



MI Bespoke Funds ICVC

Annual Report 31 March 2024

MI Bespoke Funds ICVC

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

Directory

Authorised Corporate Director ('ACD') & Registrar

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

Customer Service Centre

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 0345 026 4281
Fax: 0845 280 2234
Email: bespokefunds@apexgroup.com

Directors of the Authorised Corporate Director

A.C. Deptford
P.J. Foley-Brickley
S. Gunson (appointed 24 May 2024)
I.T. Oddy (retired 7 March 2024)
C. O'Keeffe (retired 6 May 2024)
D. Phillips (Non-Executive Director)
L. Poynter (appointed 18 June 2024)
J. Thompson (Non-Executive Director)

Investment Manager

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

Fund Managers

Paul Milburn
Doug Millward

Depositary

To 10 May 2024:

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

From 11 May 2024:

Northern Trust Investor Services Limited ('NTISL')
50 Bank Street, Canary Wharf, London E14 5NT
(Authorised and regulated by the Financial Conduct Authority)

Independent Auditor

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

Statement of the Authorised Corporate Director's Responsibilities

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

In preparing the financial statements the ACD is responsible for:

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

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

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

In so far as the ACD is aware:

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

Certification of the Annual Report by the Authorised Corporate Director

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Funds Sourcebook ('the COLL Sourcebook') and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the IA.



P.J. Foley-Brickley

S. Gunson

Directors

Apex Fundrock Limited

25 July 2024

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

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

The Depositary is responsible for:

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

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

Report of the Depositary for the Year Ended 31 March 2024

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

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

BNP Paribas Securities Services

25 July 2024

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

Opinion

We have audited the financial statements of MI Bespoke Funds ICVC (the 'Company') for the year ended 31 March 2024. These financial statements comprise the financial statements of the following Sub-fund of the Company:

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

The financial statements of the Sub-fund comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, Notes to the Financial Statements and the Distribution Table.

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

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company and the Sub-fund as at 31 March 2024 and of the net revenue and net capital gains/(losses) on the scheme property of the Company and the Sub-fund for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014 as amended in June 2017, the Collective Investment Schemes Sourcebook, and the Company's Instrument of Incorporation.

Basis for opinion

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

Conclusions relating to going concern

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

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

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's and the Sub-fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

continued

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- we have been given all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit, and
- the information given in the Authorised Corporate Director's Report (which comprises; on page 1, Directory; within the Sub-fund, the Investment Objective and Policy, the Investment Manager's Report, the Portfolio Statement, the Risk and Reward Profile and the General Information) is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Responsibilities of the Authorised Corporate Director

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

continued

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

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

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

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

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

continued

Use of our report

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

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London, United Kingdom
25 July 2024

MI Diversified Strategy Fund

Investment Objective and Policy

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

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

Investment Manager's Report

for the year ended 31 March 2024

Performance Review

For the period since the interim accounts (30th September 2023 to 31st March 2024) the total return of both the B and C share classes was 8.30%, compared to 9.99% for the IA Flexible Investment sector average.

Over the full accounting period (31st March 2023 to 31st March 2024), the total return of both the B and C share classes was 8.42%, compared to 10.08% for the IA Flexible Investment sector average.

The Sub-fund is ranked 110th out of 159 funds available over the six months, 109th out of 157 over the accounting year and 64th out of 88 since launch, placing it in the third quartile of its sector over each respective period.

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

Market Review

With the exception of China, the six-month period since the interim accounts were published was a positive one for both equities and fixed interest assets. Investor confidence began to return as inflation continued to fall around the world, and the expectation of interest rate cuts in 2024 rose. The timescale of those expectations was pushed out slightly after the turn of the year, however, as inflation proved to be a little stickier than initially hoped. Despite this, the trend was still downward, giving greater confidence that interest rates had probably reached their peak levels, even if they were not going to fall as quickly as first hoped.

The strongest of the main equity markets during the period was Japan, where a number of factors and variables remain favourable. Whilst western central banks have raised interest rates to contain high inflation this has not been the case in Japan. As a country which has seen no real inflation for many years, it is very keen to protect what it now does have. Whilst there has been some relaxation of yield curve control, where the ten-year yield has been allowed to rise, the Bank of Japan has been reticent to do any more, holding off raising rates until March 2024. This has also led to a weaker Yen, which had favoured exporters.

Japanese authorities are also attempting to improve corporate governance, the aim being to improve shareholder return. For example, those companies whose share price means that they are trading less than their book value, have been asked by the stock exchange to consult with them to determine how they are planning to improve this position, thus leading to a higher share price and improving shareholder return. It is hoped that this will increase the attractiveness of companies to domestic and overseas investors.

In the US meanwhile, the S&P 500 Index continued to be driven higher by the 'Magnificent 7'. This includes the companies Meta, Alphabet, Amazon, Apple, Microsoft, Nvidia and Tesla, although the performance of the latter since January has led to divergence from the other six. The dominance of these stocks can be observed by looking at the performance of the S&P 500 Index equally weighted index relative to the market cap weighted index, where the former underperformed the latter.

At the other end of the performance scale is China, with sentiment around Chinese equities remaining very weak. Whilst there were attempts by the authorities to try and improve this via liquidity injections, such as the reduction in the reserve ratio for banks, these were not considered to be enough by would be investors. Concerns around weakness in the economy compared to its history, high debt levels, deflation and continued failures in the property sector continue to weigh.

Positive returns were also seen in UK fixed income for the six month period. The strongest performance came from high yield (non-investment grade) bonds, which were less sensitive to changes in interest rate expectations, driven more by the outlook for credit conditions. These continue to remain relatively benign, with spreads (the interest you can expect to receive over same duration government bonds) remaining tight. This is due to default rates within the asset class remaining very low. Whilst UK bankruptcies have risen during the period, this has tended to be in smaller companies, i.e. those who are too small to come to the credit markets to borrow.

Investment Manager's Report

continued

Portfolio Activity

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

In October the holding in the Jupiter Gold & Silver fund was sold. With bond yields rising and inflation falling, positive real yields were available again in the US. Historically this has proven a negative for gold prices as the opportunity cost of holding gold, which doesn't pay an income, is greater. The proceeds from this were added to the proceeds from a matured structured note, to buy a new note with Goldman Sachs as the counterparty, linked to the FTSE CSDI Index.

In November, the holding in TB Amati Strategic Metals fund was also sold. This fund had been expected to benefit from the move to net carbon and clean energy, for which the minerals the underlying companies mine are expected to play a large role. Concerns over the economy, coupled with higher bond yields, however, meant that this strategy had underperformed. Instead, investors have been more focussed on the companies closer to final production.

December saw the allocations to alternatives reduced, specifically the Carmignac Portfolio Long-Short European Equities fund and TM Tellworth UK Select fund reduced, on the back of the higher yields available from fixed income assets. The allocations to the fixed income funds were also adjusted at the same time, reducing the holding in the Artemis Target Return Bond fund whilst increasing the Nomura Global Dynamic Bond fund. The latter has greater flexibility around duration, which it was felt would be beneficial with expected interest rate cuts in 2024.

January saw a reduction in the First State Asia Focus and ES R&M European funds to reduce the overweight position the Sub-fund had in these areas. With pressure on growth within those regions it was felt that whilst still cheap from a historic valuation perspective, there was smaller scope for a re-rating in the short term.

The holding in the WisdomTree Physical Silver ETF was also sold in January. For the same reasons that the holding in the Jupiter Gold & Silver fund was sold in October, it was decided now was the time to crystallize the gains made on this purely Silver exposure.

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

Outlook

With inflation finally approaching target levels around the world, attention is now moving on to when interest rates will be cut. After falling into recession, the UK economy is now growing again, albeit slowly. Unemployment also remains at low levels, and for these reasons the Bank of England, along with most other central banks, are yet to cut interest rates. It appears that rate policy setters want to be convinced that inflation has been tamed for good, or at least for this cycle.

The rhetoric still appears focussed on keeping monetary policy tight, but the language from the US at least has softened a little, and markets are still convinced that cuts will be seen later in the year. Whilst inflation remains the focus, the central banks will also be aware that holding high for too long could have a negative impact on economic growth.

Looking forward, the International Monetary Fund ('IMF') continues to post a relatively healthy picture for the global economy. In their forecast at the start of the year they forecast that it will grow at 3.1% in 2024. Whilst this is below the 2000-2019 pre-pandemic average of 3.8%, it is higher than the 2.9% which they were forecasting in their last report of 2023. Overall, they believe that the likelihood of a hard landing has receded.

Emerging market and developing economies are expected to post the strongest rates of growth as a collective. India remains a key driver, and whilst China is expected to see a slowdown compared to recent times, positive economic growth is still forecast.

We believe the Sub-fund is currently well positioned to benefit from the above, with an over-weight position in Japanese and Emerging Market equities, along with Fixed Income assets. We will continue to monitor these weightings closely, however, especially in light of the general election in the UK and an expected change in governing party.

MI Diversified Strategy Fund

Portfolio Statement

as at 31 March 2024

Holding	Security	Market value £	% of total net assets 2024
STRUCTURED PRODUCTS 5.26% (4.83%)			
Structured Products 5.26% (4.83%)			
1,200,000	Goldman Sachs Preference 13.10.31 [†]	1,275,600	3.57
500,000	Morgan Stanley Preference 29.07.30 [†]	602,450	1.69
		<hr/>	
		1,878,050	5.26
<hr/>			
FUNDS 89.30% (89.56%)			
Bond Funds 24.55% (15.55%)			
1,421,263	Artemis Target Return Bond - GBP Accumulation*	1,661,172	4.65
99,995	Gam Star Credit Opportunities - GBP Accumulation*	1,833,586	5.13
18,630	Man GLG Dynamic Income - IF H GBP Capitalisation*	2,352,916	6.59
9,608	MI TwentyFour Dynamic Bond - I Net Accumulation^*	1,770,004	4.96
9,120	Nomura Global Dynamic Bond - I GBP*	1,149,512	3.22
		<hr/>	
		8,767,190	24.55
<hr/>			
Commodity Funds 0.00% (7.34%)			
Emerging Markets 9.50% (8.26%)			
362,286	Lazard Emerging Markets - A Accumulation GBP*	1,589,818	4.45
7,817	Redwheel Next Generation Emerging Markets Equity - I GBP Accumulation*	1,805,085	5.05
		<hr/>	
		3,394,903	9.50
<hr/>			
Europe 11.60% (12.79%)			
8,258	Carmignac Portfolio Long-Short European Equities GBP Accumulation*	1,463,363	4.10
1,202,836	ES R&M European - F Accumulation*	1,813,635	5.08
568,243	LF Lightman European - R Accumulation*	864,014	2.42
		<hr/>	
		4,141,012	11.60
<hr/>			
Far East 6.97% (7.13%)			
492,204	First State Asia Focus - B Accumulation*	1,073,152	3.01
450,176	Merian Asia Pacific - R Accumulation*	1,415,715	3.96
		<hr/>	
		2,488,867	6.97
<hr/>			
Japan 8.96% (7.58%)			
1,041,772	First State Japan Focus - B Accumulation*	1,021,354	2.86
1,868,503	Man GLG Japan Core Alpha - A Accumulation*	2,178,675	6.10
		<hr/>	
		3,200,029	8.96
<hr/>			
United Kingdom 20.63% (20.57%)			
413,607	Liontrust Special Situations - A Income*	2,006,904	5.62
1,433,682	Schroder Recovery - Z Accumulation*	2,096,043	5.87
1,338,857	TM Crux UK Special Situations - I Accumulation*	1,479,972	4.14
1,256,604	TM Tellworth UK Select*	1,784,378	5.00
		<hr/>	
		7,367,297	20.63
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Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2024
	United States of America 7.09% (10.34%)		
43,859	Dodge & Cox US Stock - GBP Accumulation*	2,533,310	7.09
Investment assets		33,770,658	94.56
Net other assets		1,941,042	5.44
Net assets		35,711,700	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 31.03.23.

^Apex Fundrock Limited also acts as ACD for this fund.

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

†Structured Products, not listed on any exchange.

MI Diversified Strategy Fund

Comparative Tables

Change in net assets per share

B Income	31.03.24 p	31.03.23 p	31.03.22 p
Opening net asset value per share	132.02	139.29	135.95
Return before operating charges [^]	12.32	-4.46	5.69
Operating charges	-1.52	-1.52	-1.83
Return after operating charges [^]	10.80	-5.98	3.86
Distributions	-2.08	-1.29	-0.52
Closing net asset value per share	140.74	132.02	139.29
[^] After direct transaction costs of	0.00	0.00	-0.03
Performance			
Return after charges	8.18%	-4.29%	2.10%
Other information			
Closing net asset value	£484,247	£517,694	£627,093
Closing number of shares	344,078	392,122	453,475
Operating charges	1.14%	1.15%	1.30%
Direct transaction costs	0.00%	0.00%	0.02%
Prices			
Highest share price	142.81	139.00	146.65
Lowest share price	128.04	123.98	132.59

C Income	31.03.24 p	31.03.23 p	31.03.22 p
Opening net asset value per share	133.73	140.05	137.68
Return before operating charges [^]	12.48	-3.28	4.73
Operating charges	-1.54	-1.54	-1.50
Return after operating charges [^]	10.94	-4.82	3.23
Distributions	-2.10	-1.50	-0.86
Closing net asset value per share	142.57	133.73	140.05
[^] After direct transaction costs of	0.00	0.00	-0.03
Performance			
Return after charges	8.18%	-3.45%	2.35%
Other information			
Closing net asset value	£2,586,613	£3,025,501	£3,576,389
Closing number of shares	1,814,322	2,262,343	2,553,699
Operating charges	1.14%	1.15%	1.05%
Direct transaction costs	0.00%	0.00%	0.02%
Prices			
Highest share price	144.66	141.00	148.73
Lowest share price	129.70	125.71	134.60

Comparative Tables

continued

C Accumulation	31.03.24 p	31.03.23 p	31.03.22 p
Opening net asset value per share	140.87	145.90	142.54
Return before operating charges [^]	13.13	-3.43	4.91
Operating charges	-1.62	-1.60	-1.55
Return after operating charges [^]	11.51	-5.03	3.36
Distributions	-2.21	-1.62	-0.91
Retained distributions on accumulation shares	2.21	1.62	0.91
Closing net asset value per share	152.38	140.87	145.90
[^] After direct transaction costs of	0.00	0.00	-0.03
Performance			
Return after charges	8.17%	-3.45%	2.36%
Other information			
Closing net asset value	£32,640,840	£33,455,531	£42,766,633
Closing number of shares	21,420,501	23,749,674	29,312,014
Operating charges	1.14%	1.15%	1.05%
Direct transaction costs	0.00%	0.00%	0.02%
Prices			
Highest share price	152.37	146.87	153.99
Lowest share price	136.62	130.94	139.36

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

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

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

MI Diversified Strategy Fund

Risk and reward profile

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



The Sub-fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Sub-fund:

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

Risk warning

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

Statement of Total Return

for the year ended 31 March 2024

	Note	£	31.03.24 £	£	31.03.23 £
Income					
Net capital gains/(losses)	2		2,221,020		(2,284,125)
Revenue	3	792,158		662,139	
Expenses	4	(163,323)		(119,297)	
Interest payable and similar charges	4	(4,410)		(5,668)	
Net revenue before taxation		624,425		537,174	
Taxation	5	(39,070)		(34,296)	
Net revenue after taxation			585,355		502,878
Total return before distributions			2,806,375		(1,781,247)
Distributions	6		(585,367)		(502,864)
Change in net assets attributable to Shareholders from investment activities			2,221,008		(2,284,111)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2024

	£	31.03.24 £	£	31.03.23 £
Opening net assets attributable to Shareholders		36,998,726		46,970,116
Amounts receivable on issue of shares	2,147,245		4,467,462	
Less: Amounts payable on cancellation of shares	(6,128,172)		(12,539,747)	
		(3,980,927)		(8,072,285)
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		2,221,008		(2,284,111)
Retained distributions on accumulation shares		472,793		385,006
Unclaimed distributions		100		-
Closing net assets attributable to Shareholders		35,711,700		36,998,726

The notes on pages 17 to 27 form an integral part of these Financial Statements.

MI Diversified Strategy Fund

Balance Sheet

as at 31 March 2024

	Note	£	31.03.24	£	31.03.23	£
ASSETS						
Fixed Assets						
Investments			33,770,658		34,923,576	
Current Assets						
Debtors	7	1,703		1,345,821		
Cash and bank balances	9	2,146,925		871,678		
Total current assets			2,148,628		2,217,499	
Total assets			35,919,286		37,141,075	
LIABILITIES						
Creditors						
Distribution payable		(45,196)		(39,114)		
Other creditors	8	(162,390)		(103,235)		
Total creditors			(207,586)		(142,349)	
Total liabilities			(207,586)		(142,349)	
Net assets attributable to Shareholders			35,711,700		36,998,726	

The notes on pages 17 to 27 form an integral part of these Financial Statements.

Notes to the Financial Statements

for the year ended 31 March 2024

1. Accounting Policies

(a) Basis of accounting

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

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

The authorised status and head office of the Company can be found within the general information starting on page 29.

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

(b) Recognition of revenue

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

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

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

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

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

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(c) Treatment of stock and special dividends

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

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

(d) Treatment of expenses

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

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

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

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

(f) Taxation

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

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

MI Diversified Strategy Fund

Notes to the Financial Statements

continued

1. Accounting Policies (continued)

(g) Distribution policy

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

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

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

(h) Basis of valuation of investments

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

Collective Investment Schemes are valued at quoted bid price for dual priced funds and at quoted price for single priced funds, on the last business day of the accounting year.

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

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

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

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

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

(i) Exchange rates

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

(j) Dilution levy

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

2. Net Capital Gains/(Losses)	31.03.24	31.03.23
	£	£
Non-derivative securities	2,221,670	(2,282,916)
Transaction charges	(650)	(1,209)
Net capital gains/(losses)	2,221,020	(2,284,125)

Notes to the Financial Statements

continued

3. Revenue	31.03.24	31.03.23
	£	£
Distributions from Regulated Collective Investment Schemes:		
Franked investment income	348,740	353,898
Interest distributions	309,332	287,380
Offshore distributions	80,213	11,912
Bank interest	53,873	8,949
Total revenue	792,158	662,139

4. Expenses	31.03.24	31.03.23
	£	£
Payable to the Authorised Corporate Director ('ACD'), associates of the ACD and agents of either of them:		
Investment Manager's fee	109,819	77,644
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	21,000	21,000
Safe custody and other bank charges	9,313	9,888
	30,313	30,888
Auditor's remuneration*:		
Audit fee	10,870	10,065
Audit fee - predecessor fee	–	(7,200)
Tax compliance services	2,348	2,163
Tax compliance services - predecessor tax advisor	–	(2,100)
	13,218	2,928
Other expenses:		
Legal fees	6,429	4,118
Printing costs	3,544	3,719
	9,973	7,837
Expenses	163,323	119,297
Interest payable and similar charges	4,410	5,668
Total	167,733	124,965

*Included within the auditor's remuneration is irrecoverable VAT of £2,203 (2023: £488).

MI Diversified Strategy Fund

Notes to the Financial Statements

continued

5. Taxation

	31.03.24	31.03.23
	£	£
(a) Analysis of charge in the year:		
Corporation tax at 20%	39,070	34,296
Total tax charge (note 5b)	39,070	34,296

(b) Factors affecting taxation charge for the year:

Net revenue before taxation	624,425	537,174
Corporation tax at 20%	124,885	107,435
Effects of:		
UK dividends	(69,748)	(70,780)
Adjustments in respect of prior periods	(24)	23
Non-taxable overseas earnings	(16,043)	(2,382)
Total tax charge (note 5a)	39,070	34,296

(c) Deferred tax

There was no liability to deferred tax at the balance sheet date (2023: nil).

6. Distributions

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

		31.03.24	31.03.23
		£	£
Final distribution	31.03.24	517,989	424,120
Revenue deducted on cancellation of shares		77,341	106,456
Revenue received on issue of shares		(9,963)	(27,712)
Distributions		585,367	502,864

Reconciliation of net revenue after taxation to net distributions:

Net revenue after taxation per Statement of Total Return	585,355	502,878
Undistributed revenue brought forward	21	7
Undistributed revenue carried forward	(9)	(21)
Distributions	585,367	502,864

Notes to the Financial Statements

continued

7. Debtors	31.03.24	31.03.23
	£	£
Amounts receivable on issues	677	117,764
Sales awaiting settlement	–	1,227,639
Prepaid expenses:		
Legal fee	1,026	418
Total debtors	1,703	1,345,821

8. Other Creditors	31.03.24	31.03.23
	£	£
Amounts payable on cancellations	87,374	40,969
Accrued expenses:		
Amounts payable to the Authorised Corporate Director ('ACD'), associates of the ACD and agents of either of them:		
Investment Manager's fee	9,067	9,564
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	8,750	3,500
Safe custody and other bank charges	3,122	827
	11,872	4,327
Auditor's remuneration*:		
Audit fee	10,870	10,065
Tax compliance services	2,348	2,163
	13,218	12,228
Other accrued expenses:		
Printing costs	1,765	1,850
Taxation payable:		
Corporation tax payable	39,094	34,297
Total other creditors	162,390	103,235

*Included within the auditor's remuneration is irrecoverable VAT of £2,203 (2023: £2,038).

9. Cash and Bank Balances	31.03.24	31.03.23
	£	£
Cash and bank balances	2,146,925	871,678
Cash and bank balances	2,146,925	871,678

MI Diversified Strategy Fund

Notes to the Financial Statements

continued

10. Related Party Transactions

Apex Fundrock Limited ('AFL') is regarded as a related party by virtue of having the ability to act in respect of the operations of the Sub-fund in its capacity as the Authorised Corporate Director ('ACD').

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

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

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

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

Accumulation Shares	Held at 31.03.24	Change in period	% Change in period	Held at 31.03.23
MI TwentyFour Dynamic Bond - I Net Accumulation	9,608	–	–	9,608

No rebate has been accrued for in this cross investment.

11. Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (2023: none).

12. Risk Management Policies and Disclosures

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

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

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

These policies have been consistent for both years through which these financial statements relate.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements. This means the value of an investor's holding may go down as well as up and an investor may not recover the amount invested. Investors should consider the degree of exposure of the Sub-fund in the context of all their investments.

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

At the balance sheet date, if the price of the investments held by the Sub-fund increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £3,377,066 (2023: £3,492,358).

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Currency risk

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

The Company invests in Collective Investment Schemes, therefore the Sub-funds may be indirectly exposed to the underlying Collective Investment Scheme investments.

There is no material direct foreign currency exposure in the Sub-fund (2023: none).

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investments will fluctuate as a result of changes in interest rates. The Sub-fund may invest in fixed and floating rate securities or schemes that invest in fixed or floating rate securities. The revenue of the Sub-fund may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

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

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

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

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

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

31.03.24

Currency	Floating rate financial assets £	Fixed rate financial assets £	Assets on which interest distributions are paid £	Assets on which interest is not paid [^] £	Total £
Pound sterling	2,146,925	–	8,767,190	25,005,171	35,919,286
	2,146,925	–	8,767,190	25,005,171	35,919,286

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

Currency	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
Pound sterling	–	207,586	207,586
	–	207,586	207,586

MI Diversified Strategy Fund

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Interest rate risk (continued)

31.03.23

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

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

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

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

At the balance sheet date, if interest rates increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £1,095,403 (2023: £662,588) in respect of floating rate assets.

Credit risk

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

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

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

Liquidity risk

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

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

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

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures (continued)

Liquidity risk (continued)

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

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

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

Counterparty risk

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

There were no past due assets as of 31 March 2024 (2023: nil).

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

	Total number of counterparties	Maximum exposure to any one counterparty £	Total exposure to all other counterparties £	Lowest credit rating of any one counterparty^{^^}
31.03.24	2	1,275,600	602,450	A
31.03.23	3	719,750	1,066,950	A

^{^^}Source: BNP Paribas Trust Corporation UK Limited

Fair value of financial assets and liabilities

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

MI Diversified Strategy Fund

Notes to the Financial Statements

continued

13. Portfolio Transaction Costs

31.03.24

Analysis of purchases	Total purchase cost £	Commissions paid		Taxes		Purchases before transaction cost £
		£	%	£	%	
Funds	3,700,000	–	0.00	–	0.00	3,700,000
Structured Products	1,200,000	–	0.00	–	0.00	1,200,000
Total purchases after commissions and tax	4,900,000					

Analysis of sales	Net sale proceeds £	Commissions paid		Taxes		Sales before transaction cost £
		£	%	£	%	
Funds	5,642,996	1,000	0.02	–	0.00	5,643,996
Corporate Actions	2,615,731	–	0.00	–	0.00	2,615,731
Total sales after commissions and tax	8,258,727					
Commission as a % of average net assets	0.00%					
Taxes as a % of the average net assets	0.00%					

31.03.23

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

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

Commissions and taxes as a % of the average net assets form part of the direct transaction costs stated within the comparative tables on pages 12 and 13. The direct transaction costs within the comparative tables may differ due to the effect of dilution levies charged (where applicable).

Notes to the Financial Statements

continued

14. Portfolio Dealing Spread

The average portfolio dealing spread at 31 March 2024 is 0.05% (2023: 1.56%).

15. Post Balance Sheet Events

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

16. Fair Value Disclosure

Valuation technique	31.03.24		31.03.23	
	Assets	Liabilities	Assets	Liabilities
	£	£	£	£
Level 1 [^]	-	-	1,032,916	-
Level 2 ^{^^}	33,770,658	-	33,890,660	-
Level 3 ^{^^^}	-	-	-	-
	33,770,658	-	34,923,576	-

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

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

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

17. Shares in Issue

	B Income	C Income	C Accumulation
Opening number of shares	392,122	2,262,343	23,749,674
Shares issued	3,718	37,269	1,494,881
Shares cancelled	(51,762)	(485,290)	(3,824,054)
Closing number of shares	344,078	1,814,322	21,420,501

MI Diversified Strategy Fund

Distribution Tables

for the year ended 31 March 2024

Income Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Distribution paid/payable 2024 p	Distribution paid 2023 p
B	Final	Group 1	2.0754	–	2.0754	1.2937
		Group 2	0.9505	1.1249	2.0754	1.2937
C	Final	Group 1	2.0975	–	2.0975	1.5047
		Group 2	1.1535	0.9440	2.0975	1.5047

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2024 p	Amount reinvested 2023 p
C	Final	Group 1	2.2072	–	2.2072	1.6211
		Group 2	1.5658	0.6414	2.2072	1.6211

Final period: 01.04.23 - 31.03.24

Group 1: Shares purchased prior to a distribution period

Group 2: Shares purchased during a distribution period

Equalisation

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

General Information

Authorised Status

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

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

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

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

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

Head Office

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

Address for Service

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

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

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

Classes of Shares

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

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

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

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

The Company may issue both Income and Accumulation Shares.

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

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

Valuation Point

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

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

MI Bespoke Funds ICVC

General Information

continued

Buying, Redeeming and Switching of Shares

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

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

Or by telephone to: 0345 026 4281

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

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

Pricing Basis

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

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

Other Information

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

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

Significant Information

Effective 13 July 2023 Maitland Institutional Services Limited changed name to Apex Fundrock Limited.

Effective 11 May 2024 Depository changed from BNP Paribas Trust Corporation UK Limited to Northern Trust Investor Services Limited.

The ACD has assessed implications of current world geopolitical tensions and conflicts. The current crises have and will have a wider impact in terms of market performance.

Task Force on Climate-Related Financial Disclosures (TCFD)

The ACD is required to publish a public TCFD product report in respect of each Sub-fund. The report is designed to provide investors with transparency into their portfolios' climate-related risks and opportunities according to the recommendations from the TCFD and aims to help investors understand their exposure to these risks and opportunities.

Reports for each Sub-fund are published on www.fundrock.com/mi-funds/ and can be found under 'Task Force on Climate-Related Financial Disclosures (TCFD)' by selecting the relevant Fund Manager and Sub-fund.

ACD Value Assessment

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

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

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

The ACD Value Assessment is published on www.fundrock.com.

General Information

continued

Remuneration of the ACD

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

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

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

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

The ACD is required to disclose the total remuneration it pays to its staff during the financial year of the Company, split into fixed and variable remuneration, with separate aggregate disclosure for staff whose actions may have a material impact to the risk profile of a Sub-fund or the ACD itself. This includes executives, senior risk and compliance staff and certain senior managers.

31.03.24	Number of Beneficiaries	Fixed	Variable	Total
Total remuneration paid by the ACD during the year	17	£1,516,000	£153,000	£1,669,000
Remuneration paid to employees who are material risk takers of the ACD who have material impact on the risk profile of the fund	6	£737,000	£116,000	£853,000

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

Risk Warning

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

