unit held within an underlying scheme or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

The Investment Manager seeks to minimise these risks by holding diversified portfolios of collective investment schemes in line with the investment objectives. In addition, the management of the Fund complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook, which includes rules prohibiting a holding greater than 20% of the assets of the Fund in any one underlying investment.

If the value of shares/units in the underlying investments were to increase or decrease by 10%, the change in the net asset value of the Fund would be £120,026. This calculation assumes all other variables remain constant.

**(f) Fair value of financial assets and liabilities**

	<b>INVESTMENT ASSETS</b>
	<b>31 May 2023</b>
<b>Basis of Valuation</b>	<b>£</b>
Level 1: Quoted Prices	1,200,264
Level 2: Observable Market Data	
Level 3: Unobservable Data	-
	<u>1,200,264</u>

	<b>INVESTMENT LIABILITIES</b>
	<b>31 May 2023</b>
<b>Basis of Valuation</b>	<b>£</b>
Level 1: Quoted Prices	-
Level 2: Observable Market Data	-
Level 3: Unobservable Data	-
	<u>-</u>

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

**(g) Commitments on derivatives**

At the balance sheet date the Fund held derivatives with a total unrealised gain or loss amount of £nil.

**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

**13. Transaction costs**

**(a) Direct transaction costs**

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties incurred when purchasing and selling the underlying securities. In addition to the direct transaction costs below, indirect costs are incurred through the bid offer spread. It is not possible for the ACD to quantify these indirect costs. A breakdown of the purchases and sales, and the related direct transaction costs incurred by the Fund in the year are shown in the table below:

	<b>07.11.22 to 31.05.23</b>	
	<b>£</b>	
<b>Analysis of total purchase costs</b>		
<b>PURCHASES</b>		
Exchange Traded Funds	3,136,368	
Net purchases before direct transaction costs	3,136,368	
		<b>% of total purchases</b>
<b>DIRECT TRANSACTION COSTS</b>		
Exchange Traded Funds	760	0.02%
Total direct transaction costs	760	0.02%
<b>Gross purchases total</b>	<b>3,137,128</b>	
<b>Analysis of total sale costs</b>		
<b>SALES</b>		
Exchange Traded Funds	1,947,682	
Gross sales before direct transaction costs	1,947,682	
		<b>% of total sales</b>
<b>DIRECT TRANSACTION COSTS</b>		
Exchange Traded Funds	(471)	0.02%
Total direct transaction costs	(471)	0.02%
<b>Net sales total</b>	<b>1,947,211</b>	
	<b>07.11.22 to 31.05.23</b>	<b>% of average NAV</b>
	<b>£</b>	
<b>Analysis of total direct transaction costs</b>		
Exchange Traded Funds	1,231	0.12%
Total direct transaction costs	1,231	0.12%

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, NOTES TO THE FINANCIAL STATEMENTS  
(CONTINUED)**

For the period from 7 November 2022 to 31 May 2023

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**13. Transaction costs (continued)**

**(b) Average Portfolio Dealing Spread**

The average portfolio dealing spread of the investments at the balance sheet date was 0.28%. This is calculated as the difference between the offer and bid value of the portfolio as a percentage of the offer value.

**14. Capital commitments and contingent liabilities**

The Fund had no capital commitments or contingent liabilities at the balance sheet date.

**15. Post balance sheet events**

Subsequent to the year-end, the net asset value per share of each share class has changed as follows:

- The B Income shares have decreased from 101.81p to 100.69p as at 18 August 2023.
- The Z Income shares have decreased from 100.89p to 99.84p as at 18 August 2023.
- The B Accumulation shares have decreased from 105.57p to 104.42p as at 18 August 2023.
- The Z Accumulation shares have decreased from 101.36p to 100.30p as at 18 August 2023.

These movements take into account routine transactions but also reflect the market movements of recent months. There are no post balance sheet events which require adjustments at the year-end.

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**TB ENIGMA GLOBAL SECTOR ROTATION FUND, DISTRIBUTION TABLE**For the period from 7 November 2022 to 31 May 2023

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**Interim Distribution (30 November 2022)**

Group 1 - Shares purchased on or prior to 7 November 2022

Group 2 - Shares purchased after 7 November 2022

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<b>Shares</b>	<b>Revenue</b>	<b>Equalisation<sup>1</sup></b>	<b>Paid/Accumulated</b>
	<b>(pence)</b>	<b>(pence)</b>	<b>31.01.23</b>
			<b>(pence)</b>
<b>B Income</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>B Accumulation</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>Z Accumulation</b>			
Group 1	-	-	-
Group 2	-	-	-

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**Final Distribution (31 May 2023)**

Group 1 - Shares purchased on or prior to 30 November 2022

Group 2 - Shares purchased after 30 November 2022

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<b>Shares</b>	<b>Revenue</b>	<b>Equalisation<sup>1</sup></b>	<b>Paid/Accumulated</b>
	<b>(pence)</b>	<b>(pence)</b>	<b>31.07.23</b>
			<b>(pence)</b>
<b>B Income</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>Z Income</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>B Accumulation</b>			
Group 1	-	-	-
Group 2	-	-	-
<b>Z Accumulation</b>			
Group 1	-	-	-
Group 2	-	-	-

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*Note: Z Income shares launched 13 January 2023 and so was not included in the interim distribution.*

<sup>1</sup> *Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.*



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## DIRECTORY

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### The Company

TB Enigma Funds  
64 St. James's Street  
Nottingham NG1 6FJ

### Authorised Corporate Director (ACD)

T. Bailey Fund Services Limited  
64 St. James's Street  
Nottingham NG1 6FJ

Tel: 0115 988 8200  
Dealing Line: 0115 988 8286  
Website: [www.tbaileyfs.co.uk](http://www.tbaileyfs.co.uk)

Authorised and regulated by the Financial Conduct Authority.

### Directors of the ACD

Mr G M J Padbury  
Mr M Hand  
Mrs R E Wheeler (Non-executive)  
Mrs G E Mitchell (Independent non-executive)  
Mr A Kerneis (Independent non-executive)  
Mrs J L Kirk (Resigned 1 March 2023)  
Mrs R E Elliott (Resigned 1 March 2023)

### Investment Manager

Ekins Guinness LLP  
Chapmansford Farm House  
Hurstbourne Priors  
Whitchurch  
Hampshire RG28 7RR

Tel: 01264 738989  
Website : [www.ekinsguinness.com](http://www.ekinsguinness.com)  
Email: [investments@ekinsguinness.com](mailto:investments@ekinsguinness.com)

Authorised and regulated by the Financial Conduct Authority.

### Depository

NatWest Trustee and Depository Services Limited  
135 Bishopsgate  
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Authorised and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

### Registrar and Share Dealing

T. Bailey Fund Services Limited  
64 St. James's Street  
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Tel: 0115 988 8200  
Dealing Line: 0115 988 8286

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### Auditor

Cooper Parry Group Limited  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA

Registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

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