WISE FUNDS

TB WISE INVESTMENT FUNDS

ANNUAL REPORT &
AUDITED FINANCIAL STATEMENTS

For the year ended 28 February 2018

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Note: The Authorised Corporate Director's Report consists of 'Authorised Status' and 'Structure of the Company' on page 2, 'Authorised Status' and 'Investment Objective and Policy' on pages 12 and 42, 'Investment Review' as provided by the Investment Manager, on pages 13 to 18, and 43 to 50, and 'Directory' on page 79.

THE AUTHORISED CORPORATE DIRECTOR AND INVESTMENT MANAGER

The Authorised Corporate Director (the 'ACD') of TB Wise Investment Funds (the 'Company') is T. Bailey Fund Services Limited. Wise Funds Limited* is the Investment Manager (the 'Investment Manager') of the Company.

**Please note that Wise Funds Limited replaced Wise Investments Limited as the Investment Manager of the Company and its sub-funds on 6 May 2017. Please see page 3 for further details.*

Wise Funds Limited and T. Bailey Fund Services Limited are authorised and regulated by the Financial Conduct Authority. Further information about Wise Funds Limited and the funds which it manages can be found at www.wise-funds.co.uk.

YOUR INVESTMENTS

You can buy or sell shares in the sub-funds of the Company through your Financial Advisor. Alternatively, you can telephone the dealing line; 0115 988 8258, during normal office hours. Application forms can be requested in writing from the ACD or by calling the Client Services Team on the dealing line. They can also be downloaded from the website: www.tbaileyfs.co.uk/funds/tb-wise-investment-funds.

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

Prices for the sub-funds are published each normal business day on www.tbaileyfs.co.uk/funds/tb-wise-investment-funds and also via the website; www.fundlistings.com.

OTHER INFORMATION

Full details of TB Wise Investment Funds are set out in the Prospectus. This document provides investors with extensive information about the funds including risks and expenses. A copy of the Prospectus is available on request from the ACD, or can be found at www.tbaileyfs.co.uk/funds/tb-wise-investment-funds.

The Key Investor Information documents and Supplementary Information document are also available at www.tbaileyfs.co.uk/funds/tb-wise-investment-funds.

AUTHORISED STATUS

TB Wise Investment Funds is an open-ended investment company (an 'OEIC') with variable capital, as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook, incorporated in England and Wales under registration number IC 000283. The effective date of the authorisation order made by the FCA was 4 February 2004. The Company has an unlimited duration.

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

STRUCTURE OF THE COMPANY

The Company is structured as an umbrella company and different sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. On the introduction of any new sub-fund, or share class, a revised prospectus will be prepared and issued.

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

As at the year end, there were two sub-funds; TB Wise Multi-Asset Growth* and TB Wise Multi-Asset Income**

The base currency of the Company is Pounds Sterling.

The Company is a UCITS scheme.

** TB Wise Multi-Asset Growth was previously called TB Wise Investment (please see page 3 for more details).*

*** TB Wise Multi-Asset Income was previously called TB Wise Income (please see page 3 for more details).*

CROSS HOLDINGS BETWEEN SUB-FUNDS

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

CHANGES TO THE COMPANY AND ITS SUB-FUNDS

TB Wise Multi-Asset Growth (formerly TB Wise Investment)

- Following an internal reorganisation at Wise Investments Limited, the Investment Manager of the Fund was changed from Wise Investments Limited to Wise Funds Limited. The change of Investment Manager became effective on 6 May 2017.

- On 1 September 2017, following approval by shareholders in an extraordinary general meeting on 30 August 2017, the TB Wise Investment sub-fund changed its name to TB Wise Multi-Asset Growth. On the same date, the investment objective and policy of the Fund was changed from:

  'To provide capital growth over the medium to long term in excess of deposit account returns and inflation. The Fund will invest in collective investment schemes, including unit trusts and open-ended investment companies although other investments may also be held, including investment trusts, money market instruments and deposits. The Fund will from time to time invest directly in UK-listed shares if the manager feels that value can be added by doing so. The Fund will invest in the following assets: UK and overseas equities, fixed interest securities and cash.'

  to the following:

  'To provide growth over the medium to long term in excess of the BATS UK All Companies Index and in line with, or better than, the rate of UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Prices Index (CPI)). Investors should note that their capital is at risk and that there is no guarantee that a positive return will be achieved over any time period. The Fund will have exposure to multiple asset classes. The Fund will invest in a diversified portfolio which may include collective investment schemes, equities including investment trusts, bonds, Government securities, money market instruments, deposits and cash. The Fund may also use derivatives for the purpose of efficient portfolio management from time to time. There will be no restriction on allocations between asset classes or geographic regions.'*

  ** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

- On 3 January 2018, the annual management charge for the B shares changed from 0.79% to 0.75%, the annual management charge for the A shares changed from 1.44% to 1.40% and the annual management charge for W shares changed from 0.54% to 0.50%.

TB Wise Multi-Asset Income (formerly TB Wise Income)

- Following an internal reorganisation at Wise Investments Limited, the Investment Manager of the Fund was changed from Wise Investments Limited to Wise Funds Limited. The change of Investment Manager became effective on 6 May 2017.

- On 1 September 2017, following approval by shareholders in an extraordinary general meeting on 30 August 2017, the TB Wise Income sub-fund changed its name to TB Wise Multi-Asset Income. On the same date, the investment objective and policy of the Fund was changed from:

  'To provide a starting yield roughly equivalent to a good building society account, with the potential for income growth and capital growth from a diversified portfolio of collective investment schemes, including unit trusts and open-ended investment companies, equities including investment trusts, bonds, Government securities, money market instruments and cash. There will be no restriction on allocations between asset classes or geographic regions.'

to the following:

'To provide a yield in excess of the BATS UK All Companies Index with the potential to provide income growth and capital growth over the medium to long term in line with, or better than, the rate of UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Prices Index (CPI)). Investors should note that their capital is at risk and that there is no guarantee that a positive return will be achieved over any time period. The Fund will have exposure to multiple asset classes. The Fund will invest in a diversified portfolio which may include collective investment schemes, equities including investment trusts, bonds, Government securities, money market instruments, deposits and cash The Fund may also use derivatives for the purpose of efficient portfolio management from time to time. There will be no restriction on allocations between asset classes or geographic regions.*

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

- On 3 January 2018, the annual management charge for the B shares changed from 0.79% to 0.75%, the annual management charge for the A shares changed from 1.44% to 1.40% and the annual management charge for W shares changed from 0.54% to 0.50%.

Closure of Evenlode Income

- On 1 September 2017, following approval by shareholders in an extraordinary general meeting on 30 August 2017, all shareholders and investments of Evenlode Income (a sub-fund of TB Wise Investment Funds) were transferred to a new fund, TB Evenlode Income (a sub-fund of TB Evenlode Investments Funds ICVC), via a Scheme of Arrangement. The wind up of Evenlode Income was completed on 14 November 2017.

- Prior to it's closure, following an internal reorganisation at Wise Investments Limited, the Investment Manager of the Fund was changed from Wise Investments Limited to Evenlode Investment Management Limited. The change of Investment Manager became effective on 6 May 2017.

Remuneration policy of the ACD

TBFS and the holding company of TBFS, T. Bailey Holdings Limited ('TBH'), have the following policies and practices for those staff whose professional activities have a material impact on the risk profile of the activities of the ACD. Based on FCA guidance the ACD is considered as Proportionality Level 3 under the Remuneration Code as total assets under administration are less than £15bn. TBFS is a UCITS firm and is therefore subject to the UCITS V Directive Remuneration Code.

The Remuneration Policy of the ACD:

(i) Is consistent with and promotes sound and effective risk management;

(ii) Does not encourage risk taking that exceeds the level of tolerated risk of the relevant UCITS managed by TBFS;

(iii) Encourages behavior that delivers results which are aligned to the interests of the UCITS managed by TBFS;

(iv) Aligns the interests of Code Staff with the long-term interests of TBFS, the funds it manages and its investors;

(v) Recognises that remuneration should be competitive and reflect both financial and personal performance. Accordingly, Remuneration for Code Staff is made up of fixed pay (salary and benefits, including pension) and variable (performance-related) pay;

(vi) Recognises that fixed and variable components should be appropriately balanced and that the variable component should be flexible enough so that in some circumstances no variable component may be paid at all. Variable pay is made up of short-term awards typically based on short-term financial and strategic measures for the area of the business in which the member of Code Staff works;

There is no remuneration committee. The Board of TBH oversees the setting and review of remuneration levels performed by the operating Board of TBFS. From an overall group perspective and operating company level, remuneration is set within the context of a 5-year plan which ensures any threats to capital adequacy, liquidity and solvency caused by excessive remuneration would be identified. The bonus arrangements including the staff bonus pool are set annually as part of the annual operating plan and any changes to the pool require approval by the CEO of TBFS and also the Board of TBH.

The main shareholders are represented on the Board of TBH which ratifies the annual operating plans. The annual operating plan includes the level of remuneration for all staff including Code Staff.

To assist with the above process, a benchmarking exercise was conducted in 2015 which incorporated information from external consultants in connection with remuneration.

The staff bonus scheme is operated so as to allow for meaningful rewards to be paid to staff whose performance during the year merits recognition but within the context of an annual operating plan. The TBH Board bears in mind the projected performance of the companies when making any adjustments to the scheme. Payment of scheme bonus to individuals is linked to their performance against agreed objectives from staff appraisals.

Total remuneration paid by the ACD for the year ended 30 September 2017

Total Number of Staff	**34**
	£'000
Fixed	1,152
Variable	58
Total Remuneration Paid	**1,210**

Total remuneration paid by the ACD to Remuneration Code Staff for the year ended 30 September 2017

	Senior Management	**Staff with Material Impact**
Total Number of Staff	**8**	**1**
	£'000	**£'000**
Fixed	643	36
Variable	36	2
Total Remuneration Paid	**679**	**38**

Please note that there were no remuneration payments made directly from TB Wise Investment Funds or any of its sub-funds.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

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

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

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

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

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

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

DIRECTOR'S STATEMENT

In accordance with COLL 4.5.8BR, the Report and the Financial Statements were approved by the board of directors of the ACD of the Company and authorised for issue on 22 June 2018.

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

Helen Stevens
Chief Executive Officer
T. Bailey Fund Services Limited
Nottingham, United Kingdom
22 June 2018

Richard Taylor
Compliance Director
T. Bailey Fund Services Limited
Nottingham, United Kingdom
22 June 2018

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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

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

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

The Depositary must ensure that:

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

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

DEPOSITARY'S REPORT TO THE SHAREHOLDERS OF TB WISE INVESTMENT FUNDS

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

National Westminster Bank Plc
Trustee & Depositary Services
London, United Kingdom
22 June 2018

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TB WISE INVESTMENT FUNDS

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the financial position of the company as at 28 February 2018 and of the net revenues and the net capital gains on the property of the company for the year ended 28 February 2018; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements of TB Wise Investment Funds (the 'company') which comprise for each sub-fund:

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

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the authorised corporate director's (ACD's) use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the ACD has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

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

We have nothing to report in respect of these matters.

Responsibilities of depositary and ACD

As explained more fully in the depositary's responsibilities statement and the ACD's responsibilities statement, the depositary is responsible for the safeguarding the property of the company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the company have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the ACD's report for the year ended 28 February 2018 is consistent with the financial statements.

Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
22 June 2018

TB WISE MULTI-ASSET GROWTH, AUTHORISED STATUS

The Fund is a sub-fund of TB Wise Investment Funds with investment powers equivalent to those of a UCITS Scheme as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of TB Wise Multi-Asset Growth is to provide growth over the medium-to-long term in excess of the BATS* UK All companies index and in line with, or better than, the rate of the UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Prices Index (CPI)). Investors should note that their capital is at risk and that there is no guarantee that a positive return will be achieved over any time period. The fund will have exposure to multiple asset classes. The fund will invest in a diversified portfolio which may include collective investment schemes, equities including investment trusts, bonds, Government securities, money market instruments, deposits and cash. The fund may also use derivatives for the purpose of efficient portfolio management from time to time. There will be no restriction on allocations between asset classes or geographic regions.

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. As the Fund invests in other funds, the weighted average costs of the underlying funds are also taken into account. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Summary of Fund Performance tables on pages 23 to 25.

Please note that the maximum level of management fees which may be charged to any collective investment scheme in which the Fund invests is 6%.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of 1 to 7. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category 4 because it invests in a variety of asset classes, but with a bias towards shares.

RISK PROFILE

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested. There is no guarantee that the Fund will meet its stated objectives. The Fund invests in global shares (via collective investment schemes and investment trusts), with some regions being regarded as more risky. The movements of exchange rates may lead to further changes in the value of investments and the income from them. Whilst the intention of using derivatives is to reduce risk, this outcome is not guaranteed and derivatives involve additional risks which could lead to losses. There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

Performance

	Cumulative returns for the periods ended 28 February 2018 (%)		
	1 year	3 years	5 years
TB Wise Multi-Asset Growth - A Shares	10.86	39.08	58.77
TB Wise Multi-Asset Growth - B Shares	11.57	41.67	63.77
TB Wise Multi-Asset Growth - W Shares**	11.86	N/A	N/A
IA Flexible Investment Sector	6.65	22.68	42.60
UK Consumer Price Index (CPI)	2.74	5.43	7.26
BATS* UK All Companies Index	4.39	19.27	42.89

Source: Financial Express. Total return, bid to bid. Sterling terms.

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

** On 8 May 2018, the BATS indices were renamed as the Cboe indices. ** The W Shares were launched on 9 December 2016.*

Introduction

This report will discuss the fund's performance during the year ended 28th February 2018 and give a brief summary of the outlook for the coming year. For brevity, the TB Wise Multi-Asset Growth fund will be referred to as **Wise MAG** in the remainder of this report.

Investment objectives

Wise MAG aims to provide growth over the medium to long term in excess of the BATS* UK All Companies Index and in line with, or better than, the rate of UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Price Index (CPI)). In other words, **Wise MAG** aims to deliver returns better than cash and shares over the medium to long term. An unlimited proportion of the fund can be held in cash at times when other assets look unattractive. **Wise MAG** can invest anywhere in the world, with no geographical or sector restriction. **Wise MAG** is a fund of funds. Most funds of funds invest in open-ended funds (unit trusts and OEICs). A much smaller number invest in closed-ended funds, commonly known as investment trusts. **Wise MAG** does both, choosing funds on the basis of the quality of the managers, and on the value of the assets.

In order to achieve the fund's objectives, we are looking for markets and sectors where we can see value and/or significant growth potential. Within these, we focus on managers with a disciplined, easy-to-understand investment process and with a similar level of dedication to ours. We tend to know our managers well, which allows us to allocate to the best asset classes managed by the best managers at times when their styles are often out-of-favour with other investors.

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

Open-ended and closed-ended funds

The main difference between the two types of investment vehicles is in the way they are priced. An open-ended fund is valued by the company that administers it. The price of the unit is calculated each day and accurately reflects the market value of the assets the fund holds. Closed-ended funds (otherwise known as investment trusts) are traded on the stock market, and their prices are determined by supply and demand. So, an open-ended fund with assets worth £1.00 per share will always be priced at £1.00. An investment trust with assets worth £1.00 per share might trade at £1.20 if the assets are in great demand, or the fund manager is highly regarded. Conversely, the fund might trade at 80p if investors are worried about the asset class or the managers of the trust have performed less well than their peers.

When an investment trust's assets are worth £1.00 per share, and its shares are trading at £1.20, then it is said to be at a 20% premium. When its assets are worth £1.00, and its shares are trading at 80p, then it is said to be trading at a 20% discount. Investment trust discounts change over time. We aim to buy good investment trusts when they are trading at wide discounts, which look unjustified to us. Over time, discounts on good trusts tend to narrow, and sometimes investment trusts go from discounts to premiums. For example, we can sometimes buy a fund with net assets of £ 1.00 for 80p. A few years later, the assets may have risen to £ 1.40 in value, but meanwhile, if the trust has become fashionable, it may trade at a premium price of £1.60. In a unit trust, where the price reflects the value of the assets, investors would make a return of 40%, as a result of the asset value increasing from £ 1.00 to £ 1.40, but in an investment trust, due to the combination of the asset price rising and the discount turning into a premium, investors would make a 100% return. For this reason, we prefer closed-ended funds to open-ended ones, when they are of high quality and we can buy them at substantial discounts. However, we need to be patient, because wide discounts can widen further, and sometimes we have to wait a long time before the eventual re-rating takes place. Also, given the nature of investment trusts, liquidity may be an issue (it may be difficult to buy or sell shares if there aren't any other sellers or buyers willing to trade). We are always careful to keep a mix of closed-ended and open-ended funds in the portfolio.

At the end of the year, **Wise MAG** was invested roughly 63% in closed-ended funds, and 35% in open-ended funds (the remainder being in cash). The proportion of the fund held in closed-ended funds will fluctuate based on our asset allocation, investment ideas and liquidity constraints.

An exercise we like to run periodically is to monitor the premium/discount that **Wise MAG** trades at relative to the value of its own assets. This, in effect, consists at looking at the fund as if it was an investment trust, adding up the value of all of its investments compared to where their prices are. As explained above, the price of the open-ended funds we invest in (35% of the portfolio) will be equal to the value of their assets. However, given our large allocation to investment trusts, it makes sense to look at where those are trading, in aggregate, relative to their own assets. At the end of the period, the investment trusts we invest in were trading at an average of 12% discount. For **Wise MAG**, this equates to a fund 'discount' of 7%, i.e. if all the investment trusts trading at a discount were traded at their net asset value, the value of **Wise MAG** would be higher. In comparison, global equity investment trusts trade at a weighted average of 4% discount. So, while **Wise MAG's** discount is narrower than what it has been in the past as a result of market movements, we continue to find unrealised value. This can only be done by sticking to our investment process of adding to managers we respect when they are disliked by other investors and gradually getting out of positions when the market is coming round to our view.

A good example of this discipline is the new investment we made at the end of the period in the Woodford Patient Capital Trust managed by Neil Woodford. The trust was launched in April 2015 and, over the next few weeks, due to the manager's stellar track record and reputation in the UK, the trust went on to trade at a close to 20% premium by the summer of that year. The trust focuses primarily on funding small unlisted companies in order to nurture them to grow over time. This is a very sensible approach and we believe that Neil Woodford and his team have a real edge in that part of the market. The UK unlisted market isn't nearly as developed as those of the US or Europe and thus, is full of untapped upside potential. While we like the approach, we certainly weren't willing to pay a 20% premium to access it 3 years ago. Fast forward to 2018 and, due to combination of a few poor investment decisions, continued bad press and a seemingly poor understanding of the strategy by many initial investors, the trust was trading between 10 and 13% discount! This certainly got us interested. After meeting with the manager, not only did it become clear that this was the wrong price for the trust, but we got conviction that the assets themselves in the trusts were mispriced. Since the bulk of the trust is invested in unlisted securities, the manager has to rely on an external company to value these assets (for a listed company, the market itself is fulfilling that role). In order to be impartial, these valuation criteria are quite stringent and tend to be on the conservative side.

Thus, only when a transaction such as an IPO, an acquisition or a new product gaining approval to come to market happens, are the assets revalued. We believe that the Woodford Patient Capital Trust is thus likely to benefit from a double re-rating at some stage, both from the value of its assets itself (when its underlying holdings announce some good news) and from the share price of the trust (when investors realise that the discount is unfair). We obviously cannot guarantee that our view will materialise but we know that this value discipline has served the fund well over the years, hence why we continue to abide by it.

Performance

We are pleased to report that **Wise MAG** delivered returns well above the market and its peer group for the year ending in February 2018. The B shares (representing close to 99% of our external shareholders) returned 11.6% over the period while the BATS* UK All Companies index returned 4.4% and the IA Flexible Investment sector 6.7%. This puts the fund in the top 10% in the IA Flexible Investment sector over 1 year, in the top 4% over 3 years and in the top 13% over 5 years. The fund has also well outperformed the UK Consumer Price Index over 1, 3 and 5 years.

Looking at where this outperformance came from, our top three sectoral allocations on average over the period (Private Equity, UK Smaller Companies and International) were our top contributors to return. Theoretically, this should always be the case: our top conviction ideas should be the ones that perform the best. Unfortunately, though, this doesn't always happen in practice so we are pleased that this was the case over the past 12 months. This doesn't mean that those sectors were the top performing sectors in our portfolio (some others have performed better but, with a smaller weight, didn't contribute as much) but it means that none of our top conviction ideas have been wrong.

Private Equity is cyclical by nature. We invested heavily after the 2016 Brexit referendum as many top-quality investment trusts in the sector presented some very attractive discounts. We are now in the part of the cycle where underlying portfolios are more mature and we start reaping the rewards of investments that our managers have made over the past few years. The strong performance in our private equity "bucket" comes mainly from realisations that those managers have made at very attractive valuations. A good example comes from our largest holding over the period, HG Capital Trust, which confirmed our view that the trust's management is particularly astute in timing its market and selecting great investments. On average in 2017, the trust realised exits at a 40% uplift to carrying value. This means that those holdings in the trust were sold by HG Capital at a 40% average premium to the value they were marked at in the fund. This obviously benefitted not only the asset value of the trust but also its share price when other investors started to gain interest.

The second largest contributor to performance were our UK smaller companies funds. As with Private Equity, we increased our allocation to the asset class following the 2016 referendum and the asset class has had very strong performance since then, outperforming larger UK companies. Because of Brexit, political uncertainty and the relatively strong Pound, UK smaller companies have been as disliked by investors as they can be. The Bank of America Merrill Lynch survey of global fund managers, for example, shows that UK smaller companies are not only, by far, the most hated asset class but also that they are as hated as they were in the depth of the Great Financial Crisis of 2008. There doesn't appear to be any home-bias from UK retail investors either as the Investment Association data show that UK smaller companies are the only equity market to have seen net outflows over the past 12 months. In this context, we still manage to find some very attractive investments in the country and the good performance of our managers in this field is a testimony of it.

Finally, our International holdings have also contributed strongly to performance, whether they are the ones with a global mandate or regional ones such as in Japan. Although the strength of the Pound was a headwind for most of the year (a stronger Pound means weaker international currencies which, when investing abroad and repatriating assets back to the UK, penalises performance), most of our managers successfully added value.

On the negative side, our allocation to Utilities, as well as Mining and Resources holdings were small detractors. We believe that, after years of cost cutting and under-investment, the end of the negative cycle for the mining sector is in sight and that valuations don't reflect it. Unfortunately, in the second half of the period, the escalation of the tariffs talks between the US and China penalised the sector indiscriminately and we don't believe this is warranted. Similarly, the utilities sector continued to be disliked in favour of the technology darlings stocks. From a UK standpoint, the threat of a Corbyn government and a nationalisation program also weighed significantly on sentiment towards the sector. There again, we believe that this is unjustified and we can now get exposure to some great quality assets at very attractive valuations.

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

Allocation changes

The period has been an active one for us in terms of research and portfolio analysis. In total for the year, we conducted more than 200 meetings or calls with fund and company managers, generating new ideas and helping us in formulating our asset allocation views. The ever changing macro environment forces us to review our portfolio with an intensified level of scrutiny as events can easily turn sentiment and markets. This doesn't mean that we need to react to all or any events particularly. However, it means that opportunities are thrown at us more regularly when good funds get penalised alongside the market due to a macro event. Conversely, for some of our existing holdings, it means that they may reach their potential quicker than we would have initially anticipated so may need to be trimmed or sold.

The main change we made in the portfolio was to take a more cautious positioning, especially from June 2017 onwards. Although volatility (a measure of risk) only really started to rise at the end of the period, it was our view then (and still is) that, after a very strong period for financial markets, we are, at the very least, due a setback. Timing the periods of increased volatility will always be extremely difficult but we are minded to err on the side of caution as we are seeing more and more pockets of exuberance combined with an increasing number of inconsistencies between fundamentals and price action.

There are three different ways in which we have slightly altered the shape of the portfolio throughout the year.

1. Take profits: a number of our holdings have had a great performance over the past few months and it has always been our discipline to take profits on a regular basis. This is what we have done in this period, particularly with the two top contributing sectors we mentioned above, Private Equity and UK Smaller Companies. Although we believe there is still some upside left in both of those sectors, we have reduced our allocations as the cycle matures and, for investment trusts, valuations are getting dearer. The same rationale applied to the reduction of our Japanese equity allocation.

2. Invest in undervalued assets: we have increased our allocation to the Mining and Resources theme for the reasons we mentioned in the Performance section (attractive valuations and now in the attractive part of the cycle). Under this theme, we have also been opportunistic in building up our position in gold through gold miners as the asset class can provide an attractive hedge in the case of increased risk aversion. We also added to our allocation in Utilities. As discussed earlier, this is a sector which we think is very undervalued, clearly under owned and which should perform well not only in the event of a crisis but also in the scenario where the market continues to go up but rotates out of expensive assets into cheaper ones.

3. Invest in strategies offering downside protection: there are many ways to offer downside protection for a flexible multi-asset fund like ours. Aside from raising cash and looking for a valuation buffer, we can also look for asset classes that, by their nature, are less risky than equities. This is why we invested in the Vontobel TwentyFour Absolute Return Credit Fund. The fund invests in corporate bonds with short duration (no more than 5 years), which limits volatility compared to longer duration bonds. We can also look for managers who, by their nature, tend to be more cautious and have got the flexibility to do so. As such, we took a new position in the Ruffer Equity and General Fund, which takes a very forensic approach to investing in global equities with the flexibility to hold high levels of cash (currently more than 30%). Finally, we can look for managers with tools available to them to mitigate downside risks, either by using derivatives and/or by having a large panel of assets they can choose from. It is in this category that we bought the Fulcrum Diversified Core Absolute Return and the SVS Church House Tenax Absolute Return Strategies funds. These funds are multi-asset strategies with a strong emphasis on managing the downside risk. Similarly, we bought the Henderson UK Absolute Return fund which has the ability to benefit both from share prices going up and down and thus offers little exposure to the direction of the stock market.

The asset allocation table as at the balance sheet date is as follows:

Sector	Asset allocation as at 28 February 2018 (%)	Asset allocation as at 28 February 2017 (%)
Absolute return	8.9	-
Asia	5.6	5.6
Emerging Markets	2.0	-
Europe	2.0	1.2
International	22.3	20.4
Japan	2.1	5.3
Mining and Resources	11.1	5.9
Private Equity	16.6	24.6
Property	2.0	3.5
Specialist – Alternative Energy	1.9	4.2
Specialist – Biotechnology	0.9	-
Specialist – Technology	1.5	4.8
Specialist – Utilities	3.2	0.4
UK Growth	6.1	7.0
UK Income	2.5	-
UK Mid-Cap	3.0	2.8
UK Smaller Companies	6.6	11.0
USA	-	1.9
Cash and Other	1.7	1.4
Total	**100.0**	**100.0**

The full list of holdings at the balance sheet date is shown in the Portfolio Statement on pages 19 to 22.

Outlook

Early last year, large parts of the financial markets were trading at depressed levels, far below our estimation of their fair value. Many of these assets have recovered a long way, without yet becoming too expensive. On the other hand, some parts of the financial markets do look overvalued to us, in particular the technology sectors, large parts of the US markets, and the 'growth defensives' that held up so well during the 2007-09 crisis. The styles that look least attractive to us at the moment are quality, growth and momentum and it is interesting to note that, at the time of writing, some of those styles and sectors are starting to show some febrility. We continue to impose our unwavering value criteria to the holdings in the **Wise MAG** portfolio, taking profits on those assets which we believe have exceeded their fair values, and are generally continuing to adopt a more cautious approach to the markets in which we invest while trying to take advantage of opportunities.

General Update

A few general points on the Fund and our team to conclude. Firstly, you will have noticed that the name of the fund has changed from TB Wise Investment to TB Wise Multi-Asset Growth as at the beginning of September 2017. While the new name is far from the simplest, we felt the change was necessary to reflect better what the Fund is all about. To be absolutely clear, the way we manage the Fund hasn't and will not change as a result but please do not hesitate to contact us if you have any questions.

We feel that the strong performance of the Fund is starting to be noticed and we are seeing an increase in the number of enquiries as well as direct flows, which is very satisfactory. At the start of the reporting period, assets under management were at £49m versus £55.5m currently. Although our aim is to continue delivering good performance for our existing clients, as fund managers, it is pleasing to see our hard work recognised. We would like to take this opportunity to thank our clients whose support means a lot to us.

Finally, you may have noticed a slightly different style in this investment report compared to previous ones. I joined Tony as a co-manager on both of our funds (**Wise MAG** discussed here and the TB Wise Multi-Asset Income Fund) exactly a year ago to the day. The reason for me joining was that, as assets have grown, it is important that we ensure we have the appropriate resources to continue managing the funds with the high standards that we set ourselves. It has been a real privilege to work with the team over the past year and I very much look forward to continuing the great work we are doing together for the years to come.

Vincent Ropers
Fund Manager
Wise Funds Limited
Chipping Norton, United Kingdom
22 June 2018

TB WISE MULTI-ASSET GROWTH, PORTFOLIO STATEMENT

As at 28 February 2018

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Absolute Return		
	(8.9%; 28.02.17 - 0.0%)		
10,831	Fulcrum Diversified Core Absolute Return	1,123,409	2.0
665,860	Janus Henderson UK Absolute Return	1,096,671	2.0
672,306	SVS Church House Tenax Absolute Return Strategies	1,068,966	2.0
14,484	Vontobel 24 Absolute Return Credit	1,602,520	2.9
		4,891,566	**8.9**
	Asia		
	(5.6%; 28.02.17 - 5.6%)		
215,000	Aberdeen Asian Smaller Companies	2,214,500	4.0
223,343	Fidelity Asian Values	846,470	1.6
		3,060,970	**5.6**
	Emerging Markets		
	(2.0%; 28.02.17 - 0.0%)		
141,000	Templeton Emerging Markets	1,102,620	2.0
		1,102,620	**2.0**
	Europe		
	(2.0%; 28.02.17 - 1.2%)		
95,000	Henderson Eurotrust	1,102,000	2.0
		1,102,000	**2.0**
	International		
	(22.3%; 28.02.17 - 20.4%)		
383,651	British Empire Trust	2,766,124	5.0
164,165	Caledonia Investments	4,448,871	8.1
413,045	LF Ruffer Equity & General	1,949,571	3.5
121,688	Hansa Trust	1,180,374	2.1
89,029	Hansa Trust 'A'	868,033	1.6
1,469,410	Schroder Global Recovery	1,103,233	2.0
		12,316,206	**22.3**

TB WISE MULTI-ASSET GROWTH, PORTFOLIO STATEMENT (CONTINUED)

As at 28 February 2018

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Japan		
	(2.1%; 28.02.17 - 5.3%)		
260,216	Atlantis Japan Growth	619,314	1.1
33,036	Baillie Gifford Japanese	549,716	1.0
		1,169,030	**2.1**
	Mining and Resources		
	(11.1%; 28.02.17 - 5.9%)		
1,997,500	Baker Steel Resources	978,775	1.8
322,077	BlackRock Gold and General	2,788,218	5.0
595,817	BlackRock World Mining	2,347,519	4.3
		6,114,512	**11.1**
	Private Equity		
	(16.6%; 28.02.17 - 24.6%)		
214,537	HgCapital	3,690,036	6.7
418,251	ICG Enterprise	3,421,293	6.2
65,000	Pantheon International	1,202,500	2.2
1,100,000	Woodford Patient Capital Trust	829,400	1.5
		9,143,229	**16.6**
	Property		
	(2.0%; 28.02.17 - 3.5%)		
290,229	TR Property Investment Trust	1,079,652	2.0
		1,079,652	**2.0**
	Specialist - Alternative Energy		
	(1.9%; 28.02.17 - 4.2%)		
400,000	Impax Environmental Markets	1,016,000	1.9
		1,016,000	**1.9**
	Specialist - Biotechnology		
	(0.9%; 28.02.17 - 0.0%)		
85,000	International Biotechnology	498,100	0.9
		498,100	**0.9**

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Specialist - Technology (1.5%; 28.02.17 - 4.8%)		
73,000	Herald Investment Management	850,450	1.5
		850,450	**1.5**
	Specialist - Utilities (3.2%; 28.02.17 - 0.4%)		
537,000	Ecofin Global Utilities and Infrastructure	590,700	1.1
1,037,201	Ecofin Realisation Company	363,020	0.6
895,276	LF Miton Global Infrastructure	812,552	1.5
		1,766,272	**3.2**
	UK Growth (6.1%; 28.02.17 - 7.0%)		
1,046,919	Man GLG Undervalued Assets	1,663,554	3.0
145,140	Polar Capital UK Value Opportuntities	1,718,460	3.1
		3,382,014	**6.1**
	UK Income (2.5%; 28.02.17 - 0.0%)		
369,565	JOHCM UK Equity Income	1,398,804	2.5
		1,398,804	**2.5**
	UK Mid-Cap (3.0%; 28.02.17 - 2.8%)		
315,000	Schroder UK Mid Cap	1,656,900	3.0
		1,656,900	**3.0**

TB WISE MULTI-ASSET GROWTH, PORTFOLIO STATEMENT (CONTINUED)

As at 28 February 2018

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	UK Smaller Companies (6.6%; 28.02.17 - 11.0%)		
50,000	Aberforth Smaller Companies	639,000	1.2
321,475	MI Downing UK Micro-Cap Growth	669,632	1.2
280,000	Strategic Equity Capital	635,600	1.1
158,434	TB Amati UK Smaller Companies	1,687,523	3.1
		3,631,755	**6.6**
	Portfolio of investments	**54,180,080**	**98.3**
	Net other assets	**958,730**	**1.7**
	Total net assets	**55,138,810**	**100.0**

Asset Class	Asset class allocation as at 28 February 2018 (%)	Asset class allocation as at 28 February 2017 (%)
Investment Trusts	63.5	76.6
Collective Investment Schemes	34.8	22.0
Cash and Other	1.7	1.4
Total	**100.0**	**100.0**

All holdings in collective investment schemes are accumulation units/shares traded on regulated markets.

All other holdings are in investment trusts and are listed on recognised stock exchanges.

TB WISE MULTI-ASSET GROWTH, SUMMARY OF FUND PERFORMANCE

B Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	287.53	209.57	227.11
Return before operating charges*	35.69	80.29	(15.36)
Operating charges	(2.82)	(2.33)	(2.18)
Return after operating charges*	32.87	77.96	(17.54)
Distributions	(3.18)	(2.35)	(1.84)
Retained distributions on accumulation shares	3.18	2.35	1.84
Closing net asset value per share	320.40	287.53	209.57
* after direct transaction costs of:	0.42	0.27	0.23
Performance			
Return after charges	11.43%	37.20%	(7.72)%
Other information			
Closing net asset value	£17,883,386	£48,309,175	£36,260,816
Closing number of shares	5,581,603	16,801,299	17,302,358
Operating charges (p.a.)	1.20%	1.15%	1.28%
Direct transaction costs (p.a.)	0.14%	0.11%	0.10%
Prices			
Highest published share price	335.55	290.11	235.19
Lowest published share price	287.37	210.77	202.80

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

TB WISE MULTI-ASSET GROWTH, SUMMARY OF FUND PERFORMANCE (CONTINUED)

A Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	264.49	194.02	211.45
Return before operating charges*	32.84	74.03	(14.24)
Operating charges	(4.48)	(3.56)	(3.19)
Return after operating charges*	28.36	70.47	(17.43)
Distributions	(1.22)	(0.70)	(0.81)
Retained distributions on accumulation shares	1.22	0.70	0.81
Closing net asset value per share	292.85	264.49	194.02
* after direct transaction costs of:	0.39	0.25	0.22
Performance			
Return after charges	10.72%	36.32%	(8.24)%
Other information			
Closing net asset value	£526,725	£188,785	£254,957
Closing number of shares	179,863	71,378	131,408
Operating charges (p.a.)	1.85%	1.80%	1.93%
Direct transaction costs (p.a.)	0.14%	0.11%	0.10%
Prices			
Highest published share price	306.96	266.89	218.64
Lowest published share price	264.22	195.13	187.78

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

W Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	9 Dec 2016[1] 28 Feb 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	287.76	266.45
Return before operating charges*	35.78	21.76
Operating charges	(2.06)	(0.45)
Return after operating charges*	33.72	21.31
Distributions	(3.96)	(0.06)
Retained distributions on accumulation shares	3.96	0.06
Closing net asset value per share	321.48	287.76
* after direct transaction costs of:	0.43	0.07
Performance		
Return after charges	11.72%	8.00%
Other information		
Closing net asset value	£36,728,699	£15,827
Closing number of shares	11,425,039	5,500
Operating charges (p.a.)	0.95%	0.90%
Direct transaction costs (p.a.)	0.14%	0.11%
Prices		
Highest published share price	336.57	290.31
Lowest published share price	287.67	266.45

[1] *The W Shares were launched on 9 December 2016.*

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

TB WISE MULTI-ASSET GROWTH, STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	£	28.02.18 £	28.02.17 £
Income				
Net capital gains	2		4,987,589	12,746,584
Revenue	3	1,013,399		793,683
Expenses	4	(406,407)		(393,405)
Interest payable and similar charges	6	(36)		(7)
Net revenue before taxation		606,956		400,271
Taxation	5	(329)		(26)
Net revenue after taxation			606,627	400,245
Total return before distributions			**5,594,216**	**13,146,829**
Distributions	6		(606,849)	(399,375)
Change in net assets attributable to shareholders from investment activities			**4,987,367**	**12,747,454**

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

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	Notes	£	28.02.18 £	28.02.17 £
Opening net assets attributable to shareholders			**48,513,787**	**36,515,773**
Movements due to sales and repurchases of shares:				
Amounts receivable on issue of shares		73,736,051		5,578,201
Amounts payable on cancellation of shares		(72,729,138)		(6,718,197)
			1,006,913	(1,139,996)
Change in net assets attributable to shareholders from investment activities			4,987,367	12,747,454
Retained distributions on accumulation shares	6		630,743	390,556
Closing net assets attributable to shareholders			**55,138,810**	**48,513,787**

TB WISE MULTI-ASSET GROWTH, BALANCE SHEET
As at 28 February 2018

	Notes	28.02.18 £	28.02.17 £
Assets:			
Fixed assets:			
Investments		54,180,080	47,856,138
Current assets:			
Debtors	7	75,111	307,675
Cash and bank balances	8	1,712,866	670,828
Total assets		**55,968,057**	**48,834,641**
Liabilities:			
Creditors:			
Other creditors	9	829,247	320,854
Total liabilities		**829,247**	**320,854**
Net assets attributable to shareholders		**55,138,810**	**48,513,787**

1. Accounting policies

(a) Basis of accounting

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

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

(b) Functional currency

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

(c) Recognition of revenue

Dividends and distributions on holdings, net of any irrecoverable tax credits, are recognised when the underlying transferable security or collective investment scheme is quoted ex-dividend or ex-distribution. Bank interest and management fee rebates are accounted for on an accruals basis. All revenue is recognised on the condition that the flow of economic benefits is probable and the amount can be measured reliably.

(d) Treatment of stock dividends

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

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

(e) Equalisation on distributions

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

(f) Treatment of expenses

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

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

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

1. Accounting policies (continued)

(h) Taxation/deferred taxation

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

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

(i) Distribution policy

Net revenue produced by the Fund's investments is accrued six-monthly. At the end of each period the revenue, less the expenses allocated to the revenue account, is accumulated at the discretion of the Investment Manager, as per the prospectus.

(j) Exchange rates

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

(k) Financial instruments

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

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

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

(l) Management fee rebates

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

2. Net capital gains

	28.02.18	28.02.17
	£	£
Non-derivative securities	4,978,881	12,581,898
Currency gains	9,648	165,466
Transaction charges	(940)	(780)
Net capital gains	**4,987,589**	**12,746,584**

3. Revenue

	28.02.18	28.02.17
	£	£
UK franked distributions	93,250	93,647
UK unfranked distributions	1,645	131
UK franked dividends	902,705	461,850
UK unfranked dividends	-	156,723
Overseas dividends	15,453	81,417
Bank interest	65	43
Unfranked income currency gains/(losses)	281	(128)
Total revenue	**1,013,399**	**793,683**

4. Expenses

	28.02.18	28.02.17
	£	£
Payable to the ACD, associates of the ACD and agents of either:		
Annual management charge	340,990	335,611
Registration fees	4,718	2,883
Administration fees	25,572	24,407
	371,280	362,901
Payable to the Depositary, associates of the Depositary and agents of either:		
Depositary's fees	24,591	20,027
Safe custody fees	1,273	1,034
	25,864	21,061
Other expenses:		
Audit fee	6,600	6,480
Tax fee	2,280	2,280
FCA fee	259	245
Other expenses	124	438
	9,263	9,443
Total expenses	**406,407**	**393,405**

	28.02.18	28.02.17
	£	£
Fees payable to the company auditor for the audit of the companies annual accounts:		
Total audit fee	**6,600**	**6,480**
Total non audit fees - Tax compliance services	**2,280**	**2,280**

5. Taxation

(a) Analysis of the charge in the year

	28.02.18	28.02.17
	£	£
Analysis of charge in the year		
Irrecoverable income tax	329	26
Total current tax for the year (see note 5(b))	**329**	**26**
Deferred tax (see note 5(c))	-	-
Total taxation for the year	**329**	**26**

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

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

	28.02.18	28.02.17
	£	£
Net revenue before taxation	606,956	400,271
Corporation tax at 20%	121,391	80,054
Effects of:		
Revenue not subject to taxation	(202,282)	(127,383)
Excess expenses for which no relief taken	80,891	47,329
Irrecoverable income tax	329	26
Current tax charge for the year (see note 5(a))	**329**	**26**

(c) Provision for deferred tax

At the 28 February 2018 the Fund had surplus management expenses of £3,862,363 (28 February 2017: £3,457,912). The deferred tax asset in respect of this would be £772,473 (28 February 2017: £691,582). It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised at the year-end or at the previous year end (see note 5(a)). Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future.

6. Distributions

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

	28.02.18	28.02.17
	£	£
Interim - Accumulation (31 Aug)	438,781	248,099
Final - Accumulation (28 Feb)	191,962	142,457
	630,743	390,556
Add: Revenue deducted on cancellation of shares	162,688	24,819
Deduct: Revenue received on issue of shares	(186,582)	(16,000)
Net distribution for the year	**606,849**	**399,375**
Interest	36	7
Total finance costs	**606,885**	**399,382**
Reconciliation to net distribution for the year		
Net revenue after taxation for the year	606,627	400,245
Income currency losses	(23)	(882)
Losses transferred to capital	245	12
Net distribution for the year	**606,849**	**399,375**

Details of the distributions per share are set out on page 41.

7. Debtors

	28.02.18	28.02.17
	£	£
Amounts receivable for issue of shares	37,512	259,644
Accrued revenue	37,575	16,663
Prepayments	24	23
Income tax recoverable	-	31,345
Total debtors	**75,111**	**307,675**

8. Cash and bank balances

	28.02.18	28.02.17
	£	£
Cash and bank balances	1,712,866	670,828
Total cash and bank balances	**1,712,866**	**670,828**

9. Other creditors

	28.02.18	28.02.17
	£	£
Amounts payable for cancellation of shares	287,557	277,327
Purchases awaiting settlement	501,797	-
Accrued annual management charge	25,182	30,446
Accrued registration fees	684	249
Accrued administration fees	2,986	2,029
Accrued depositary fees	1,790	1,844
Accrued custody fees	346	199
Accrued audit fees	6,600	6,480
Accrued tax fees	2,280	2,280
Debit interest payable	25	-
Total creditors	**829,247**	**320,854**

10. Related party transactions

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

As at the balance sheet date, there were no shares held by the ACD, the Depositary or associates of either the ACD or the Depositary. As at the balance sheet date there was one nominee shareholder that held 70.0% of the Fund's total net asset value.

As at 28 February 2018, the Fund held 158,434 shares in TB Amati UK Smaller Companies of which T. Bailey Fund Services Limited is also the Authorised Corporate Director.

Details of transactions occurring during the accounting period with the ACD and the Depositary, and any balances due at the year end, are fully disclosed in notes 4 and 9 of the financial statements.

11. Share classes

As at the balance sheet date the Fund had three share classes. The following table shows a breakdown of the change in shares in issue of each share class in the year:

	B Accumulation
Opening shares at the start of the year	16,801,298.622
Total creation of shares in the year	10,531,906.103
Total cancellation of shares in the year	(21,751,601.925)
Closing shares at the end of the year	**5,581,602.800**

	A Accumulation
Opening shares at the start of the year	71,377.615
Total creation of shares in the year	192,302.344
Total cancellation of shares in the year	(83,816.792)
Closing shares at the end of the year	**179,863.167**

	W Accumulation
Opening shares at the start of the year	5,500.113
Total creation of shares in the year	13,538,761.604
Total cancellation of shares in the year	(2,119,222.838)
Closing shares at the end of the year	**11,425,038.879**

11. Share Classes (continued)

As at the balance sheet date the annual management charge of each share class was as follows:

TB Wise Multi-Asset Growth – A Accumulation shares	1.40% p.a.
TB Wise Multi-Asset Growth – B Accumulation shares	0.75% p.a.
TB Wise Multi-Asset Growth – W Accumulation shares	0.50% p.a.

Please note that as mentioned on page 3 the annual management charge was changed to a fixed rate of 0.75% for the B Accumulation shares, a fixed rate of 0.50% for the W Accumulation shares and a fixed rate of 1.40% for the A Accumulation shares on 3 January 2018.

The net asset value of each share class, the net asset value per share, and the number of shares in each share class are given in the Summary of Fund Performance tables on pages 23 to 25. The distributions per share are given in the distribution tables on page 41. Income, and the associated tax, which is not attributable to a particular share class is allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the share classes. All share classes have the same rights on winding up.

12. Risk management policies

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

(a) Currency exposures

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

	Net foreign currency assets at 28 February 2018			Net foreign currency assets at 28 February 2017		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Euro	-	-	-	-	1,477	1,477
US Dollar	-	-	-	-	551	551

There are no specific policies employed to manage the currency exposure. The fund currently has no direct currency exposure (28 February 2017: 4.2%)

In addition, the Fund's investments have an indirect exposure to exchange rate movements on the underlying investments of the investment trusts and collective investment schemes that are held in foreign currencies. Movements in exchange rates will impact on the prices of such underlying investments and as a result may affect the value of the Fund.

If GBP to foreign currency exchange rates had strengthened by 10% as at the balance sheet date, the net asset value of the fund would have decreased by £nil (28 February 2017: £184,323). If GBP to foreign currency exchange rates had weakened by 10% as at the balance sheet date, the net asset value of the fund would have increased by £nil (28 February 2017: £225,284). These calculations assume all other variables remain constant.

12. Risk management policies (continued)

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

The Fund's revenue is mainly received from holdings in investment trusts and other collective investment schemes. The revenue cash flow from these and from their underlying investments may fluctuate depending upon decisions made by the companies in which they invest. The Fund does not have any long term financial liabilities.

The Fund is affected by the impact of movements in interest rates on its own cash balances and on certain underlying investments held by the investment trusts and collective investment schemes in which it invests. The direct exposure to interest rate risk as at the balance sheet date is shown in the following table:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000
28.02.18						
Sterling	1,713	-	54,255	-	(829)	55,139
28.02.17						
Euro	-	-	1,477	-	-	1,477
Sterling	671	-	46,136	-	(321)	46,486
US Dollar	-	-	551	-	-	551

Short term debtors and creditors are included as non-interest bearing financial assets and liabilities in the above table.

The floating rate financial assets and liabilities comprise: Sterling denominated bank account balances that bear interest at the Bank of England base rate less 75 basis points (to a minimum of NIL) and overdrafts that bear interest at the Bank of England base rate plus 100 basis points. Non-interest bearing financial assets and liabilities mainly comprise investments that do not have a maturity date.

Cash flow risk and interest rate risk is managed by only holding cash at reputable financial institutions.

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

(c) Liquidity risk

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

12. Risk management policies (continued)

(d) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. The Fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

(e) Market price risk

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

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

If the value of shares/units in the underlying investments were to increase or decrease by 10% the change in the net asset value of the Fund would be £5,418,008 (28 February 2017: £4,785.614). This calculation assumes all other variables remain constant.

(f) Fair value of financial assets and liabilities

	INVESTMENT ASSETS	
	28 February 2018	28 February 2017
Valuation technique	£	£
Level 1: Quoted Prices	34,947,251	37,206,093
Level 2: Observable Market Data	19,232,829	10,650,045
Level 3: Unobservable Data	-	-
	54,180,080	47,856,138

As at the year-end there were no investment liabilities (28 February 2017: £nil). There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

(g) Commitments on derivatives

No derivatives were held at the balance sheet date (28 February 2017: £nil).

13. Transaction costs

(a) Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties incurred when purchasing and selling the underlying securities. In addition to the direct transaction costs below, indirect costs are incurred through the bid-offer spread. It is not possible for the ACD to quantify these indirect costs.

A breakdown of the purchases and sales, and the related direct transaction costs incurred by the Fund in the period are shown in the table below:

	28.02.18		28.02.17	
	£		£	
Analysis of total purchase costs				
PURCHASES				
Collective Investment Schemes	12,932,454		3,010,818	
Investment Trusts	12,342,427		9,406,099	
Net purchases before direct transaction costs	25,274,881		12,416,917	
		% of total		% of total
DIRECT TRANSACTION COSTS		purchases		purchases
Investment Trusts	60,070	0.24%	41,635	0.33%
Total direct transaction costs	60,070	0.24%	41,635	0.33%
Gross purchases total	**25,334,951**		**12,458,552**	
Analysis of total sale costs				
SALES				
Collective Investment Schemes	5,001,542		5,830,810	
Investment Trusts	19,019,565		6,820,194	
Gross sales before direct transaction costs	24,021,107		12,651,004	
		% of total		% of total
DIRECT TRANSACTION COSTS		sales		sales
Investment Trusts	(11,854)	0.05%	(4,639)	0.04%
Total direct transaction costs	(11,854)	0.05%	(4,639)	0.04%
Net sales total	**24,009,253**		**12,646,365**	

	28.02.18	% of	28.02.17	% of
	£	ave NAV	£	ave NAV
Analysis of total direct transaction costs				
Investment Trusts	71,924	0.14%	46,274	0.11%
Total direct transaction costs	**71,924**	**0.14%**	**46,274**	**0.11%**

13. Transaction costs (continued)

(b) Average portfolio dealing spread

The average portfolio dealing spread of the investments at the balance sheet date was 0.69% (28 February 2017: 0.85%). This is calculated as the difference between the offer and bid value of the portfolio as a percentage of the offer value.

14. Capital commitments and contingent liabilities

The Fund had no capital commitments or contingent liabilities at the balance sheet date (28 February 2017: £nil)

15. Post balance sheet events

Subsequent to the year-end, the net asset value per share of the B Accumulation shares has increased from 320.40p to 333.86p as at 11 June 2018. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustments at the year-end.

TB WISE MULTI-ASSET GROWTH, DISTRIBUTION TABLE

For the year ended 28 February 2018

Interim Distribution (31 August 2017)

Group 1 - Shares purchased on or prior to 28 February 2017

Group 2 - Shares purchased after 28 February 2017

Shares	Revenue (pence)	Equalisation[1] (pence)	Paid/Accumulated 31.10.17 (pence)	Paid/Accumulated 31.10.16 (pence)
B Accumulation				
Group 1	2.3255	-	2.3255	1.4973
Group 2	0.8403	1.4852	2.3255	1.4973
A Accumulation				
Group 1	1.2246	-	1.2246	0.6977
Group 2	0.0096	1.2150	1.2246	0.6977
W Accumulation				
Group 1	2.6989	-	2.6989	N/A
Group 2	1.5369	1.1620	2.6989	N/A

Final Distribution (28 February 2018)

Group 1 - Shares purchased on or prior to 31 August 2017

Group 2 - Shares purchased after 31 August 2017

Shares	Revenue (pence)	Equalisation[1] (pence)	Paid/Accumulated 30.04.18 (pence)	Paid/Accumulated 30.04.17 (pence)
B Accumulation				
Group 1	0.8564	-	0.8564	0.8478
Group 2	0.1945	0.6619	0.8564	0.8478
A Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
W Accumulation				
Group 1	1.2617	-	1.2617	0.0550
Group 2	0.6317	0.6300	1.2617	0.0550

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

TB WISE MULTI-ASSET INCOME, AUTHORISED STATUS

The Fund is a sub-fund of TB Wise Investment Funds with investment powers equivalent to those of a UCITS Scheme as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

INVESTMENT OBJECTIVE AND POLICY

The investment objectives of TB Wise Multi-Asset Income are to provide a yield in excess of the BATS* UK All Companies Index with the potential to provide income growth and capital growth over the medium to long term in line with, or better than, the rate of UK inflation (based on the Bank of England's preferred measure of UK inflation, which is currently the Consumer Prices Index(CPI)). Investors should note that their capital is at risk and that there is no guarantee that a positive return will be achieved over any time period. The fund will have exposure to multiple asset classes. The fund will invest in a diversified portfolio which may include collective investment schemes, equities including investment trusts, bonds, Government securities, money market instruments, deposits and cash. The fund may also use derivatives for the purpose of efficient portfolio management from time to time. There will be no restriction on allocations between asset classes or geographic regions.

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. As the Fund invests in other funds, the weighted average costs of the underlying funds are also taken into account. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Summary of Fund Performance tables on pages 55 to 60.

Please note that the maximum level of management fees which may be charged to any collective investment scheme in which the Fund invests is 6%.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of 1 to 7. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category 4 because it invests in a variety of asset classes, but with a bias towards shares.

RISK PROFILE

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

There is no guarantee that the Fund will meet its stated objectives and where there is more than one objective there may be periods where not all objectives are being met.

Whilst the intention of using derivatives is to reduce risk, this outcome is not guaranteed and derivatives involve additional risks which could lead to losses.

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

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

Performance

	Cumulative returns for the periods ended 28 February 2018 (%)		
	1 year	3 years	5 years
TB Wise Multi-Asset Income - A Shares	4.65	32.68	68.69
TB Wise Multi-Asset Income - B Shares	5.33	35.15	73.97
TB Wise Multi-Asset Income - W Shares**	5.55	N/A	N/A
IA Flexible Investment Sector	6.65	22.68	42.60
UK Consumer Price Index (CPI)	2.74	5.43	7.26
BATS* UK All Companies Index	4.39	19.27	42.89

Performance based on income shares. Source: Financial Express. Total return, bid to bid. Sterling terms.

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

** On 8 May 2018, the BATS indices were renamed as the Cboe indices. ** The W Shares were launched on 9 December 2016.*

Explanation of the TB in TB Wise Multi-Asset Income

T Bailey, a Nottingham-based firm, has been our funds' administrator and Authorised Corporate Director (ACD) since 2007. The ACD is a regulated function which primarily involves ensuring that the fund does not breach any of the FCA's rules. An FCA rule states that where a company manages a fund with its own company name in the title, as in Wise Multi-Asset Income, if the fund uses an external firm as its ACD, then this fact must be designated by inserting the initials of the ACD in the title, as in TB Wise Multi-Asset Income. For brevity, the fund will be referred to as **Wise MAI** in the remainder of this report.

Introduction

This report will discuss the fund's performance during the year ended 28th February 2018, and give a brief summary of the outlook for the coming year.

Investment Objective & Policy

Wise MAI was launched in October 2005. Its three aims remain the same as they were on the day we launched the fund. The aims are to pay an attractive income yield to investors, and to increase the annual income payments, and the fund's share value, at the rate of inflation or better over time. We will discuss our performance against these objectives further on in this report.

When we launched the fund, we defined 'an attractive income yield' as a yield equivalent to the best building-society deposit rate. This definition became meaningless in 2009, when cash deposit rates were cut to their current de minimis levels. Today, we use the Bats UK All-Companies index as one of our benchmarks, and as a guide the fund aims to produce an income yield that is greater than that of the index. Historically, the fund's yield has been significantly higher than the index yield. As at February 28th 2018, the index yield was 3.75%, while the fund's yield was 5.5%

Our investment universe is deliberately as broad as possible. **Wise MAI** can invest in any or all of the following asset classes, cash, fixed interest including government stock (gilts) and company stock (corporate bonds), shares - both listed equities and private equity, commercial property (via investment trusts) and infrastructure funds including renewable energy. We can invest in these assets anywhere in the world, and in whatever proportions we believe will best achieve our stated objectives.

Wise MAI is listed in the IA Flexible Investment sector, which gives us the freedom to invest in the unconstrained fashion which we believe will produce the best overall returns for our investors.

Share Classes

Wise MAI has three classes of shares. The A shares are a legacy share class, with higher charges. At the year-end, less than 2% of the fund was in the A shares. The W share class is restricted to investments of over £100m. Figures quoted in this report will refer to the B shares, which the majority of investors hold.

Performance

In the year to February 2017, the fund posted an extremely strong return of 33.2%. Last year was inevitably going to be harder. Performance remained strong for the three months to the end of May 2017, and has been generally disappointing for the rest of the year.

For the year as a whole, the fund return of 5.33% came almost entirely from income, with only a very small capital gain. This return breaks down into a gain of 8.65% in the first three months, well ahead of both the IA Flexible Investment sector and the BATS* UK All Companies index, and a loss of 3.05% in the rest of the year, during which we underperformed both indices.

Performance over the longer term continues to be above average. Over three years **Wise MAI** has made a total return of 35.2%, and 74.0% over five years, with gains over both periods approaching double those of both indices. The fund has also well outperformed the UK Consumer Price Index over 1, 3 and 5 years.

Our management of the fund, which gives rise to the performance, is discussed in detail in the Review.

** On 8 May 2018, the BATS indices were renamed as the Cboe indices.*

Volatility

High volatility occurs when share prices move around violently. It is universally accepted among investors that low volatility is a positive characteristic.

Wise MAI's volatility continues to be low. The fund's current risk score on Financial Express is 67, compared to the risk score for the UK stock market, which is always 100.

Dividends

Wise MAI's dividend yield was around 5.5% as at February 28th 2018. This means that an investor who invested £100 on that day could reasonably expect to receive £5.50 in dividends over the next twelve months. This would happen if the underlying holdings in the fund were to remain unchanged during the year, and if all of them were to pay the same dividend as they had the previous year. In practice, there are always portfolio changes, and there are always dividend increases, and sometimes cuts, so the historic yield should be seen as no more than a guide.

A year earlier, on February 28th 2017, the fund's yield was 4.8%. In the last year, dividends have risen faster than capital values, and the fund has sold some lower-yielding assets and replaced them with higher-yielding ones.

Investors are prepared to pay more for a secure income than an unreliable one, so a 'safe' income tends to be a lower one. We assess each asset on its own merits, and come to our own conclusion on risk. We believe that the market gets it right a lot of the time, but not always. In an over-valued market, it gets harder and harder to find high income streams that aren't also offputtingly risky, and in such times we prefer to accept a lower-yielding fund, rather than one that continues to pay a higher income, but with high risk of dividend cuts and capital losses. On a scale of 1-10, where 1 is cheap, with high, safe dividend streams widely available in all asset classes, and 10 is the opposite, we would judge today's market to be around a 6.

Ongoing Charges Figure

Wise MAI's Ongoing Charges Figure (OCF) was 0.87% for the year ended February 28th 2018. The table below shows how the figure has come down over the last few years. The fund's OCF is low for a fund of funds, and partly reflects the amount of direct holdings where there is no underlying fee. The direct holdings, at 56.4% of the fund, are slightly higher than last year's figure of 56.1%, and contribute to the low OCF.

OCF	28.02.18	29.02.17	28.02.16	28.02.15	28.03.14	29.02.13	28.02.12
'B' shares % p.a.	0.87	0.93	0.99	1.19	1.34	1.43	1.46

Fund Size

The fund size as at February 28th was £ 107.1 million, up 38% on the year.

Where Wise MAI Invests

The table below shows how **Wise MAI** was invested at the year-end. We have included the comparable figures for the previous year-end, which shows that there have been only minor changes in overall asset allocation over the year.

	28th February 2018		**28th February 2017**	
Shares				
UK	58.3		53.4	
Overseas	11.2	**69.5**	17.3	**70.7**
Fixed Interest				
UK	1.2		2.5	
Overseas	-	**1.2**	-	**2.5**
Property				
UK Commercial Property		**14.3**		**10.4**
Private Equity		**6.7**		**12.6**
Renewable Energy		**0.8**		**1.6**
Cash		**7.5**		**2.2**
TOTAL		**100.0**		**100.0**

The full list of holdings at the balance sheet date is shown in the Portfolio Statement on pages 51 to 54.

Review

Investment principles

The price of **Wise MAI** fluctuates from one year to the next – after a 33% gain last year, we are now reporting on a year which produced a return of just 5.3%. But the process, and the principles which inform the management of the fund, do not change, and it may be useful to reiterate them here.

Whether investing in companies or in funds, we invest primarily in people. We don't know what the future has in store, but we believe that we are best equipped to cope with it, if we place our shareholders' money in the hands of experienced people with energy and sound judgement, who we believe care deeply about the institutions they manage, and who are able to explain their plans to us in a clear and credible way.

We aim to invest in these companies and funds at times when their share prices are significantly below our estimate of their fair values, and even though our respect for them doesn't change, we will sell once the valuations rise to levels we aren't comfortable with.

We believe we can serve our shareholders best by adopting the widest possible investment remit, so that when certain asset classes become dangerously expensive, we have the best chance of finding value in others.

We prefer not to invest in the tobacco and gambling industries, or the arms trade, and have avoided these areas for many years. We strongly believe in renewable energy, though even in this area we will not invest when the assets do not meet our valuation criteria.

We prefer to invest in entities which serve people's needs rather than their whims.

Though the fund's remit is global, we will not invest in areas where we can't be sure that property rights or the rule of law will be upheld – Russia, for example.

As this is an income fund, we do not invest in any asset which doesn't pay an income, with an unofficial minimum of 2.5 – 3.0%.

2017-8

The period from the middle of February 2016 to the end of May 2017 produced returns for the fund in excess of 40%, and lifted some of the fund's assets to levels at which we felt compelled to reduce or sell them. Among the funds, we reduced the private equity trusts Princess and Foreign & Colonial, as well as Picton Property, and CC Japan Income & Growth. We reduced our holdings in Alliance Pharma and Stobart, and sold Savills, Morgan Sindall, XP Power, and McColls, all on valuation grounds. We also sold Quarto, where we had lost faith in the company's strategy, and Harvey Nash, which became too small for the fund. We have an unofficial policy of not investing in any company or fund which is smaller in size than **Wise MAI**.

The political and economic woes of the UK

We identified a number of opportunities for new investment, mostly in the UK, which is one of the world's cheapest markets, avoided by overseas fund managers on account of Brexit.

The Conservatives had called an election, mis-handled their campaign, and were only able to form a government with the help of the Democratic Ulster Unionists. Far from the promised 'strong, stable government' the UK appeared to be led into the Brexit negotiations by a weak and divided party, where it was completely at the mercy of the better-organised EU negotiators.

At the same time a re-invigorated Labour party rolled out a hard-left agenda, promising to scrap the Private Finance Initiative (PFI) and re-nationalise the railways, together with the water and power sectors. The Government countered by dialling up the rhetoric against the power companies, threatening to impose draconian price caps.

Then Carillion announced a profit warning, which led to administration several months later. Carillion's troubles were due in part to the fixed-charge, all-risks construction contracts they had accepted, where wafer-thin margins, typically 2.0%, disappear altogether if costs rise above budget. Carillion ran a number of projects for infrastructure funds such as HICL and John Laing Infrastructure, which had to make provisions against losses. Other construction companies were compelled to take on extra work on projects in which they were in joint venture with Carillion, for example Galliford Try and Balfour Beatty on the Aberdeen West ring road. Many investors now believe that the construction sector is un-investable.

Last year was a difficult one for the UK consumer. Inflation was pushed up by the rising cost of imported goods, following the fall in sterling in 2016, and nationally, wage rises failed to keep pace. High street retailers were battered by a combination of falling demand, online competition, increased business rates, the National Living Wage, and the apprenticeship levy. Commentators began to talk of the 'death of the High Street'.

New ideas

The above issues have offered us opportunities in several sectors.

Utilities are seen as highly indebted, and as price-takers from their regulators. However, the debt is an integral part of their long-term investment programmes, which make them the owners of unique assets without which society could not function. There is maximum uncertainty in the water sector in advance of the five-year price review, due to be implemented in 2020, which is currently weighing on prices. Also, utility companies are seen as 'bond proxies' – assets you would own as alternatives to bonds, and bond prices have started to weaken. After researching the sector, we identified long-term value and invested in Pennon and National Grid.

We also see value in the **construction** sector. The bankruptcy of Carillion has worked well for the remaining companies, partly through the removal of a competitor, but also specifically because the remaining companies are no longer prepared to accept the fixed-price contracts which become loss-making so frequently. Galliford Try is a good example. The company has announced two profit warnings relating to the Aberdeen road scheme, most recently following the Carillion failure, which have caused the company's share price to fall by around 40% over the last year. However, the Aberdeen scheme is the last of the old-style contracts the company has to work through, and there is the potential for a substantial claim against the client, who caused the delay which led to the original cost over-run. Galliford Try also owns Linden Homes, the UK's sixth largest house builder, together with a fast-growing affordable housing and urban regeneration division. On a standalone valuation, Linden Homes is worth perhaps 125% of the whole of Galliford Try, which means that the market values the construction arm at less than nothing, at a time when it may be entering a period of lower competition and higher margins, and the other divisions continue to trade profitably.

The **infrastructure** sector offers us exactly the kind of long-term, inflation-proofed, secure income streams which **Wise MAI** was set up to provide, but the investment trusts through which we can access the sector have been expensive for years. Investors bid the shares of the infrastructure trusts up to the point where HICL, the largest fund in the sector, was on a premium of over 20% to its asset value (so you pay £120 for £100 of assets). Today, the threat of Mr Corbyn re-nationalising the PFI, the demise of Carillion, who were a contractor to the trust, and the rise in bond yields, have created an aversion to the sector, which has caused HICL's price to fall by almost 30%, its dividend yield to rise to almost 6%, and the 20% discount to turn into a 9% discount. Finally, there is an attractive entry point for the long-term investor.

Will Jeremy Corbyn's Labour party come to power? Perhaps. Will they re-nationalise the PFI? Possibly, but not without a plethora of legal challenges, and hence, long delays. Re-nationalising the PFI isn't a vote-winner, and wouldn't be a top priority. The sector would have to be tackled piecemeal, targeting the most obviously failing contracts first – not, that is, the ones owned by HICL and its peers. We see a significant opportunity here, but for now the prices are still falling.

We see opportunities in the **retail** sector, or more broadly in the sector that sells goods and services to consumers in the UK. There have already been casualties in this sector (Maplin's, Toys 'R' Us, Conviviality Retail, Jamie Oliver) and there will be more, so great care is needed. In evaluating such companies, we ask three questions – 'Do we trust the management, is the company capable of withstanding competition, particularly online competition, and is the balance sheet strong enough to cope with a prolonged period of pressure on margins? For a company to be considered investable, the answer needs to be a confident 'yes' to all these questions.

Our largest holding in this sector, Shoe Zone, is a small company. Shoe Zone, a discount retailer, imports shoes, mainly from China, and sells them through its shops and increasingly online. The company was family owned until the listing a few years ago, but continues to feel like a family company, and has a large family shareholding, runs a highly efficient operation with tight control of costs, and keeps a large cash buffer, with no debt.

Our next largest holding, Halfords, is roughly one-third cycle shop, and two thirds auto spares. New car sales have slumped in the past year, but that favours Halfords, as auto spares sales tend to grow with the increasing age of the UK's car fleet. Customers tend to order their parts online, and then go to the store to have them fitted. Halfords are also looking to grow in the car repair market. We added a new holding, Photo-Me, towards the end of the year. Photo-me, another company with a substantial cash pile and no debt, best known for its photo booths, is rapidly expanding in the unmanned laundry segment worldwide, with new installations being paid for by cash flow. Photo-me is the kind of company we want to own – it has talented, committed, experienced management, strong brands, and plenty of cash. It is diversified both globally and by market segment. It sells things that people need – passport photos and a cheap way to wash your clothes, and it pays investors a handsome dividend.

Performance revisited

It might be imagined that, at a time of growing geo-political risk, of growing tension between Iran and Israel, China and the US, and between Russia and the rest of the world, a style of investment which has become, at least for now, increasingly domestically-focussed, investing in things like the power grid, waste recycling, and the sale of car spares, might appeal to investors. This has not proved to be the case. In the last few months, the prices of our holdings in construction, infrastructure, utilities and retail have all continued to decline.

When events reveal errors in our judgement, our practice is to make adjustments. The most painful of these occurred in the summer, when we sold our holding of Carillion following the profits warning, which revealed the extent of the management's failure up to that point to reveal what had really been going on in the company. Carillion cost the fund 1.6% of performance during the year, and was our biggest detractor during this period. Other significant losers were the utilities National Grid, Pennon and Centrica, the pub company Marstons, and construction companies Kier and Galliford Try. Our biggest positive contributors were Princess Private Equity, Henry Boot (construction, land sales to house builders), Stobart (biofuels and owner of Southend Airport), Alliance Pharma, and the financials Legal & General, Polar Capital and Numis.

Summary

At the end of February 2017, we reported reduced value in the **Wise MAI** portfolio following a period of unusually strong performance. Today's portfolio contains more earnings and more dividends, and therefore, we think, more value than that of a year ago. Our focus is on producing a robust stream of income, which is as far as possible insulated from legal, regulatory, political and economic challenges, and from changes in fashion, both in consumer demand and in financial market perceptions. We continue to question our assumptions, correct mistakes, and to look for new income-producing assets with the right characteristics.

Longer-Term Performance against Aims

First Aim – An Attractive Dividend Yield

When we launched **Wise MAI,** we defined 'an attractive dividend yield' as being roughly equivalent to the best building society interest rate, in order that investors who transferred money from a building society account to the fund should not experience a significant loss of income. With the best building societies paying less than 1.0%, this comparison is no longer appropriate.

The yield for new investors is the amount of income the fund pays for a given level of investment. For example, if you invest £100, and receive £4 in income in the first year, then the yield is 4%. The yield will tend to drop if markets rise, and rise if markets fall. Our continuing aim is to pay an attractive level of income. However, we will not artificially inflate that income by buying assets which we believe aren't capable of sustaining income payments at least at their current levels in the longer term. At February 28th 2018, the fund yield was 5.5%. We believe this yield to be attractive in today's market and is significantly higher than the Bats UK All-Companies index yield of 3.75%

Second Aim – Increase Income Payments in Line With Inflation or Better

The table on the following page tracks our progress towards meeting this objective. The table takes 2006 as its starting year, as that was our first full year of making dividend payments. It shows the dividend payments that have actually been made (column A), and compares them to what would have been paid if we had increased 2006's payment each year since then in line with retail price inflation (column B). The table shows that we have achieved our second goal so far.

Doing so was made more difficult by the Global Financial Crisis of 2007-9, when dividend payments were slashed across the board and in some cases passed altogether. The table shows that it took four years for Wise MAI's dividend to recover to its 2007 level.

Our focus on paying dividends is unwavering. Investors who have held the fund since launch have received 64.4p in dividends, equivalent to almost two-thirds of their initial investment, over a period of twelve and a half years.

Year	Dividend declared in year* **(Column A)**	CPI Growth in year (%)	Wise Income's C.P.I.-linked dividend **(Column B)**	Investors gain/(loss) **(A-B)**
2006	4.29			
2007	5.03	+2.4	4.39	0.64
2008	4.60	+3.5	4.54	0.06
2009	4.22	+2.0	4.63	(0.41)
2010	4.95	+2.5	4.75	0.20
2011	5.29	+3.8	4.93	0.36
2012	5.10	+2.6	5.06	0.04
2013	5.35	+2.3	5.18	0.17
2014	5.34	+1.5	5.26	0.08
2015	5.49	+0.4	5.28	0.21
2016	6.05	+1.0	5.33	0.72
2017	6.86	+2.6	5.47	1.39
				3.46

**B Income shares*

Third Aim – Grow the Capital Value in Line with Inflation or Better

Wise MAI's income share price was £ 1.00 at launch, and £1.2719 on February 28th 2018. Since the fund's launch in October 2005, inflation as measured by the CPI index has risen by 33.3%, so the fund has fallen short of its third aim, to achieve capital growth in line with inflation, by around 6.1% in twelve years. This target would have been comfortably achieved had it not been for the Global Financial Crisis of 2007-9, from which many asset prices have only partially recovered.

Wise MAI's capital value is still recovering from the huge set-back of the global crisis, when the income share price fell to almost 50p. Investors have seen strong capital gains in the last nine years. We believe that many of the holdings in the fund are significantly undervalued, and in an environment where there is an ever-growing demand for income-producing assets, we are hopeful of inflation-beating capital gains in the foreseeable future.

Recognition

Wise MAI continues to hold a five-star Financial Express rating, out of a possible five.

At the end of February 2018, Tony Yarrow was a Citywire AA rated fund manager.

Outlook

The macro-economic environment remains challenging. Our job as investors is to make the best risk-adjusted returns we can in the conditions in which we find ourselves.

We continue to believe that we can make acceptable returns by sourcing investment ideas from the widest possible selection of assets, altering the mix over time as conditions change, and using market movements to fine-tune the portfolio.

We invest in robust income streams, and not in asset prices. The crucial ingredient in any investment we make is its ability to pay an attractive income stream, with the potential to grow over time. We invest in public markets, and we cannot control the price fluctuations of the assets we own. We believe we are careful drivers, but sometimes the other road users are not, and will persist in piling into markets at the top, and then piling out again at the bottom. These investors are adept at constructing narratives to justify their behaviour. We aim to use the volatility created by the herd mentality to our investors' advantage.

We look forward to the year ahead with cautious optimism.

Tony Yarrow
Fund Manager
Wise Funds Limited
Chipping Norton, United Kingdom
22 June 2018

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Asia		
	(3.1%; 28.02.17 - 3.1%)		
1,550,000	Aberdeen Asian Income	3,317,000	3.1
		3,317,000	**3.1**
	Fixed Income		
	(1.2%; 28.02.17 - 2.5%)		
1,025,774	Royal London Sterling Extra Yield Bond	1,238,827	1.2
		1,238,827	**1.2**
	International		
	(0.9%; 28.02.17 - 2.0%)		
80,155	Murray International	987,510	0.9
		987,510	**0.9**
	North America		
	(4.0%; 28.02.17 - 4.0%)		
4,439,350	Middlefield Canadian Income	4,306,169	4.0
		4,306,169	**4.0**
	Private Equity		
	(6.7%; 28.02.17 - 12.6%)		
309,856	F&C Private Equity	1,025,623	1.0
132,000	NB Private Equity Partners	1,317,360	1.2
544,263	Princess Private Equity	4,801,045	4.5
		7,144,028	**6.7**
	Property		
	(14.3%; 28.02.17 - 10.4%)		
510,000	British Land Company	3,201,780	3.0
4,060,000	Ediston Property	4,506,600	4.2
2,051,482	Impact Healthcare REIT	2,113,026	2.0
700,548	Palace Capital	2,213,732	2.0
1,850,000	Picton Property Income	1,598,400	1.5
865,000	U + I	1,686,750	1.6
		15,320,288	**14.3**

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Small-Cap (5.6%; 28.02.17 - 27.9%)		
1,800,000	Alliance Pharma	1,206,000	1.1
330,000	Braemar Shipping Services	798,600	0.8
870,000	Stobart	2,074,950	1.9
620,000	Tarsus	1,891,000	1.8
		5,970,550	**5.6**
	Specialist - Aircraft Leasing (1.9%; 28.02.17 - 0.0%)		
1,900,000	Amedeo Air Four Plus	2,014,000	1.9
		2,014,000	**1.9**
	Specialist - Clean Energy (0.8%; 28.02.17 - 1.6%)		
900,000	John Laing Environmental Assets	913,500	0.8
		913,500	**0.8**
	Specialist - Construction (6.5%; 28.02.17 - 0.0%)		
869,092	Boot (Henry)	2,650,731	2.5
120,000	Galliford Try	1,101,600	1.0
206,000	Kier Group	2,134,160	2.0
272,573	Telford Homes	1,076,663	1.0
		6,963,154	**6.5**
	Specialist - Financials (11.9%; 28.02.17 - 0.0%)		
413,295	Ashmore	1,706,082	1.6
492,685	Chesnara	1,943,642	1.8
1,814,100	Legal & General	4,763,827	4.5
550,000	Numis Corporation	1,933,250	1.8
500,000	Polar Capital	2,395,000	2.2
		12,741,801	**11.9**

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
	Specialist - Resources (6.4%; 28.02.17 - 3.9%)		
984,500	BlackRock World Mining	3,878,930	3.6
76,500	Rio Tinto	3,003,390	2.8
		6,882,320	**6.4**
	Specialist - Telecommunications (4.3%; 28.02.17 - 0.0%)		
1,170,000	BT	2,805,660	2.6
50,000	Manx Telecom	94,500	0.1
820,000	Vodafone	1,669,930	1.6
		4,570,090	**4.3**
	Specialist - Utilities (9.7%; 28.02.17 - 3.5%)		
1,500,000	Centrica	2,143,500	2.0
3,057,278	Ecofin Global Utilities and Infrastructure	3,363,006	3.2
410,000	National Grid	3,034,820	2.8
300,000	Pennon	1,825,200	1.7
		10,366,526	**9.7**
	UK Consumer-Facing (15.2%; 28.02.17 - 0.0%)		
730,000	Halfords	2,585,660	2.4
355,000	Marks & Spencer	1,049,380	1.0
2,200,000	Marston's	2,279,200	2.1
2,520,948	Moss Bros	1,689,035	1.6
1,190,277	Photo-Me International	2,173,446	2.0
1,365,000	Safestyle UK	1,531,530	1.4
760,000	Sainsbury (J)	1,966,880	1.9
1,840,000	Shoe Zone	2,980,800	2.8
		16,255,931	**15.2**
	Portfolio of investments	**98,991,694**	**92.5**
	Net other assets	**8,082,615**	**7.5**
	Total net assets	**107,074,309**	**100.0**

'Japan' sector disinvested since the beginning of the period (28 February 2017: 0.8%).

'Large-Caps' sector disinvested since the beginning of the period (28 February 2017: 13.3%).

'Mid-Caps' sector disinvested since the beginning of the period (28 February 2017: 12.2%).

TB WISE MULTI-ASSET INCOME, PORTFOLIO STATEMENT (CONTINUED)

As at 28 February 2018

Asset Class	Asset class allocation as at 28 February 2018 (%)	Asset class allocation as at 28 February 2017 (%)
Investment Trusts	34.9	39.4
Collective Investment Schemes	1.2	2.3
Equities	56.4	54.9
Preference Shares	-	1.2
Cash and Other	7.5	2.2
Total	**100.0**	**100.0**

All holdings in investment trusts, equities and preference shares are listed on recognised stock exchanges. All holdings in collective investment schemes are Income units/shares and are traded on regulated markets.

TB WISE MULTI-ASSET INCOME, SUMMARY OF FUND PERFORMANCE

B Income Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	125.62	99.54	108.94
Return before operating charges*	7.53	33.17	(2.88)
Operating charges	(1.17)	(1.04)	(1.03)
Return after operating charges*	6.36	32.13	(3.91)
Distributions	(6.86)	(6.05)	(5.49)
Closing net asset value per share	125.12	125.62	99.54
* after direct transaction costs of:	0.43	0.42	0.40
Performance			
Return after charges	5.06%	32.28%	(3.59)%
Other information			
Closing net asset value	£30,026,261	£46,819,205	£31,429,486
Closing number of shares	23,998,256	37,270,068	31,574,077
Operating charges (p.a.)	0.87%	0.93%	0.99%
Direct transaction costs (p.a.)	0.32%	0.37%	0.38%
Prices			
Highest published share price	137.11	127.43	114.46
Lowest published share price	124.97	98.43	95.32

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

TB WISE MULTI-ASSET INCOME, SUMMARY OF FUND PERFORMANCE (CONTINUED)

B Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	229.67	172.50	179.34
Return before operating charges*	13.47	59.02	(5.11)
Operating charges	(2.19)	(1.85)	(1.73)
Return after operating charges*	11.28	57.17	(6.84)
Distributions	(12.75)	(10.70)	(9.22)
Retained distributions on accumulation shares	12.75	10.70	9.22
Closing net asset value per share	240.95	229.67	172.50
* after direct transaction costs of:	0.80	0.75	0.67
Performance			
Return after charges	4.91%	33.14%	(3.81)%
Other information			
Closing net asset value	£39,807,196	£28,830,183	£17,619,039
Closing number of shares	16,521,264	12,552,963	10,213,771
Operating charges (p.a.)	0.87%	0.93%	0.99%
Direct transaction costs (p.a.)	0.32%	0.37%	0.38%
Prices			
Highest published share price	256.06	231.38	188.42
Lowest published share price	231.26	174.25	163.86

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TB WISE MULTI-ASSET INCOME, SUMMARY OF FUND PERFORMANCE (CONTINUED)

A Income Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	117.13	93.41	102.81
Return before operating charges*	7.03	31.04	(2.70)
Operating charges	(1.88)	(1.65)	(1.52)
Return after operating charges*	5.15	29.39	(4.22)
Distributions	(6.37)	(5.67)	(5.18)
Closing net asset value per share	115.91	117.13	93.41
* after direct transaction costs of:	0.40	0.39	0.38
Performance			
Return after charges	4.40%	31.46%	(4.10)%
Other information			
Closing net asset value	£688,032	£536,766	£419,068
Closing number of shares	593,591	458,282	448,614
Operating charges (p.a.)	1.52%	1.58%	1.64%
Direct transaction costs (p.a.)	0.32%	0.37%	0.38%
Prices			
Highest published share price	127.64	118.83	107.88
Lowest published share price	115.81	92.19	89.47

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

TB WISE MULTI-ASSET INCOME, SUMMARY OF FUND PERFORMANCE (CONTINUED)

A Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	1 Mar 2016 to 28 Feb 2017 (pence per share)	1 Mar 2015 to 29 Feb 2016 (pence per share)
Change in net assets per share			
Opening net asset value per share	213.53	161.42	168.78
Return before operating charges*	12.55	55.02	(4.80)
Operating charges	(3.51)	(2.91)	(2.56)
Return after operating charges*	9.04	52.11	(7.36)
Distributions	(11.86)	(10.01)	(8.71)
Retained distributions on accumulation shares	11.86	10.01	8.71
Closing net asset value per share	222.57	213.53	161.42
* after direct transaction costs of:	0.74	0.69	0.63
Performance			
Return after charges	4.23%	32.28%	(4.36)%
Other information			
Closing net asset value	£1,370,391	£1,133,761	£1,171,625
Closing number of shares	615,719	530,957	725,831
Operating charges (p.a.)	1.52%	1.58%	1.64%
Direct transaction costs (p.a.)	0.32%	0.37%	0.38%
Prices			
Highest published share price	236.75	215.15	177.06
Lowest published share price	214.98	162.73	153.37

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

W Income Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	9 Dec 2016 to[1] 28 Feb 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	125.82	118.93
Return before operating charges*	7.50	7.82
Operating charges	(0.84)	(0.19)
Return after operating charges*	6.66	7.63
Distributions	(6.86)	(0.74)
Closing net asset value per share	125.62	125.82
* after direct transaction costs of:	0.43	0.10
Performance		
Return after charges	5.29%	6.42%
Other information		
Closing net asset value	£27,830,486	£2,646
Closing number of shares	22,154,178	2,103
Operating charges (p.a.)	0.62%	0.68%
Direct transaction costs (p.a.)	0.32%	0.37%
Prices		
Highest published share price	137.37	127.50
Lowest published share price	125.44	118.35

[1] *W Shares launched 9 December 2016.*

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

W Accumulation Shares	1 Mar 2017 to 28 Feb 2018 (pence per share)	9 Dec 2016 to[1] 28 Feb 2017 (pence per share)
Change in net assets per share		
Opening net asset value per share	229.79	215.95
Return before operating charges*	13.51	14.18
Operating charges	(1.58)	(0.34)
Return after operating charges*	11.93	13.84
Distributions	(12.74)	(1.34)
Retained distributions on accumulation shares	12.74	1.34
Closing net asset value per share	241.72	229.79
* after direct transaction costs of:	0.80	0.18
Performance		
Return after charges	5.19%	6.41%
Other information		
Closing net asset value	£7,351,943	£8,592
Closing number of shares	3,041,488	3,739
Operating charges (p.a.)	0.62%	0.68%
Direct transaction costs (p.a.)	0.32%	0.37%
Prices		
Highest published share price	256.80	231.51
Lowest published share price	231.40	214.90

[1] *W Shares launched 9 December 2016.*

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

TB WISE MULTI-ASSET INCOME, STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	£	28.02.18 £	28.02.17 £
Income				
Net capital (losses)/gains	2		(880,165)	15,020,612
Revenue	3	5,169,051		3,341,978
Expenses	4	(816,807)		(582,237)
Interest payable and similar charges	6	(21)		(24)
Net revenue before taxation		4,352,223		2,759,717
Taxation	5	(6,350)		(9,772)
Net revenue after taxation			4,345,873	2,749,945
Total return before distributions			**3,465,708**	**17,770,557**
Distributions	6		(5,080,082)	(3,299,493)
Change in net assets attributable to shareholders from investment activities			**(1,614,374)**	**14,471,064**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	Notes	£	28.02.18 £	28.02.17 £
Opening net assets attributable to shareholders			**77,331,153**	**50,639,218**
Movements due to sales and repurchases of shares:				
Amounts receivable on issue of shares		118,112,540		27,987,785
Amounts payable on cancellation of shares		(89,039,062)		(17,067,300)
			29,073,478	10,920,485
Change in net assets attributable to shareholders from investment activities			(1,614,374)	14,471,064
Retained distributions on accumulation shares	6		2,284,052	1,300,386
Closing net assets attributable to shareholders			**107,074,309**	**77,331,153**

TB WISE MULTI-ASSET INCOME, BALANCE SHEET

As at 28 February 2018

	Notes	28.02.18 £	28.02.17 £
Assets:			
Fixed assets:			
Investments		98,991,694	75,612,655
Current assets:			
Debtors	7	716,714	717,791
Cash and bank balances	8	9,078,867	1,641,773
Total assets		**108,787,275**	**77,972,219**
Liabilities:			
Creditors:			
Distribution payable on income shares	6	515,669	326,247
Other creditors	9	1,197,297	314,819
Total liabilities		**1,712,966**	**641,066**
Net assets attributable to shareholders		**107,074,309**	**77,331,153**

1. Accounting policies

(a) Basis of accounting

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

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

(b) Functional currency

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

(c) Recognition of revenue

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

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

(d) Treatment of stock dividends

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

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

(e) Equalisation on distributions

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

(f) Treatment of expenses

All expenses, net of any associated tax effect, are allocated to the capital account with the exception of bank interest which is charged to the revenue account on an accrual basis.

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

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

1. Accounting policies (continued)

(h) Taxation/deferred taxation

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

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

(i) Distribution policy

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

(j) Exchange rates

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

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Fund's balance sheet when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognised at transaction price (including transaction costs) and subsequently measured at amortised cost, except for the Fund's investments classified as financial assets at fair value through profit or loss, which are initially recognised at fair value (excluding transaction costs).

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

(l) Management fee rebates

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

2. Net capital (losses)/gains

	28.02.18 £	28.02.17 £
Non-derivative securities	(975,046)	14,377,697
Currency gains	98,424	646,393
Transaction charges	(3,543)	(3,478)
Net capital (losses)/gains	**(880,165)**	**15,020,612**

3. Revenue

	28.02.18 £	28.02.17 £
UK franked distributions	15,619	16,054
UK unfranked distributions	65,618	20,561
UK franked dividends	3,291,057	1,963,985
UK unfranked dividends	376,092	123,505
Overseas dividends	1,426,461	1,217,800
Unfranked income currency losses	(5,816)	(128)
Bank interest	20	248
Management fee rebates	-	(47)
Total revenue	**5,169,051**	**3,341,978**

4. Expenses

	28.02.18 £	28.02.17 £
Payable to the ACD, associates of the ACD and agents of either:		
Annual management charge	711,474	506,099
Registration fees	10,257	2,883
Administration fees	41,056	32,630
	762,787	541,612
Payable to the Depositary, associates of the Depositary and agents of either:		
Depositary's fees	42,354	29,472
Safe custody fees	2,403	1,526
	44,757	30,998
Other expenses:		
Audit fee	6,600	6,480
Tax fee	2,280	2,280
FCA fee	259	245
Other expenses	124	622
	9,263	9,627
Total expenses	**816,807**	**582,237**

	28.02.18 £	28.02.17 £
Fees payable to the company auditor for the audit of the company's annual accounts:		
Total audit fee	**6,600**	**6,480**
Total non audit fees - Tax compliance services	**2,280**	**2,280**

5. Taxation

(a) Analysis of the charge in the year

	28.02.18 £	28.02.17 £
Analysis of charge in the year		
Overseas tax	4,852	9,772
Adjustments in respect of prior periods	1,498	-
Total current tax for the year (see note 5(b))	**6,350**	**9,772**
Deferred tax (see note 5(c))	-	-
Total taxation for the year	**6,350**	**9,772**

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

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

	28.02.18 £	28.02.17 £
Net revenue before taxation	4,352,223	2,759,717
Corporation tax at 20%	870,445	551,943
Effects of:		
Revenue not subject to taxation	(946,627)	(639,568)
Excess expenses for which no relief taken	76,182	87,625
Overseas taxation	4,852	9,772
Adjustment in respect of prior periods	1,498	-
Current tax charge for the year (see note 5(a))	**6,350**	**9,772**

(c) Provision for deferred tax

At the 28 February 2018 the Fund had surplus management expenses of £2,540,927 (28 February 2017: £2,160,014). The deferred tax asset in respect of this would be £508,185 (28 February 2017: £432,003). It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year. Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future.

6. Distributions

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

	28.02.18	28.02.17
	£	£
Interim - Income (May)	940,632	762,325
Interim - Income (Aug)	786,332	416,602
Interim - Income (Nov)	735,185	562,716
Final - Income (Feb)	515,669	326,247
	2,977,818	2,067,890
Interim - Accumulation (May)	665,054	467,101
Interim - Accumulation (Aug)	614,446	268,703
Interim - Accumulation (Nov)	583,112	359,520
Final - Accumulation (Feb)	421,440	205,062
	2,284,052	1,300,386
Add: Revenue deducted on cancellation of shares	399,299	109,223
Deduct: Revenue received on issue of shares	(581,087)	(178,006)
Net distribution for the year	**5,080,082**	**3,299,493**
Interest	21	24
Total finance costs	**5,080,103**	**3,299,517**
Reconciliation to net distribution for the year		
Net revenue after taxation for the year	4,345,873	2,749,945
Expenses allocated to capital, net of tax relief	729,628	553,414
Realised income currency gains/(losses)	4,581	(3,866)
Net distribution for the year	**5,080,082**	**3,299,493**

Details of the distributions per share are set out on pages 75 to 78.

7. Debtors

	28.02.18 £	28.02.17 £
Amounts receivable for issue of shares	421,245	629,482
Sales awaiting settlement	93,407	-
Accrued revenue	179,394	77,441
Prepayments	24	23
Income tax recoverable	22,644	10,845
Total debtors	716,714	717,791

8. Cash and bank balances

	28.02.18 £	28.02.17 £
Cash and bank balances	9,078,867	1,641,773
Total cash and bank balances	9,078,867	1,641,773

9. Other creditors

	28.02.18 £	28.02.17 £
Amounts payable for cancellation of shares	850,856	250,074
Purchases awaiting settlement	269,988	-
Accrued annual management charge	56,509	49,686
Accrued registration fees	1,996	249
Accrued administration fees	5,180	2,849
Accrued deposiatary fees	3,213	2,883
Accrued custody fees	675	314
Accrued audit fees	6,600	6,480
Accrued tax fees	2,280	2,280
Debit interest payable	-	4
Total creditors	1,197,297	314,819

10. Related party transactions

The ACD is regarded as a related party of the Fund. The ACD acts as either agent or principal for the Depositary in respect of all transactions in the Fund's shares. The aggregate monies received through issue and paid on cancellation are disclosed in the statement of change in net assets attributable to shareholders. As at the balance sheet date, there were no shares held by the ACD, the Depositary or associates of either the ACD or the Depositary.

As at the balance sheet date there was one nominee shareholder that held 33.2% of the Fund's total net asset value.

Details of transactions occurring during the accounting period with the ACD and the Depositary, and any balances due at the year end, are fully disclosed in notes 4 and 9 of the financial statements.

11. Share classes

As at the balance sheet date the Fund had six share classes. The following table shows a breakdown of the change in shares in issue of each share class in the year:

	B Income
Opening shares at the start of the year	37,270,067.864
Total creation of shares in the year	27,568,042.533
Total cancellation of shares in the year	(40,839,854.463)
Closing shares at the end of the year	**23,998,255.934**

	A Income
Opening shares at the start of the year	458,281.781
Total creation of shares in the year	344,007.851
Total cancellation of shares in the year	(208,698.367)
Closing shares at the end of the year	**593,591.265**

	W Income
Opening shares at the start of the year	2,103.145
Total creation of shares in the year	25,581,038.213
Total cancellation of shares in the year	(3,428,962.865)
Closing shares at the end of the year	**22,154,178.493**

	B Accumulation
Opening shares at the start of the year	12,552,963.318
Total creation of shares in the year	15,946,614.108
Total cancellation of shares in the year	(11,978,313.052)
Closing shares at the end of the year	**16,521,264.374**

	A Accumulation
Opening shares at the start of the year	530,956.924
Total creation of shares in the year	427,140.173
Total cancellation of shares in the year	(342,377.734)
Closing shares at the end of the year	**615,719.363**

	W Accumulation
Opening shares at the start of the year	3,738.842
Total creation of shares in the year	3,642,405.990
Total cancellation of shares in the year	(604,656.490)
Closing shares at the end of the year	**3,041,488.342**

11. Share classes (continued)

As at the balance sheet date the annual management charge of each share class was as follows:

TB Wise Multi-Asset Income – A Accumulation shares	1.40% p.a.
TB Wise Multi-Asset Income – B Accumulation shares	0.75% p.a.
TB Wise Multi-Asset Income – W Accumulation shares	0.50% p.a.
TB Wise Multi-Asset Income – A Income shares	1.40% p.a.
TB Wise Multi-Asset Income – B Income shares	0.75% p.a.
TB Wise Multi-Asset Income – W Income shares	0.50% p.a.

Please note that as mentioned on pages 3 and 4 the annual management charge was changed on 3 January 2018 to 0.75% for the B Accumulation and B Income shares, 1.40% for the A Accumulation and A Income shares and 0.50% for the W income and W accumulation shares.

The net asset value of each share class, the net asset value per share, and the number of shares in each share class are given in the Summary of Fund Performance tables on pages 55 to 60. The distributions per share class are given in the distribution tables on pages 75 to 78. Income, and the associated tax, which is not attributable to a particular share class is allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the share classes. All classes have the same rights on winding up.

12. Risk management policies

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

(a) Currency exposures

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

	Net foreign currency assets at 28 February 2018			Net foreign currency assets at 28 February 2017		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Euro	-	4,802	4,802	-	6,435	6,435
US Dollar	-	-	-	37	1,884	1,921

There are no specific policies employed to manage the currency exposure but the exposure will tend to be a relatively small percentage of the total net asset value of the Fund (28 February 2018: 4.5%; 28 February 2017: 10.7%)

In addition, the Fund's investments have an indirect exposure to exchange rate movements on the underlying investments of the investment trusts and collective investment schemes that are held in foreign currencies. Movements in exchange rates will impact on the prices of such underlying investments and as a result may affect the value of the Fund.

12. Risk management policies (continued)

(a) Currency exposures (continued)

If GBP to foreign currency exchange rates had strengthened by 10% as at the balance sheet date, the net asset value of the fund would have decreased by £533,449 (28 February 2017: £756,130). If GBP to foreign currency exchange rates had weakened by 10% as at the balance sheet date, the net asset value of the fund would have increased by £436,459 (28 February 2017: £924,159). These calculations assume all other variables remain constant.

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

The Fund's revenue is mainly received from holdings in investment trusts, equities and other collective investment schemes. The revenue cash flow from these and from their underlying investments may fluctuate depending upon decisions made by the companies in which they invest. The Fund does not have any long term financial liabilities.

The Fund is affected by the impact of movements in interest rates on its own cash balances and on certain underlying investments held by the investment trusts and collective investment schemes in which it invests. The direct exposure to interest rate risk as at the balance sheet date is shown in the following table:

	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
	£'000	£'000	£'000	£'000	£'000	£'000
28.02.18						
Euro	-	-	4,802	-	-	4,802
Sterling	9,079	-	94,906	-	(1,713)	102,272
28.02.17						
Euro	-	-	6,435	-	-	6,435
Sterling	1,605	893	67,118	-	(641)	68,975
US Dollar	37	-	1,884	-	-	1,921

Short term debtors and creditors are included as non-interest bearing financial assets and liabilities in the above table.

The floating rate financial assets and liabilities comprise: Sterling denominated bank account balances that bear interest at the Bank of England base rate less 75 basis points (to a minimum of NIL) and overdrafts that bear interest at the Bank of England base rate plus 100 basis points. Non-interest bearing financial assets and liabilities mainly comprise investments that do not have a maturity date.

Cash flow risk and interest rate risk is managed by only holding cash at reputable financial institutions.

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

12. Risk management policies (continued)

(c) Liquidity risk

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

(d) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. The Fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

(e) Market price risk

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

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

If the value of shares/units in the underlying investments were to increase or decrease by 10% the change in the net asset value of the Fund would be £9,899,169 (28 February 2017: £7,561,266). This calculation assumes all other variables remain constant.

(f) Fair value of financial assets and liabilities

	INVESTMENT ASSETS	
	28 Feb 2018	28 Feb 2017
Valuation technique	£	£
Level 1: Quoted Prices	97,752,867	73,833,223
Level 2: Observable Market Data	1,238,827	1,779,432
Level 3: Unobservable Data	-	-
	98,991,694	**75,612,655**

As at the year-end there were no investment liabilities (28 February 2017: £nil). There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

(g) Commitments on derivatives

No derivatives were held at the balance sheet date (28 February 2017: £nil).

13. Transaction costs

(a) Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties incurred when purchasing and selling the underlying securities. In addition to the direct transaction costs below, indirect costs are incurred through the bid-offer spread. It is not possible for the ACD to quantify these indirect costs.

A breakdown of the purchases and sales, and the related direct transaction costs incurred by the Fund in the period are shown in the table below:

	28.02.18 £		28.02.17 £	
Analysis of total purchase costs				
PURCHASES				
Collective Investment Schemes	4,209,925		2,734,583	
Equities	48,806,752		31,798,143	
Investment Trusts	19,809,723		14,113,973	
Net purchases before direct transaction costs	72,826,400		48,646,699	
DIRECT TRANSACTION COSTS		**% of total purchases**		**% of total purchases**
Equities	219,762	0.30%	152,353	0.31%
Investment Trusts	64,245	0.09%	46,575	0.10%
Total direct transaction costs	284,007	0.39%	198,928	0.41%
Gross purchases total	73,110,407		48,845,627	
Analysis of total sale costs				
SALES				
Collective Investment Schemes	4,873,156		3,238,706	
Equities	28,635,929		19,966,500	
Investment Trusts	14,539,744		13,191,248	
Preference Shares	839,869		-	
Gross sales before direct transaction costs	48,888,698		36,396,454	
DIRECT TRANSACTION COSTS		**% of total sales**		**% of total sales**
Equities	(25,820)	0.05%	(22,597)	0.06%
Investment Trusts	(10,714)	0.03%	(11,421)	0.03%
Preference Shares	(840)	0.00%	-	0.00%
Total direct transaction costs	(37,374)	0.08%	(34,018)	0.09%
Net sales total	48,851,324		36,362,436	

	28.02.18 £	% of ave NAV	28.02.17 £	% of ave NAV
Analysis of total direct transaction costs				
Equities	245,582	0.24%	174,950	0.28%
Investment Trusts	74,959	0.08%	57,996	0.09%
Preference Shares	840	0.00%	-	0.00%
Total direct transaction costs	321,381	0.32%	232,946	0.37%

13. Transaction costs (continued)

(b) Average portfolio dealing spread

The average portfolio dealing spread of the investments at the balance sheet date was 0.83% (28 February 2017: 0.77%). This is calculated as the difference between the offer and bid value of the portfolio as a percentage of the offer value.

14. Capital commitments and contingent liabilities

The Fund had no capital commitments or contingent liabilities at the balance sheet date (28 February 2017: £nil).

15. Post balance sheet events

Subsequent to the year-end, the net asset value per share of the B Accumulation shares has increased from 240.95 to 251.84p as at 11 June 2018. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustments at the year-end.

TB WISE MULTI-ASSET INCOME, DISTRIBUTION TABLE

For the year ended 28 February 2018

Interim Distribution (31 May 2017)

Group 1 - Shares purchased on or prior to 28 February 2017

Group 2 - Shares purchased after 28 February 2017

Shares	Revenue (pence)	Equalisation[1] (pence)	Paid /Accumulated 31.07.17 (pence)	Paid /Accumulated 31.07.16 (pence)
B Income				
Group 1	2.3094	-	2.3094	2.3333
Group 2	1.3214	0.9880	2.3094	2.3333
A Income				
Group 1	2.1476	-	2.1476	2.1881
Group 2	1.3758	0.7718	2.1476	2.1881
W Income				
Group 1	2.3036	-	2.3036	N/A
Group 2	1.5920	0.7116	2.3036	N/A
B Accumulation				
Group 1	4.2166	-	4.2166	4.0428
Group 2	2.5536	1.6630	4.2166	4.0428
A Accumulation				
Group 1	3.9163	-	3.9163	3.7840
Group 2	2.1976	1.7187	3.9163	3.7840
W Accumulation				
Group 1	4.2089	-	4.2089	N/A
Group 2	3.6244	0.5845	4.2089	N/A

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

TB WISE MULTI-ASSET INCOME, DISTRIBUTION TABLE (CONTINUED)

For the year ended 28 February 2018

Interim Distribution (31 August 2017)

Group 1 - Shares purchased on or prior to 31 May 2017

Group 2 - Shares purchased after 31 May 2017

Shares	Revenue (pence)	Equalisation[1] (pence)	Paid /Accumulated 31.10.17 (pence)	Paid /Accumulated 31.10.16 (pence)
B Income				
Group 1	1.8275	-	**1.8275**	**1.2462**
Group 2	0.7921	1.0354	**1.8275**	**1.2462**
A Income				
Group 1	1.6999	-	**1.6999**	**1.1658**
Group 2	0.7466	0.9533	**1.6999**	**1.1658**
W Income				
Group 1	1.8316	-	**1.8316**	**N/A**
Group 2	0.8316	1.0000	**1.8316**	**N/A**
B Accumulation				
Group 1	3.3983	-	**3.3983**	**2.2110**
Group 2	1.7524	1.6459	**3.3983**	**2.2110**
A Accumulation				
Group 1	3.1521	-	**3.1521**	**2.0589**
Group 2	1.6086	1.5435	**3.1521**	**2.0589**
W Accumulation				
Group 1	3.4035	-	**3.4035**	**N/A**
Group 2	2.0935	1.3100	**3.4035**	**N/A**

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

TB WISE MULTI-ASSET INCOME, DISTRIBUTION TABLE (CONTINUED)

For the year ended 28 February 2018

Interim Distribution (30 November 2017)

Group 1 - Shares purchased on or prior to 31 August 2017

Group 2 - Shares purchased after 31 August 2017

Shares	Net revenue (pence)	Equal -isation[1] (pence)	Paid/Acc -umulated 31.01.18 (pence)	Paid/Acc -umulated 31.01.17 (pence)
B Income				
Group 1	1.6149	-	**1.6149**	**1.6085**
Group 2	0.9633	0.6516	**1.6149**	**1.6085**
A Income				
Group 1	1.4994	-	**1.4994**	**1.5034**
Group 2	0.7908	0.7086	**1.4994**	**1.5034**
W Income				
Group 1	1.6198	-	**1.6198**	**N/A**
Group 2	0.8923	0.7275	**1.6198**	**N/A**
B Accumulation				
Group 1	3.0446	-	**3.0446**	**2.8806**
Group 2	1.8206	1.2240	**3.0446**	**2.8806**
A Accumulation				
Group 1	2.8188	-	**2.8188**	**2.6853**
Group 2	1.3909	1.4279	**2.8188**	**2.6853**
W Accumulation				
Group 1	3.0518	-	**3.0518**	**N/A**
Group 2	2.2819	0.7699	**3.0518**	**N/A**

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TB WISE MULTI-ASSET INCOME, DISTRIBUTION TABLE (CONTINUED)

For the year ended 28 February 2018

Final Distribution (28 February 2018)

Group 1 - Shares purchased on or prior to 30 November 2017

Group 2 - Shares purchased after 30 November 2017

Shares	Revenue (pence)	Equal -isation[1] (pence)	Paid/Acc -umulated 30.04.18 (pence)	Paid/Acc -umulated 30.04.17 (pence)
B Income				
Group 1	1.1076	-	**1.1076**	**0.8653**
Group 2	0.4681	0.6395	**1.1076**	**0.8653**
A Income				
Group 1	1.0226	-	**1.0226**	**0.8110**
Group 2	0.3019	0.7207	**1.0226**	**0.8110**
W Income				
Group 1	1.1003	-	**1.1003**	**0.7360**
Group 2	0.5079	0.5924	**1.1003**	**0.7360**
B Accumulation				
Group 1	2.0946	-	**2.0946**	**1.5703**
Group 2	1.0350	1.0596	**2.0946**	**1.5703**
A Accumulation				
Group 1	1.9748	-	**1.9748**	**1.4865**
Group 2	0.9618	1.0130	**1.9748**	**1.4865**
W Accumulation				
Group 1	2.0787	-	**2.0787**	**1.3357**
Group 2	1.4606	0.6181	**2.0787**	**1.3357**

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