

**WESLEYAN**

*we are all about you*

# WESLEYAN AUTHORISED UNIT TRUST

HALF YEAR FUND MANAGER REPORT  
31 December 2021

# DIRECTORS



**JAMES NEEDHAM** MBA, FIA  
**CHIEF EXECUTIVE OFFICER**  
**WESLEYAN UNIT TRUST MANAGERS**

On 26 February 2020, James was appointed Chief Executive Officer to the Board of Wesleyan Unit Trust Managers.

James has 20 years' actuarial experience; he joined Wesleyan in 2010 and became Chief Actuary in 2018. He is responsible for Wesleyan's actuarial and financial reporting activity and oversees the Society's product development and performance, identifying ways to improve customer outcomes. He is a financial reporting expert and has presented at a number of actuarial conferences.



**MARTIN LAWRENCE** BSc, ASIP  
**DIRECTOR**  
**WESLEYAN UNIT TRUST MANAGERS**

On 21 April 2016, Martin was appointed to the Board of Wesleyan Unit Trust Managers as a Director.

Martin joined Wesleyan in 1995 as an Investment Analyst, after graduating from the University of Exeter with a degree in Mathematics, and he subsequently qualified as an Associate of the Chartered Financial Analyst (CFA) Society of the UK. He became a Fund Manager in 2001.

For 20 years, he managed several Wesleyan funds, including its multi-asset With Profits Fund. As Director of Investments at Wesleyan, Martin is responsible for overseeing the management of Wesleyan's funds and its award-winning, in-house Investments team.

# NON-EXECUTIVE DIRECTOR



**IAN MCCAIG**  
**CHAIRMAN**  
**WESLEYAN UNIT TRUST MANAGERS**

On 11 December 2020, Ian was appointed as a Chairman to the Board of Wesleyan Unit Trust Managers.

Ian has been a member of Wesleyan Group's Board of Directors since 30 September 2019 and was appointed to the Society's Risk Committee. Ian has worked across a number of sectors, most recently as CEO of First Utility Ltd. He led the company through several years of successful transformation and significant growth before its acquisition by Shell at the end of 2017. Prior to that Ian was CEO of lastminute.com. Ian also serves on the Boards of M-Kopa Ltd, Seedrs Ltd, English Heritage and Festicket, of which he is Chair.



**ANDREW NEDEN** MA, FCA  
**NON-EXECUTIVE DIRECTOR**  
**WESLEYAN UNIT TRUST MANAGERS**

On 11 December 2019, Andrew was appointed as a Non-Executive Director to the Board of Wesleyan Unit Trust Managers.

Andrew has been a member of Wesleyan Group's Board of Directors since November 2014. Andrew worked for 30 years at KPMG, the global accountancy firm, including 18 years as a partner. His roles included Head of Financial Sector Transaction Services in the UK and Global Chief Operating Officer for Financial Services. Andrew also chairs Aetna Insurance Company Limited, is Vice-Chair at the Nottingham Building Society, and is a Non-Executive Director at ABC International Bank PLC.

# FUND MANAGERS



**JAMES HUBBARD** BA, CFA  
**WESLEYAN INTERNATIONAL GROWTH FUND**  
**WESLEYAN MODERATE-HIGH RISK/REWARD INCOME FUND**

James Hubbard joined Wesleyan as an Investment Analyst in January 2011. After graduating with an BA in Economics and Business from the University of Manchester he initially worked for a Corporate Bank in London. James is a CFA (Chartered Financial Analyst) charterholder and has been a Fund Manager since April 2016.



**PAUL BURTON** BSc, FIA  
**WESLEYAN LOW RISK/REWARD GROWTH FUND**  
**WESLEYAN RISK AVERSE FUND**

Paul Burton has been the Fund Manager of the Wesleyan's Low Risk Life and Pension funds since launch in January 2012. He has also managed the assets of the Wesleyan Staff Pension Scheme since 1998, and the Society's Non Profit Fund since 2012. He joined the Society in 1990, qualifying as an Actuary in 1998, working as an Investment Analyst in the preceding five years.



**MARC O'SULLIVAN** BSc, CFA  
**WESLEYAN MODERATE RISK/REWARD GROWTH FUND**

Marc O'Sullivan has been a Fund Manager since 2012, managing investments across a number of asset classes. Marc joined the Society as an Investment Analyst in 2003, having graduated from the University of Birmingham with a degree in Economics. Marc has been a CFA (Chartered Financial Analyst) charterholder since 2008.



**CAROLINE VINCENT** BA, ASIP  
**WESLEYAN UK GROWTH FUND**

Caroline joined Wesleyan as a Fund Manager in 2021, with previous industry experience gained from several senior fund management roles at other investment houses. She holds a degree in Economics from Thames Valley University and is an Associate of the Chartered Financial Analyst (CFA) Society of the UK. Caroline specialises in equities – with experience spanning both emerging and developed markets – and she currently manages the UK Growth Fund and Life Managed Fund.



# CHIEF EXECUTIVE OFFICER'S STATEMENT

The global economy has been shadowed by COVID-19 during the last few years, and the volatility seen in investment markets has reflected the widespread uncertainty surrounding the pandemic. Linked to this uncertainty and recent market movements, the short-term performance of Wesleyan Unit Trust Managers' (WUTM) funds has been mixed during the six months to 31st December, following a period of stronger performance in the first half of the year. We saw some gains in our multi-asset and equity-focused funds – particularly in the final month of 2021 – but they still fell short of our ambitions. Our low-risk funds, meanwhile, which have a greater exposure to cash and bonds, did not manage to replicate the more impressive figures we were able to share in the last report.

Our in-house Fund Managers, who are responsible for managing all WUTM funds, are an integral part of our Investments team, which was recently named "Responsible Investor of the Year" by the Insurance Asset Risk Awards 2022. They have used their expertise to steer our funds through the recent market storms and into a position they believe is favourable for achieving strong long-term performance in the future, in line with their investment strategy. The team maintains a general preference for the UK market, believing it offers good relative value when compared to others, and a firm belief that equities are the most effective driver of long-term gains among all asset classes.

## RESPONSIBLE, SUSTAINABLE INVESTING

As a mutual for doctors, dentists and teachers – some of society's most trusted and socially-conscious professions – sustainability is at the heart of our business. Public awareness of issues such as climate change is at an all-time high, helped by COP26, held in Glasgow last year, and devastating climate-linked events that have

been covered by the international media in the last 12 months, such as unprecedented flooding, wildfires and heatwaves. All these factors have contributed to a much greater spotlight being shone on environmental, social, and governance (ESG) issues, which apply to the investment industry as well.

ESG issues are crucial considerations for our Investments team. On a daily basis, they use analysis based on a range of ESG factors when evaluating the sustainability of the companies our funds invest in. Our Socially Responsible Investment team works alongside our Fund Managers and Analysts to ensure all investment activities are aligned with Wesleyan's recently enhanced Sustainable Investing Policy and its three principles of "Reducing Harm", "Positive Impact" and "Driving Change". You can read the policy in full and find out more information at [www.wesleyan.co.uk/sustainable-investing](http://www.wesleyan.co.uk/sustainable-investing).

As mentioned earlier, in recognition of their hard work in this important area, our Investments team was recently given the "Responsible Investor of the Year" award by the Insurance Asset Risk Awards 2022, which is an achievement that all of us at WUTM are very proud of. It shows to everyone who trusts us as guardians of their money that we don't merely pay lip-service to a sustainable, responsible investment approach – it's integral to everything we do.

It's an approach that also dovetails with our team's long-term buy and hold investment strategy, because sustainable businesses, which 'do the right thing', are more likely to be adaptable and profitable in the years ahead. Our constant aim is to provide the best possible financial performance and service for all our customers. We invest in a responsible, sustainable way and, as "Responsible Investor of the Year", our customers can rest assured that we are firmly committed to achieving better long-

term outcomes for you, your communities, and the wider world.

## OUR PRODUCTS, FUNDS AND DIGITAL INVESTOR PORTAL

There are three WUTM products through which you can invest: a Unit Trust General Investment Account, a Unit Trust Individual Savings Account (ISA), and a Unit Trust Junior ISA.

WUTM offers six funds, each with different risk appetites and financial objectives. These funds are: Risk Averse Fund (page 81), Low Risk/Reward Growth Fund (page 21), Moderate Risk/Reward Growth Fund (page 59), Moderate-High Risk/Reward Income Fund (page 41), UK Growth Fund (page 90), and International Growth Fund (page 9). More information about each fund is available in this document, including fund commentaries and portfolio holdings.

Our online WUTM Investor Portal gives up-to-date valuations and has proven very popular with our investors. It also gives more options for how you can invest with us in the future, so if you have not already done so, you can create an account and log in by visiting [www.wesleyan.co.uk/wutm-online](http://www.wesleyan.co.uk/wutm-online). It is also worth noting that there is no initial charge for customers who decide to take out our products online.

## MARKET OUTLOOK

Inflation levels continue to rise in the UK and overseas. Although interest rates are starting to rise in many countries, returns on cash are likely to be minimal for the foreseeable future. As a result, low-risk funds – with a greater proportion of cash and bonds – are more likely to struggle than equities, in performance terms, for the remainder of the year.

Looking further ahead, investment markets will be monitoring a number of key factors such as COVID-19, particularly if any new variants emerge, which could throw the



**"We invest in a responsible, sustainable way and, as "Responsible Investor of the Year", our customers can rest assured that we are firmly committed to achieving better long-term outcomes for you, your communities, and the wider world."**

world's progress to date off track; the escalating tensions between Russia and the West, as well as the diplomatic efforts to de-escalate the situation; international relations with China; and global economic recovery. Many governments and central banks will have to tackle the huge debts they amassed to support their economies during the peak of the pandemic, and how they act will also have a significant bearing on the shape of things to come.

While COVID-19 continues to affect daily life for many, it is less of a threat than it has been previously. The world is reopening for business and with that comes numerous opportunities for our Fund Managers, who will continue to monitor geopolitical risks as well as both short- and long-term changes to economic forecasts. You can rest assured that they will use their combined experience to invest wisely and make the most of all investment opportunities that present themselves.

**James Needham**  
Chief Executive Officer  
Wesleyan Unit Trust Managers Ltd

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\*Collectively, comprises the Authorised Fund Manager Report. Additionally, in each fund it is comprised of the general information and portfolio statement and changes.

Please note: All "IA" sector mentions in this report refer to the Investment Association's fund sectors, which are used across the industry. Each sector has clear criteria that a fund must fulfil. Sectors are typically based on the main asset types the fund invests in. However, funds in any sector may offer a wide range of assets and risk profiles.

# AUTHORISED FUND MANAGER REPORT

## INTRODUCTION

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This is the half year report of the Wesleyan Authorised Unit Trust ('Trust') for the period ended 31 December 2021.

The Trust is managed by Wesleyan Unit Trust Managers Limited ('Manager').

The Trust is an authorised unit trust in an umbrella form and was authorised by the Financial Conduct Authority (FCA) effective 4 September 2015. The Trust is classified under the Collective Investment Scheme Sourcebook ('COLL') as a collective investment scheme authorised under the UCITS Directive.

The Trust was established pursuant to a Trust Deed dated 4 September 2015 (as amended from time to time) made between the Manager and HSBC Bank Plc ('Trustee'). The Trust has an unlimited duration.

Details of the managers and advisers of the Trust are disclosed on page 103.

## STRUCTURE OF THE TRUST

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The Trust is structured as an umbrella unit trust, in that different funds may be established from time to time by the Manager with the approval of the FCA, the agreement of the Trustee and in accordance with the Trust Deed.

The assets of each fund will be treated as separate from those of every other fund and will be invested in accordance with the investment objective and investment policy applicable to that fund.

Each fund has a specific portfolio to which that fund's assets and liabilities are attributable. So far as the Unitholders are concerned, each fund is treated as a separate entity. Unitholders are not liable for the debts of the Trust or for any other fund.

Subject to the above, each fund will be charged with the liabilities, expenses, costs and charges of the Trust attributable to that fund, and within each fund charges will be allocated between classes in accordance with the terms of issue of units of those classes. Any assets, liabilities, expenses, costs or charges not attributable to a particular fund may be allocated by the Manager in a manner which it believes is fair to the unit holders generally. This will normally be pro rata to the Net Asset Value of the relevant funds.

The base currency of each fund is pounds Sterling.

**As at 31 December 2021, the Trust comprised of the following funds:**

Wesleyan International Growth Fund

Wesleyan Low Risk/Reward Growth Fund

Wesleyan Moderate-High Risk/Reward Income Fund

Wesleyan Moderate Risk/Reward Growth Fund

Wesleyan Risk Averse Fund

Wesleyan UK Growth Fund

All of the above funds are managed by the Manager. Details of other management and advisers of the funds are disclosed on page 103.

## UNITS

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The rights represented by units are those of a beneficial interest under the Trust. Several classes of units may be issued in respect of each fund.

Further classes of units may be established from time to time by the Manager with the approval of the FCA, the agreement of the Trustee and in accordance with the Trust Deed. On the introduction of any new class, a revised prospectus will be prepared, setting out the details of each class.



Units in the Trust are not currently listed on any investment exchange.

Holders of income units are entitled to be paid the distributable income attributed to such units on any relevant interim and/or annual income allocation dates. The Manager, at its discretion, may also permit unit holders to elect to reinvest any such distributable income instead of receiving payment. In this event, the income will be used to purchase additional units in the same fund.

Holders of Accumulation units are not entitled to be paid the income attributed to such units, but that income is automatically transferred to (and retained as part of) the capital assets of the relevant fund on the relevant interim and/or annual accounting dates. This is reflected in the price of an accumulation unit.

## UNITS IN ISSUE

As at 31 December 2021, Accumulation ("Acc") and Income ("Inc") units are available in the following funds and in the following denominations and classes:

Fund Class	Unit Type	Base Currency	Launch Date	ISIN <sup>1</sup>
<b>Wesleyan International Growth Fund</b>				
Class A	Acc	GBP	03/06/16	GB00BYNYHT49
Class B	Acc	GBP	03/06/16	GB00BYNYHV60
Class X	Acc	GBP	03/06/16	GB00BYNYHW77
<b>Wesleyan Low Risk/Reward Growth Fund</b>				
Class B	Acc	GBP	06/06/16	GB00BYVDH936
Class X	Acc	GBP	06/06/16	GB00BYSW0R28
Class B	Inc	GBP	06/06/16	GB00BZ161P36
Class X	Inc	GBP	06/06/16	GB00BZ161R59
<b>Wesleyan Moderate-High Risk/Reward Income Fund</b>				
Class B	Acc	GBP	06/06/16	GB00BYVDHG07
Class X	Acc	GBP	06/06/16	GB00BYSW0S35
Class B	Inc	GBP	06/06/16	GB00BZ161V95
Class X	Inc	GBP	06/06/16	GB00BZ161W03
<b>Wesleyan Moderate Risk/Reward Growth Fund</b>				
Class B	Acc	GBP	06/06/16	GB00BYVDHJ38
Class X	Acc	GBP	06/06/16	GB00BYSW0W70
Class B	Inc	GBP	06/06/16	GB00BZ161S66
Class X	Inc	GBP	06/06/16	GB00BZ161T73
<b>Wesleyan Risk Averse Fund</b>				
Class A	Acc	GBP	03/06/16	GB00BYNYHM79
Class B	Acc	GBP	03/06/16	GB00BYNYHN86
Class X	Acc	GBP	03/06/16	GB00BYNYHP01
<b>Wesleyan UK Growth Fund</b>				
Class A	Acc	GBP	03/06/16	GB00BYNYHQ18
Class B	Acc	GBP	03/06/16	GB00BYNYHR25
Class X	Acc	GBP	03/06/16	GB00BYNYHS32

<sup>1</sup> An International Securities Identification Number (ISIN) is a unique code that identifies a particular security, such as a stock or bond.

None of the above funds hold units in other funds of the Trust.

# AUTHORISED FUND MANAGER REPORT continued

## UNIT HOLDERS – TAXATION

The information below is a general guide based on current United Kingdom law and HM Revenue & Customs practice which are subject to change. It summarises the tax position of the funds and of direct personal investors who are United Kingdom residents and hold units as investments. This does not detail the tax treatment for corporate or trustee unit holders.

## INCOME

The funds may pay dividend distributions (which will be automatically retained in the relevant fund in the case of accumulation units). There is currently a tax free dividend allowance. Dividends received above this allowance from investments not held within an Individual Savings Account are taxed at a rate that depends on the investor's income tax band.

## INTEREST

Where a fund pays an interest distribution (which will be automatically retained in the fund in the case of accumulation units) this is gross of the basic rate of tax from 6 April 2016 for some people (depending on their tax bands).

There is currently a tax free Personal Savings Allowance (except for additional rate tax payers). Interest distributions received above this allowance from investments not held within an Individual Savings Account or Junior Individual Savings Account are taxed at a rate that depends on the investor's income tax band.

## INCOME EQUALISATION

The first income allocation received by an investor after buying units may include an amount of income equalisation, which will be shown on the issued tax voucher. This is effectively a repayment of the income equalisation paid by the investor as part of the purchase price. It is a return of capital, is not taxable, and should be deducted from the acquisition cost of the units for capital gains tax purposes.

## CAPITAL GAINS

Unit holders may be liable to pay capital gains tax on gains arising from the redemption, transfer or other disposal of units. The rate of tax, and available reliefs, will be as applicable from time to time. An exchange of units between classes within a fund is generally not treated as a disposal for this purpose.

Units in each of the funds may be held within Individual Savings Accounts and would be exempt from personal liability to income or capital gains tax. Unit holders who have invested in the funds through an Individual Savings Account or Junior Individual Savings Account should refer to the Key Features Document for further details of how it operates.

## REPORTING DATES

The annual and interim accounting date of the Trust and the funds within are as below:

**Annual accounting date: 30 June**

**Interim accounting date: 31 December**

The following pages sets out for each of the funds within the Trust:

- ▶ Fund manager report
- ▶ Number of units in circulation and the net asset values per unit
- ▶ Annual financial statements

This annual report of the Trust and the funds within are available on our website ([www.wesleyan.co.uk/about/reports-and-accounts](http://www.wesleyan.co.uk/about/reports-and-accounts)). If you have any questions about the report, or if you would like to talk to us about your investments, you can call us on **0330 123 3813**. Lines are open Monday to Friday from 9.00am to 5.00pm.



**J. Needham**  
**Chief Executive Officer**

Wesleyan Unit Trust Managers Limited





# WESLEYAN INTERNATIONAL GROWTH FUND

## FUND REVIEW

This is the half-year report for the Wesleyan International Growth Fund covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of 2.25%\* over the period, compared to the benchmark that delivered a return of 7.37%\*\*.

The performance of the fund has been disappointing over the period. This has largely been driven by a lower level of exposure to US equities than the benchmark, and in particular the low level of exposure to technology names that were some of the biggest contributors to the benchmark performance. Additionally, there have been some weaker stock-specific performances within the fund, which will be discussed later in more detail.

The economic recovery continued, albeit unevenly, in 2021, although the Omicron variant introduced a degree of uncertainty into markets in the final months of the year. Inflation rates globally remain elevated, with US inflation reaching 7% at the end of 2021 – its highest level since 1982. The factors driving inflation include supply chain challenges created by the pandemic, with an associated shift in demand patterns – increasingly, consumers are purchasing goods as their ability to spend on services remains restricted. Whilst some of these trends are temporary, there are also some long-term structural changes that mean, as supply has failed to keep up with demand, it is expected that prices will remain elevated.

Global equity markets rose 7.7% in the period, as economic recovery continued. Developed markets were up 9.6%, driven by a 12.6% return from the US equity market. Within the US, there

were further strong returns from the technology sector, which was up 19.5% over the half-year.

The asset allocation of the fund negatively impacted fund performance, which was hurt by the decision to have lower exposure to the US and technology companies than its benchmark. Looking at the contributions from individual equities, one of the fund's largest holdings, payments provider PayPal, was the single biggest detractor. PayPal gave up some of the gains it had achieved in the prior few years after it spooked the market by expressing an interest in acquiring Pinterest and creating a super-app. Other detractors included: airlines technology company Sabre Corp; gaming company Ubisoft; and some Chinese exposure, including Yum China Holdings. The biggest contributors to performance were Microsoft, pharmaceutical company Novo Nordisk, cosmetics giant Estée Lauder and the fund's Indian exposure through Ashoka India Equity.

The fund exited energy companies Exxon Mobil, Chevron and Kinder Morgan, as their approach to environmental issues meant that they did not align with our revised Sustainable Investing Policy. The fund also sold out of healthcare company Organon, energy company Uniper SE, and auto supplier Wabtec Corp. The fund added several new holdings in the period, including medical technology firm Smith & Nephew, technology provider Autodesk, delivery and food marketplace Just Eat Takeaway.com, as well as topping up on several existing holdings.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

Elevated inflation will lead to further policy responses throughout 2022, such as the rise of bank rates and withdrawal of quantitative easing. These are likely to put pressure on global economic growth and it remains uncertain whether the economy has sufficient momentum to offset these headwinds. A similar scenario occurred in the US in the final quarter of 2018, where the market sent a clear sign that it believed the US Federal Reserve's policy tightening would send the economy into recession. We believe there are some key differences to the late-2018 period, including the remaining recovery potential within the global economy and pent-up demand supported by savings built-up over the lockdown. These will be offset somewhat by energy inflation that will subdue demand from the household sector.

Survey data indicated signs of supply chain disruption easing in the latter months of 2021, which was promptly halted and reversed by Omicron. This was particularly true in China, which re-initiated severe lockdowns as a result of its zero-tolerance policy for infections and data suggesting their vaccines had limited effectiveness when facing the new variant.

Equities do not look particularly cheap in isolation; however, when the broader investment landscape is considered, they look attractive. Our preference remains for geographies outside the US from a valuation perspective, although we continue to watch and monitor many US companies. Our long-term investment strategy remains in place, and there are many companies listed in the US we would like to own if their valuations were to reduce.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 16-17.

\*\* The composite benchmark is composed as follows: 95% FTSE All-World – Total Return Index, and 5% SONIA interest rate benchmark. The benchmark is rebalanced annually on 1 January, and makes no allowances for taxes, fees and charges.

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

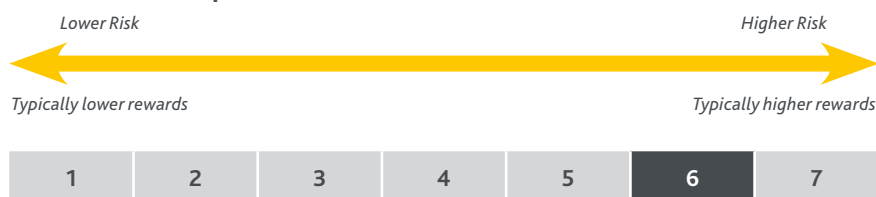
The composite benchmark is composed as follows: 95% FTSE All-World – Total Return Index, and 5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

The Fund will invest predominantly in a diversified portfolio of equities. The equities in which the Fund invests may be issued by companies anywhere in the world.

The Fund may invest in various sectors. The Fund may also invest in fixed interest and other transferable securities, cash, near cash, deposits, money-market instruments and other collective investment schemes.

The Fund may use derivatives for the purpose of efficient portfolio management.

### Risk and reward profile



The risk category is based on the rate the fund's value has moved up and down in the past and has remained unchanged from the prior year.

The fund's value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund's future risk and reward category.

A fund in the lowest category does not mean a 'risk free' investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund's Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class A	Class B	Class X
Initial charge*	3%	3%	3%
Annual management charge**	1.5%	1.75%	1.25%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	Last day of February

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are quoted in ordinary shares and listed on a recognised exchange.  
Percentages in brackets show the equivalent sector distribution as at 30 June 2021.

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>EQUITIES</b>			
<b>United Kingdom - 8.93% (7.48%)</b>			
70,000	BP	231,350	0.55
15,000	Diageo	605,400	1.43
12,026	GlaxoSmithKline	193,210	0.46
7,000	InterContinental Hotels	334,600	0.79
208,433	Lloyds Banking	99,631	0.24
3,500	Reckitt Benckiser	221,900	0.52
10,990	Rio Tinto	537,631	1.27
198	Royal Dutch Shell A	3,210	0.01
46,000	Sage	392,196	0.93
35,000	Smith & Nephew	451,675	1.07
150,000	Templeton Emerging Markets Investment Trust	266,400	0.63
9,250	Unilever	364,913	0.86
65,313	Vodafone	73,268	0.17
<b>Total United Kingdom</b>		<b>3,775,384</b>	<b>8.93</b>
<b>Continental Europe - 23.41% (25.15%)</b>			
<b>France - 8.65% (8.47%)</b>			
4,083	Air Liquide	525,185	1.24
15,000	Big Ben Interactive	203,772	0.48
16,000	Elior Group	84,363	0.20
8,800	Engie	96,124	0.23
3,200	Legrand Promesses	275,390	0.65
3,000	LVMH Moët Hennessy	1,829,915	4.33
7,196	Orange	56,859	0.13
2,000	Sanofi	148,727	0.35
8,404	Société Générale	213,057	0.50
6,300	Ubisoft Entertainment	227,766	0.54
<b>Total France</b>		<b>3,661,158</b>	<b>8.65</b>
<b>Germany - 6.24% (6.76%)</b>			
480	Adidas	102,223	0.24
2,716	Bayer	107,302	0.25
3,000	BMW	223,066	0.53
2,000	Daimler	113,649	0.27
1,000	Daimler Truck	27,073	0.06
5,000	Deutsche Post	236,516	0.56
10,000	Deutsche Telekom	136,654	0.32
17,000	E.ON	174,276	0.41
5,000	Henkel	289,033	0.68
327	K+S	4,176	0.01
7,800	SAP	814,160	1.93
3,000	Siemens	383,212	0.91
1,500	Siemens Energy AG NPV	28,374	0.07
<b>Total Germany</b>		<b>2,639,714</b>	<b>6.24</b>

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Italy - 1.16% (1.04%)</b>			
9,582	Italgas	48,624	0.11
48,071	Snam	213,911	0.51
20,056	UniCredit	228,068	0.54
	<b>Total Italy</b>	<b>490,603</b>	<b>1.16</b>
<b>Netherlands - 2.44% (2.04%)</b>			
4,891	Akzo Nobel	395,784	0.93
25,000	ING Groep NV	256,919	0.61
3,500	Just Eat Takeaway	142,434	0.34
4,081	Koninklijke Philips	112,215	0.27
2,000	Prosus	123,472	0.29
	<b>Total Netherlands</b>	<b>1,030,824</b>	<b>2.44</b>
<b>Spain - 1.24% (1.35%)</b>			
5,000	Amadeus IT Group	250,286	0.59
10,000	Industria De Diseno Textil	239,455	0.57
10,964	Telefónica	35,450	0.08
	<b>Total Spain</b>	<b>525,191</b>	<b>1.24</b>
<b>Switzerland - 3.68% (3.40%)</b>			
16,800	ABB	475,097	1.12
6,000	Nestlé	619,590	1.47
1,500	Roche Holdings	460,779	1.09
	<b>Total Switzerland</b>	<b>1,555,466</b>	<b>3.68</b>
	<b>Total Continental Europe</b>	<b>9,902,956</b>	<b>23.41</b>
<b>Denmark - 2.73% (2.09%)</b>			
13,840	Novo Nordisk 'B'	1,153,640	2.73
	<b>Total Denmark</b>	<b>1,153,640</b>	<b>2.73</b>
<b>India - 2.15% (1.81%)</b>			
450,000	Ashoka India Equity Investment Trust*	909,000	2.15
	<b>Total India</b>	<b>909,000</b>	<b>2.15</b>
<b>Israel - 0.41% (0.42%)</b>			
2,000	Check Point Software Technologies	172,099	0.41
	<b>Total Israel</b>	<b>172,099</b>	<b>0.41</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Japan - 6.09% (5.93%)</b>			
216,000	Fidelity Japan Investment Trust*	488,160	1.15
165,000	JPMorgan Japanese Investment Trust*	1,082,400	2.56
72,000	JPMorgan Japanese Smaller Companies Investment Trust*	339,120	0.80
400	Nintendo	137,563	0.33
247,526	Schroder Japan Investment Trust*	527,230	1.25
<b>Total Japan</b>		<b>2,574,473</b>	<b>6.09</b>
<b>Pacific excluding Japan - 7.77% (8.76%)</b>			
120,000	Fidelity China Special Situations*	372,000	0.88
152,813	JPMorgan Asia Growth & Income*	683,074	1.62
136,490	Pacific Horizon Investment Trust*	1,187,463	2.81
177,482	Schroder Asia Pacific Investment Trust*	1,041,819	2.46
<b>Total Pacific excluding Japan</b>		<b>3,284,356</b>	<b>7.77</b>
<b>United States - 44.66% (46.10%)</b>			
1,000	3M	131,131	0.31
3,500	Agilent Technologies	412,677	0.98
10,000	Altaba	28,203	0.07
6,000	American Express	724,545	1.71
1,580	Autodesk	328,038	0.78
3,800	Automatic Data Processing	691,797	1.64
25,000	Bank of America	820,997	1.94
1,015	Becton Dickinson	188,455	0.45
1,250	Boeing	185,767	0.44
125	Booking Holdings	221,421	0.52
4,000	Carrier Global	160,183	0.38
6,000	Cisco Systems	280,675	0.66
7,700	Citigroup	343,201	0.81
7,000	Coca-Cola	306,006	0.72
7,000	Cognizant Technology Solutions	458,415	1.08
5,000	Colgate-Palmolive	314,999	0.74
2,582	Corteva	90,130	0.21
1,882	Dow	78,798	0.19
1,226	Dupont De Nemours	73,110	0.17
6,500	Estée Lauder A	1,777,020	4.20
1,250	General Electric	87,176	0.21
2,000	Honeywell International	307,904	0.73
973	International Flavors & Fragrances	108,201	0.26
4,000	International Paper	138,772	0.33
4,000	Johnson & Johnson	505,091	1.19
5,000	Merck	282,919	0.67
4,000	Meta Platforms	993,230	2.35
11,000	Microsoft	2,730,488	6.46
3,200	Mondelez International A	156,639	0.37
12,000	Oracle	772,565	1.83
2,000	Otis Worldwide	128,569	0.30
10,000	PayPal Holdings	1,392,226	3.29

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
4,000	Raytheon Technology	254,096	0.60
333	Resideo Technologies	6,395	0.02
3,500	Royal Caribbean Cruises	198,690	0.47
72,000	Sabre	456,628	1.08
1,800	Starbucks	155,448	0.37
363	Sylvamo	7,472	0.02
4,000	TJX Companies	224,239	0.53
3,500	Wal-Mart Stores	373,941	0.88
4,000	Walt Disney	457,426	1.08
1,500	Waters	412,629	0.98
5,000	Wells Fargo	177,046	0.42
10,284	Yum China	378,423	0.89
5,500	Yum! Brands	563,948	1.33
<b>Total United States</b>		<b>18,885,729</b>	<b>44.66</b>
<b>Other - 1.56% (2.65%)</b>			
8,954	Ambu	173,906	0.41
400	Samsung Electronics GDR	486,840	1.15
<b>Total Other</b>		<b>660,746</b>	<b>1.56</b>
<b>Portfolio of Investments</b>		<b>41,318,383</b>	<b>97.71</b>
<b>Net Other Assets</b>		<b>966,751</b>	<b>2.29</b>
<b>Net Assets</b>		<b>42,285,134</b>	<b>100.00</b>

\*UK-listed investment trust.



## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the period ended 31 December 2021

<b>Total Purchases</b>		<b>£1,650,961</b>
<b>Purchases*</b>		<b>Cost £</b>
Smith & Nephew		445,415
Autodesk		336,750
Yum China		203,957
Just Eat Takeaway		200,110
Ubisoft Entertainment		136,171
Nintendo		125,305
Prosus		121,288
Sabre		81,965
<b>Total Sales</b>		<b>£778,007</b>
<b>Sales*</b>		<b>Proceeds £</b>
Exxon Mobil		271,511
Chevron		240,926
Kinder Morgan		178,697
Uniper		47,378
K+S		21,888
Organon		13,784
Wabtec		3,810
Sylvamo		13

\*As the total number of sales and purchases for the period was below twenty, the complete list has been provided here.

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## COMPARATIVE TABLES

Class A – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	316.54	252.65	250.58	225.49
Return before operating charges*	9.44	68.62	6.36	29.10
Operating charges	(2.70)	(4.73)	(4.29)	(4.01)
Return after operating charges*	6.74	63.89	2.07	25.09
Distributions on accumulation units	-	-	(0.39)	(0.98)
Retained distributions on accumulation units	-	-	0.39	0.98
Closing net asset value per unit	323.28	316.54	252.65	250.58
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.02	0.01	0.04	0.02

<b>Performance</b>				
Return after charges	2.13%	25.29%	0.83%	11.13%
Sector: IA Global	6.70%	25.92%	5.36%	7.50%
Composite benchmark <sup>2</sup>	7.37%	23.71%	1.23% <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	6,817,634	7,118,767	21,572,722	22,568,093
Closing number of units	2,108,923	2,248,947	8,538,671	9,006,270
Operating charges	1.67%	1.70%	1.74%	1.75%
Direct transaction costs	0.01%	Nil	0.02%	0.01%

<b>Prices</b>				
Highest unit price	331.34p	317.83p	268.23p	251.98p
Lowest unit price	311.10p	249.24p	196.42p	206.20p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 10.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	305.53	244.73	243.34	219.52
Return before operating charges*	9.09	66.12	6.15	28.28
Operating charges	(3.00)	(5.32)	(4.76)	(4.46)
Return after operating charges*	6.09	60.80	1.39	23.82
Distributions on accumulation units	-	-	-	(0.39)
Retained distributions on accumulation units	-	-	-	0.39
Closing net asset value per unit	311.62	305.53	244.73	243.34
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.02	0.01	0.04	0.02

Performance				
Return after charges	1.99%	24.84%	0.57%	10.85%
Sector: IA Global	6.70%	25.92%	5.36%	7.50%
Composite benchmark <sup>2</sup>	7.37%	23.71%	1.23% <sup>3</sup>	-

Other information				
Closing net asset value (£)	8,606,557	8,442,773	7,325,635	7,332,558
Closing number of units	2,761,858	2,763,334	2,993,411	3,013,314
Operating charges	1.92%	1.95%	1.99%	2.00%
Direct transaction costs	0.01%	Nil	0.02%	0.01%

Prices				
Highest unit price	320.05p	307.29p	260.24p	244.82p
Lowest unit price	300.57p	241.49p	190.49p	200.58p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 10.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	313.39	249.72	247.00	221.67
Return before operating charges*	9.34	67.9	6.34	28.72
Operating charges	(2.28)	(4.23)	(3.62)	(3.39)
Return after operating charges*	7.06	63.67	2.72	25.33
Distributions on accumulation units	-	(0.65)	(1.01)	(1.54)
Retained distributions on accumulation units	-	0.65	1.01	1.54
Closing net asset value per unit	320.45	313.39	249.72	247.00
*after direct transactions costs <sup>1</sup> of:	0.02	0.01	0.04	0.02

Performance				
Return after charges	2.25%	25.50%	1.10%	11.43%
Sector: IA Global	6.70%	25.92%	5.36%	7.50%
Composite benchmark <sup>2</sup>	7.37%	23.71%	1.23% <sup>3</sup>	-

Other information				
Closing net asset value (£)	26,860,943	24,679,996	3,117,457	1,776,118
Closing number of units	8,382,257	7,875,199	1,248,403	719,076
Operating charges	1.42%	1.45%	1.49%	1.50%
Direct transaction costs	0.01%	Nil	0.02%	0.01%

Prices				
Highest unit price	328.91p	315.20p	265.00p	248.57p
Lowest unit price	308.75p	246.58p	194.14p	203.17p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 10.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		954,487		4,376,157
Revenue	281,489		250,799	
Expenses	(328,691)		(296,222)	
Interest payable and similar charges	(556)		(757)	
Net (expense)/revenue before taxation	(47,758)		(46,180)	
Taxation	(19,582)		(18,719)	
Net expense after taxation		(67,340)		(64,899)
<b>Total return before distributions</b>		<b>887,147</b>		<b>4,311,258</b>
Distributions		133		54
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>887,280</b>		<b>4,311,312</b>

## UNAUDITED INTERIM STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>40,241,536</b>		<b>32,015,814</b>
Amounts receivable on issue of units	2,713,130		1,528,436	
Amounts payable on cancellation of units	(1,556,812)		(1,262,750)	
		1,156,812		265,686
Change in net assets attributable to unitholders from investment activities		887,280		4,311,312
<b>Closing net assets attributable to unitholders</b>		<b>42,285,134</b>		<b>36,592,812</b>

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		41,318,383		39,558,644
<b>Current assets</b>				
Debtors	96,289		118,614	
Cash and bank balances	950,164		713,931	
		1,046,453		832,545
Total assets		42,364,836		40,391,189
<b>Liabilities</b>				
Creditors				
Other creditors	(79,702)		(149,653)	
Total liabilities		(79,702)		(149,653)
<b>Net assets attributable to unitholders</b>		<b>42,285,134</b>		<b>40,241,536</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

# WESLEYAN INTERNATIONAL GROWTH FUND continued

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and on or before 31 December 2021

Class A Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	-	-	-	-
Group 2	-	-	-	-

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	-	-	-	-
Group 2	-	-	-	-

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	-	-	-	-
Group 2	-	-	-	-

### Corporate unitholders' information

For corporate unitholders all of the income relating to the distribution is 100% Franked.

### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit.

Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates. Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase. The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew. This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.





# WESLEYAN LOW RISK / REWARD GROWTH FUND

## FUND REVIEW

This is the half-year report for the Wesleyan Low Risk/Reward Growth Fund covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of 1.54%\* over the period, compared to the benchmark that delivered a return of 2.36%\*\*.

Whilst the fund's underperformance against its benchmark is disappointing, it should be seen in the context of the 12-month return for the period ending 30 June 2021, when the fund outperformed by over 2% (7.25% return for the fund compared to its benchmark of 5.07%).

When we last reported, we expressed the view that, at the time, equities offered better value than bonds. This proved to be the case in the reporting period, with UK equities returning 6.5% – well ahead of UK government bonds (gilts), which overall provided only a marginally positive return.

This contributed to the fund's positive return, although returns would have been enhanced with a higher weighting in overseas equities, as developed markets (excluding the UK) returned 9.2% during the period, beating UK equities by nearly 3%.

The fund's bond portfolio was biased towards corporate bonds, which returned similar rates to gilts but which we believe will provide higher long-term returns for unitholders. However, the shorter-dated gilt portfolio in the fund marginally held back performance, as longer-dated bonds outperformed their shorter-dated equivalents – a situation that started to reverse in December.

The presence of COVID-19 continued to dominate not only our social and work lives but also movements in financial markets. The discovery of the Omicron variant in South Africa, in November, understandably unsettled equity markets, with falls in excess of 3% across global markets on the day of announcement. Within a couple of weeks these losses had been wiped out, as sentiment

turned towards existing vaccines and their ability to mitigate the worst health effects of the variant. Whilst being more transmissible than the previously dominant variant, Delta, Omicron did not lead to the high levels of hospitalisation and eventual death rates that were originally feared. Vaccines played a very important role in achieving this outcome.

The most notable aspects of the fund's activity during the period was its increase in overseas equity exposure – to just over 5% of its assets, with around £2m invested in more than 20 US and European companies in December. Whilst perhaps being a bit late to the party in increasing our overseas exposure after a period of strong outperformance against UK equities, we adopted a measured approach in doing this, making purchases during times of individual company share price weakness. We chose to invest in good quality names that had underperformed the wider market, as well as a few special opportunities that had come off their recent higher levels that we also felt were at levels meriting long-term investment.

Gains were seen in well-established companies held by the fund during the period, including: construction equipment manufacturer Caterpillar, leisure operator Disney, chip manufacturer Intel, payment company Mastercard, and general retailer Walmart. Collectively, these showed gains of around 5% in the period from purchase. The purchase of shares in Caterpillar is an example of our approach; we look to invest in strong companies that have a solid earnings profile but have fallen out of favour with other investors. We executed our purchase after the share price had fallen 20% from its 2021 peak. By the end of the period, it had appreciated nearly 6% from our purchase date. Other purchases included battery storage investment trust Harmony Energy Income, and speciality chemicals company Elementis.

During the period we sold our holding in miner Glencore, to meet the requirements of

our enhanced Sustainable Investing Policy. We also received takeover proceeds from our holdings in property developer St. Modwen, food retailer Morrisons, share registrar service provider Equiniti and student accommodation operator GCP Student Living.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

We retain our preference for equities over fixed income despite bond yields having increased at the end of 2021 and in the first few weeks of 2022.

With further increases to the bank rate – which stood at 0.25% at year end – likely to follow on from the move to 0.5% in February 2022, the short-term interest rate environment is unlikely to help the performance of fixed interest instruments such as those held by the fund. The continued economic recovery is instead likely to prove supportive of equity market valuations.

We are cautious of obstacles that could undermine upward moves in equity markets, in particular further COVID-19 variants that might be capable of evading the – so far – highly successful vaccine programmes. Having seen much of the developed world roll-out first, second and now booster jabs to its population, it is important that vaccines are made more readily available to the rest of the world, as part of the continued fight to control the virus and keep the global economy open.

Boris Johnson's alleged missteps have left his tenure as UK Prime Minister hanging by a thread. Whilst political instability can and often does cause market turbulence, in this case it is less likely to be a market-moving issue. As long as government policy does not change too much, it is probable that financial markets will take any change of leadership in their stride.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 34-37.

\*\* The composite benchmark is composed as follows: 22.5% FTSE All-Share – Total Return, 7.5% FTSE Developed ex UK – Total Return, 32.5% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 32.5% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The benchmark is rebalanced annually on 1 January, and makes no allowances for taxes, fees and charges.

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

The composite benchmark is composed as follows: 22.5% FTSE All-Share – Total Return, 7.5% FTSE Developed ex UK – Total Return, 32.5% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 32.5% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

The Fund will invest predominantly in a diversified portfolio of government bonds, corporate bonds, UK and International equities and cash.

Investment will generally be made in sterling denominated assets but the Fund may at the Manager's discretion invest in non-Sterling denominated assets.

The Fund may also invest in other fixed interest and transferable securities, near cash, deposits, money-market instruments and other collective investment schemes. More than 35% of the Fund may be invested in government and public securities issued by or on behalf of or guaranteed by the Government of the United Kingdom.

The Fund may use derivatives for the purposes of efficient portfolio management.

### Risk and reward profile



The risk category is based on the rate the fund's value has moved up and down in the past and has remained unchanged from the prior year.

The fund's value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund's future risk and reward category.

A fund in the lowest category does not mean a 'risk free' investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund's Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class B	Class X
Initial charge*	3%	3%
Annual management charge**	1.5%	1%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	Last day of February

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are quoted in ordinary shares and listed on a recognised exchange.

Percentages in brackets shows the equivalent sector contribution as at 30 June 2021.

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>EQUITIES</b>			
<b>United Kingdom - 25.00% (26.75%)</b>			
<b>Oil &amp; Gas - 1.71% (1.79%)</b>			
120,000	BP	396,600	0.97
10,000	John Wood	19,100	0.05
111	Royal Dutch Shell 'A'	1,800	0.01
17,050	Royal Dutch Shell 'B'	276,619	0.68
	<b>Total Oil &amp; Gas</b>	<b>694,119</b>	<b>1.71</b>
<b>Basic Materials - 1.05% (1.15%)</b>			
6,500	BHP Group	142,935	0.35
52,586	Elementis	69,203	0.17
1,500	Johnson Matthey	30,690	0.07
3,800	Rio Tinto	185,896	0.46
	<b>Total Basic Materials</b>	<b>428,724</b>	<b>1.05</b>
<b>Industrials - 2.03% (2.54%)</b>			
10,000	Babcock International	31,830	0.08
12,000	BAE Systems	65,976	0.16
22,500	Balfour Beatty	58,950	0.14
3,000	Bunzl	86,550	0.21
7,440	Capita	2,710	0.01
5,000	IMI	86,800	0.21
11,967	Meggitt	88,221	0.22
51,119	Melrose Industries	81,637	0.20
2,500	Morgan Sindall	63,000	0.15
54,166	Rolls-Royce	66,559	0.16
30,000	Senior	44,100	0.11
3,000	Smiths Group	47,385	0.12
2,231	Travis Perkins	34,681	0.09
15,000	Vesuvius	67,500	0.17
	<b>Total Industrials</b>	<b>825,899</b>	<b>2.03</b>
<b>Consumer Goods - 3.12% (3.19%)</b>			
4,200	Associated British Foods	84,126	0.21
9,000	Diageo	363,240	0.89
2,500	Persimmon	71,400	0.18
5,250	Reckitt Benckiser	332,850	0.82
80,000	Taylor Wimpey	140,400	0.34
6,991	Unilever	275,795	0.68
	<b>Total Consumer Goods</b>	<b>1,267,811</b>	<b>3.12</b>

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Healthcare - 2.34% (2.40%)</b>			
3,000	AstraZeneca	260,220	0.64
33,794	GlaxoSmithKline	542,934	1.33
11,500	Smith & Nephew	148,407	0.37
	<b>Total Healthcare</b>	<b>951,561</b>	<b>2.34</b>
<b>Consumer Services - 1.80% (2.49%)</b>			
6,307	Compass Group	104,097	0.26
2,137	InterContinental Hotels	102,149	0.25
65,000	ITV	71,857	0.18
25,000	Marks & Spencer	57,850	0.14
70,000	Marston's	53,830	0.13
27,500	Sainsbury (J)	75,817	0.19
39,210	Tesco	113,670	0.28
4,875	Whitbread	145,957	0.36
2,500	Wickes	5,925	0.01
	<b>Total Consumer Services</b>	<b>731,152</b>	<b>1.80</b>
<b>Telecommunications - 0.93% (1.18%)</b>			
110,000	BT	186,505	0.46
171,000	Vodafone	191,828	0.47
	<b>Total Telecommunications</b>	<b>378,333</b>	<b>0.93</b>
<b>Utilities - 1.44% (1.57%)</b>			
25,000	Centrica	17,865	0.04
17,083	National Grid	181,046	0.45
7,021	Pennon Group	81,935	0.20
3,000	Severn Trent	88,410	0.22
9,851	SSE	162,344	0.40
5,000	United Utilities	54,450	0.13
	<b>Total Utilities</b>	<b>586,050</b>	<b>1.44</b>
<b>Financials - 9.83% (9.75%)</b>			
49,984	Atrato Onsite Energy	54,483	0.13
13,898	Aviva	57,037	0.14
102,500	Barclays	191,675	0.47
30,000	Beazley	139,830	0.34
9,500	C C Japan Income & Growth Rights	190	0.00
47,500	CC Japan Income & Growth Trust*	71,013	0.17
75,000	Downing Strategic Micro Cap*	51,750	0.13
100,000	Empiric Student Property	85,500	0.21

Holding	Investment	Bid-market value £	Percentage of total net assets %
50,000	Grainger Trust*	157,500	0.39
112,786	Greencoat UK Wind*	158,352	0.39
54,359	Hammerson REIT*	17,830	0.04
200,000	Harmony Energy Income Trust*	198,000	0.49
96,630	HICL Infrastructure*	170,649	0.42
50,000	Home REIT*	64,750	0.16
22,500	HSBC Holdings (London listed)	100,935	0.25
7,750	Land Securities REIT*	60,125	0.15
90,000	Legal & General	267,570	0.66
380,000	Lloyds Banking	181,640	0.45
1,500	London Stock Exchange Group	103,950	0.26
150,313	LXi REIT*	217,653	0.54
50,000	M&G Prudential	99,525	0.24
40,000	Natwest Group	90,240	0.22
27,500	OSB Group	152,350	0.37
15,520	Paragon Banking	87,921	0.22
33,410	PRS REIT*	36,584	0.09
17,000	Prudential	216,665	0.53
100,000	Residential Secure REIT*	108,000	0.27
100,000	Schroder British Opportunities Trust*	107,000	0.26
50,000	Schroder European REIT*	54,500	0.13
9,923	St. James's Place Capital	167,054	0.41
158,500	Supermarket Income REIT*	192,577	0.47
1,000	Tritax Big Box REIT*	2,486	0.01
171,709	Tritax Euro Box REIT*	200,900	0.49
125,000	VH Global Sustainable Energy Opportunities	133,500	0.33
	<b>Total Financials</b>	<b>3,999,734</b>	<b>9.83</b>
	<b>Technology - 0.26% (0.24%)</b>		
12,500	Sage	106,575	0.26
	<b>Total Technology</b>	<b>106,575</b>	<b>0.26</b>
	<b>Other Equities - 0.49% (0.45%)</b>		
24,808	Tatton Asset Management	139,421	0.34
43,332	XPS Pensions	60,665	0.15
	<b>Total Other Equities</b>	<b>200,086</b>	<b>0.49</b>
	<b>Total United Kingdom</b>	<b>10,170,044</b>	<b>25.00</b>
	<b>Belgium - 0.16% (0.00%)</b>		
	<b>Consumer Goods - 0.16% (0.00%)</b>		
1,500	Anheuser Busch InBev	66,963	0.16
	<b>Total Consumer Goods</b>	<b>66,963</b>	<b>0.16</b>
	<b>Total Belgium</b>	<b>66,963</b>	<b>0.16</b>
	<b>Channel Islands - 3.38% (4.70%)</b>		
	<b>Oil &amp; Gas - 0.19% (0.10%)</b>		
61,008	Bluefield Solar Income Fund*	75,528	0.19
	<b>Total Oil &amp; Gas</b>	<b>75,528</b>	<b>0.19</b>

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Basic Materials - 0.00% (0.78%)</b>			
<b>Financials - 3.19% (3.82%)</b>			
164,000	Chrysalis Investment*	400,160	0.98
34,414	Foresight Solar Fund*	34,896	0.08
100,000	GCP Asset Backed Income Fund*	96,000	0.24
60,000	International Public Partnerships*	101,760	0.25
125,000	JLEN Environmental Assets*	131,250	0.32
100,000	Man Group	226,900	0.56
105,137	Sequoia Economic Infrastructure Income Fund*	113,338	0.28
145,032	The Renewables Infrastructure Group*	194,633	0.48
<b>Total Financials</b>		<b>1,298,937</b>	<b>3.19</b>
<b>Total Channel Islands</b>		<b>1,374,465</b>	<b>3.38</b>
<b>France - 0.76% (0.00%)</b>			
<b>Consumer Goods - 0.42% (0.00%)</b>			
1,500	Danone	68,751	0.17
170	LVMH Moët Hennessy	103,695	0.25
<b>Total Consumer Goods</b>		<b>172,446</b>	<b>0.42</b>
<b>Consumer Services - 0.16% (0.00%)</b>			
3,500	JCDecaux	64,649	0.16
<b>Total Consumer Services</b>		<b>64,649</b>	<b>0.16</b>
<b>Technology - 0.18% (0.00%)</b>			
2,000	Ubisoft Entertainment	72,307	0.18
<b>Total Technology</b>		<b>72,307</b>	<b>0.18</b>
<b>Total France</b>		<b>309,402</b>	<b>0.76</b>
<b>Germany - 0.83% (0.45%)</b>			
<b>Basic Materials - 0.06% (0.07%)</b>			
586	Bayer	23,151	0.06
<b>Total Basic Materials</b>		<b>23,151</b>	<b>0.06</b>
<b>Consumer Goods - 0.39% (0.19%)</b>			
350	Adidas	74,538	0.18
1,500	Henkel	86,710	0.21
<b>Total Consumer Goods</b>		<b>161,248</b>	<b>0.39</b>



Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Services - 0.16% (0.19%)</b>			
27,486	TUI AG	63,328	0.16
	<b>Total Consumer Services</b>	<b>63,328</b>	<b>0.16</b>
<b>Telecommunications - 0.17% (0.00%)</b>			
5,000	Deutsche Telekom	67,630	0.17
	<b>Total Telecommunications</b>	<b>67,630</b>	<b>0.17</b>
<b>Financials - 0.05% (0.00%)</b>			
166	Deutsche Boerse	20,474	0.05
	<b>Total Financials</b>	<b>20,474</b>	<b>0.05</b>
	<b>Total Germany</b>	<b>335,831</b>	<b>0.83</b>
<b>Japan - 0.16% (0.00%)</b>			
<b>Financials - 0.16% (0.00%)</b>			
30,000	Schroder Japan Investment Trust*	63,900	0.16
	<b>Total Financials</b>	<b>63,900</b>	<b>0.16</b>
	<b>Total Japan</b>	<b>63,900</b>	<b>0.16</b>
<b>Luxembourg - 0.29% (0.28%)</b>			
<b>Financials - 0.29% (0.28%)</b>			
67,062	Bilfinger Berger Global Infrastructure	117,761	0.29
	<b>Total Financials</b>	<b>117,761</b>	<b>0.29</b>
	<b>Total Luxembourg</b>	<b>117,761</b>	<b>0.29</b>
<b>Netherlands - 0.71% (0.27%)</b>			
<b>Healthcare - 0.17% (0.00%)</b>			
2,500	Koninklijke Philips	68,742	0.17
	<b>Total Healthcare</b>	<b>68,742</b>	<b>0.17</b>
<b>Consumer Services - 0.10% (0.00%)</b>			
1,000	Just Eat Takeaway	40,696	0.10
	<b>Total Consumer Services</b>	<b>40,696</b>	<b>0.10</b>
<b>Financials - 0.44% (0.27%)</b>			
10,000	ING Groep NV	102,767	0.25
1,250	Prosus	77,170	0.19
	<b>Total Financials</b>	<b>179,937</b>	<b>0.44</b>
	<b>Total Netherlands</b>	<b>289,375</b>	<b>0.71</b>
<b>Pacific Excluding Japan - 0.14% (0.00%)</b>			
<b>Financials - 0.14% (0.00%)</b>			
10,000	Schroder Asia Pacific Investment Trust*	58,700	0.14
	<b>Total Financials</b>	<b>58,700</b>	<b>0.14</b>
	<b>Total Pacific Excluding Japan</b>	<b>58,700</b>	<b>0.14</b>

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>United States - 2.66% (0.00%)</b>			
<b>Industrials - 0.19% (0.00%)</b>			
500	Caterpillar	76,322	0.19
	<b>Total Industrials</b>	<b>76,322</b>	<b>0.19</b>
<b>Consumer Goods - 0.10% (0.00%)</b>			
1,500	Kraft Heinz Company	39,769	0.10
	<b>Total Consumer Goods</b>	<b>39,769</b>	<b>0.10</b>
<b>Healthcare - 0.27% (0.00%)</b>			
300	Becton Dickinson	55,701	0.13
1,000	Merck	56,584	0.14
	<b>Total Healthcare</b>	<b>112,285</b>	<b>0.27</b>
<b>Consumer Services - 1.12% (0.00%)</b>			
750	PayPal Holdings	104,417	0.26
1,500	Starbucks	129,540	0.32
1,000	Wal-Mart Stores	106,840	0.26
1,000	Walt Disney	114,356	0.28
	<b>Total Consumer Services</b>	<b>455,153</b>	<b>1.12</b>
<b>Financials - 0.64% (0.00%)</b>			
1,550	Bank of America	50,902	0.13
2,000	Citigroup	89,143	0.22
425	Jackson Financial	13,122	0.03
400	Mastercard	106,118	0.26
	<b>Total Financials</b>	<b>259,285</b>	<b>0.64</b>
<b>Technology - 0.34% (0.00%)</b>			
2,000	Intel	76,046	0.18
1,000	Oracle	64,380	0.16
	<b>Total Technology</b>	<b>140,426</b>	<b>0.34</b>
	<b>Total United States</b>	<b>1,083,240</b>	<b>2.66</b>
<b>Total Equities</b>		<b>13,869,681</b>	<b>34.09</b>

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
<b>BONDS</b>			
<b>Corporate Bonds - 33.47% (33.91%)</b>			
£100,000	3i Group 3.75% 05.06.2040	113,035	0.28
£200,000	3i Group 5.75% 03.12.2032	263,486	0.65
£100,000	Anglian Water Services Financing 2.625% 15.06.2027	105,565	0.26
£200,000	Anheuser Busch 2.25% 24.05.2029	206,256	0.51
£200,000	Anheuser-Busch Inbev 4% 24.09.2025	218,931	0.54
£200,000	Apple 3.05% 31.07.2029	224,949	0.55
£100,000	Aviva 4% VRN 03.06.2055	107,612	0.26
£227,000	Bank of Montreal 1% 09.09.2026	221,307	0.54
£363,000	Bank of Nova Scotia 1.25% 17.12.2025	358,640	0.88
£125,000	Barclays 3.125% 17.01.2024	128,866	0.32
£200,000	BG Energy Capital 5% 04.11.2036	266,274	0.66
£150,000	British Telecommunications 3.125% 21.11.2031	156,185	0.38
£200,000	BUPA Finance 5% 08.12.2026	225,683	0.56
£100,000	Centrica 4.375% 13.03.2029	115,396	0.28
£200,000	Close Brothers Finance 2.75% 19.10.2026	211,750	0.52
£250,000	Compass 2% 05.09.2025	255,835	0.63
£250,000	Compass Group 2% 03.07.2029	257,852	0.63
£200,000	Cooperatieve Rabobank 1.25% 14.01.2025	198,374	0.49
£100,000	Coöperatieve Rabobank 5.25% 14.09.2027	116,385	0.29
£200,000	Coventry Building Society 1% 21.09.2025	196,220	0.48
£100,000	DWR Cymru Financing 1.625% 31.03.2026	100,055	0.25
£300,000	Equinor 6.875% 11.03.2031	430,176	1.06
£200,000	Freshwater Finance 4.556% 03.04.2036	252,147	0.62
£137,000	Gatwick Funding 3.125% 28.09.2041	137,518	0.34
£200,000	GlaxoSmithKline 5.25% 19.12.2033	273,242	0.67
£100,000	Hammerson 3.5% 27.10.2025	101,436	0.25
£300,000	Henkel AG Co KGaA 1.25% 30.09.2026	300,427	0.74
£175,000	HSBC 6% 29.03.2040	242,380	0.60
£106,000	HSBC Bank 5.375% 04.11.2030	119,178	0.29
£250,000	HSBC Holdings 3% VRN 22.07.2028	261,162	0.64
£100,000	ING Groep 3% 18.02.2026	105,261	0.26
£125,000	InterContinental Hotels Group 2.125% 24.08.2026	124,680	0.31
£100,000	Intu Debenture 5.562% 31.12.2027	34,947	0.09
£160,000	John Lewis 4.25% 18.12.2034	163,162	0.40
£100,000	John Lewis 6.125% 21.01.2025	109,916	0.27
£250,000	Johnson & Johnson 5.5% 06.11.2024	280,016	0.69
£250,000	Land Securities Capital Markets 1.974% 08.02.2026	253,371	0.62
£200,000	Leeds Building Society 3.75% VRN 25.04.2029	211,636	0.52
£107,000	Legal & General Group 3.75% VRN 26.11.2049	111,602	0.27
£117,000	Lloyds Banking Group 2.25% 16.10.2024	119,194	0.29
£200,000	Longstone Finance 4.774% 19.04.2036	231,787	0.57

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
£136,000	M&G 5.625% VRN 20.10.2051	156,819	0.39
£100,000	Manchester Airport Group Funding 2.875% 31.03.2039	99,407	0.24
£150,000	Marks & Spencer 4.75% 12.06.2025	161,856	0.40
£125,000	Marstons Issuer 5.1774% VRN 15.07.2032	128,181	0.32
£200,000	McDonalds 5.875% 23.04.2032	272,697	0.67
£100,000	Mondelez International 4.5% 03.12.2035	123,543	0.30
£159,000	NatWest Group 2.057% VRN 09.11.2028	159,652	0.39
£350,000	Nestle Holdings 1.375% 23.06.2033	341,376	0.84
£125,000	Next 4.375% 02.10.2026	138,565	0.34
£100,000	Northumbrian Water Finance 1.625% 11.10.2026	100,519	0.25
£100,000	Prudential 5.875% 11.05.2029	130,102	0.32
£300,000	Prudential 6.875% 20.01.2023	317,754	0.78
£100,000	Reckitt Benckiser Treasury Services 1.75% 19.05.2032	100,248	0.25
£100,000	Scottish & Southern Energy 6.25% 27.08.2038	150,978	0.37
£150,000	Segro 2.875% 11.10.2037	168,356	0.41
£160,000	Severn Trent Water Utilities 2.75% 05.12.2031	173,036	0.43
£256,000	Skipton Building Society 2% VRN 02.10.2026	257,573	0.63
£100,000	Sky 6% 21.05.2027	122,902	0.30
£250,000	Society of Lloyds 4.875% VRN 07.02.2047	278,409	0.68
£216,000	Southern Water Services Finance 2.375% 28.05.2028	221,435	0.54
£200,000	Standard Chartered 7.75% VRN Perp	201,350	0.50
£107,000	Thames Water Utilities Cayman Finance 2.625% 24.01.2032	111,293	0.27
£105,000	Unilever 1.5% 22.07.2026	106,898	0.26
£101,000	Vodafone Group 5.9% 26.11.2032	136,912	0.34
£300,000	Volkswagen Financial Services 1.625% 09.06.2022	301,058	0.74
£150,000	Wales & West Utilities Finance 5% 07.03.2028	178,103	0.44
£200,000	Wells Fargo 2% 28.07.2025	202,278	0.50
£122,000	Wells Fargo 2.125% 20.12.2023	123,605	0.30
£200,000	Western Power Distribution South West 1.625% 07.10.2035	184,814	0.45
£200,000	Western Power Distribution South West 2.375% 16.05.2029	206,866	0.51
£200,000	Whitbread Group 3.375% 16.10.2025	207,170	0.51
£100,000	Yorkshire Water 6.6011% 17.04.2031	139,331	0.34
	<b>Total Corporate Bonds</b>	<b>13,614,980</b>	<b>33.47</b>

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
<b>Government Bonds - 27.11% (27.94%)</b>			
£75,000	UK Treasury 0% 07.12.2038	61,217	0.15
£500,000	UK Treasury 0.125% 31.01.2023	497,810	1.22
£750,000	UK Treasury 0.125% 31.01.2024	741,255	1.82
£500,000	UK Treasury 0.25% 31.01.2025	492,190	1.21
£200,000	UK Treasury 0.5% 22.10.2061	168,346	0.41
£250,000	UK Treasury 0.625% 22.10.2050	219,790	0.54
£200,000	UK Treasury 0.75% 22.07.2023	200,740	0.49
£500,000	UK Treasury 1.75% 07.09.2022	505,010	1.24
£500,000	UK Treasury 2.25% 07.09.2023	513,725	1.26
£600,000	UK Treasury 3.25% 22.01.2044	838,872	2.06
£500,000	UK Treasury 3.5% 22.01.2045	731,625	1.80
£500,000	UK Treasury 4% 07.03.2022	503,440	1.24
£300,000	UK Treasury 4.25% 07.12.2027	359,742	0.88
£500,000	UK Treasury 4.25% 07.06.2032	660,855	1.63
£350,000	UK Treasury 4.25% 07.03.2036	494,749	1.22
£400,000	UK Treasury 4.25% 07.12.2040	608,960	1.50
£200,000	UK Treasury 4.25% 07.12.2046	331,582	0.82
£400,000	UK Treasury 4.5% 07.09.2034	563,036	1.38
£400,000	UK Treasury 4.5% 07.12.2042	647,108	1.59
£600,000	UK Treasury 4.75% 07.12.2030	797,544	1.96
£250,000	UK Treasury 5% 07.03.2025	283,315	0.70
£600,000	UK Treasury 6% 07.12.2028	809,010	1.99
<b>Total Government Bonds</b>		<b>11,029,921</b>	<b>27.11</b>
<b>Government Index-Linked - 1.30% (0.44%)</b>			
£100,000	UK Treasury 0.125% IL 22.03.2029	165,530	0.41
£100,000	UK Treasury 0.125% IL 22.03.2068	362,590	0.89
<b>Total Government Index-Linked</b>		<b>528,120</b>	<b>1.30</b>
<b>Total Bonds</b>		<b>25,173,021</b>	<b>61.88</b>
<b>Portfolio of investments</b>		<b>39,042,702</b>	<b>95.97</b>
<b>Net other assets</b>		<b>1,637,526</b>	<b>4.03</b>
<b>Net Assets</b>		<b>40,680,228</b>	<b>100.00</b>

\*UK-listed investment trust.

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Summary of Portfolio of Investments		
Bond credit ratings <sup>+</sup>	Bid-market value £	Percentage of total net assets %
Investments of investment grade	24,069,33	59.16
Investments of below investment grade	290,037	0.72
Unrated bonds	813,653	2.00
<b>Total Bonds</b>	<b>25,173,021</b>	<b>61.88</b>
Equities	13,869,681	34.09
<b>Total value of investments</b>	<b>39,042,702</b>	<b>95.97</b>

\*ratings supplied by credit agencies

## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES for the period ended 31 December 2021

Total Purchases	£9,425,132
Purchases	Cost £
UK Treasury 0.125% 31.01.2024	745,968
UK Treasury 2.25% 07.09.2023	516,235
UK Treasury 4% 07.03.2022	510,275
UK Treasury 1.75% 07.09.2022	505,405
UK Treasury 0.25% 31.01.2025	499,545
UK Treasury 0.125% IL 22.03.2068	379,258
Bank of Nova Scotia 1.25% 17.12.2025	361,533
Nestle Holdings 1.375% 23.06.2033	357,070
UK Treasury 4.25% 07.12.2046	327,993
McDonalds 5.875% 23.04.2032	280,340
HSBC Holdings 3% VRN 22.07.2028	269,530
Compass Group 2% 03.07.2029	263,050
Bank of Montreal 1% 09.09.2026	226,596
UK Treasury 4.5% 07.09.2034	208,695
Standard Chartered 7.75% VRN Perp	204,700
Harmony Energy Income Trust*	200,000
Cooperatieve Rabobank 1.25% 14.01.2025	199,910
Coventry Building Society 1% 21.09.2025	198,340
John Lewis 4.25% 18.12.2034	167,040
NatWest Group 2.057% VRN 09.11.2028	159,000

Total Sales	£4,463,872
Sales	Proceeds £
UK Treasury 0% 26.07.2021	500,000
UK Treasury 0% 25.10.2021	500,000
UK Treasury 0% 06.12.2021	500,000
Glencore	309,418
Legal & General Finance 5.875% 11.12.2031	278,940
UK Treasury 0% 06.09.2021	250,000
UK Treasury 0% 13.09.2021	250,000
Electricité De France 6.125% 02.06.2034	211,769
Close Brothers 2.75% 26.04.2023	205,520
BP Capital Markets 2.274% 03.07.2026	188,186
Morrison (Wm) Supermarkets	172,200
UK Treasury 4.25% 07.12.2046	171,813
Home REIT*	124,773
Greencoat UK Wind*	105,314
Next 5.375% 26.10.2021	100,000
St. Modwen Properties	69,642
BAE Systems	69,458
The Renewables Infrastructure Group*	66,945
GCP Student Living REIT*	66,030
Equiniti	63,000

\*UK-listed investment trust.

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## COMPARATIVE TABLES

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	117.83	110.43	113.89	110.14
Return before operating charges*	2.48	9.27	(5.36)	5.60
Operating charges	(0.97)	(1.87)	1.90	(1.85)
Return after operating charges*	1.51	7.40	(3.46)	3.75
Distributions on accumulation units	(0.25)	(0.63)	(0.85)	(1.24)
Retained distributions on accumulation units	0.25	0.63	0.85	1.24
Closing net asset value per unit	119.34	117.83	110.43	113.89
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.01	0.03	0.04	0.07

<b>Performance</b>				
Return after charges	1.28%	6.70%	(3.04%)	3.40%
Sector: IA Mixed Investment 0-35%	1.11%	6.86%	1.27%	3.20%
Composite benchmark <sup>2</sup>	2.36%	5.07%	(1.24%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	20,906,677	20,094,691	18,264,446	17,205,161
Closing number of units	17,518,060	17,053,345	16,539,763	15,106,676
Operating charges	1.61%	1.64%	1.67%	1.67%
Direct transaction costs	0.01%	0.03%	0.03%	0.06%

<b>Prices</b>				
Highest unit price	124.83p	122.59p	123.27p	118.13p
Lowest unit price	116.56p	108.73p	98.22p	106.79p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 22.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.



Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	120.87	112.70	115.65	111.26
Return before operating charges*	2.55	9.50	(4.30)	5.71
Operating charges	(0.69)	(1.33)	1.35	(1.32)
Return after operating charges*	1.86	8.17	(2.95)	4.39
Distributions on accumulation units	(0.57)	(1.24)	(1.44)	(1.82)
Retained distributions on accumulation units	0.57	1.24	1.44	1.82
Closing net asset value per unit	122.73	120.87	112.70	115.65
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.01	0.03	0.04	0.07

<b>Performance</b>				
Return after charges	1.54%	7.25%	(2.55%)	3.95%
Sector: IA Mixed Investment 0-35%	1.11%	6.86%	1.27%	3.20%
Composite benchmark <sup>2</sup>	2.36%	5.07%	(1.24%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	18,454,549	14,375,660	6,745,907	3,169,459
Closing number of units	15,037,037	11,893,715	5,985,661	2,740,655
Operating charges	1.11%	1.14%	1.17%	1.18%
Direct transaction costs	0.01%	0.03%	0.03%	0.06%

<b>Prices</b>				
Highest unit price	128.23p	125.72p	125.54p	119.94p
Lowest unit price	119.75p	111.17p	100.12p	108.18p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 22.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## COMPARATIVE TABLES

Class B – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	113.12	106.59	110.76	108.32
Return before operating charges*	2.38	8.94	(5.19)	5.46
Operating charges	(0.93)	(1.80)	1.84	(1.81)
Return after operating charges*	1.45	7.14	(3.35)	3.65
Distributions on income units	(0.24)	(0.61)	(0.82)	(1.21)
Closing net asset value per unit	114.33	113.12	106.59	110.76
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.01	0.03	0.04	0.07
<b>Performance</b>				
Return after charges	1.28%	6.70%	(3.02%)	3.37%
Sector: IA Mixed Investment 0-35%	1.11%	6.86%	1.27%	3.20%
Composite benchmark <sup>2</sup>	2.36%	5.07%	(1.24%) <sup>3</sup>	-
<b>Other information</b>				
Closing net asset value (£)	1,207,038	1,190,805	1,140,757	1,143,693
Closing number of units	1,055,758	1,052,651	1,070,207	1,032,629
Operating charges	1.61%	1.64%	1.67%	1.67%
Direct transaction costs	0.01%	0.03%	0.03%	0.06%
<b>Prices</b>				
Highest unit price	119.80p	118.01p	119.29p	115.55p
Lowest unit price	111.84p	104.89p	95.03p	104.95p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 22.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	113.13	106.60	110.78	108.34
Return before operating charges*	2.37	8.95	(4.09)	5.47
Operating charges	(0.64)	(1.26)	1.29	(1.27)
Return after operating charges*	1.73	7.69	(2.80)	4.20
Distributions on income units	(0.53)	(1.16)	(1.38)	(1.76)
Closing net asset value per unit	114.33	113.13	106.60	110.78
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.01	0.03	0.04	0.07

<b>Performance</b>				
Return after charges	1.53%	7.21%	(2.53%)	3.88%
Sector: IA Mixed Investment 0-35%	1.11%	6.86%	1.27%	3.20%
Composite benchmark <sup>2</sup>	2.36%	5.07%	(1.24%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	111,964	110,327	78,959	60,927
Closing number of units	97,929	97,526	74,073	55,000
Operating charges	1.11%	1.14%	1.17%	1.17%
Direct transaction costs	0.01%	0.03%	0.03%	0.06%

<b>Prices</b>				
Highest unit price	120.01p	118.31p	119.36p	115.84p
Lowest unit price	112.03p	105.09p	95.15p	105.06p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 22.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		357,472		1,384,352
Revenue	391,526		300,003	
Expenses	(269,641)		(213,230)	
Net revenue before taxation	121,885		86,773	
Taxation	(2,781)		(1,295)	
Net revenue after taxation		119,104		85,478
<b>Total return before distributions</b>		<b>476,576</b>		<b>1,469,830</b>
Distributions		(119,114)		(85,473)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>357,462</b>		<b>1,384,357</b>

## UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>35,771,483</b>		<b>26,230,069</b>
Amounts receivable on issue of units	6,362,724		4,600,336	
Amounts payable on cancellation of units	(1,941,921)		(1,316,730)	
		4,420,803		3,283,606
Change in net assets attributable to unitholders from investment activities		357,462		1,384,357
Retained distribution on accumulation units		130,480		90,821
<b>Closing net assets attributable to unitholders</b>		<b>40,680,228</b>		<b>30,988,853</b>

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		39,042,702		33,890,668
<b>Current assets</b>				
Debtors	490,226		362,163	
Cash and bank balances	1,449,026		1,964,084	
		1,939,252		2,326,247
Total assets		40,981,954		36,216,915
<b>Liabilities</b>				
Creditors				
Other creditors	(298,644)		(441,043)	
Distribution payable on income units	(3,082)		(4,389)	
Total liabilities		(301,726)		(445,432)
<b>Net assets attributable to unitholders</b>		<b>40,680,228</b>		<b>35,771,483</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

# WESLEYAN LOW RISK / REWARD GROWTH FUND continued

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and or before 31 December 2021

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.2541	-	0.2541	0.2628
Group 2	0.0084	0.2457	0.2541	0.2628

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.5717	-	0.5717	0.5611
Group 2	0.1752	0.3965	0.5717	0.5611

Class B Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.2425	-	0.2425	0.2534
Group 2	0.0000	0.2425	0.2425	0.2534

Class X Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.5327	-	0.5327	0.5260
Group 2	0.1362	0.3965	0.5327	0.5260

### Corporate unitholders information

For corporate unitholders all of the income relating to the distribution is 100% unfranked.

#### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit.

Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates. Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase. The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew. This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.



# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

## FUND REVIEW

This is the half-year report for the Wesleyan Moderate-High Risk/Reward Income Fund covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of 4.48%\* over the period, compared to the benchmark that delivered a return of 4.90%\*\*.

Market returns were generally good over the period, but there are several crosscurrents that the markets continue to consider. In the UK, inflation rose to 5.4% in December 2021, while similar increases have also been seen globally. These elevated inflation levels, caused by supply chain issues and labour shortages, put policymakers under pressure to act in order to maintain price stability. COVID-19 variants also continue to impact markets, and the Omicron variant introduced economic uncertainty in the winter months of 2021. Market concerns subsequently eased as the data suggested that, whilst it was more contagious than prior variants, it also had a lower mortality rate.

Global equities delivered a total return of 7.7% in the half-year, driven by an exceptionally strong performance by the US (+12.6%), whilst the UK returned 6.5%. The returns from UK government bonds (gilts) were mediocre, gaining 0.5%, and corporate bonds delivered a -0.7% return. Within fixed income, the standout performer was UK index-linked gilts that returned 7.4%, as inflation concerns caused the values to rise. In the UK, the Bank of England voted to move the base rate to 0.25% in December, after leaving it unchanged the prior month, which caused bond prices to fall and eroded their gains from the concerns around the Omicron variant.

Asset allocation was positive for the fund, overall, driven primarily through having a lower weighting towards fixed income – in both government and corporate bonds –

as well as having more equities than the benchmark. The higher weighting in cash was a small drag on fund performance.

After a particularly strong prior six months, the impact of stock selection was sufficiently negative to offset the contribution from asset allocation. Some of the biggest detractors were Dignity (funeral services provider) and Elementis (speciality chemicals), both of which we added to in the period. Other major detractors included medical device company Smith & Nephew and EasyJet, as the concerns about Omicron impacted their near-term prospects. The largest contributors to performance included tech giant Microsoft, alcoholic beverage maker Diageo and pharmaceutical companies Novo Nordisk and Clinigen, the latter of which was the recipient of a takeover approach.

Over the period the fund reduced its position in housebuilder Vistry, as we perceived better value elsewhere in the sector. The fund also sold its position in pharmaceutical company Circassia. The fund acquired several new holdings including Just Eat Takeaway.com, medical technology company Philips and US-listed software manufacturer Autodesk. The fund topped-up several of its preferred UK and international equity holdings in the period, such as payments provider PayPal and gaming company Ubisoft. The fund also added to its UK government bond holdings but continued to invest in the shorter-dated part of the market.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

2022 should see the continued relaxation of global restrictions, allowing for further normalisation and a rebalancing of economic output, with services sectors and emerging

economies perhaps finally able to see a more sustained economic recovery. However, as noted previously, UK inflation remains elevated, with signs it may remain above the Bank of England's 2% target for some time. We expect to see inflation peak and then decelerate through this year – though the speed of this return to pre-pandemic levels will be linked to economic growth rates and supply constraints.

The policy response to elevated inflation will primarily be the withdrawal of monetary support, which has the potential to negatively impact economic growth rates. The adjustments to economic policy are often a delicate exercise, but we remain optimistic for now as the re-opening of economies is not yet complete, meaning further recovery is likely. Secondly, it may be that the policy response remains more flexible and gradual. Finally, key Asian geographies, such as China, are providing increased support to their economies via credit markets.

Several other risks remain to an otherwise constructive economic outlook. Developments around the pandemic and evolving variants continue to be a source of market concern. Geopolitical risk also remains elevated, as Russia's foreign policy continues to be aggressive towards Ukraine, China continues to assert itself in the Indo-Pacific region and globally, and Iran's burgeoning nuclear capabilities might force a response from Israel.

We have added to our emerging markets exposure and continue to look for opportunities to further deploy capital. We continue to see limited value in fixed income markets, with possible downside risk emanating from policy changes in 2022. Equity markets remain relatively attractive, particularly those outside the US, from a valuation perspective.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 52-54.

\*\* The composite benchmark is composed as follows: 55% FTSE All-Share – Total Return, 15% FTSE Developed ex UK – Total Return, 5% FTSE Emerging Markets – Total Return, 10% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 10% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The benchmark is rebalanced annually on 1 January, and makes no allowances for taxes, fees and charges.

## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital/income growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

The composite benchmark is composed as follows: 55% FTSE All-Share – Total Return, 15% FTSE Developed ex UK – Total Return, 5% FTSE Emerging Markets – Total Return, 10% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 10% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

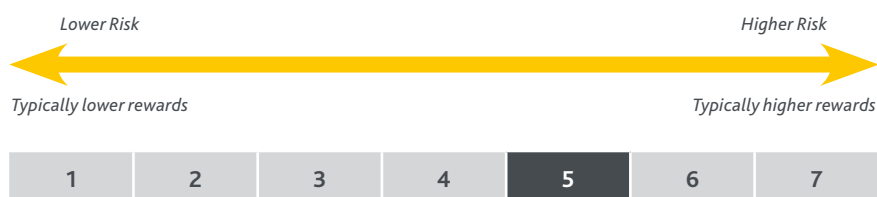
The Fund will invest in UK and international equities (largely dividend paying) with the remainder largely being invested in fixed interest securities.

The Fund may also invest in other transferable securities, cash, near cash, deposits, money-market instruments and other collective investment schemes.

More than 35% of the Fund may be invested in government and public securities issued by or on behalf of or guaranteed by the Government of the United Kingdom.

The Fund may use derivatives for the purpose of efficient portfolio management.

### Risk and reward profile



The risk category is based on the rate the fund's value has moved up and down in the past and has remained unchanged from the prior year.

The fund's value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund's future risk and reward category.

A fund in the lowest category does not mean a 'risk free' investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund's Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class B	Class X
Initial charge*	3%	3%
Annual management charge**	1.7%	1.2%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	30 November, Last day of February, 31 May



# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are quoted in ordinary shares and listed on a recognised exchange.

Percentages in brackets show the equivalent sector distribution as at 30 June 2021.

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>EQUITIES</b>			
<b>United Kingdom - 60.88% (63.43%)</b>			
<b>Oil &amp; Gas - 2.60% (2.78%)</b>			
105,000	BP	347,025	1.25
23,000	Royal Dutch Shell 'B'	373,152	1.35
<b>Total Oil &amp; Gas</b>		<b>720,177</b>	<b>2.60</b>
<b>Basic Materials - 3.62% (2.85%)</b>			
2,635	Croda International	265,740	0.96
419,751	Elementis	552,392	1.99
3,800	Rio Tinto	185,896	0.67
<b>Total Basic Materials</b>		<b>1,004,028</b>	<b>3.62</b>
<b>Industrials - 7.78% (9.36%)</b>			
28,599	Babcock International	91,031	0.33
9,000	Bunzl	259,650	0.94
48,750	Capita	17,760	0.06
1,501	Diploma	50,644	0.18
51,829	DS Smith	198,920	0.72
10,400	Galliford Try	18,699	0.07
1,000	Halma	32,000	0.11
1,500	HomeServe	13,118	0.05
10,000	IMI	173,600	0.63
5,400	Intertek	303,912	1.09
36,000	Melrose Industries	57,492	0.21
8,000	Morgan Sindall	201,600	0.73
2,200	Renishaw	105,160	0.38
30,000	Rotork	107,160	0.39
53,000	Senior	77,910	0.28
16,500	Smiths Group	260,617	0.94
20,000	Tyman	79,900	0.29
16,000	Vesuvius	72,000	0.26
2,000	Weir Group	34,230	0.12
<b>Total Industrials</b>		<b>2,155,403</b>	<b>7.78</b>

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Goods - 12.10% (13.45%)</b>			
23,000	A G Barr	118,910	0.43
2,700	Associated British Foods	54,081	0.20
8,616	Bellway	287,430	1.04
10,000	Britvic	92,000	0.33
10,500	Burberry	190,785	0.69
22,000	Diageo	887,920	3.20
13,600	Fever-Tree	367,880	1.33
6,400	Persimmon	182,784	0.66
5,659	Reckitt Benckiser	358,781	1.29
30,000	Taylor Wimpey	52,650	0.19
18,500	Unilever	729,825	2.63
2,670	Vistry Group	31,613	0.11
<b>Total Consumer Goods</b>		<b>3,354,659</b>	<b>12.10</b>
<b>Healthcare - 5.66% (5.64%)</b>			
3,000	AstraZeneca	260,220	0.94
30,677	Clinigen	280,695	1.01
20,000	ConvaTec	38,240	0.14
684	Dechra Pharmaceuticals	36,252	0.13
31,500	GlaxoSmithKline	506,079	1.83
34,600	Smith & Nephew	446,513	1.61
<b>Total Healthcare</b>		<b>1,567,999</b>	<b>5.66</b>
<b>Consumer Services - 12.98% (13.22%)</b>			
4,000	Carnival	55,344	0.20
17,000	Compass Group	280,585	1.01
5,628	Daily Mail & General Trust	15,139	0.05
33,830	Dignity	199,597	0.72
120,000	Domino's	550,560	1.99
32,493	easyJet	180,661	0.65
25,377	Euromoney Institutional Investor	234,737	0.85
10,000	Future	383,000	1.38
8,250	InterContinental Hotels	394,350	1.42
44,000	ITV	48,642	0.18
63,800	Marston's	49,062	0.18
2,100	Next	171,150	0.62
22,000	RELX	527,560	1.90
71,893	Restaurant Group	67,795	0.24
13,452	STV	45,064	0.16
51,315	Tesco	148,762	0.54
52,728	The Gym	134,193	0.48

Holding	Investment	Bid-market value £	Percentage of total net assets %
2,250	Whitbread	67,365	0.24
21,662	Wilmington	45,923	0.17
<b>Total Consumer Services</b>		<b>3,599,489</b>	<b>12.98</b>
<b>Telecommunications - 1.08% (1.21%)</b>			
55,000	BT	93,253	0.34
8,065	Telecom Plus	127,750	0.46
70,000	Vodafone	78,526	0.28
<b>Total Telecommunications</b>		<b>299,529</b>	<b>1.08</b>
<b>Utilities - 0.96% (1.00%)</b>			
16,000	National Grid	169,568	0.61
5,800	SSE	95,584	0.35
<b>Total Utilities</b>		<b>265,152</b>	<b>0.96</b>
<b>Financials - 10.97% (10.90%)</b>			
100,000	Barclays	187,000	0.67
1,207	Barings Global Emerging Markets Fund	9,197	0.03
20,000	Beazley	93,220	0.34
12,300	British Land REIT*	65,313	0.24
94,029	Greencoat UK Wind	132,017	0.48
19,796	Hargreaves Lansdown	268,236	0.97
118,739	JPMorgan Emerging Markets Investment Trust	151,036	0.54
64,000	Legal & General	190,272	0.69
755,000	Lloyds Banking	360,890	1.30
4,000	London Stock Exchange Group	277,200	1.00
9,000	M&G Prudential	17,915	0.06
75,000	Odyssean Investment Trust*	123,750	0.45
18,000	OSB Group	99,720	0.36
80,092	PRS REIT*	87,701	0.32
28,000	Prudential	356,860	1.29
150,000	Schroder British Opportunities Trust*	160,500	0.58
7,550	Schroders (Non voting)	172,140	0.62
10,800	St. James's Place Capital	181,818	0.65
60,000	Templeton Emerging Markets Investment Trust	106,560	0.38
<b>Total Financials</b>		<b>3,041,345</b>	<b>10.97</b>
<b>Technology - 3.13% (3.02%)</b>			
8,000	EMIS	108,800	0.39
1,536	Micro Focus International	6,417	0.02
40,000	Rightmove	318,000	1.15
51,000	Sage	434,826	1.57
<b>Total Technology</b>		<b>868,043</b>	<b>3.13</b>
<b>Total United Kingdom</b>		<b>16,875,824</b>	<b>60.88</b>

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>United States - 9.72% (8.92%)</b>			
<b>Basic Materials - 0.17% (0.19%)</b>			
316	Dupont De Nemours	18,844	0.07
251	International Flavors & Fragrances	27,912	0.10
<b>Total Basic Materials</b>		<b>46,756</b>	<b>0.17</b>
<b>Industrials - 0.92% (0.86%)</b>			
1,400	Automatic Data Processing	254,872	0.92
<b>Total Industrials</b>		<b>254,872</b>	<b>0.92</b>
<b>Consumer Goods - 1.73% (1.78%)</b>			
2,000	Colgate-Palmolive	125,999	0.45
1,000	Estée Lauder 'A'	273,388	0.99
1,500	Keurig Dr Pepper	40,799	0.15
300	PepsiCo	38,475	0.14
<b>Total Consumer Goods</b>		<b>478,661</b>	<b>1.73</b>
<b>Healthcare - 1.37% (1.51%)</b>			
650	Becton Dickinson	120,685	0.43
666	Corteva	23,248	0.08
400	Johnson & Johnson	50,509	0.18
680	Waters	187,058	0.68
<b>Total Healthcare</b>		<b>381,500</b>	<b>1.37</b>
<b>Consumer Services - 1.19% (0.74%)</b>			
35	Mercado Libre	34,840	0.12
450	PayPal Holdings	62,650	0.23
16,000	Sabre	101,473	0.37
500	Walt Disney	57,178	0.21
2,000	Yum China	73,594	0.26
<b>Total Consumer Services</b>		<b>329,735</b>	<b>1.19</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Financials - 0.38% (0.20%)</b>			
600	Citigroup	26,743	0.10
700	Jackson Financial	21,613	0.08
150	Mastercard	39,794	0.14
60	Moody's	17,295	0.06
<b>Total Financials</b>		<b>105,445</b>	<b>0.38</b>
<b>Technology - 3.96% (3.64%)</b>			
315	Autodesk	65,400	0.24
600	Meta Platforms	148,984	0.54
3,300	Microsoft	819,147	2.95
1,000	Oracle	64,380	0.23
<b>Total Technology</b>		<b>1,097,911</b>	<b>3.96</b>
<b>Total United States</b>		<b>2,694,880</b>	<b>9.72</b>
<b>Cayman Islands - 0.05% (0.00%)</b>			
<b>Consumer Services - 0.05% (0.00%)</b>			
3,235	Cazoo	14,402	0.05
<b>Total Consumer Services</b>		<b>14,402</b>	<b>0.05</b>
<b>Total Cayman Islands</b>		<b>14,402</b>	<b>0.05</b>
<b>Channel Islands - 1.84% (1.61%)</b>			
<b>Industrials - 0.46% (0.42%)</b>			
3,500	Experian Group	127,120	0.46
<b>Total Industrials</b>		<b>127,120</b>	<b>0.46</b>
<b>Consumer Services - 0.36% (0.37%)</b>			
9,000	WPP	100,755	0.36
<b>Total Consumer Services</b>		<b>100,755</b>	<b>0.36</b>
<b>Financials - 1.02% (0.82%)</b>			
16,939	Chrysalis Investment*	41,331	0.15
20,000	Foresight Group Holdings	88,000	0.32
77,740	Sequoia Economic Infrastructure Income Fund*	83,804	0.30
51,286	The Renewables Infrastructure Group*	68,826	0.25
<b>Total Financials</b>		<b>281,961</b>	<b>1.02</b>
<b>Total Channel Islands</b>		<b>509,836</b>	<b>1.84</b>
<b>Denmark - 1.94% (1.67%)</b>			
<b>Healthcare - 1.94%(1.67%)</b>			
6,450	Novo Nordisk B	537,643	1.94
<b>Total Healthcare</b>		<b>537,643</b>	<b>1.94</b>
<b>Total Denmark</b>		<b>537,643</b>	<b>1.94</b>

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
	<b>France - 0.62% (0.71%)</b>		
	<b>Consumer Goods - 0.28% (0.37%)</b>		
1,700	Danone	77,918	0.28
	<b>Total Consumer Goods</b>	<b>77,918</b>	<b>0.28</b>
	<b>Technology - 0.34% (0.34%)</b>		
2,600	Ubisoft Entertainment	93,999	0.34
	<b>Total Technology</b>	<b>93,999</b>	<b>0.34</b>
	<b>Total France</b>	<b>171,917</b>	<b>0.62</b>
	<b>Germany - 2.40% (2.70%)</b>		
	<b>Basic Materials - 0.19% (0.25%)</b>		
1,304	Bayer	51,518	0.19
	<b>Total Basic Materials</b>	<b>51,518</b>	<b>0.19</b>
	<b>Consumer Goods - 0.68% (0.85%)</b>		
360	Adidas	76,668	0.28
1,950	Henkel	112,723	0.40
	<b>Total Consumer Goods</b>	<b>189,391</b>	<b>0.68</b>
	<b>Consumer Services - 0.22% (0.28%)</b>		
26,386	TUI AG	60,793	0.22
	<b>Total Consumer Services</b>	<b>60,793</b>	<b>0.22</b>
	<b>Telecommunications - 0.64% (0.52%)</b>		
13,000	Deutsche Telekom	177,650	0.64
	<b>Total Telecommunications</b>	<b>177,650</b>	<b>0.64</b>
	<b>Financials - 0.49% (0.59%)</b>		
1,100	Deutsche Boerse	135,671	0.49
	<b>Total Financials</b>	<b>135,671</b>	<b>0.49</b>
	<b>Technology - 0.18% (0.21%)</b>		
480	SAP	50,102	0.18
	<b>Total Technology</b>	<b>50,102</b>	<b>0.18</b>
	<b>Total Germany</b>	<b>665,125</b>	<b>2.40</b>
	<b>India - 0.73% (0.69%)</b>		
	<b>Financials - 0.73% (0.69%)</b>		
100,000	Ashoka India Equity Investment Trust*	202,000	0.73
	<b>Total Financials</b>	<b>202,000</b>	<b>0.73</b>
	<b>Total India</b>	<b>202,000</b>	<b>0.73</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Israel - 0.16% (0.18%)</b>			
<b>Technology - 0.16% (0.18%)</b>			
500	Check Point Software Technologies	43,025	0.16
<b>Total Technology</b>		<b>43,025</b>	<b>0.16</b>
<b>Total Israel</b>		<b>43,025</b>	<b>0.16</b>
<b>Japan - 0.56% (0.65%)</b>			
<b>Financials - 0.56% (0.65%)</b>			
40,000	Fidelity Japan Investment Trust*	90,400	0.32
10,000	JPMorgan Japanese Investment Trust*	65,600	0.24
<b>Total Financials</b>		<b>156,000</b>	<b>0.56</b>
<b>Total Japan</b>		<b>156,000</b>	<b>0.56</b>
<b>Netherlands - 0.73% (0.09%)</b>			
<b>Healthcare - 0.25% (0.00%)</b>			
2,500	Koninklijke Philips	68,743	0.25
<b>Total Healthcare</b>		<b>68,743</b>	<b>0.25</b>
<b>Consumer Services - 0.18% (0.00%)</b>			
1,200	Just Eat Takeaway	48,835	0.18
<b>Total Consumer Services</b>		<b>48,835</b>	<b>0.18</b>
<b>Financials - 0.30% (0.09%)</b>			
2,200	ING Groep NV	22,609	0.08
1,000	Prosus	61,736	0.22
<b>Total Financials</b>		<b>84,345</b>	<b>0.30</b>
<b>Total Netherlands</b>		<b>201,923</b>	<b>0.73</b>
<b>Pacific Excluding Japan - 0.30% (0.21%)</b>			
<b>Financials - 0.30% (0.21%)</b>			
12,000	Fidelity China Special Situations*	37,200	0.13
8,000	Schroder Asia Pacific Investment Trust*	46,960	0.17
<b>Total Financials</b>		<b>84,160</b>	<b>0.30</b>
<b>Total Pacific Excluding Japan</b>		<b>84,160</b>	<b>0.30</b>
<b>Spain - 0.90% (0.89%)</b>			
<b>Technology - 0.90% (0.89%)</b>			
4,987	Amadeus IT Group	249,635	0.90
<b>Total Technology</b>		<b>249,635</b>	<b>0.90</b>
<b>Total Spain</b>		<b>249,635</b>	<b>0.90</b>
<b>Switzerland - 0.24% (0.25%)</b>			
<b>Healthcare - 0.24% (0.25%)</b>			
220	Roche Holdings	67,581	0.24
<b>Total Healthcare</b>		<b>67,581</b>	<b>0.24</b>
<b>Total Switzerland</b>		<b>67,581</b>	<b>0.24</b>
<b>Total Equities</b>		<b>22,473,951</b>	<b>81.07</b>

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Nominal Values	Investment	Bid-market value £	Percentage of total net assets %
<b>BONDS</b>			
<b>Corporate Bonds - 5.32% (5.46%)</b>			
£227,000	Bank of Montreal 1% 09.09.2026	221,307	0.80
£150,000	Close Brothers Finance 2.75% 19.10.2026	158,812	0.57
£100,000	Deutsche Telekom International Finance 1.25% 06.10.2023	100,145	0.36
£100,000	Equinor 6.875% 11.03.2031	143,392	0.52
£100,000	HSBC 6% 29.03.2040	138,502	0.50
£125,000	InterContinental Hotels Group 2.125% 24.08.2026	124,680	0.45
£100,000	Johnson & Johnson 5.5% 06.11.2024	112,006	0.41
£100,000	Longstone Finance 4.774% 19.04.2036	115,893	0.42
£100,000	Nationwide Building Society 1% 24.01.2023	99,957	0.36
£150,000	Unilever 1.875% 15.09.2029	156,244	0.56
£100,000	Whitbread Group 3.375% 16.10.2025	103,585	0.37
<b>Total Corporate Bonds</b>		<b>1,474,523</b>	<b>5.32</b>
<b>Government Bonds - 6.92% (3.96%)</b>			
£400,000	UK Treasury 0.125% 31.01.2024	395,336	1.43
£200,000	UK Treasury 0.5% 22.07.2022	200,460	0.72
£100,000	UK Treasury 0.75% 22.07.2023	100,370	0.36
£400,000	UK Treasury 1.75% 07.09.2022	404,008	1.46
£300,000	UK Treasury 2.25% 07.09.2023	308,235	1.11
£200,000	UK Treasury 4.25% 07.12.2027	239,828	0.87
£200,000	UK Treasury 6% 07.12.2028	269,670	0.97
<b>Total Government Bonds</b>		<b>1,917,907</b>	<b>6.92</b>
<b>Total Bonds</b>		<b>3,392,430</b>	<b>12.24</b>
<b>Portfolio of investments</b>		<b>25,866,381</b>	<b>93.31</b>
<b>Net other assets</b>		<b>1,854,595</b>	<b>6.69</b>
<b>Net Assets</b>		<b>27,720,976</b>	<b>100.00</b>

\*UK-listed investment trust.

<b>Summary of Portfolio of Investments</b>			
Bond credit ratings <sup>+</sup>		Bid-market value £	Percentage of total net assets %
Investment grade		3,288,845	11.87
Unrated bonds		103,585	0.37
<b>Total Bonds</b>		<b>3,392,430</b>	<b>12.24</b>
Equities		22,473,951	81.07
<b>Total value of investments</b>		<b>25,866,381</b>	<b>93.31</b>

<sup>+</sup> ratings supplied by credit agencies



## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES

### for the period ended 31 December 2021

<b>Total Purchases</b>		<b>£3,839,210</b>
<b>Purchases</b>		<b>Cost £</b>
UK Treasury 1.75% 07.09.2022		404,968
UK Treasury 0.125% 31.01.2024		399,008
UK Treasury 2.25% 07.09.2023		309,546
Elementis		301,192
Bank of Montreal 1% 09/09/2026		226,596
easyJet		199,921
JPMorgan Emerging Markets Investment Trust		152,247
Smith & Nephew		133,713
Euromoney Institutional Investor		116,505
Hargreaves Lansdown		111,570
Templeton Emerging Markets Investment Trust		105,535
Dignity		84,816
Unilever		76,283
Foresight Group Holdings		76,214
Sabre		73,765
London Stock Exchange Group		71,015
PayPal Holdings		70,926
Just Eat Takeaway		68,627
Deutsche Telekom		67,393
Autodesk		66,648
<b>Total Sales</b>		<b>£445,059</b>
<b>Sales*</b>		<b>Proceeds £</b>
Equiniti Group		129,600
UK Treasury 3.75% 07.09.2021		100,000
U And I Group		89,942
Morrison (Wm) Supermarkets		71,750
Vistry Group		40,377
Circassia Group		7,390
Melrose Industries		6,000

\* As the total number of sales for the period was below twenty, the complete list of sales has been provided here.

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

## Comparative Tables

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	127.38	107.92	118.06	115.71
Return before operating charges*	6.59	21.66	(7.93)	4.56
Operating charges	(1.22)	(2.20)	(2.21)	(2.21)
Return after operating charges*	5.37	19.46	(10.14)	2.35
Distributions on accumulation units	(1.29)	(2.28)	(2.52)	(3.07)
Retained distributions on accumulation units	1.29	2.28	2.52	3.07
Closing net asset value per unit	132.75	127.38	107.92	118.06
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.04	0.09	0.07	0.10

<b>Performance</b>				
Return after charges	4.22%	18.03%	(8.59%)	2.03%
Sector: IA Mixed Investments 40-85%	4.09%	17.29%	(0.11%)	3.62%
Composite benchmark <sup>2</sup>	4.90%	16.06%	(7.02%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	13,828,869	12,799,561	11,870,855	12,095,441
Closing number of units	10,417,430	10,048,676	10,999,767	10,244,835
Operating charges	1.87%	1.90%	1.92%	1.95%
Direct transaction costs	0.03%	0.08%	0.06%	0.09%

<b>Prices</b>				
Highest unit price	138.03p	132.79p	129.04p	122.33p
Lowest unit price	125.90p	103.95p	89.29p	105.19p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 42.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	130.67	110.15	119.89	116.88
Return before operating charges*	6.78	22.21	(8.08)	4.68
Operating charges	(0.92)	(1.69)	(1.66)	(1.67)
Return after operating charges*	5.86	20.52	(9.74)	3.01
Distributions on accumulation units	(1.32)	(2.34)	(2.55)	(3.11)
Retained distributions on accumulation units	1.32	2.34	2.55	3.11
Closing net asset value per unit	136.53	130.67	110.15	119.89
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.05	0.10	0.07	0.11

Performance				
Return after charges	4.48%	18.63%	(8.12%)	2.58%
Sector: IA Mixed Investments 40-85%	4.09%	17.29%	(0.11%)	3.62%
Composite benchmark <sup>2</sup>	4.90%	16.06%	(7.02%) <sup>3</sup>	-

Other information				
Closing net asset value (£)	12,136,125	8,956,038	3,092,873	1,586,898
Closing number of units	8,889,086	6,853,884	2,807,808	1,323,617
Operating charges	1.37%	1.40%	1.43%	1.45%
Direct transaction costs	0.03%	0.08%	0.06%	0.09%

Prices				
Highest unit price	141.97p	136.21p	131.43p	124.16p
Lowest unit price	129.22p	106.31p	91.04p	106.58p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 42.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class B – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	112.25	96.97	108.49	109.25
Return before operating charges*	5.78	19.28	(7.21)	4.18
Operating charges	(1.07)	(1.97)	(2.01)	(2.07)
Return after operating charges*	4.71	17.31	(9.22)	2.11
Distributions on income units	(1.13)	(2.03)	(2.30)	(2.87)
Closing net asset value per unit	115.83	112.25	96.97	108.49
*after direct transactions costs <sup>1</sup> of:	0.04	0.08	0.07	0.10

Performance				
Return after charges	4.20%	17.85%	(8.50%)	1.93%
Sector: IA Mixed Investments 40-85%	4.09%	17.29%	(0.11%)	3.62%
Composite benchmark <sup>2</sup>	4.90%	16.06%	(7.02%) <sup>3</sup>	-

Other information				
Closing net asset value (£)	1,433,575	1,419,377	1,170,490	1,204,056
Closing number of units	1,237,637	1,264,523	1,207,051	1,109,790
Operating charges	1.87%	1.90%	1.92%	1.95%
Direct transaction costs	0.03%	0.08%	0.06%	0.09%

Prices				
Highest unit price	120.98p	117.71p	117.43p	115.44p
Lowest unit price	110.33p	92.83p	80.98p	98.68p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 42.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

## Comparative Tables

Class X – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	115.11	98.94	110.14	110.45
Return before operating charges*	5.94	19.75	(7.34)	4.16
Operating charges	(0.81)	(1.50)	(1.52)	(1.56)
Return after operating charges*	5.13	18.25	(8.86)	2.60
Distributions on income units	(1.16)	(2.08)	(2.34)	(2.91)
Closing net asset value per unit	119.08	115.11	98.94	110.14
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.04	0.09	0.07	0.10
<b>Performance</b>				
Return after charges	4.46%	18.45%	(8.04%)	2.35%
Sector: IA Mixed Investments 40-85%	4.09%	17.29%	(0.11%)	3.62%
Composite benchmark <sup>2</sup>	4.90%	16.06%	(7.02%) <sup>3</sup>	-
<b>Other information</b>				
Closing net asset value (£)	322,407	296,303	185,421	181,877
Closing number of units	270,743	257,418	187,406	165,130
Operating charges	1.37%	1.40%	1.42%	1.45%
Direct transaction costs	0.03%	0.08%	0.06%	0.09%
<b>Prices</b>				
Highest unit price	124.44p	120.76p	119.58p	116.78p
Lowest unit price	113.38p	94.94p	82.57p	99.99p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 42.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.

## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		1,030,522		1,307,439
Revenue	259,740		164,890	
Expenses	(212,963)		(154,313)	
Interest payable and similar charges	(37)		(31)	
Net revenue before taxation	46,740		10,546	
Taxation	(2,185)		(1,867)	
Net revenue after taxation		44,555		8,679
<b>Total return before distributions</b>		<b>1,075,077</b>		<b>1,316,118</b>
Distributions		(253,175)		(159,110)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>821,902</b>		<b>1,157,008</b>

## UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>23,471,279</b>		<b>16,319,639</b>
Amounts receivable on issue of units	4,734,304		1,997,568	
Amounts payable on cancellation of units	(1,548,064)		(1,192,020)	
		3,186,240		805,548
Change in net assets attributable to unitholders from investment activities		821,902		1,157,008
Retained distribution on accumulation units		241,555		148,195
<b>Closing net assets attributable to unitholders</b>		<b>27,720,976</b>		<b>18,430,390</b>

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		25,866,381		21,457,658
<b>Current assets</b>				
Debtors	85,217		105,255	
Cash and bank balances	1,831,521		1,999,616	
		1,916,738		2,104,871
Total assets		27,783,119		23,562,529
<b>Liabilities</b>				
Creditors				
Other creditors	(54,252)		(80,888)	
Distribution payable on income units	(7,891)		(10,362)	
Total liabilities		(62,143)		(91,250)
<b>Net assets attributable to unitholders</b>		<b>27,720,976</b>		<b>23,471,279</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### First Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and on or before 30 September 2021

Class B Accumulation Units	Net Income	Equalisation	Accumulated 30 November 2021	Accumulated 30 November 2020
Group 1	0.6909	-	0.6909	0.5695
Group 2	0.4259	0.2650	0.6909	0.5695

Class X Accumulation Units	Net Income	Equalisation	Accumulated 30 November 2021	Accumulated 30 November 2020
Group 1	0.7094	-	0.7094	0.5864
Group 2	0.3125	0.3969	0.7094	0.5864

Class B Income Units	Net Income	Equalisation	Paid 30 November 2021	Paid 30 November 2020
Group 1	0.6082	-	0.6082	0.5105
Group 2	0.2182	0.3900	0.6082	0.5105

Class X Income Units	Net Income	Equalisation	Paid 30 November 2021	Paid 30 November 2020
Group 1	0.6248	-	0.6248	0.5219
Group 2	0.5400	0.0848	0.6248	0.5219

# WESLEYAN MODERATE-HIGH RISK / REWARD INCOME FUND

continued

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Second Interim

Group 1: units purchased prior to 1 October 2021

Group 2: units purchased on or after 1 October 2021 and on or before 31 December 2021

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.5941	-	0.5941	0.4632
Group 2	0.4036	0.1905	0.5941	0.4632

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.6107	-	0.6107	0.4737
Group 2	0.3708	0.2399	0.6107	0.4737

Class B Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.5205	-	0.5205	0.4138
Group 2	0.2385	0.2820	0.5205	0.4138

Class X Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.5351	-	0.5351	0.4233
Group 2	0.3206	0.2145	0.5351	0.4233

### Corporate unitholders information

For corporate unitholders all of the income relating to the distribution is 100% franked.

### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit.

Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates. Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase. The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew. This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.





# WESLEYAN MODERATE RISK / REWARD GROWTH FUND

## FUND REVIEW

This is the half-year report for the Wesleyan Moderate Risk/Reward Growth Fund covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of 2.53%\* over the period, compared to the benchmark that delivered a return of 3.88%\*\*.

Following a strong start to the first half of 2021, stock markets in developed countries struck a more consolidatory chord in the final six months of the year. Although the summer trading months are typically quieter for investors, share prices in China fell significantly as its government's policies adversely impacted some high-profile market sectors. Despite this, the global economic recovery remained robust.

However, rising inflation was an unintended consequence of the rebound in growth that began to emerge in the reporting period. Supply chains were unable to match the strength of consumer demand, exacerbated by stringent lockdowns in countries such as China. Other issues included shortages of labour and materials, as well as rising energy prices, all of which led to steep price increases in the costs of goods and services. With inflation proving to be stubbornly persistent, several major central banks began to revise their forecasts, resulting in a higher likelihood that interest rate increases, and the gradual withdrawal of stimulus packages, would be needed to rein in prices.

The strong performance of US equities in the final quarter of 2021 resulted in the fund underperforming its benchmark. Fixed income markets were broadly flat in the reporting period, although the discovery of the Omicron variant in November helped to move bond prices higher. However, bond gains were partly eroded in December, as incoming medical data

suggested the variant was milder than previous strains. The Bank of England, having elected not to raise rates in November, voted to move the UK bank rate to 0.25% in December, a move that surprised some bond investors. This more aggressive policy stance resulted in bond prices falling, as investors began to factor in the prospect of higher bond yields.

Ongoing weakness in consumer goods giant Unilever provided several opportunities for us to invest in the company. Purchases in Clinigen, a speciality pharmaceutical business, proved to be well-timed as it has since received cash offers from private equity firm Triton. Similarly, purchases in US gaming company Activision Blizzard were rewarded following the news that Microsoft was seeking to purchase the company. Other notable purchases include Philips (medical devices), London Stock Exchange Group (financial services), Smith & Nephew (medical devices), Reckitt Benckiser (consumer goods) and Prosus (technology).

Following a thorough portfolio review, ahead of the publication of our Sustainable Investing Policy, we disposed of Chevron (energy), Exxon Mobil (energy), Glencore (mining) and Thungela Resources (coal mining) to ensure the fund was aligned to the stated aims of the policy.

Given the fund's steady stream of bond maturities, corporate and government bond purchases were also made during the period to ensure the fund retains an appropriate balance of asset classes. The preference remains to make purchases in several bonds that have relatively shorter time periods until their scheduled maturity.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

Inflationary pressures are currently at the forefront of investors' minds. US annual inflation ended the period at 7% and UK inflation is expected to rise to around 7% in the coming months. With unemployment rates at reassuringly low levels, and signs that we are through the worst phase of the Omicron wave, we are likely to see central banks raise interest rates and gradually withdraw stimulus in response to the threats posed by elevated inflation. High inflation and rising interest rates are likely to weigh on fixed income investments and the fund is positioned reasonably for that scenario. Equities continue to look attractive, particularly from a relative valuation perspective, as companies strive to meet consumer demand amidst an environment of rising prices for the goods and services they provide.

The prospects for the global economy appear to be reasonably optimistic, but we acknowledge that navigating high inflation and raising interest rates will be a delicate balancing act for policy makers. We are also mindful that growing sources of geopolitical risk – such as an assertive Russia in eastern Europe and strained relations between China and the West, particularly relating to sensitive issues such as Taiwan – could also result in bouts of stock market weakness. A change in UK political leadership or the emergence of additional COVID-19 strains are also possible risks to consider. We will therefore continue to be highly selective when choosing new investments, paying close attention to the valuations being paid as we seek to deliver competitive long-term returns for our unitholders.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 74-77.

\*\* The composite benchmark is composed as follows: 40% UK FTSE All Share – Total Return, 12.5% FTSE Developed ex UK – Total Return, 2.5% FTSE Emerging Markets – Total Return, 20% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 20% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The benchmark is rebalanced annually on 1 January, and makes no allowances for taxes, fees and charges.

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

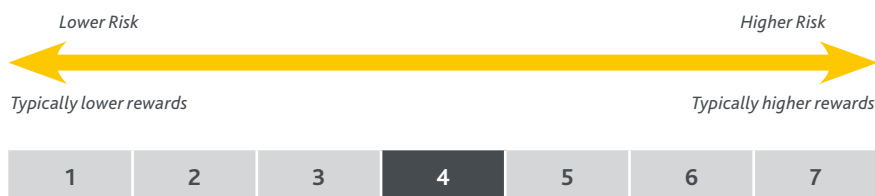
The composite benchmark is composed as follows: 40% UK FTSE All Share – Total Return, 12.5% FTSE Developed ex UK – Total Return, 2.5% FTSE Emerging Markets – Total Return, 20% FTSE Actuaries UK Conventional Gilts All Stocks – Total Return, 20% iBoxx £ Corporates – Total Return Indices and 5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

The Fund will invest predominantly in a diversified portfolio of UK and international equities, government bonds, corporate bonds and cash. Investments will be made across various sectors and may include companies anywhere in the world.

The Fund may also invest in other fixed interest and transferable securities, near cash, deposits and money-market instruments and other collective investment schemes. More than 35% of the Fund may be invested in government and public securities issued by or on behalf of or guaranteed by the Government of the United Kingdom.

The Fund may use derivatives for the purposes of efficient portfolio management.

### Risk and reward profile



The risk category is based on the rate the fund's value has moved up and down in the past and has remained unchanged from the prior year. The fund's value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund's future risk and reward category.

A fund in the lowest category does not mean a 'risk free' investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund's Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class B	Class X
Initial charge*	3%	3%
Annual management charge**	1.6%	1.1%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	Last day of February

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are quoted in ordinary shares and listed on a recognised exchange. Percentages in brackets show the equivalent sector distribution as at 30 June 2021.

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>EQUITIES</b>			
<b>United Kingdom - 39.45% (36.22%)</b>			
<b>Oil &amp; Gas - 2.57% (2.74%)</b>			
212,000	BP	700,660	0.99
44,876	Hunting	75,302	0.11
30,500	Royal Dutch Shell 'A'	494,588	0.70
33,500	Royal Dutch Shell 'B'	543,504	0.77
<b>Total Oil &amp; Gas</b>		<b>1,814,054</b>	<b>2.57</b>
<b>Basic Materials - 2.55% (2.73%)</b>			
5,752	Anglo American	173,480	0.25
18,000	BHP Group	395,820	0.56
222,044	Elementis	292,210	0.41
8,550	Johnson Matthey	174,933	0.25
15,500	Rio Tinto	758,260	1.08
<b>Total Basic Materials</b>		<b>1,794,703</b>	<b>2.55</b>
<b>Industrials - 4.86% (5.25%)</b>			
35,000	Babcock International	111,405	0.16
40,000	BAE Systems	219,920	0.31
22,000	Bodycote	190,410	0.27
10,000	Bunzl	288,500	0.41
46,818	DS Smith	179,687	0.26
95,539	Hays	139,583	0.20
12,000	Homeserve	104,940	0.15
18,000	IMI	312,480	0.44
20,500	Keller	201,925	0.29
242,070	Melrose Industries	386,586	0.55
9,000	Morgan Sindall	226,800	0.32
3,500	Renishaw	167,300	0.24
5,369	Robert Walters	41,341	0.06
130,000	Rolls Royce	159,744	0.23
73,141	Senior	107,517	0.15
68,750	SIG	32,244	0.05
13,698	Smiths Group	216,360	0.31
10,709	Travis Perkins	166,471	0.24
15,000	Vesuvius	67,500	0.10
5,000	Weir Group	85,575	0.12
<b>Total Industrials</b>		<b>3,406,288</b>	<b>4.86</b>

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Goods - 6.80% (4.87%)</b>			
20,800	Associated British Foods	416,624	0.59
18,850	Barratt Developments	140,998	0.20
4,085	Bellway	136,276	0.19
9,921	Burberry	180,265	0.26
21,612	Diageo	872,260	1.24
18,282	Galliford Try	32,871	0.05
9,500	Persimmon	271,320	0.39
10,400	Reckitt Benckiser	659,360	0.94
22,500	Tate & Lyle	148,815	0.21
200,000	Taylor Wimpey	351,000	0.50
34,545	Unilever	1,362,800	1.94
17,293	Vistry Group	204,749	0.29
	<b>Total Consumer Goods</b>	<b>4,777,338</b>	<b>6.80</b>
<b>Healthcare - 3.39% (3.03%)</b>			
7,350	AstraZeneca	637,539	0.91
25,000	Clinigen	228,750	0.32
55,200	GlaxoSmithKline	886,843	1.26
48,851	Smith & Nephew	630,422	0.90
	<b>Total Healthcare</b>	<b>2,383,554</b>	<b>3.39</b>
<b>Consumer Services - 3.18% (3.35%)</b>			
9,000	Carnival	124,524	0.18
21,222	Compass Group	350,269	0.50
15,000	easyJet	83,400	0.12
6,000	Greggs	200,220	0.28
15,000	Inchcape	136,425	0.19
24,392	Informa	126,009	0.18
4,955	InterContinental Hotels	236,849	0.34
180,000	ITV	198,990	0.28
85,000	Marston's	65,365	0.09
16,500	RELX	395,670	0.56
80,000	Sainsbury (J)	220,560	0.31
31,420	The Gym	79,964	0.11
12,000	Wickes	28,440	0.04
	<b>Total Consumer Services</b>	<b>2,246,685</b>	<b>3.18</b>

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Telecommunications - 0.76% (0.96%)</b>			
99,000	BT	167,855	0.24
327,110	Vodafone	366,952	0.52
<b>Total Telecommunications</b>		<b>534,807</b>	<b>0.76</b>
<b>Utilities - 1.74% (1.88%)</b>			
99,000	Centrica	70,745	0.10
20,166	National Grid	213,719	0.30
11,535	Pennon Group	134,613	0.19
8,500	Severn Trent	250,495	0.36
17,500	SSE	288,400	0.41
24,500	United Utilities	266,805	0.38
<b>Total Utilities</b>		<b>1,224,777</b>	<b>1.74</b>
<b>Financials - 13.17% (11.00%)</b>			
8,303	3i Group	120,310	0.17
124,961	Atrato Onsite Energy	136,208	0.19
75,550	Aviva	310,057	0.44
55,278	Baillie Gifford China Growth Trust*	203,699	0.29
53,681	Baillie Gifford Shin Nippon	117,561	0.17
310,000	Barclays	579,700	0.82
70,000	Beazley	326,270	0.46
28,000	British Land REIT*	148,680	0.21
25,000	C C Japan Income & Growth Rights	500	0.00
125,000	CC Japan Income & Growth Trust*	186,875	0.27
44,419	Direct Line	123,929	0.18
76,333	Grainger Trust*	240,449	0.34
192,721	Greencoat UK Wind	270,580	0.38
10,000	Hargreaves Lansdown	135,500	0.19
250,000	Harmony Energy Income Trust*	247,500	0.35
500,000	Home REIT*	647,500	0.92
103,000	HSBC Holdings (London listed)	462,058	0.66
1,995	Invesco Asia Trust*	6,983	0.01
24,672	JP Morgan China Growth & Income Investment Trust*	120,399	0.17
101,630	JP Morgan Emerging Market Investment Trust*	129,273	0.18
20,000	JP Morgan Indian Investment Trust*	163,000	0.23
25,687	Land Securities REIT*	199,280	0.28
118,366	Legal & General	351,902	0.50
1,256,232	Lloyds Banking	600,479	0.85
5,000	London Stock Exchange Group	346,500	0.49
39,311	LXi REIT*	56,922	0.08
14,500	M&G Prudential	28,862	0.04
90,000	NatWest Group	203,040	0.29
297,900	Octopus Renewables	329,477	0.47
100,000	Odyssean Investment Trust*	165,000	0.23
25,195	OSB Group	139,580	0.20
150,934	PRS REIT*	165,273	0.23
46,500	Prudential	592,643	0.84

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
16,464	Shaftesbury REIT*	101,171	0.14
12,000	St. James's Place Capital	202,020	0.29
12,000	Standard Chartered	53,808	0.08
25,812	Standard Life Aberdeen	62,155	0.09
49,227	Strategic Equity Capital*	154,573	0.22
150,000	Supermarket Income REIT*	182,250	0.26
78,947	Tesco	228,867	0.32
72,915	Tritax Big Box REIT*	181,267	0.26
250,000	VH Global Sustainable Energy Opportunities*	267,000	0.38
<b>Total Financials</b>		<b>9,289,100</b>	<b>13.17</b>
<b>Technology - 0.43% (0.41%)</b>			
10,000	EMIS	136,000	0.19
19,500	Sage	166,257	0.24
<b>Total Technology</b>		<b>302,257</b>	<b>0.43</b>
<b>Total United Kingdom</b>		<b>27,773,563</b>	<b>39.45</b>
<b>United States - 6.83% (6.52%)</b>			
<b>Oil &amp; Gas - 0.00% (0.34%)</b>			
<b>Basic Materials - 0.14% (0.16%)</b>			
975	Dupont De Nemours	58,142	0.08
376	International Flavors & Fragrances	41,813	0.06
<b>Total Basic Materials</b>		<b>99,955</b>	<b>0.14</b>
<b>Consumer Goods - 1.10% (0.89%)</b>			
3,000	Activision	147,314	0.21
2,200	Colgate-Palmolive	138,599	0.20
1,100	Estée Lauder 'A'	300,727	0.43
1,500	Nike 'B'	184,580	0.26
<b>Total Consumer Goods</b>		<b>771,220</b>	<b>1.10</b>
<b>Consumer Services - 1.01% (0.64%)</b>			
600	Home Depot	183,830	0.26
800	PayPal Holdings	111,378	0.16
1,250	Royal Caribbean Cruises	70,961	0.10
2,000	Walgreens Boots Alliance	77,005	0.11
1,650	Walt Disney	188,688	0.27
2,008	Yum China	73,889	0.11
<b>Total Consumer Services</b>		<b>705,751</b>	<b>1.01</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Financials - 0.99% (0.97%)</b>			
3,500	Bank of America	114,940	0.16
4,000	Citigroup	178,286	0.25
1,162	Jackson Financial	35,878	0.05
1,000	JP Morgan Chase	116,896	0.17
300	Mastercard	79,589	0.11
750	Visa 'A'	119,982	0.17
1,500	Wells Fargo	53,114	0.08
<b>Total Financials</b>		<b>698,685</b>	<b>0.99</b>
<b>Healthcare - 0.68% (0.66%)</b>			
500	Becton Dickinson	92,835	0.13
1,700	Johnson & Johnson	214,664	0.30
3,000	Merck	169,752	0.24
200	Organon	4,495	0.01
<b>Total Healthcare</b>		<b>481,746</b>	<b>0.68</b>
<b>Industrials - 0.92% (1.03%)</b>			
1,100	3M	144,244	0.20
600	Boeing	89,168	0.13
750	Caterpillar	114,484	0.16
800	Grainger	306,096	0.43
<b>Total Industrials</b>		<b>653,992</b>	<b>0.92</b>
<b>Technology - 1.91% (1.73%)</b>			
125	Alphabet 'A'	267,359	0.38
4,600	Apple	603,133	0.86
1,500	Cognizant Technology Solutions	98,232	0.14
2,000	Intel	76,046	0.11
1,200	Microsoft	297,871	0.42
<b>Total Technology</b>		<b>1,342,641</b>	<b>1.91</b>
<b>Telecommunications - 0.08% (0.10%)</b>			
1,500	Verizon Communications	57,544	0.08
<b>Total Telecommunications</b>		<b>57,544</b>	<b>0.08</b>
<b>Total United States</b>		<b>4,811,534</b>	<b>6.83</b>
<b>Belgium - 0.13% (0.17%)</b>			
<b>Consumer Goods - 0.13% (0.17%)</b>			
2,000	Anheuser-Busch InBev	89,283	0.13
<b>Total Consumer Goods</b>		<b>89,283</b>	<b>0.13</b>
<b>Total Belgium</b>		<b>89,283</b>	<b>0.13</b>
<b>Channel Islands - 3.73% (3.90%)</b>			
<b>Oil &amp; Gas - 0.18% (0.00%)</b>			
100,000	Bluefield Solar Income Fund*	123,800	0.18
<b>Total Oil &amp; Gas</b>		<b>123,800</b>	<b>0.18</b>
<b>Basic Materials - 0.00% (0.48%)</b>			

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Services - 0.21% (0.21%)</b>			
13,000	WPP	145,535	0.21
<b>Total Consumer Services</b>		<b>145,535</b>	<b>0.21</b>
<b>Financials - 2.77% (2.70%)</b>			
240,000	Chrysalis Investment*	585,600	0.83
200,000	Foresight Solar Fund	202,800	0.29
75,000	International Public Partnerships*	127,200	0.18
325,000	JLEN Environmental Assets*	341,250	0.48
100,000	Man Group	226,900	0.32
100,000	NextEnergy Solar Fund*	101,400	0.14
184,659	Sequoia Economic Infrastructure Income Fund*	199,062	0.28
131,639	The Renewables Infrastructure Group*	176,660	0.25
<b>Total Financials</b>		<b>1,960,872</b>	<b>2.77</b>
<b>Industrials - 0.57% (0.51%)</b>			
3,084	Ferguson	404,004	0.57
<b>Total Industrials</b>		<b>404,004</b>	<b>0.57</b>
<b>Total Channel Islands</b>		<b>2,634,211</b>	<b>3.73</b>
<b>France - 2.12% (2.28%)</b>			
<b>Oil &amp; Gas - 0.13% (0.13%)</b>			
2,500	Total	93,679	0.13
<b>Total Oil &amp; Gas</b>		<b>93,679</b>	<b>0.13</b>
<b>Basic Materials - 0.16% (0.18%)</b>			
884	Air Liquide	113,706	0.16
<b>Total Basic Materials</b>		<b>113,706</b>	<b>0.16</b>
<b>Technology - 0.45% (0.54%)</b>			
1,000	Cap Gemini	180,851	0.26
3,700	Ubisoft Entertainment	133,767	0.19
<b>Total Technology</b>		<b>314,618</b>	<b>0.45</b>
<b>Financials - 0.15% (0.15%)</b>			
4,300	Société Générale	109,013	0.15
<b>Total Financials</b>		<b>109,013</b>	<b>0.15</b>
<b>Industrials - 0.39% (0.40%)</b>			
3,200	Legrand Promesses	275,390	0.39
<b>Total Industrials</b>		<b>275,390</b>	<b>0.39</b>



Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Goods - 0.42% (0.47%)</b>			
1,800	Danone	82,501	0.12
350	LVMH Moët Hennessy	213,490	0.30
	<b>Total Consumer Goods</b>	<b>295,991</b>	<b>0.42</b>
<b>Consumer Services - 0.42% (0.41%)</b>			
4,500	Accor	107,490	0.15
5,000	JC Decaux	92,356	0.13
1,500	Sodexo	97,025	0.14
	<b>Total Consumer Services</b>	<b>296,871</b>	<b>0.42</b>
	<b>Total France</b>	<b>1,499,268</b>	<b>2.12</b>
<b>Germany - 2.14% (2.46%)</b>			
<b>Basic Materials - 0.15% (0.19%)</b>			
2,630	Bayer	103,905	0.15
	<b>Total Basic Materials</b>	<b>103,905</b>	<b>0.15</b>
<b>Technology - 0.19% (0.21%)</b>			
1,250	SAP	130,474	0.19
	<b>Total Technology</b>	<b>130,474</b>	<b>0.19</b>
<b>Telecommunications - 0.26% (0.34%)</b>			
13,500	Deutsche Telekom	184,483	0.26
	<b>Total Telecommunication</b>	<b>184,483</b>	<b>0.26</b>
<b>Consumer Goods - 0.91% (1.09%)</b>			
800	Adidas	170,372	0.24
2,000	BMW	148,711	0.21
1,300	Continental	101,661	0.14
800	Daimler	45,459	0.06
400	Daimler Truck	10,829	0.02
2,766	Henkel	159,893	0.23
260	Vitesco Technologies	9,365	0.01
	<b>Total Consumer Goods</b>	<b>646,290</b>	<b>0.91</b>
<b>Consumer Services - 0.13% (0.17%)</b>			
41,231	TUI AG	94,996	0.13
	<b>Total Consumer Services</b>	<b>94,996</b>	<b>0.13</b>
<b>Financials - 0.26% (0.21%)</b>			
1,500	Deutsche Boerse	185,007	0.26
	<b>Total Financials</b>	<b>185,007</b>	<b>0.26</b>

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Industrials - 0.24% (0.25%)</b>			
1,200	Siemens	153,285	0.22
600	Siemens Energy	11,350	0.02
<b>Total Industrials</b>		<b>164,635</b>	<b>0.24</b>
<b>Total Germany</b>		<b>1,509,790</b>	<b>2.14</b>
<b>Luxembourg - 0.24% (0.21%)</b>			
<b>Financials - 0.24% (0.21%)</b>			
96,010	Bilfinger Berger Global Infrastructure	168,594	0.24
<b>Total Financials</b>		<b>168,594</b>	<b>0.24</b>
<b>Total Luxembourg</b>		<b>168,594</b>	<b>0.24</b>
<b>Netherlands - 1.00% (0.57%)</b>			
<b>Financials - 0.52% (0.27%)</b>			
17,500	ING Groep	179,843	0.26
3,000	Prosus	185,208	0.26
<b>Total Financials</b>		<b>365,051</b>	<b>0.52</b>
<b>Healthcare - 0.21% (0.00%)</b>			
5,500	Koninklijke Philips	151,234	0.21
<b>Total Healthcare</b>		<b>151,234</b>	<b>0.21</b>
<b>Industrials - 0.27% (0.30%)</b>			
2,000	Airbus	188,541	0.27
<b>Total Industrials</b>		<b>188,541</b>	<b>0.27</b>
<b>Total Netherlands</b>		<b>704,826</b>	<b>1.00</b>
<b>South Korea - 0.17% (0.00%)</b>			
<b>Technology - 0.17% (0.00%)</b>			
100	Samsung	121,710	0.17
<b>Total Technology</b>		<b>121,710</b>	<b>0.17</b>
<b>Total South Korea</b>		<b>121,710</b>	<b>0.17</b>
<b>Spain - 0.46% (0.45%)</b>			
<b>Consumer Services - 0.35% (0.32%)</b>			
8,000	Industria de Diseño Textil S.A	191,564	0.27
37,500	International Consolidated Airlines	53,423	0.08
<b>Total Consumer Services</b>		<b>244,987</b>	<b>0.35</b>
<b>Technology - 0.11% (0.13%)</b>			
1,500	Amadeus IT Group	75,086	0.11
<b>Total Technology</b>		<b>75,086</b>	<b>0.11</b>
<b>Total Spain</b>		<b>320,073</b>	<b>0.46</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Switzerland - 0.39% (0.40%)</b>			
<b>Healthcare - 0.39% (0.40%)</b>			
893	Roche Holding	274,317	0.39
<b>Total Healthcare</b>		<b>274,317</b>	<b>0.39</b>
<b>Total Switzerland</b>		<b>274,317</b>	<b>0.39</b>
<b>India - 0.43% (0.40%)</b>			
<b>Financials - 0.43% (0.40%)</b>			
150,000	Ashoka India Equity Investment Trust*	303,000	0.43
<b>Total Financials</b>		<b>303,000</b>	<b>0.43</b>
<b>Total India</b>		<b>303,000</b>	<b>0.43</b>
<b>Japan - 0.15% (0.17%)</b>			
<b>Financials - 0.15% (0.17%)</b>			
50,000	Schroder Japan Investment Trust*	106,500	0.15
<b>Total Financials</b>		<b>106,500</b>	<b>0.15</b>
<b>Total Japan</b>		<b>106,500</b>	<b>0.15</b>
<b>Pacific Excluding Japan - 0.38% (0.46%)</b>			
<b>Financials - 0.38% (0.46%)</b>			
85,664	Fidelity China Special Situations*	265,558	0.38
<b>Total Financials</b>		<b>265,558</b>	<b>0.38</b>
<b>Total Pacific Excluding Japan</b>		<b>265,558</b>	<b>0.38</b>
<b>Total Equities</b>		<b>40,582,227</b>	<b>57.62</b>

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
<b>BONDS</b>			
<b>Corporate Bonds - 19.60% (17.60%)</b>			
100,000	3i Group 3.75% 05.06.2040	113,035	0.16
200,000	Anglian Water Services Financing 2.625% 15.06.2027	211,129	0.30
100,000	Aviva 4% VRN 03.06.2055	107,612	0.15
450,000	Aviva 6.125% VRN Perp	464,062	0.66
500,000	Banco Santander 1.375% 31.07.2024	499,492	0.71
300,000	Banco Santander 2.75 % 12.09.2023	306,955	0.44
227,000	Bank of Montreal 1% 09.09.2026	221,307	0.31
454,000	Bank of Nova Scotia 1.25% 17.12.2025	448,547	0.64
150,000	British Telecommunications 3.125% 21.11.2031	156,185	0.22
100,000	Centrica 4.375% 13.03.2029	115,396	0.16
250,000	Citigroup 2.75% 24.01.2024	257,039	0.36
150,000	Close Brothers Finance 2.75% 19.10.2026	158,813	0.23
150,000	Compass Group 2% 03.07.2029	154,711	0.22
350,000	Coventry Building Society 1.5% 23.01.2023	351,307	0.50
200,000	Daimler International Finance 1.25% 05.09.2022	200,570	0.28
225,000	Deutsche Telekom International Finance 1.25% 06.10.2023	225,325	0.32
150,000	Deutsche Telekom International Finance 6.5% 08.04.2022	152,250	0.22
300,000	DWR Cymru Financing 1.625% 31.03.2026	300,165	0.43
100,000	Equinor ASA 6.875% 11.03.2031	143,392	0.20

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
273,000	European Investment Bank 0.875% 15.05.2026	270,853	0.38
200,000	European Investment Bank FRN 10.01.2022	200,006	0.28
109,000	Gatwick Funding 3.125% 28.09.2041	109,412	0.16
100,000	GlaxoSmithKline 5.25% 10.04.2042	152,830	0.22
100,000	Hammerson 3.5% 27.10.2025	101,436	0.14
300,000	Henkel AG1% 30.09.2022	300,354	0.43
400,000	HSBC Holdings 2.175% VRN 27.06.2023	402,640	0.57
200,000	HSBC Holdings 3% VRN 22.07.2028	208,930	0.30
125,000	HSBC 6% 29.03.2040	173,128	0.25
100,000	Intu Debenture 5.562% 31.12.2027	34,947	0.05
100,000	Johnson & Johnson 5.5% 06.11.2024	112,006	0.16
500,000	JPMorgan Chase 0.991% VRN 28.04.2026	489,811	0.70
150,000	Land Securities Capital Markets 1.974% 08.02.2026	152,023	0.22
500,000	Leeds Building Society 1.5% VRN 16.03.2027	492,418	0.70
100,000	Legal & General Finance 5.875% 11.12.2031	137,053	0.19
100,000	Legal & General Group 3.75% VRN 26.11.2049	104,301	0.15
100,000	Legal & General Group 5.375% VRN 27.10.2045	110,861	0.16
117,000	Lloyds Banking Group 2.25% 16.10.2024	119,194	0.17
150,000	Longstone Finance 4.774% 19.04.2036	173,840	0.25
145,000	Marks & Spencer 4.75% 12.06.2025	156,461	0.22
100,000	Mondelez International 4.5% 03.12.2035	123,543	0.18
200,000	National Grid 5.875% 02.02.2024	217,933	0.31
154,000	Nationwide Building Society 1% 24.01.2023	153,933	0.22
100,000	Nationwide Building Society 3.25% 20.01.2028	110,056	0.16
399,000	NatWest Group 2.057% VRN 09.11.2028	400,635	0.57
250,000	Next 3% 26.08.2025	261,887	0.37
125,000	Next 4.375% 02.10.2026	138,565	0.20
100,000	Northumbrian Water Finance 1.625% 11.10.2026	100,519	0.14
150,000	Northumbrian Water Finance 2.375% 05.10.2027	155,516	0.22
100,000	Prudential 5.875% 11.05.2029	130,102	0.18
100,000	Prudential 6.875% 20.01.2023	105,918	0.15
100,000	Reckitt Benckiser Treasury Services 1.75% 19.05.2032	100,248	0.14
175,000	Scottish Power 6.75% 29.05.2023	188,508	0.27
125,000	Scottish & Southern Energy 6.25% 27.08.2038	188,723	0.27
120,000	Severn Trent Water Utilities 2.75% 05.12.2031	129,777	0.18
256,000	Skipton Building Society 2% VRN 02.10.2026	257,573	0.37
100,000	Sky 6% 21.05.2027	122,902	0.17
216,000	Southern Water Services Finance 2.375% 28.05.2028	221,435	0.31
100,000	Southern Gas Networks 2.5% 03.02.2025	103,300	0.15
100,000	SPD Finance UK 5.875% 17.07.2026	119,602	0.17
125,000	Tesco 5.5% 13.01.2033	158,388	0.23
100,000	Thames Water Utilities Cayman Finance 1.875% 24.01.2024	100,985	0.14
100,000	Unilever 1.125% 03.02.2022	100,064	0.14

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
150,000	Unilever 1.875% 15.09.2029	156,244	0.22
125,000	Vodafone Group 5.625% 04.12.2025	144,726	0.21
100,000	Vodafone Group 5.9% 26.11.2032	135,557	0.19
200,000	Volkswagen Financial Services 1.625% 10.02.2024	200,357	0.28
100,000	Volkswagen Financial Services 4.25% 09.10.2025	108,816	0.15
125,000	Wells Fargo 2% 28.07.2025	126,423	0.18
100,000	Wells Fargo 2.125% 20.12.2023	101,316	0.14
200,000	Western Power Distribution South West 1.625% 07.10.2035	184,814	0.26
150,000	Western Power Distribution South West 2.375% 16.05.2029	155,150	0.22
200,000	Western Power Distribution South West 5.25% 17.01.2023	208,227	0.30
<b>Total Corporate Bonds</b>		<b>13,801,538</b>	<b>19.60</b>
<b>Government Bonds - 15.74% (18.68%)</b>			
500,000	UK Treasury 0% 14.02.2022	500,000	0.71
500,000	UK Treasury 0% 14.03.2022	499,820	0.71
354,488	UK Treasury 0% 13.06.2022	354,435	0.50
500,000	UK Treasury 0.125% 31.01.2023	497,810	0.71
750,000	UK Treasury 0.125% 31.01.2024	741,255	1.05
250,000	UK Treasury 0.125% 30.01.2026	243,890	0.35
425,000	UK Treasury 0.5% 22.07.2022	425,977	0.60
500,000	UK Treasury 0.75% 22.07.2023	501,850	0.71
500,000	UK Treasury 1% 22.04.2024	503,935	0.72
250,000	UK Treasury 1.50% 22.07.2047	267,950	0.38
500,000	UK Treasury 1.75% 07.09.2022	505,010	0.72
200,000	UK Treasury 1.75% 07.09.2037	216,586	0.31
650,000	UK Treasury 2.25% 07.09.2023	667,842	0.95
500,000	UK Treasury 2.75% 07.09.2024	527,030	0.75
150,000	UK Treasury 3.25% 22.01.2044	209,718	0.30
150,000	UK Treasury 3.5% 22.01.2045	219,488	0.31
500,000	UK Treasury 4% 07.03.2022	503,440	0.71
300,000	UK Treasury 4.25% 07.12.2027	359,742	0.51
300,000	UK Treasury 4.25% 07.06.2032	396,513	0.56
350,000	UK Treasury 4.25% 07.03.2036	494,749	0.70
225,000	UK Treasury 4.25% 07.09.2039	336,665	0.48
250,000	UK Treasury 4.5% 07.09.2034	351,898	0.50
350,000	UK Treasury 4.75% 07.12.2030	465,234	0.66
725,000	UK Treasury 5% 07.03.2025	821,614	1.17
350,000	UK Treasury 6% 07.12.2028	471,923	0.67
<b>Total Government Bonds</b>		<b>11,084,374</b>	<b>15.74</b>
<b>Total Bonds</b>		<b>24,885,912</b>	<b>35.34</b>
<b>Portfolio of investments</b>		<b>65,468,139</b>	<b>92.96</b>
<b>Net other assets</b>		<b>4,957,798</b>	<b>7.04</b>
<b>Net assets</b>		<b>70,425,937</b>	<b>100.00</b>

\* UK-listed investment trust.

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Summary of Portfolio of Investments		
Credit breakdown <sup>†</sup>	£	assets %
Investments of investment grade	24,293,549	34.50
Investments of below investment grade	156,461	0.22
Unrated Bonds	<b>435,902</b>	<b>0.62</b>
<b>Total Bonds</b>	<b>24,885,912</b>	<b>35.34</b>
Equities	40,582,227	57.62
<b>Total value of investments</b>	<b>65,468,139</b>	<b>92.96</b>

<sup>†</sup> Ratings supplied by credit agencies.

## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the period ended 31 December 2021

<b>Total Purchases</b>		<b>£17,448,852</b>
<b>Purchases</b>		<b>Cost £</b>
Unilever		977,309
UK Treasury 0.125% 31.01.2024		745,963
UK Treasury 5% 07.03.2025		568,425
UK Treasury 2.75% 07.09.2024		528,930
UK Treasury 2.25% 07.09.2023		514,940
UK Treasury 4% 07.03.2022		510,275
Banco Santander 1.375% 31.07.2024		501,450
UK Treasury 0% 11.10.2021		499,992
UK Treasury 0.125% 31.01.2023		499,960
UK Treasury 0% 14.02.2022		499,953
UK Treasury 0% 14.03.2022		499,918
JPMorgan Chase 0.991% VRN 28.04.2026		496,670
Aviva 6.125% VRN Perp		476,560
Bank of Nova Scotia 1.25% 17.12.2025		452,166
HSBC Holdings 2.175% VRN 27.06.2023		405,950
NatWest Group 2.057% VRN 09.11.2028		398,870
UK Treasury 1.75% 07.09.2022		355,912
UK Treasury 0% 13.06.2022		354,435
London Stock Exchange Group		348,080
Banco Santander 2.75 % 12.09.2023		312,729
<b>Total Sales</b>		<b>£8,510,379</b>
<b>Sales</b>		<b>Proceeds £</b>
UK Treasury 0% 13.09.2021		500,000
UK Treasury 0% 27.09.2021		500,000
UK Treasury 0% 11.10.2021		500,000
UK Treasury 0% 18.10.2021		500,000
UK Treasury 0% 25.10.2021		500,000
UK Treasury 0% 01.11.2021		500,000
UK Treasury 0% 22.11.2021		500,000
UK Treasury 0% 06.12.2021		500,000
UK Treasury 0% 13.12.2021		500,000
UK Treasury 0% 08.11.2021		421,000
Glencore		322,129
UK Treasury 0% 09.08.2021		300,000
UK Treasury 0% 02.08.2021		250,000
UK Treasury 0% 23.08.2021		250,000
UK Treasury 0% 06.09.2021		250,000
Experian Finance 3.5% 15.10.2021		250,000
St. Modwen Properties		221,642
Electricité de France 6.125% 02.06.2034		217,350
Next 5.375% 26.10.2021		200,000
UK Treasury 0% 16.08.2021		198,000

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

## COMPARATIVE TABLES

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	125.66	110.10	117.49	116.19
Return before operating charges*	3.95	17.58	(5.37)	3.30
Operating charges	(1.09)	(2.02)	(2.02)	(2.00)
Return after operating charges*	2.86	15.56	(7.39)	1.30
Distributions on accumulation units	(0.17)	(0.55)	(0.83)	(1.34)
Retained distributions on accumulation units	0.17	0.55	0.83	1.34
Closing net asset value per unit	128.52	125.66	110.10	117.49
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.04	0.03	0.10	0.11

<b>Performance</b>				
Return after charges	2.28%	14.13%	(6.29%)	1.12%
Sector: IA Mixed Investments 20-60%	2.60%	12.74%	(0.76%)	3.32%
Composite benchmark <sup>2</sup>	3.88%	11.06%	(4.32%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	37,813,691	35,553,139	29,564,439	26,910,211
Closing number of units	29,422,180	28,292,225	26,852,083	22,904,774
Operating charges	1.70%	1.72%	1.74%	1.74%
Direct transaction costs	0.03%	0.03%	0.09%	0.10%

<b>Prices</b>				
Highest unit price	129.39p	127.08p	125.28p	118.37p
Lowest unit price	124.34p	106.35p	94.86p	107.45p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 60.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.



Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	128.92	112.38	119.30	117.37
Return before operating charges*	4.05	18.02	(5.47)	3.37
Operating charges	(0.79)	(1.48)	(1.45)	(1.44)
Return after operating charges*	3.26	16.54	(6.92)	1.93
Distributions on accumulation units	(0.51)	(1.18)	(1.42)	(1.95)
Retained distributions on accumulation units	0.51	1.18	1.42	1.95
Closing net asset value per unit	132.18	128.92	112.38	119.30
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.04	0.03	0.10	0.11

<b>Performance</b>				
Return after charges	2.53%	14.72%	(5.80%)	1.64%
Sector: IA Mixed Investments 20-60%	2.60%	12.74%	(0.76%)	3.32%
Composite benchmark <sup>2</sup>	3.88%	11.06%	(4.32%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	31,048,612	24,205,331	9,353,119	4,747,846
Closing number of units	23,488,823	18,775,766	8,322,848	3,979,696
Operating charges	1.20%	1.22%	1.24%	1.24%
Direct transaction costs	0.03%	0.03%	0.09%	0.10%

<b>Prices</b>				
Highest unit price	133.09p	130.35p	127.61p	119.99p
Lowest unit price	127.66p	108.76p	96.72p	108.88p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 60..

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

## COMPARATIVE TABLES

Class B – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	120.78	106.30	114.23	114.32
Return before operating charges*	3.78	16.95	(5.17)	3.19
Operating charges	(1.04)	(1.94)	(1.96)	(1.96)
Return after operating charges*	2.74	15.01	(7.13)	1.23
Distributions on income units	(0.16)	(0.53)	(0.80)	(1.32)
Closing net asset value per unit	123.36	120.78	106.30	114.23
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.03	0.03	0.10	0.11
<b>Performance</b>				
Return after charges	2.27%	14.12%	(6.24%)	1.08%
Sector: IA Mixed Investments 20-60%	2.60%	12.74%	(0.76%)	3.32%
Composite benchmark <sup>2</sup>	3.88%	11.06%	(4.32%) <sup>3</sup>	-
<b>Other information</b>				
Closing net asset value (£)	1,340,124	1,308,958	1,223,642	1,202,929
Closing number of units	1,086,388	1,083,795	1,151,161	1,053,081
Operating charges	1.70%	1.72%	1.74%	1.74%
Direct transaction costs	0.03%	0.03%	0.09%	0.10%
<b>Prices</b>				
Highest unit price	124.23p	122.34p	121.15p	116.32p
Lowest unit price	119.35p	102.55p	91.71p	105.58p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 60.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Income	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	120.71	106.30	114.26	114.34
Return before operating charges*	3.79	16.90	(5.21)	3.20
Operating charges	(0.74)	(1.39)	(1.39)	(1.40)
Return after operating charges*	3.05	15.51	(6.60)	1.80
Distributions on income units	(0.47)	(1.10)	(1.36)	(1.88)
Closing net asset value per unit	123.29	120.71	106.30	114.26
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.03	0.03	0.10	0.11

<b>Performance</b>				
Return after charges	2.53%	14.59%	(5.78%)	1.57%
Sector: IA Mixed Investments 20-60%	2.60%	12.74%	(0.76%)	3.32%
Composite benchmark <sup>2</sup>	3.88%	11.06%	(4.32%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	223,510	218,301	79,293	62,842
Closing number of units	181,286	180,853	74,597	55,000
Operating charges	1.20%	1.22%	1.24%	1.24%
Direct transaction costs	0.03%	0.03%	0.09%	0.10%

<b>Prices</b>				
Highest unit price	124.59p	122.66p	121.45p	116.43p
Lowest unit price	119.48p	102.73p	91.83p	105.86p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 60.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		1,369,233		3,443,151
Revenue	651,357		461,557	
Expenses	(492,846)		(348,053)	
Interest payable and similar charges	-		(45)	
Net revenue before taxation	158,511		113,459	
Taxation	(6,932)		(6,147)	
Net revenue after taxation		151,579		107,312
<b>Total return before distributions</b>		<b>1,520,812</b>		<b>3,550,463</b>
Distributions		(151,577)		(107,321)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>1,369,235</b>		<b>3,443,142</b>

## UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>61,285,729</b>		<b>40,220,493</b>
Amounts receivable on issue of units	10,809,390		7,261,641	
Amounts payable on cancellation of units	(3,207,200)		(2,252,025)	
		7,602,190		5,009,616
Change in net assets attributable to unitholders from investment activities		1,369,235		3,443,142
Retained distribution on accumulation units		168,783		117,249
<b>Closing net assets attributable to unitholders</b>		<b>70,425,937</b>		<b>48,790,500</b>

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		65,468,139		55,328,176
<b>Current assets</b>				
Debtors	302,703		1,042,430	
Cash and bank balances	4,767,856		5,295,475	
		5,070,559		6,337,905
Total assets		70,538,698		61,666,081
<b>Liabilities</b>				
Creditors				
Other creditors	(110,157)		(375,674)	
Distribution payable on income units	(2,604)		(4,678)	
Total liabilities		(112,761)		(380,352)
<b>Net assets attributable to unitholders</b>		<b>70,425,937</b>		<b>61,285,729</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

# WESLEYAN MODERATE RISK / REWARD GROWTH FUND continued

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and or before 31 December 2021

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.1701	-	0.1701	0.2088
Group 2	-	0.1701	0.1701	0.2088

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.5055	-	0.5055	0.5102
Group 2	0.1470	0.3585	0.5055	0.5102

Class B Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.1611	-	0.1611	0.1992
Group 2	-	0.1611	0.1611	0.1992

Class X Income Units	Net Income	Equalisation	Payable 28 February 2022	Paid 26 February 2021
Group 1	0.4712	-	0.4712	0.4728
Group 2	0.0827	0.3885	0.4712	0.4728

### Corporate unitholders information (Unaudited)

For corporate unitholders all of the income relating to the distribution is 100% franked.

#### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit. Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates. Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase. The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew. This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.



# WESLEYAN RISK AVERSE FUND

## FUND REVIEW

This is the half-year report for the Wesleyan Risk Averse Fund, covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of -0.81%\* over the period, compared to the benchmark that delivered a return of -0.09%\*\*.

These negative returns reflected an environment in which there was increasing speculation of bank rate increases being implemented for the first time since August 2018 by the Bank of England's Monetary Policy Committee (MPC). Indeed, a number of MPC members, led by Andrew Bailey the Governor of the Bank of England, guided to such a rise in a number of speeches during October.

It came, therefore, as something of a surprise to financial markets when the MPC voted by a majority of 7-2 to maintain the bank rate at 0.1% at its November meeting, evoking memories of the 'unreliable boyfriend' moniker attached to Bailey's predecessor, Mark Carney.

Despite voting to maintain rates, Bailey did suggest that he could change his mind in time for the December meeting, partially due to increased inflationary pressures within the UK and global economies. In addition, the Bank of England stated that they were expecting inflation to peak at 5% by next spring – well above its 2% inflation target.

By the time the December meeting came around, the impact of the furlough scheme ending a few months earlier was established in reported statistics, showing that the economy withstood the withdrawal of support surprisingly well. A 0.15% increase in bank rate followed in December, returning the rate to its pre-pandemic level of 0.25%.

Activity within the fund was relatively muted over the period, with a small degree of trading in the 4.75% 2030 gilt. This included a timely sale at the start of August on a yield of 0.5% before a repurchase two months later when the yield, having risen to over 0.9%, represented better value despite still being well below inflation. Although yields continued to rise for a short period after this purchase, we were able to sell for a small profit towards the end of November at a yield of 0.75%.

A repurchase was made just before year end after the yield rose above 0.9% again. This illustrates the type of strategic approach we try to take to add value for unitholders.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

When we reported six months ago, we signposted that interest rates were likely to go up, initially to 0.25%. This rise has admittedly come earlier than we expected, but it reflects the robust recovery of the economy from the financial fall-out of the COVID-19 pandemic.

The discovery of the Omicron variant in November looked like it could knock economic recovery off course, with another lockdown being feared. However, despite being highly transmissible, it has been milder on those vaccinated than first feared. We expect that COVID-19 will be present in our communities for the longer term, in the same way we live with flu and the common cold, and that daily life and the economy will adapt accordingly.

UK Prime Minister Boris Johnson is currently clinging onto power, following possible lockdown breaches at Number 10. Whilst any change in leadership may unsettle financial markets in the short term, they are likely to be reassured if government policy remains unchanged whoever the leader is.

In an environment of increasing interest rates, we expect gilt yields to continue to rise from their year-end levels, even after recent increases. As such, we intend to position the fund's portfolio towards shorter-dated government bonds, whilst looking to take occasional advantage of short-term favourable price movements to realise profits for unitholders.

We expect fund returns to remain low in absolute terms for the short-term future, as the economy continues to recover towards its pre-pandemic path and economic stimulus is withdrawn.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 85-86.

\*\* The composite benchmark is composed as follows: 85% FTSE Actuaries UK Conventional Gilts up to 5 Years – Total Return, 5% FTSE Actuaries UK Conventional Gilts over 15 Years – Total Return, 7.5% FTSE Actuaries UK Index Linked Government Gilts All Stocks – Total Return and 2.5% SONIA interest rate benchmark.

## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

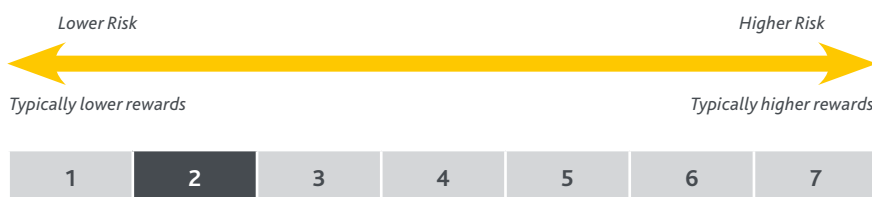
The composite benchmark is composed as follows: 85% FTSE Actuaries UK Conventional Gilts up to 5 years, 5% FTSE Actuaries UK Conventional Gilts over 15 years, 7.5% FTSE Actuaries UK Index Linked Government Bonds All Stocks – Total Return Index and 2.5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

The Fund will invest predominantly through Sterling denominated (or hedged back to Sterling) government backed securities, with a rating the same or higher than that of the UK, with at least 80% invested in UK government securities (Gilts).

The Fund may also invest in other fixed interest and transferable securities, near cash, deposits, money-market instruments and other collective investment schemes.

More than 35% of the Fund may be invested in government and public securities issued by or on behalf of or guaranteed by the Government of the United Kingdom.

### Risk and reward profile



The risk category is based on the rate the fund's value has moved up and down in the past and has remained unchanged from the prior year.

The fund's value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund's future risk and reward category.

A fund in the lowest category does not mean a 'risk free' investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund's Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class A	Class B	Class X
Initial charge*	0%	3%	3%
Annual management charge**	0%	0.5%	0%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	Last day of February



# WESLEYAN RISK AVERSE FUND

continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are government bonds.

Percentages in brackets show the equivalent sector distribution as at 30 June 2021.

Nominal Value	Investment	Bid-market value £	Percentage of total net assets %
<b>BONDS</b>			
<b>Government Bonds - 99.14% (95.62%)</b>			
£170,000	UK Treasury 0.125% 31.01.2023	169,255	7.00
£90,000	UK Treasury 0.25% 31.01.2025	88,594	3.67
£50,000	UK Treasury 0.625% 07.06.2025	49,916	2.07
£430,000	UK Treasury 0.75% 22.07.2023	431,591	17.86
£350,000	UK Treasury 1% 22.04.2024	352,755	14.59
£215,000	UK Treasury 1.625% 22.10.2028	226,829	9.38
£95,000	UK Treasury 4.25% 07.06.2032	125,563	5.19
£170,000	UK Treasury 4.5% 07.09.2034	239,290	9.90
£110,000	UK Treasury 4.75% 07.12.2030	146,216	6.05
£420,000	UK Treasury 6% 07.12.2028	566,307	23.43
<b>Portfolio of investments</b>		<b>2,396,316</b>	<b>99.14</b>
<b>Net other assets</b>		<b>20,855</b>	<b>0.86</b>
<b>Net assets</b>		<b>2,417,171</b>	<b>100.00</b>

<b>Summary of Portfolio of Investments</b>		
Bond credit ratings*	Bid-market value £	Percentage of total net assets %
Investment grade	2,396,316	99.14
<b>Total value of investments</b>	<b>2,396,316</b>	<b>99.14</b>

\*Ratings supplied by credit agencies.

# WESLEYAN RISK AVERSE FUND

continued

## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES for the period ended 31 December 2021

<b>Total Purchases</b>	<b>£236,409</b>
<b>Purchases*</b>	<b>Cost £</b>
UK Treasury 4.75% 07/12/2030	146,491
UK Treasury 0.25% 31/01/2025	89,918
<b>Total Sales</b>	<b>£142,949</b>
<b>Sales*</b>	<b>Proceeds £</b>
UK Treasury 4.75% 07/12/2030	122,886
UK Treasury 0.75% 22/07/2023	20,063

\* As the total number of purchases and sales for the period was below twenty, the complete list has been provided here.

## COMPARATIVE TABLES

Class A – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	155.63	158.54	153.57	150.12
Return before operating charges*	(1.24)	(2.89)	4.98	3.46
Operating charges	(0.01)	(0.02)	(0.01)	(0.01)
Return after operating charges*	(1.25)	(2.91)	4.97	3.45
Distributions on accumulation units	(0.55)	(1.09)	(1.40)	(1.19)
Retained distributions on accumulation units	0.55	1.09	1.40	1.19
Closing net asset value per unit	154.38	155.63	158.54	153.57
<i>*after direct transactions costs<sup>1</sup> of:</i>	-	-	-	-

<b>Performance</b>				
Return after charges	(0.80%)	(1.84%)	3.24%	2.30%
Sector: IA UK Gilts <sup>2</sup>	0.68%	(6.99%)	11.89%	-
Composite benchmark <sup>3</sup>	(0.09%)	(6.59%) <sup>4</sup>	5.08% <sup>5</sup>	-

<b>Other information</b>				
Closing net asset value (£)	922,148	949,487	1,028,335	1,042,846
Closing number of units	597,305	610,112	648,614	679,088
Operating charges	-	0.01%	0.01%	0.01%
Direct transaction costs	-	-	-	-

<b>Prices</b>				
Highest unit price	157.13p	159.09p	158.68p	153.80p
Lowest unit price	153.02p	154.27p	153.69p	150.13p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> As this fund changed sector from IA Short Term Money Market to IA UK Gilts on 21.01.2019, three years of comparable performance data is unavailable.

<sup>3</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 82.

<sup>4</sup> The composite benchmark changed on 01.05.2021. This figure using the old benchmark from 01.07.2020 to 30.04.2021 and then the new benchmark from 01.05.2021 to 30.06.2021

<sup>5</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	101.74	104.17	101.40	99.63
Return before operating charges*	(0.81)	(1.90)	3.29	2.27
Operating charges	(0.26)	(0.53)	(0.52)	(0.50)
Return after operating charges*	(1.07)	(2.43)	2.77	1.77
Distributions on accumulation units	(0.10)	(0.20)	(0.41)	(0.28)
Retained distributions on accumulation units	0.10	0.20	0.41	0.28
Closing net asset value per unit	100.67	101.74	104.17	101.40
<i>*after direct transactions costs<sup>1</sup> of:</i>	-	-	-	-

<b>Performance</b>				
Return after charges	(1.05%)	(2.33%)	2.73%	1.78%
Sector: IA UK Gilts <sup>2</sup>	0.68%	(6.99%)	11.89%	-
Composite benchmark <sup>3</sup>	(0.09%)	(6.59%) <sup>4</sup>	5.08% <sup>5</sup>	-

# WESLEYAN RISK AVERSE FUND

continued

## COMPARATIVE TABLES

Other information				
Closing net asset value (£)	443,981	448,236	537,413	446,169
Closing number of units	441,006	440,572	515,917	440,000
Operating charges	0.50%	0.51%	0.51%	0.50%
Direct transaction costs	-	-	-	-

Prices				
Highest unit price	102.68p	107.61p	107.38p	104.61p
Lowest unit price	99.89p	101.00p	101.47p	99.62p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> As this fund changed sector from IA Short Term Money Market to IA UK Gilts on 21.01.2019, three years of comparable performance data is unavailable.

<sup>3</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 82.

<sup>4</sup> The composite benchmark changed on 01.05.2021. This figure using the old benchmark from 01.07.2020 to 30.04.2021 and then the new benchmark from 01.05.2021 to 30.06.2021

<sup>5</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	104.31	106.26	102.93	100.62
Return before operating charges*	(0.84)	(1.94)	3.34	2.32
Operating charges	-	(0.01)	(0.01)	(0.01)
Return after operating charges*	(0.84)	(1.95)	3.33	2.31
Distributions on accumulation units	(0.37)	(0.73)	(0.94)	(0.80)
Retained distributions on accumulation units	0.37	0.73	0.94	0.80
Closing net asset value per unit	103.47	104.31	106.26	102.93
<i>*after direct transactions costs<sup>1</sup> of:</i>	-	-	-	-

Performance				
Return after charges	(0.81%)	(1.84%)	3.24%	2.30%
Sector: IA UK Gilts <sup>2</sup>	0.68%	(6.99%)	11.89%	-
Composite benchmark <sup>3</sup>	(0.09%)	(6.59%) <sup>4</sup>	5.08% <sup>5</sup>	-

Other information				
Closing net asset value (£)	1,051,042	1,058,091	1,062,619	1,029,255
Closing number of units	1,015,748	1,014,411	1,000,000	1,000,000
Operating charges	-	0.01%	0.01%	0.01%
Direct transaction costs	-	-	-	-

Prices				
Highest unit price	105.32p	109.82p	109.54p	106.17p
Lowest unit price	102.56p	103.40p	103.01p	100.63p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> As this fund changed sector from IA Short Term Money Market to IA UK Gilts on 21.01.2019, three years of comparable performance data is unavailable.

<sup>3</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 82.

<sup>4</sup> The composite benchmark changed on 01.05.2021. This figure using the old benchmark from 01.07.2020 to 30.04.2021 and then the new benchmark from 01.05.2021 to 30.06.2021

<sup>5</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.

## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital losses		(28,173)		(4,590)
Revenue	8,647		9,619	
Expenses	(1,155)		(1,388)	
Net revenue before taxation	7,492		8,231	
Taxation	-		-	
Net revenue after taxation		7,492		8,231
<b>Total return before distributions</b>		<b>(20,681)</b>		<b>3,641</b>
Distributions		(7,491)		(8,231)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>(28,172)</b>		<b>(4,590)</b>

## UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>2,455,814</b>		<b>2,628,367</b>
Amounts receivable on issue of units	7,143		15,311	
Amounts payable on cancellation of units	(25,042)		(28,539)	
		(17,899)		(13,228)
Change in net assets attributable to unitholders from investment activities		(28,172)		(4,590)
Retained distribution on accumulation units		7,428		8,177
<b>Closing net assets attributable to unitholders</b>		<b>2,417,171</b>		<b>2,618,726</b>

# WESLEYAN RISK AVERSE FUND

continued

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		2,396,316		2,348,256
<b>Current assets</b>				
Debtors	7,755		7,472	
Cash and bank balances	27,622		100,435	
		<u>35,377</u>		<u>107,907</u>
Total assets		2,431,693		2,456,163
<b>Liabilities</b>				
Creditors				
Other creditors	(14,522)		(349)	
Total liabilities		(14,522)		(349)
<b>Net assets attributable to unitholders</b>		<b>2,417,171</b>		<b>2,455,814</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and or before 31 December 2021

Class A Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.5464	-	0.5464	0.5776
Group 2	0.3151	0.2313	0.5464	0.5776

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.1009	-	0.1009	0.1177
Group 2	0.0589	0.0420	0.1009	0.1177

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	0.3662	-	0.3662	0.3872
Group 2	0.1685	0.1977	0.3662	0.3872

### Corporate unitholders information

For corporate unitholders all of the income relating to the distribution is 100% Unfranked.

### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit.

Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates.

Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase.

The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew.

This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.



# WESLEYAN UK GROWTH FUND

## FUND REVIEW

This is the half-year report for the Wesleyan UK Growth Fund covering the period from 1 July 2021 to 31 December 2021. The fund delivered a return after charges of 3.79%\* over the period, compared to the benchmark that delivered a return of 6.22%\*\*.

The second half of 2021, the period under consideration, was characterised by fears of elevated inflation, the prospect of normalised economic growth rates, and the withdrawal of the supportive monetary policy that had been put in place throughout the pandemic. COVID-19 continued to impact markets, which led to bouts of volatility. A new variant – Omicron – was discovered in November, and quickly became the dominant strain in the UK and around the world, causing market turbulence as uncertainty over Omicron's severity hampered markets in the latter months of 2021.

Sectors which are more sensitive to rising inflation underperformed compared to the prior six months. Energy and utility companies, benefiting from rising prices, did well in the period, while telecommunications and travel and leisure, often hurt by inflation, underperformed.

As a result of supply and labour shortages, as well as increased costs for energy and transportation, inflationary concerns gradually rose in the period. These concerns did not abate as we approached the year-end, which led to the Bank of England surprising markets by increasing interest rates in

December, from 0.1% to 0.25%, which was the first increase in over three years.

The top contributor to the fund's performance was Royal Dutch Shell – the oil major. Throughout the period, the energy sector performed strongly, but when Royal Dutch Shell announced that it was dropping its dual listing in the Netherlands its outperformance gained momentum. Other major contributors to performance in the period included pharmaceutical company GlaxoSmithKline, alcoholic beverage maker Diageo, financial services firm Legal & General, and credit reporting company Experian. The largest detractors from performance were chemicals company Johnson Matthey, and TUI – the travel and leisure group – which struggled, in line with the sector, during lockdowns.

We also introduced our revised Sustainable Investing Policy, as we continue to endeavour to invest sustainably and reposition the portfolio towards a more carbon-neutral position. To achieve this, we sold materials group Glencore, as it failed to meet the policy's requirements. We made several purchases over the period. Most notably, we initiated a position in financial services firm London Stock Exchange Group, technology company GB Group, and Halfords the auto and cycle operator.

The full list of portfolio holdings can be found later in this report.

## FUND OUTLOOK

Uncertainty about the paths that both COVID-19 and inflation will take in the coming months will continue to weigh on markets throughout 2022. Energy prices are not expected to fall in the short term. Central banks remain very mindful of the importance of maintaining inflation at reasonable levels, and it is anticipated that these factors, and other economic trends, will result in the Bank of England increasing interest rates further in the year ahead.

Geopolitical risk is also rising. There is unrest in the Middle East, and tensions between Russia and Ukraine are becoming more visible at the time of writing, and Russia's military presence at the border between both countries is a cause for international concern. We remain mindful of the risk that these tensions could lead to reduced oil & gas supply, potentially exacerbating the current high energy prices.

On the UK political front, Boris Johnson's premiership has been tarnished by the 'Partygate' scandal. If he remains in power, it will be with reduced confidence and joined by an undercurrent of backbencher unrest and potential leadership challenges. This may mean the UK economy could face the uncertainty of a potential premiership challenge, but as long as economic policy remains broadly in line with the current picture, the UK market will continue to offer good value relative to other global markets.

\* Fund shown is the X-Class Accumulation series, bid prices at the end of the day. Performance of all unit series are available on pages 97-98.

\*\* The composite benchmark is composed as follows: 95% FTSE All Share – Total Return Index, and 5% SONIA interest rate benchmark. The benchmark is rebalanced annually on 1 January, and makes no allowances for taxes, fees and charges.



## GENERAL INFORMATION

### Investment objective and policy

The fund aims to provide capital growth over a period of at least five years. We measure the success of the fund as outperforming a benchmark over a rolling five-year period. We do this by comparing the investment performance, after fees and charges, to a composite benchmark which reflects the current risk rating of the fund. The benchmark is a target for the fund.

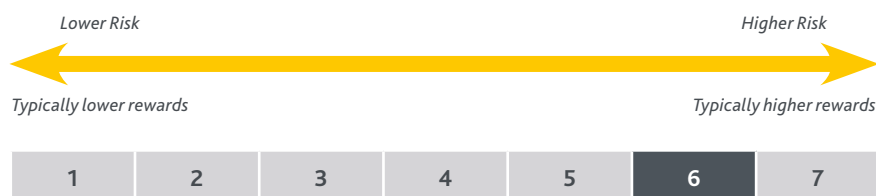
The composite benchmark is composed as follows: 95% FTSE All Share – Total Return Index, and 5% SONIA interest rate benchmark. The organisation decides which asset classes to invest in based on its investment policy and the specific objectives of each fund.

The Fund will invest predominantly in a diversified portfolio of UK equities. Under normal circumstances the emphasis will be on equity shares in the UK. The Fund may invest in various sectors.

The Fund may also invest in fixed interest and other transferable securities (including non-UK equities), cash, near cash, deposits, money-market instruments and other collective investment schemes.

The Fund may use derivatives for the purposes of efficient portfolio management.

### Risk and reward profile



The risk category is based on the rate the fund’s value has moved up and down in the past and has remained unchanged from the prior year.

The fund’s value can be influenced by changes in stock market prices, currencies and interest rates which can be affected by factors such as political and economic events.

This risk category is calculated in line with European Securities Markets Authority (ESMA) rules using historical data.

This is not a guarantee and may not be a reliable indication of the fund’s future risk and reward category.

A fund in the lowest category does not mean a ‘risk free’ investment.

A fuller explanation of the risk and reward profile and how it can move up and down based on the market volatility, is contained in the fund’s Key Investor Information Document (KIID). KIIDs are available at [www.wesleyan.co.uk/fund-prices](http://www.wesleyan.co.uk/fund-prices)

**More information about fund performance, including benchmarks and comparisons, can be found later in this report.**

Charges	Class A	Class B	Class X
Initial charge*	3%	3%	3%
Annual management charge**	1.25%	1.5%	1%

\*built into the price of the unit. This charge only applies where advice is received from a Specialist Financial Adviser from Wesleyan Financial Services (WFS).

\*\*% per annum of the Net Asset Value

## INCOME ALLOCATION DATES

Final	31 August
Interim	Last day of February

# WESLEYAN UK GROWTH FUND

continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Unless otherwise stated, all holdings are quoted in ordinary shares and listed on a recognised exchange. Percentages in brackets show the equivalent sector distribution as at 30 June 2021.

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>United Kingdom - 91.83% (92.74%)</b>			
<b>Oil &amp; Gas - 9.74% (8.97%)</b>			
725,000	BP	2,396,125	3.82
21,436	Hunting	35,970	0.06
27,262	Royal Dutch Shell 'A'	442,081	0.70
199,248	Royal Dutch Shell 'B'	3,232,600	5.16
	<b>Total Oil &amp; Gas</b>	<b>6,106,776</b>	<b>9.74</b>
<b>Basic Materials - 9.22% (10.31%)</b>			
40,960	Anglo American	1,235,354	1.97
87,926	BHP Group	1,933,493	3.08
194,746	Elementis	256,286	0.41
22,537	Johnson Matthey	461,107	0.74
38,665	Rio Tinto	1,891,492	3.02
	<b>Total Basic Materials</b>	<b>5,777,732</b>	<b>9.22</b>
<b>Industrials - 7.45% (9.60%)</b>			
35,000	Babcock International	111,405	0.18
111,835	BAE Systems	614,869	0.98
96,428	Balfour Beatty	252,641	0.40
72,005	Bodycote	623,203	0.99
108,958	DS Smith	418,181	0.67
200,201	Galliford Try	359,961	0.57
220,000	Hays	321,420	0.51
370,410	Melrose Industries	591,545	0.95
247,515	Rolls-Royce	304,146	0.49
260,510	Senior	382,950	0.61
43,609	Smiths Group	688,804	1.10
	<b>Total Industrials</b>	<b>4,669,125</b>	<b>7.45</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Consumer Goods - 12.48% (10.96%)</b>			
48,000	Associated British Foods	961,440	1.53
51,428	Diageo	2,075,634	3.31
27,071	Persimmon	773,148	1.23
9,000	Reckitt Benckiser	570,600	0.91
152,061	Tate & Lyle	1,005,731	1.61
400,000	Taylor Wimpey	702,000	1.12
44,000	Unilever	1,735,800	2.77
115	Vistry Group	1,362	-
<b>Total Consumer Goods</b>		<b>7,825,715</b>	<b>12.48</b>
<b>Healthcare - 10.42% (10.35%)</b>			
35,914	AstraZeneca	3,115,180	4.97
170,396	GlaxoSmithKline	2,737,582	4.37
52,454	Smith & Nephew	676,919	1.08
<b>Total Healthcare</b>		<b>6,529,681</b>	<b>10.42</b>
<b>Consumer Services - 8.31% (9.80%)</b>			
18,000	Carnival	249,048	0.40
10,000	Future	383,000	0.61
185,000	Halfords	636,400	1.01
49,220	Informa	254,270	0.41
5,000	InterContinental Hotels	239,000	0.38
184,779	Marks & Spencer	427,579	0.68
300,000	Marston's	230,700	0.37
73,058	Mitchells & Butlers	187,028	0.30
7,583	Next	618,014	0.99
20,000	Next Fifteen Communications	266,000	0.42
319,693	Sainsbury (J)	881,394	1.41
227,368	Tesco	659,140	1.05
73,684	Wickes	174,631	0.28
<b>Total Consumer Services</b>		<b>5,206,204</b>	<b>8.31</b>
<b>Telecommunications - 3.08% (3.52%)</b>			
656,782	BT	1,113,574	1.77
730,120	Vodafone	819,049	1.31
<b>Total Telecommunications</b>		<b>1,932,623</b>	<b>3.08</b>
<b>Utilities - 3.29% (2.90%)</b>			
400,809	Centrica	286,418	0.46
8,041	National Grid	85,218	0.14
15,977	Severn Trent	470,842	0.75
40,000	SSE	659,200	1.05
51,494	United Utilities	560,770	0.89
<b>Total Utilities</b>		<b>2,062,448</b>	<b>3.29</b>

# WESLEYAN UK GROWTH FUND

continued

## UNAUDITED PORTFOLIO STATEMENT as at 31 December 2021

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Financials - 27.01% (26.33%)</b>			
50,000	3i Group	724,500	1.16
67,433	Aberdeen UK Smaller Companies*	511,816	0.82
308,865	Barclays	577,577	0.92
100,000	Beazley	466,100	0.74
100,000	British Land REIT*	531,000	0.85
250,000	Downing Strategic Micro Cap*	172,500	0.27
366,666	Grainger Trust*	1,154,998	1.84
107,228	Henderson Smaller Companies Investment Trust*	1,316,760	2.10
503,468	HSBC Holdings (London listed)	2,258,557	3.60
98,891	Land Securities REIT*	767,196	1.22
480,497	Legal & General	1,428,518	2.28
2,177,738	Lloyds Banking	1,040,959	1.66
12,400	London Stock Exchange Group	859,320	1.37
166,083	M&G Prudential	330,588	0.53
1,385,200	Miton UK Micro Cap Trust*	1,232,828	1.97
62,991	Natwest Group	142,108	0.23
7,136	OSB Group	39,533	0.06
153,741	Primary Health Properties REIT*	232,610	0.37
166,083	Prudential	2,116,728	3.38
19,046	Schroders	677,847	1.08
77,785	Standard Chartered	348,788	0.56
	<b>Total Financials</b>	<b>16,930,831</b>	<b>27.01</b>
<b>Technology - 0.83% (0.00%)</b>			
60,000	GB Group	442,500	0.71
223,342	IQE	77,165	0.12
	<b>Total Technology</b>	<b>519,665</b>	<b>0.83</b>
	<b>Total United Kingdom</b>	<b>57,560,800</b>	<b>91.83</b>
<b>Channel Islands - 4.02% (4.54%)</b>			
<b>Basic Materials - 0.00% (1.21%)</b>			
<b>Industrials - 2.53% (1.97%)</b>			
24,585	Experian Group	892,927	1.43
5,259	Ferguson	688,929	1.10
	<b>Total Industrials</b>	<b>1,581,856</b>	<b>2.53</b>

Holding	Investment	Bid-market value £	Percentage of total net assets %
<b>Financials - 1.49% (1.36%)</b>			
300,000	Man Group	680,700	1.09
98,963	River & Mercantile	254,335	0.40
<b>Total Financials</b>		<b>935,035</b>	<b>1.49</b>
<b>Total Channel Islands</b>		<b>2,516,891</b>	<b>4.02</b>
<b>Germany - 0.42% (0.69%)</b>			
<b>Consumer Services - 0.42% (0.69%)</b>			
115,170	TUI AG	265,352	0.42
<b>Total Consumer Services</b>		<b>265,352</b>	<b>0.42</b>
<b>Total Germany</b>		<b>265,352</b>	<b>0.42</b>
<b>Spain - 0.65% (0.81%)</b>			
<b>Consumer Services - 0.65% (0.81%)</b>			
286,250	International Consolidated Airlines	407,792	0.65
<b>Total Consumer Services</b>		<b>407,792</b>	<b>0.65</b>
<b>Total Spain</b>		<b>407,792</b>	<b>0.65</b>
<b>Portfolio of investments</b>		<b>60,750,835</b>	<b>96.92</b>
<b>Net other assets</b>		<b>1,929,374</b>	<b>3.08</b>
<b>Net assets</b>		<b>62,680,209</b>	<b>100.00</b>

\* UK-Listed Investment Trust.

# WESLEYAN UK GROWTH FUND

continued

## UNAUDITED SUMMARY OF MATERIAL PORTFOLIO CHANGES for the period ended 31 December 2021

<b>Total Purchases</b>		<b>£3,504,053</b>
<b>Purchases*</b>		<b>Cost £</b>
London Stock Exchange Group		1,008,870
Reckitt Benckiser		530,357
Associated British Foods		489,019
GB Group		463,760
Halfords		305,607
Beazley		236,467
Next Fifteen Communications		228,063
Wickes		136,607
IQE		105,303

<b>Total Sales</b>		<b>£4,974,349</b>
<b>Sales*</b>		<b>Proceeds £</b>
ITV		975,791
Glencore		791,084
Aviva		761,055
Kingfisher		706,616
BAE Systems		616,916
St. Modwen Properties		253,982
Travis Perkins		238,757
Bunzl		219,413
Aggreko		165,613
Jackson Financial		80,472
SIG		63,074
Melrose Industries		61,735
TUI AG		39,841

\* As the total number of purchases and sales for the period was below twenty, the complete list has been provided here.

## COMPARATIVE TABLES

Class A – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	441.07	350.85	437.11	447.72
Return before operating charges*	19.38	95.74	(80.37)	(4.53)
Operating charges	(3.21)	(5.52)	(5.89)	(6.08)
Return after operating charges*	16.17	90.22	(86.26)	(10.61)
Distributions on accumulation units	(4.88)	(7.07)	(9.70)	(12.48)
Retained distributions on accumulation units	4.88	7.07	9.70	12.48
Closing net asset value per unit	457.24	441.07	350.85	437.11
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.11	0.03	0.11	0.07

<b>Performance</b>				
Return after charges	3.67%	25.71%	(19.73%)	(2.37%)
Sector: IA UK All Companies	4.89%	27.66%	(11.03%)	(2.19%)
Composite benchmark <sup>2</sup>	6.22%	20.23%	(13.98%) <sup>3</sup>	-

<b>Other information</b>				
Closing net asset value (£)	11,592,845	12,018,274	44,465,860	58,424,990
Closing number of units	2,535,391	2,724,820	12,673,841	13,366,283
Operating charges	1.42%	1.45%	1.44%	1.43%
Direct transaction costs	0.03%	0.01%	0.03%	0.02%

<b>Prices</b>				
Highest unit price	475.70p	468.92p	485.42p	468.07p
Lowest unit price	426.78p	317.31p	283.13p	386.94p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 91.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class B – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	422.69	337.44	421.53	432.86
Return before operating charges*	18.55	91.61	(77.43)	(4.42)
Operating charges	(3.63)	(6.36)	(6.66)	(6.91)
Return after operating charges*	14.92	85.25	(84.09)	(11.33)
Distributions on accumulation units	(4.15)	(6.02)	(8.37)	(11.03)
Retained distributions on accumulation units	4.15	6.02	8.37	11.03
Closing net asset value per unit	437.61	422.69	337.44	421.53
<i>*after direct transactions costs<sup>1</sup> of:</i>	0.11	0.03	0.11	0.07

<b>Performance</b>				
Return after charges	3.53%	25.26%	(19.95%)	(2.62%)
Sector: IA UK All Companies	4.89%	27.66%	(11.03%)	(2.19%)
Composite benchmark <sup>2</sup>	6.22%	20.23%	(13.98%) <sup>3</sup>	-

# WESLEYAN UK GROWTH FUND

continued

## COMPARATIVE TABLES

Other information				
Closing net asset value (£)	5,230,951	5,155,237	4,402,687	5,772,073
Closing number of units	1,195,338	1,219,622	1,304,716	1,369,317
Operating charges	1.67%	1.70%	1.69%	1.68%
Direct transaction costs	0.03%	0.01%	0.03%	0.02%

Prices				
Highest unit price	456.18p	450.39p	467.77p	452.71p
Lowest unit price	409.68p	305.11p	272.66p	373.79p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 91.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Class X – Accumulation	31 December 2021	30 June 2021	30 June 2020	30 June 2019
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
<b>Change in net assets per unit</b>				
Opening net asset value per unit	433.65	344.37	427.96	437.23
Return before operating charges*	19.05	94.30	(78.86)	(4.35)
Operating charges	(2.61)	(5.02)	(4.73)	(4.92)
Return after operating charges*	16.44	89.28	(83.59)	(9.27)
Distributions on accumulation units	(5.37)	(8.14)	(10.48)	(13.27)
Retained distributions on accumulation units	5.37	8.14	10.48	13.27
Closing net asset value per unit	450.09	433.65	344.37	427.96
*after direct transactions costs <sup>1</sup> of:	0.11	0.04	0.11	0.07

Performance				
Return after charges	3.79%	25.93%	(19.53%)	(2.12%)
Sector: IA UK All Companies	4.89%	27.66%	(11.03%)	(2.19%)
Composite benchmark <sup>2</sup>	6.22%	20.23%	(13.98%) <sup>3</sup>	-

Other information				
Closing net asset value (£)	45,856,413	44,267,433	1,818,817	1,475,846
Closing number of units	10,188,281	10,208,186	528,158	344,857
Operating charges	1.17%	1.18%	1.19%	1.18%
Direct transaction costs	0.03%	0.01%	0.03%	0.02%

Prices				
Highest unit price	469.05p	461.62p	476.16p	457.45p
Lowest unit price	420.38p	311.94p	277.91p	378.62p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

<sup>2</sup> The composite benchmark comprises of indices set out in the investment objective and policy for the fund on page 91.

<sup>3</sup> Fund benchmarking began on 01.02.2020. As a result, comparative data for the full accounting year was not available.

Past performance is not a guide to future performance. The price of units and distributions credited may go down as well as up. Investments in unit trusts should normally be regarded as long-term investments.



## UNAUDITED INTERIM STATEMENT OF TOTAL RETURN for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		1,542,593		5,057,218
Revenue	1,125,040		764,044	
Expenses	(395,168)		(379,443)	
Interest payable and similar charges	-		(51)	
Net revenue before taxation	729,872		384,550	
Taxation	(969)		(675)	
Net revenue after taxation		728,903		383,875
<b>Total return before distributions</b>		<b>2,271,496</b>		<b>5,441,093</b>
Distributions		(728,903)		(383,864)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>1,542,593</b>		<b>5,057,229</b>

## UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS for the period ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
<b>Opening net assets attributable to unitholders</b>		<b>61,440,944</b>		<b>50,687,364</b>
Amounts receivable on issue of units	1,711,519		1,128,489	
Amounts payable on cancellation of units	(2,735,075)		(2,089,941)	
		(1,023,556)		(961,452)
Change in net assets attributable to unitholders from investment activities		1,542,593		5,057,229
Retained distribution on accumulation units		720,228		378,895
<b>Closing net assets attributable to unitholders</b>		<b>62,680,209</b>		<b>55,162,036</b>

# WESLEYAN UK GROWTH FUND

continued

## UNAUDITED INTERIM BALANCE SHEET as at 31 December 2021

	31 December 2021		30 June 2021	
	£	£	£	£
<b>Assets</b>				
Investments		60,750,835		60,690,735
<b>Current assets</b>				
Debtors	184,310		264,229	
Cash and bank balances	1,856,423		641,953	
		<u>2,040,733</u>		<u>906,182</u>
Total assets		62,791,568		61,596,917
<b>Liabilities</b>				
Creditors				
Other creditors	(111,359)		(155,973)	
Total liabilities		(111,359)		(155,973)
<b>Net assets attributable to unitholders</b>		<b>62,680,209</b>		<b>61,440,944</b>

This report was approved by the Directors of Wesleyan Unit Trust Managers Limited on 25/02/2022 and is signed on their behalf by:



**J. Needham**  
Chief Executive Officer

## UNAUDITED DISTRIBUTIONS for the period ended 31 December 2021

### Distribution tables (pence per unit)

#### Interim

Group 1: units purchased prior to 1 July 2021

Group 2: units purchased on or after 1 July 2021 and or before 31 December 2021

Class A Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	4.8814	-	4.8814	2.6914
Group 2	2.2039	2.6775	4.8814	2.6914

Class B Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	4.1451	-	4.1451	2.1603
Group 2	1.6587	2.4864	4.1451	2.1603

Class X Accumulation Units	Net Income	Equalisation	Accumulated 28 February 2022	Accumulated 26 February 2021
Group 1	5.3681	-	5.3681	3.1054
Group 2	2.2927	3.0754	5.3681	3.1054

### Corporate unitholders information

For corporate unitholders all of the income relating to the distribution is 100% franked.

### Equalisation

Many funds receive dividends from the companies they invest in. These payments are added to the fund's cash reserve. As this reserve grows, so does the fund's net asset value, which in turn increases the offer price for the fund's units.

At the point of the fund's next dividend payment date, these dividends are paid out to the fund's unitholders and no longer form part of the fund's cash reserve. This usually causes the unit price of the fund to fall.

Group 1 and 2 (see top of the page for dates) unitholders receive the same dividend amount per unit.

Group 1 payments entirely comprise of income and therefore Equalisation does not apply to this group.

Group 2 payments take into account two components as they are between two dividend dates. Part of the payment for Group 2 unitholders comes from the income that accumulated from the date of unit purchase. The second part comes from partial returns on units that were bought at a higher price when the cash reserve grew. This is known as capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

# NOTES TO THE TRUST'S FINANCIAL STATEMENTS

These are the unaudited interim accounts of the Trust and the funds within for the period ended 31 December 2021. Disclosed below is the basis of preparation for the unaudited interim accounts.

## ACCOUNTING POLICIES

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### 1. Basis of preparation

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investments Schemes sourcebook. They have been prepared in accordance with applicable UK accounting standards, Trust Deed and in accordance with FRS 102 and in accordance with the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 (the 2014 SORP) and amended in June 2017. Unless otherwise stated all accounting policies are consistent with those of the prior year.

These financial statements are prepared on a going concern basis. The Manager has made an assessment of the Funds' ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment.

### 2. Taxation

The charge for taxation is based on the results for the year. In general, the tax accounting treatment follows that of the original amount. Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences.

Deferred tax is provided at the average rate of tax expected to apply.

Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Note that deferred tax assets are recognised only to the extent they are regarded as recoverable.

# MANAGERS AND ADVISERS

**Manager** Wesleyan Unit Trust Managers Limited  
 Colmore Circus  
 Birmingham  
 B4 6AR

Directors of the Manager:  
 I. McCaig (Chairman)  
 J. Needham, MBA, FIA (Chief Executive)  
 M. Lawrence, BSc, ASIP  
 A. Neden, MA, FCA

**Trustee** HSBC Bank plc  
 8 Canada Square  
 London  
 E14 5HQ

**Registrar** SS&C Technologies  
 PO Box 9033  
 Chelmsford  
 CM99 2WQ

**Independent Auditors** Ernst & Young LLP  
 Atria One  
 144 Morrison Street  
 Edinburgh  
 EH3 8EX

**Legal Advisers** Eversheds LLP  
 Senator House  
 One Wood Street  
 London  
 EC2V 7WS

Wesleyan Unit Trust is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000. It is categorised as a UCITS scheme. The Manager, Trustee and Independent Auditors are authorised and regulated by the Financial Conduct Authority.

Wesleyan Group offers Financial Advice: Retirement Planning • Investing • Funding • Insurance

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Wesleyan Unit Trust Managers Ltd.

Administration Centre: PO Box 9033, Chelmsford CM99 2WQ Telephone: 0330 123 3813.

Registered Office: Colmore Circus, Birmingham B4 6AR. Telephone: 0121 200 3003. Fax: 0121 200 2971. Website: [www.wesleyan.co.uk](http://www.wesleyan.co.uk)

Advice is provided by Wesleyan Financial Services Limited.

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