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# MARLBOROUGH GLOBAL BOND FUND

## ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

for the year ended 20 February 2020

## **MARLBOROUGH GLOBAL BOND FUND**

### **CONTACT INFORMATION**

#### **Authorised Fund Manager and Registrar**

Marlborough Fund Managers Ltd  
Marlborough House  
59 Chorley New Road  
Bolton  
BL1 4QP

Investor Support: (0808) 145 2500 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

#### **Trustee**

HSBC Bank plc  
8 Canada Square  
London  
E14 5HQ

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

#### **Auditor**

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

#### **Directors of Marlborough Fund Managers Ltd**

Andrew Staley  
Nicholas F J Cooling  
Allan Hamer  
Wayne D Green  
Dom Clarke  
Geoffrey Hitchin  
Helen Derbyshire  
Richard Goodall  
Guy Sears\*  
David Kiddie\*  
Sarah Peaston\* (appointed 1 October 2019)

\* Non-executive director.

## **MARLBOROUGH GLOBAL BOND FUND**

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## MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED INVESTMENT ADVISER'S REPORT

for the year ended 20 February 2020

#### Percentage change and sector position to 20 February 2020

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>01/09/1987*</u>
Marlborough Global Bond Fund	-0.17%	10.98%	15.04%	34.23%	939.85%
IA Global Bonds	-1.81%	7.04%	9.64%	25.86%	401.24%
Quartile Ranking**	2	1	1	1	1

\* Since end of launch period.

\*\* Based on ranking within The Investment Association Global Bonds Sector.

External Source of Economic Data: Morningstar (P Income - bid to bid, net income reinvested).

P units first priced on 2 January 2013. In the period to that date, the past performance information for A units has been used.



The Fund produced strong returns during the year as the Class P Income unit rose in price from 153.65p to 161.35p and distributed a total of 4.379454p in income payments. Government bond yields across the globe fell over the period and the credit spreads on corporate bonds narrowed to historically tight levels. Despite some modest gains for the Pound versus many of the other major currencies, all the major global bond markets generated positive returns in sterling terms.

The period under review was characterised by an ongoing Sino-US trade war, the eventual exit of the UK from the European Union and a change of leadership at the head of the European Central Bank. The Funds significant exposure to the US Dollar, along with an allocation to Japanese Yen, led to an outperformance of the peer group over the year.

Over the course of the year, the overall credit quality of the portfolio was improved through a gradual reduction in the Fund's exposure to sub-investment grade bonds as the additional yield they offered declined towards historically low levels. The Fund also maintained a healthy cash balance throughout the period to ensure access to readily available liquidity in increasingly uncertain times.

As the period drew to a close, financial markets were beginning to come to terms with the reality of an emerging global pandemic and the likely impact on economic activity of the measures required to slow its spread around the world. Investors are currently grappling with dramatic moves as COVID-19 creates a sense of panic and the world stares into the unknown. For us, as investment managers, it is important not to get caught up in mass hysteria. Our approach has been consistent since the launch of the Fund in 1987, through many chaotic, market-moving global events such as Black Monday in 1987, the UK's withdrawal from the European Exchange Rate Mechanism in 1992, the Russian Financial Crisis in 1998, the bursting of the dotcom bubble in 2000 and most recently the Global Financial Crisis in 2008.

A well-managed and diversified portfolio of bonds remains a relatively safe investment opportunity. Our focus has always been on the long term and with a global bond portfolio of around 500 holdings, we avoid large individual exposures. This, coupled with a significant cash buffer, allows us some near-term flexibility to avoid the indiscriminate liquidation of assets at distressed valuations. Our cautious approach has always centred on sustainable, bottom-up stock selection and we are of the view that the current fluctuations will lead to long-term, attractive opportunities that we can take advantage of as the market readjusts to a new reality.

Monetary authorities around the globe are making full use of their policy toolkits, including many non-conventional measures now at their disposal. We have already seen rate cuts from those central banks that have had the room to do so, including the US Federal Reserve and the Bank of England. Policymakers are now pushing through unprecedented stimulus packages in an attempt to mitigate the ongoing effects of COVID-19 and the markets are judging these daily. Our intention is to remain calm and avoid knee-jerk reactions to unpredictable market movements. As we have done in the past, we will continue to monitor the markets with a level head and to act accordingly.

These are indeed extraordinary times, but, with the right strategy in place, we remain confident in our ability to take advantage of the inevitable market dislocations in the knowledge that there will be brighter days ahead.

Geoff Hitchin  
20 May 2020

## MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED INVESTMENT ADVISER'S REPORT

for the year ended 20 February 2020

#### Distributions (pence per unit)

	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>
<u>A Income</u>				
Net income paid 20 April	1.374494	1.810480	1.821583	2.243373
Net income paid 20 October		1.815287	1.973280	2.159536
<u>A Accumulation</u>				
Net income paid 20 April	2.464696	3.171708	3.113435	3.629520
Net income paid 20 October		3.219139	3.411149	3.634770
<u>B Income</u>				
Net income paid 20 April	1.775264	2.189568	2.211911	2.668563
Net income paid 20 October		2.201310	2.346335	2.548315
<u>B Accumulation</u>				
Net income paid 20 April	2.197204	2.634278	2.584453	2.906881
Net income paid 20 October		2.685159	2.780100	2.931247
<u>P Income</u>				
Net income paid 20 April	1.981161	2.384560	2.413466	2.860746
Net income paid 20 October		2.398293	2.538970	2.748873
<u>P Accumulation</u>				
Net income paid 20 April	2.545047	2.971242	2.911252	3.248111
Net income paid 20 October		3.036529	3.111826	3.258839

#### Portfolio changes

Largest purchases	Cost (£)	Largest sales	Proceeds (£)
US Treasury 2.25% 15.08.49	6,813,375	Beazley Ireland Holdings 5.375% 25.09.19	2,776,000
UK Treasury 4.5% 07.09.34	6,721,525	Morrison (WM) Supermarkets 3.5% 27.07.26	2,320,080
Morrison (WM) Supermarkets 2.5% 01.10.31	2,808,974	GKN Holdings 6.75% 28.10.19	2,213,000
Fidelity National Info Services 2.602% 21.05.25	2,766,750	Barclays Bank 14% Step-Up Perp	2,000,000
Pennon Group 2.875% Perp	2,619,865	Sainsbury (J) 6.5% Perp	1,926,480
Veolia Environnement 6.125% 29.10.37	2,598,700	Kelda Finance No. 3 5.75% 17.02.20	1,855,000
Sainsbury (J) 2.875% Perp	2,407,400	RWE 7% Perp	1,800,000
EDP Finance 8.625% 04.01.24	2,307,900	FCE Bank 2.759% 13.11.19	1,750,000
Royal Bank of Scotland Group 3.125% 28.03.27	2,278,268	HSBC Holdings 2.625% 16.08.28	1,684,320
Hartford Financial Services Grp 6.625% 30.03.40	2,172,360	Anglo American Capital 4.75% 10.04.27	1,611,468
Other purchases	145,004,538	Other sales	50,564,424
Total purchases for the year	178,499,655	Total sales for the year	70,500,772

## **MARLBOROUGH GLOBAL BOND FUND**

### **AUTHORISED STATUS AND GENERAL INFORMATION**

#### **Authorised status**

Marlborough Global Bond Fund (the Fund) is an authorised unit trust scheme within the meaning of The Financial Services and Markets Act 2000 and is a UCITS scheme operating under the Collective Investment Schemes Sourcebook (COLL) as issued by the Financial Conduct Authority.

#### **Investment objective and policy**

The investment objective of the Fund is to provide both income, that is money paid out from an investment as interest, and capital growth, that is to increase the value of your investment. The Fund aims to outperform the average of the IA Global Bonds sector over any 5 year period, after any charges have been taken out of the Fund. However, there is no certainty this will be achieved.

At least 80% of the Fund will be invested in bonds. This will include bonds issued by companies, governments and institutions.

Investments will include both investment grade bonds, which are loans issued by entities that have a high capacity to repay the debt, as well as sub-investment grade bonds which can be more vulnerable to changing economic conditions.

The Fund may also invest in shares (including preference shares and permanent interest bearing shares), bonds which may be converted into shares (known as convertible bonds) and money market instruments (which are shorter term loans).

The Fund is actively managed which means the Manager decides which investments to buy or sell and when. The Manager's principal aim is to buy bonds and hold them to maturity in order to maximise the income generated from investments, although some investments may be sold prior to maturity.

The Fund invests in a diversified portfolio of securities and has no constraints in relation to country or industry.

The Manager uses derivatives (instruments whose returns are linked to another asset, market or other variable factor) and forward transactions, for the purposes of efficient portfolio management in order to reduce currency risk in the Fund, also known as hedging, and for investment purposes, to gain exposure to certain currencies as part of the overall investment strategy.

From time to time, the Fund may also use derivative instruments to manage interest rate risk in the Fund.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities, for the efficient management of the Fund and in pursuit of the Fund's objectives.

#### **Rights and terms attaching to each unit class**

A unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

#### **Assessment of value**

The Manager is required to carry out an assessment of value at least annually and publish its findings in a report to investors. The Manager should publish the report in the annual report of the Fund, except where the assessment and report are provided as a composite, that is, with other funds that may have a different year end date. Marlborough Global Bond Fund will be assessed and reported on, in a composite report which the Manager will publish by 31 July 2020 on the website. [www.marlbroughfunds.com](http://www.marlbroughfunds.com)

#### **Changes in prospectus**

With effect from 1 April 2019 the Fund has changed from a dual priced unit trust to a single priced unit trust and is operating a 'swinging' single price mechanism.

Also, on that date, the initial service charge that applied to Class P units was removed. An initial service charge will still be applied to A and B units.

Since the last report, the investment objective and policy has been updated, and there has been a change of auditor from Barlow Andrews LLP to Ernst & Young LLP. Details of these changes can be found in the latest Prospectus dated 6 March 2020.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the AFM's range, can be requested by the investor at any time.

## MARLBOROUGH GLOBAL BOND FUND

### AUTHORISED STATUS AND GENERAL INFORMATION

#### Remuneration policy

In line with the requirements of UCITS V, Marlborough Fund Managers Ltd is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under UCITS V. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the UCITS funds it manages.

The quantitative remuneration disclosures as at 30 September 2019 are set out below:

	Number of identified staff	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
		£	£	£
<b>Remuneration paid to staff of the Authorised Fund Manager (AFM) who have a material impact on the risk profile of the Fund</b>				
Senior management	9	741,229	551,303	189,926
Risk takers and other identified staff	6	363,264	320,408	42,856
<b>Allocation of total remuneration of the employees of the AFM to the Fund</b>				
Senior management	0.38	62,394	46,407	15,987
Risk takers and other identified staff	2.91	251,232	225,031	26,201

The total number of staff employed by the AFM was 172 as at 30 September 2019. The total remuneration paid to those staff was £7,294,016, of which £3,707,059 is attributable to the AFM.

The allocation of remuneration to the AFM is based on Assets Under Management (AUM), as staff work for two AFM's. The allocation of remuneration to the Fund is based on AUM where staff are not directly allocated to the Fund. The way these disclosures are calculated may change in the future.

## MARLBOROUGH GLOBAL BOND FUND

### DIRECTORS' STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



**ALLAN HAMER**  
**JOINT MANAGING DIRECTOR**



**WAYNE D GREEN**  
**JOINT MANAGING DIRECTOR**

### MARLBOROUGH FUND MANAGERS LTD

19 June 2020

### STATEMENT OF AUTHORISED FUND MANAGER'S RESPONSIBILITIES

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) requires the Authorised Fund Manager (AFM) to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Fund and of the net revenue and net gains on the property of the Fund for the year.

In preparing those financial statements the AFM is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to UK Authorised Funds issued in May 2014 and amended in June 2017;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The AFM is required to keep proper accounting records and to manage the Fund in accordance with the COLL rules, the Trust Deed and the Prospectus. The AFM is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The AFM is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the auditor is unaware. It is the responsibility of the AFM to take all necessary steps to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.



## **MARLBOROUGH GLOBAL BOND FUND**

### **STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY**

#### **Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of Marlborough Global Bond Fund ("the Trust") for the period ended 20 February 2020**

The Depositary in its capacity of Trustee of Marlborough Global Bond Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed 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 Trust and its investors.

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

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

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

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

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

(ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

**HSBC BANK PLC**

**LONDON**

19 June 2020

## MARLBOROUGH GLOBAL BOND FUND

### INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MARLBOROUGH GLOBAL BOND FUND

#### Opinion

We have audited the financial statements of Marlborough Global Bond Fund ("the Fund") for the year ended 20 February 2020 which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Unitholders together with the Balance Sheet, the accounting policies and risk profile, the related notes and the Distribution Tables, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 20 February 2020 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### 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 below. We are independent of the Fund 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.

#### Emphasis of matter

We draw attention to Notes 1 and 18 of the financial statements, which describe the economic consequences the Fund is facing as a result of COVID-19 which is impacting financial markets. Our opinion is not modified in respect of this matter.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

## MARLBOROUGH GLOBAL BOND FUND

### INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MARLBOROUGH GLOBAL BOND FUND

#### Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation;
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

#### Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 5, the Manager 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 Manager 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 Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 Fund's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Fund's unitholders 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 Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### Ernst & Young LLP

Statutory Auditor  
Edinburgh

19 June 2020

Notes:

1. The maintenance and integrity of the Marlborough Fund Managers Ltd website is the responsibility of the Manager; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## MARLBOROUGH GLOBAL BOND FUND

### COMPARATIVE TABLE

#### A Income units

##### Change in net assets per unit

	Year to 20.02.2020	Year to 20.02.2019	Year to 20.02.2018
	pence	pence	pence
Opening net asset value per unit	148.74	149.18	153.67
Return before operating charges*	15.03	5.12	1.34
Operating charges	(1.84)	(1.78)	(1.85)
Return after operating charges*	13.19	3.34	(0.51)
Distributions on income units	(3.19)	(3.78)	(3.98)
Closing net asset value per unit	158.74	148.74	149.18

\* after direct transaction costs of:

- - 0.02

#### Performance

Return after charges 8.87% 2.24% -0.33%

#### Other information

Closing net asset value	£28,197,110	£28,516,870	£25,415,927
Closing number of units	17,763,180	19,172,892	17,036,806
Operating charges	1.18%	1.18%	1.19%
Direct transaction costs	0.00%	0.00%	0.01%

#### Prices

Highest unit price	165.33p	162.80p	168.84p
Lowest unit price	147.12p	147.22p	150.57p

#### A Accumulation units

##### Change in net assets per unit

	Year to 20.02.2020	Year to 20.02.2019	Year to 20.02.2018
	pence	pence	pence
Opening net asset value per unit	263.75	258.00	259.01
Return before operating charges*	26.64	8.84	2.13
Operating charges	(3.29)	(3.09)	(3.14)
Return after operating charges*	23.35	5.75	(1.01)
Distributions on income units	(5.68)	(6.58)	(6.75)
Retained distributions on accumulation units	5.68	6.58	6.75
Closing net asset value per unit	287.10	263.75	258.00

\* after direct transaction costs of:

- 0.01 0.03

#### Performance

Return after charges 8.85% 2.23% -0.39%

#### Other information

Closing net asset value	£27,415,154	£23,256,735	£18,264,111
Closing number of units	9,548,847	8,817,835	7,079,220
Operating charges	1.18%	1.18%	1.19%
Direct transaction costs	0.00%	0.00%	0.01%

#### Prices

Highest unit price	295.09p	281.44p	285.95p
Lowest unit price	260.89p	254.60p	257.26p

## MARLBOROUGH GLOBAL BOND FUND

### COMPARATIVE TABLE

#### B Income units

##### Change in net assets per unit

	Year to 20.02.2020	Year to 20.02.2019	Year to 20.02.2018
	pence	pence	pence
Opening net asset value per unit	148.62	149.06	153.55
Return before operating charges*	15.07	5.13	1.34
Operating charges	(1.07)	(1.03)	(1.07)
Return after operating charges*	14.00	4.10	0.27
Distributions on income units	(3.98)	(4.54)	(4.76)
Closing net asset value per unit	158.64	148.62	149.06

\* after direct transaction costs of:

- - 0.02

#### Performance

Return after charges 9.42% 2.75% 0.18%

#### Other information

Closing net asset value £384,505 £304,375 £1,611,780  
 Closing number of units 242,370 204,796 1,081,321  
 Operating charges 0.68% 0.68% 0.69%  
 Direct transaction costs 0.00% 0.00% 0.01%

#### Prices

Highest unit price 165.61p 163.06p 169.12p  
 Lowest unit price 147.02p 147.21p 150.83p

#### B Accumulation units

##### Change in net assets per unit

	Year to 20.02.2020	Year to 20.02.2019	Year to 20.02.2018
	pence	pence	pence
Opening net asset value per unit	181.50	176.64	176.83
Return before operating charges*	18.36	6.09	1.05
Operating charges	(1.30)	(1.23)	(1.24)
Return after operating charges*	17.06	4.86	(0.19)
Distributions on income units	(4.88)	(5.41)	(5.52)
Retained distributions on accumulation units	4.88	5.41	5.52
Closing net asset value per unit	198.56	181.50	176.64

\* after direct transaction costs of:

- - 0.02

#### Performance

Return after charges 9.40% 2.75% -0.11%

#### Other information

Closing net asset value £1,567,748 £1,951,279 £2,653,440  
 Closing number of units 789,568 1,075,109 1,502,133  
 Operating charges 0.68% 0.68% 0.69%  
 Direct transaction costs 0.00% 0.00% 0.01%

#### Prices

Highest unit price 203.59p 193.16p 195.71p  
 Lowest unit price 179.55p 174.46p 176.14p

## MARLBOROUGH GLOBAL BOND FUND

### COMPARATIVE TABLE

#### P Income units

<b>Change in net assets per unit</b>	<b>Year to 20.02.2020 pence</b>	<b>Year to 20.02.2019 pence</b>	<b>Year to 20.02.2018 pence</b>
Opening net asset value per unit	148.88	149.31	153.81
Return before operating charges*	15.10	5.14	1.34
Operating charges	(0.67)	(0.65)	(0.68)
Return after operating charges*	14.43	4.49	0.66
Distributions on income units	(4.38)	(4.92)	(5.16)
Closing net asset value per unit	158.93	148.88	149.31

\* after direct transaction costs of: - - 0.02

#### **Performance**

Return after charges 9.69% 3.01% 0.43%

#### **Other information**

Closing net asset value	£85,347,230	£64,693,813	£54,132,729
Closing number of units	53,701,575	43,453,751	36,255,478
Operating charges	0.43%	0.43%	0.44%
Direct transaction costs	0.00%	0.00%	0.01%

#### **Prices**

Highest unit price	166.09p	157.31p	163.16p
Lowest unit price	147.78p	148.13p	151.94p

#### P Accumulation units

<b>Change in net assets per unit</b>	<b>Year to 20.02.2020 pence</b>	<b>Year to 20.02.2019 pence</b>	<b>Year to 20.02.2018 pence</b>
Opening net asset value per unit	188.56	183.06	182.41
Return before operating charges*	19.10	6.31	1.47
Operating charges	(0.86)	(0.81)	(0.82)
Return after operating charges*	18.24	5.50	0.65
Distributions on income units	(5.58)	(6.08)	(6.17)
Retained distributions on accumulation units	5.58	6.08	6.17
Closing net asset value per unit	206.80	188.56	183.06

\* after direct transaction costs of: - - 0.02

#### **Performance**

Return after charges 9.67% 3.00% 0.36%

#### **Other information**

Closing net asset value	£388,242,820	£265,816,052	£218,813,731
Closing number of units	187,736,794	140,973,510	119,528,026
Operating charges	0.43%	0.43%	0.44%
Direct transaction costs	0.00%	0.00%	0.01%

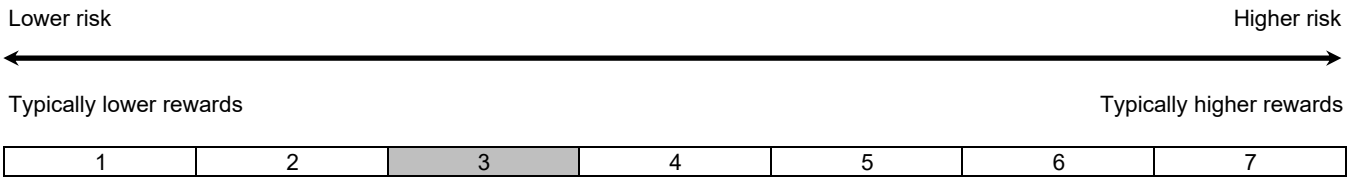
#### **Prices**

Highest unit price	211.79p	192.86p	194.45p
Lowest unit price	187.04p	181.52p	182.98p

Operating charges are the same as the ongoing charges and are the total expenses paid by each unit class in the period. Direct transaction costs are the total charges for the period, included in the purchase and sale of investments in the portfolio of the Fund. These amounts are expressed as a percentage of the average net asset value over the period and the average units in issue for the pence per unit figures.

**MARLBOROUGH GLOBAL BOND FUND**

**SYNTHETIC RISK AND REWARD INDICATOR**



The synthetic risk and reward indicator above aims to provide you with an indication of the overall risk and reward profile of the Fund. It is calculated based on the volatility of the Fund using weekly historic returns over the last five years. If five years data is not available for a fund, the returns of a representative portfolio are used.

The Fund has been measured as 3 because it has experienced low to moderate volatility historically. During the period the synthetic risk and reward indicator has remained unchanged.

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>AUSTRALIA</b> (20 February 2019 - 0.96%)				
GBP	504,000	AMP Group Finance Services 6.875% 23.08.22	544,093	0.10
USD	850,000	Australia & New Zealand Banking Group 4.5% 19.03.24	715,597	0.13
GBP	1,750,000	BHP Billiton Finance FRN 22.10.77	1,968,750	0.37
AUD	1,070,000	General Property Trust 3.657% 24.08.26	603,700	0.11
GBP	500,000	Pacific National Finance 5% 19.09.23	557,385	0.11
USD	1,200,000	QBE Insurance Group 5.875% 17.06.46	1,039,615	0.20
GBP	1,000,000	Scentre Group Trust 1/2 2.375% 08.04.22	1,023,800	0.19
USD	680,000	Scentre Group Trust 1/2 3.25% 28.10.25	551,286	0.10
Total Australia			<u>7,004,226</u>	<u>1.31</u>
<b>AUSTRIA</b> (20 February 2019 - 0.22%)				
EUR	472,428	Kaerntner Ausgleichszahlungs-Fonds 0% 14.01.32	389,615	0.07
EUR	500,000	UNIQA Insurance Group FRN 27.07.46	531,585	0.10
Total Austria			<u>921,200</u>	<u>0.17</u>
<b>BELGIUM</b> (20 February 2019 - 0.96%)				
GBP	2,200,000	Anheuser-Busch InBev 2.25% 24.05.29	2,305,072	0.43
USD	512,000	Anheuser-Busch InBev Worldwide 4.439% 06.10.48	469,421	0.09
USD	400,000	Anheuser-Busch InBev Worldwide 4.95% 15.01.42	390,105	0.07
EUR	1,300,000	Solvay Finance 5.869% Perp	1,286,810	0.24
Total Belgium			<u>4,451,408</u>	<u>0.83</u>
<b>BERMUDA</b> (20 February 2019 - 1.27%)				
USD	1,731,000	Aircastle 5% 01.04.23	1,452,899	0.27
USD	296,000	Bermuda 4.854% 06.02.24	253,182	0.05
GBP	1,120,000	Fidelity International 6.75% 19.10.20	1,158,674	0.22
GBP	630,000	Fidelity International 7.125% 13.02.24	763,528	0.14
EUR	1,000,000	XLIT 3.25% 29.06.47	957,474	0.18
Total Bermuda			<u>4,585,757</u>	<u>0.86</u>
<b>BRAZIL</b> (20 February 2019 - 0.73%)				
BRL	3,000,000	Brazil 10.25% 10.01.28	668,851	0.13
USD	1,100,000	JBS Investments 6.75% 15.02.28	949,878	0.18
Total Brazil			<u>1,618,729</u>	<u>0.31</u>
<b>CANADA</b> (20 February 2019 - 1.87%)				
GBP	1,000,000	Bank of Montreal 1.5% 18.12.24	1,014,000	0.19
USD	716,000	Canadian National Railway 6.25% 01.08.34	801,323	0.15
USD	800,000	Canadian Pacific Railway 6.125% 15.09.15	979,973	0.18
USD	2,200,000	Kinross Gold 6.875% 01.09.41	2,089,662	0.39
GBP	1,600,000	Royal Bank of Canada 1.375% 09.12.24	1,615,872	0.30
USD	1,000,000	Toronto-Dominion Bank 3.625% 15.09.31	830,387	0.16
USD	2,100,000	Transcanada Trust 5.875% 15.08.76	1,786,644	0.34
Total Canada			<u>9,117,861</u>	<u>1.71</u>
<b>CAYMAN ISLANDS</b> (20 February 2019 - 0.08%)				
USD	400,000	Kuwait Projects 5% 15.03.23	329,143	0.06
Total Cayman Islands			<u>329,143</u>	<u>0.06</u>
<b>CHINA</b> (20 February 2019 - 0.36%)				
USD	1,100,000	Huarong Finance 4.5% Perp	874,103	0.16
Total China			<u>874,103</u>	<u>0.16</u>
<b>COLUMBIA</b> (20 February 2019 - 0.21%)				
USD	1,050,000	Ecopetrol 5.875% 28.05.45	997,339	0.19
Total Columbia			<u>997,339</u>	<u>0.19</u>
<b>COSTA RICA</b> (20 February 2019 - 0.07%)				
USD	480,000	Instituto Costarricense de Electricidad 6.375% 15.05.43	333,787	0.06
Total Costa Rica			<u>333,787</u>	<u>0.06</u>



**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>CZECH REPUBLIC</b> (20 February 2019 - 0.14%)				
USD	650,000	CEZ 5.625% 03.04.42	633,546	0.12
		Total Czech Republic	<u>633,546</u>	<u>0.12</u>
<b>DENMARK</b> (20 February 2019 - 0.37%)				
NOK	4,000,000	AP Moller-Maersk 3.3% 22.06.26	336,520	0.06
GBP	450,000	AP Moller-Maersk 4% 04.04.25	488,632	0.09
GBP	1,200,000	Ørsted 4.875% 12.01.32	1,599,540	0.30
		Total Denmark	<u>2,424,692</u>	<u>0.45</u>
<b>FINLAND</b> (20 February 2019 - Nil)				
USD	1,650,000	UPM-Kymmene 7.45% 26.11.27	1,612,117	0.30
		Total Finland	<u>1,612,117</u>	<u>0.30</u>
<b>FRANCE</b> (20 February 2019 - 3.41%)				
EUR	100,000	Arkema 4.75% Perp	86,298	0.02
GBP	1,200,000	AXA 5.453% Perp	1,392,000	0.26
USD	360,000	AXA 8.6% 15.12.30	415,019	0.08
USD	600,000	BNP Paribas 7.625% Perp	490,074	0.09
GBP	260,000	Cie de Saint-Gobain 4.625% 09.10.29	323,892	0.06
GBP	200,000	CNP Assurances 7.375% 30.09.41	219,166	0.04
GBP	400,000	Crédit Agricole 7.375% 18.12.23	486,316	0.09
GBP	260,000	Crédit Agricole 7.5% Perp	317,200	0.06
EUR	1,400,000	Crédit Agricole Assurances 4.75% 27.09.48	1,478,280	0.28
GBP	100,000	Électricité de France 5.5% 17.10.41	152,505	0.03
GBP	1,800,000	Électricité de France 6% Perp	2,049,750	0.39
GBP	700,000	Engie 7% 30.10.28	1,029,917	0.19
EUR	1,280,000	La Mondiale 5.05% Perp	1,272,382	0.24
GBP	2,000,000	LVMH Moët Hennessy Louis Vuitton 1.125% 11.02.27	1,984,600	0.37
GBP	400,000	Orange 0.375% 27.06.21	395,548	0.07
EUR	1,000,000	Orange 5% Perp	1,034,943	0.19
GBP	800,000	Orange 5.625% 23.01.34	1,149,000	0.22
USD	850,000	Pernod Ricard 3.25% 08.06.26	699,932	0.13
EUR	220,000	Société Générale 6.75% Perp	196,532	0.04
EUR	1,400,000	Total 3.369% Perp	1,350,563	0.25
GBP	1,650,000	Veolia Environnement 6.125% 29.10.37	2,657,572	0.50
		Total France	<u>19,181,489</u>	<u>3.60</u>
<b>GEORGIA</b> (20 February 2019 - 0.04%)				
USD	200,000	Georgian Railway 7.75% 11.07.22	171,711	0.03
		Total Georgia	<u>171,711</u>	<u>0.03</u>
<b>GERMANY</b> (20 February 2019 - 4.12%)				
USD	600,000	Allianz 5.5% Perp	475,506	0.09
GBP	867,000	Aroundtown 3.625% 10.04.31	963,350	0.18
EUR	400,000	Bilfinger 4.5% 14.06.24	369,112	0.07
GBP	750,000	BMW International Investment 1.75% 19.04.22	760,980	0.14
USD	500,000	Daimler Finance North America 3.35% 04.05.21	394,802	0.07
GBP	1,200,000	Daimler International Finance 2% 04.09.23	1,225,020	0.23
GBP	400,000	Deutsche Bahn Finance 3.125% 24.07.26	450,768	0.08
DKK	10,000,000	Deutsche Finance (Netherlands) 0% 18.11.26	945,824	0.18
EUR	200,000	Deutsche Telekom 0.5% 05.07.27	170,305	0.03
GBP	650,000	Deutsche Telekom International Finance 2.25% 13.04.29	676,721	0.13
USD	300,000	Dresdner Funding Trust I 8.151% 30.06.31	324,579	0.06
USD	410,000	E.ON International Finance 6.65% 30.04.38	454,458	0.09
USD	1,050,000	EnBW 5.125% 05.04.77	853,828	0.16
GBP	900,000	Henkel 0.875% 13.09.22	900,900	0.17
GBP	300,000	innogy Finance 5.625% 06.12.23	349,695	0.07
GBP	550,000	innogy Finance 6.25% 03.06.30	771,837	0.15
GBP	750,000	innogy Finance 6.5% 20.04.21	794,842	0.15
USD	2,800,000	KFW 0% 18.04.36	1,582,093	0.30

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>GERMANY</b> (continued)				
NZD	1,100,000	Landwirtschaftliche Rentenbank 5.375% 23.04.24	625,797	0.12
EUR	2,000,000	Merck 2.875% 25.06.79	1,826,616	0.34
GBP	300,000	Munich Re FRN 26.05.42	335,331	0.06
USD	200,000	Norddeutsche Landesbank Girozentrale 6.25% 10.04.24	167,826	0.03
EUR	200,000	OTE 3.5% 09.07.20	169,810	0.03
USD	650,000	Rheinland-Pfalz Bank 6.875% 23.02.28	658,596	0.12
GBP	800,000	Volkswagen Financial Services 2.75% 10.07.23	829,768	0.16
EUR	1,900,000	Volkswagen International Finance 3.875% Perp	1,739,270	0.33
USD	1,200,000	ZF North America Capital 4.5% 29.04.22	966,163	0.18
Total Germany			<u>19,783,797</u>	<u>3.72</u>
<b>HONG KONG</b> (20 February 2019 - 0.41%)				
USD	2,800,000	AIA Group 3.2% 11.03.25	2,266,498	0.43
Total Hong Kong			<u>2,266,498</u>	<u>0.43</u>
<b>INDIA</b> (20 February 2019 - 0.38%)				
EUR	200,000	ONGC Videsh 2.75% 15.07.21	173,384	0.03
USD	1,650,000	REC 3.068% 18.12.20	1,288,411	0.24
Total India			<u>1,461,795</u>	<u>0.27</u>
<b>INDONESIA</b> (20 February 2019 - 0.48%)				
USD	1,600,000	Indonesia 6.625% 17.02.37	1,768,323	0.33
USD	1,250,000	Pertamina 6% 03.05.42	1,246,795	0.23
Total Indonesia			<u>3,015,118</u>	<u>0.56</u>
<b>ISRAEL</b> (20 February 2019 - 0.34%)				
EUR	1,480,000	Teva Pharmaceutical Finance Netherlands II 4.5% 01.03.25	1,284,965	0.24
Total Israel			<u>1,284,965</u>	<u>0.24</u>
<b>ITALY</b> (20 February 2019 - 1.92%)				
GBP	200,000	Assicurazioni Generali 6.269% Perp	234,500	0.04
EUR	500,000	Enel 3.375% 24.11.81	462,421	0.09
GBP	1,850,000	Enel 5.75% 22.06.37	2,709,658	0.51
GBP	1,350,000	Eni Finance International 4.75% 28.01.21	1,392,835	0.26
GBP	2,900,000	FCA Bank (Ireland) 1.625% 29.09.21	2,907,221	0.55
GBP	1,900,000	Telecom Italia 5.875% 19.05.23	2,130,660	0.40
Total Italy			<u>9,837,295</u>	<u>1.85</u>
<b>JAPAN</b> (20 February 2019 - 0.69%)				
USD	420,000	Dai-ichi Life Insurance 7.25% Perp	348,283	0.07
USD	475,000	Mitsui Sumitomo Insurance FRN 15.03.72	405,816	0.08
USD	460,000	Nippon Life Insurance 5% 18.10.42	379,394	0.07
USD	550,000	Sumitomo Life Insurance 6.5% 20.09.73	480,327	0.09
AUD	2,000,000	Sumitomo Mitsui Finance Group 3.604% 07.03.23	1,092,246	0.21
Total Japan			<u>2,706,066</u>	<u>0.52</u>
<b>JERSEY</b> (20 February 2019 - 0.38%)				
GBP	1,800,000	British Land (White) 2015 0% 09.06.20	1,791,414	0.34
GBP	290,000	The Great Rolling Stock Co 6.25% 27.07.20	295,907	0.06
Total Jersey			<u>2,087,321</u>	<u>0.40</u>
<b>LUXEMBOURG</b> (20 February 2019 - 0.66%)				
USD	750,000	Actavis Funding 4.75% 15.03.45	679,260	0.13
CAD	1,644,000	European Bank for Rec & Dev 0.5% 20.12.28	830,498	0.16
SEK	4,000,000	European Investment Bank 1.25% 12.05.25	333,754	0.06
EUR	1,400,000	SES 5.625% Perp	1,328,543	0.25
Total Luxembourg			<u>3,172,055</u>	<u>0.60</u>

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>MEXICO</b> (20 February 2019 - 0.64%)				
EUR	650,000	America Movil 6.375% 06.09.73	649,539	0.12
AUD	600,000	Corporación Andina de Fomento 6.25% 08.11.23	356,395	0.07
EUR	650,000	Fomento Economico Mexicano 1.75% 20.03.23	572,478	0.11
EUR	1,000,000	United Mexican States 3% 06.03.45	994,275	0.19
Total Mexico			<u>2,572,687</u>	<u>0.49</u>
<b>NETHERLANDS</b> (20 February 2019 - 2.07%)				
GBP	160,000	Aegon 6.625% 16.12.39	273,978	0.05
USD	2,400,000	AerCap Ireland Capital 3.65% 21.07.27	1,946,311	0.37
USD	855,000	Ahold Finance USA 6.875% 01.05.29	899,527	0.17
GBP	1,182,000	Brit Insurance Holdings 6.625% 09.12.30	1,193,820	0.22
GBP	260,000	Coöperatieve Rabobank 4.625% 23.05.29	316,586	0.06
USD	500,000	Heineken 3.5% 29.01.28	421,161	0.08
GBP	266,815	Highbury Finance 7.017% 20.03.23	300,098	0.06
GBP	1,700,000	ING Groep 3% 18.02.26	1,833,433	0.35
USD	400,000	Koninklijke Philips 6.875% 11.03.38	468,831	0.09
EUR	1,250,000	NN Group 4.625% 13.01.48	1,276,639	0.24
EUR	1,250,000	Stichting AK Rabobank Certificaten 6.5% Perp	1,428,682	0.27
Total Netherlands			<u>10,359,066</u>	<u>1.96</u>
<b>NEW ZEALAND</b> (20 February 2019 - 0.41%)				
GBP	1,650,000	Chorus 6.75% 06.04.20	1,659,933	0.31
Total New Zealand			<u>1,659,933</u>	<u>0.31</u>
<b>NIGERIA</b> (20 February 2019 - 0.04%)				
USD	200,000	Nigeria 7.143% 23.02.30	163,554	0.03
Total Nigeria			<u>163,554</u>	<u>0.03</u>
<b>NORWAY</b> (20 February 2019 - 0.09%)				
USD	365,000	Norsk Hydro 7.25% 23.09.27	382,001	0.07
EUR	1,600,000	Telenor 1.75% 31.05.34	1,522,993	0.29
Total Norway			<u>1,904,994</u>	<u>0.36</u>
<b>PORTUGAL</b> (20 February 2019 - 0.33%)				
GBP	2,800,000	EDP Finance 8.625% 04.01.24	3,541,048	0.67
Total Portugal			<u>3,541,048</u>	<u>0.67</u>
<b>QATAR</b> (20 February 2019 - 0.20%)				
USD	400,000	Ooredoo International Finance 3.875% 31.01.28	338,744	0.06
USD	230,000	Qatar 6.4% 20.01.40	266,942	0.05
USD	1,900,000	QNB Finance 3.5% 28.03.24	1,544,181	0.29
USD	280,000	Ras Laffan Liquefied Natural Gas III 5.838% 30.09.27	250,530	0.05
Total Qatar			<u>2,400,397</u>	<u>0.45</u>
<b>REPUBLIC OF IRELAND</b> (20 February 2019 - 0.17%)				
USD	1,000,000	Avolon Holdings Funding 3.25% 15.02.27	781,671	0.15
USD	1,000,000	Avolon Holdings Funding 3.625% 01.05.22	796,581	0.15
USD	1,000,000	Avolon Holdings Funding 4.375% 01.05.26	832,540	0.16
GBP	295,000	Bank of Ireland 13.375% Perp	622,450	0.12
CAD	480,000	Depfa ACS Bank 5.25% 31.03.25	330,163	0.06
GBP	220,000	Lambay Capital Securities 6.25% Perp	1,100	-
USD	925,000	Smurfit Kappa Treasury Funding 7.5% 20.11.25	900,169	0.17
Total Republic of Ireland			<u>4,264,674</u>	<u>0.81</u>
<b>ROMANIA</b> (20 February 2019 - Nil)				
EUR	1,600,000	Romania 3.875% 29.10.35	1,670,954	0.31
Total Romania			<u>1,670,954</u>	<u>0.31</u>

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>RUSSIA</b> (20 February 2019 - 0.47%)				
USD	200,000	ALROSA Finance 7.75% 03.11.20	161,610	0.03
GBP	2,037,000	Gazprom 4.25% 06.04.24	2,218,619	0.42
GBP	650,000	RZD Capital 7.487% 25.03.31	912,086	0.17
Total Russia			<u>3,292,315</u>	<u>0.62</u>
<b>SINGAPORE</b> (20 February 2019 - 0.58%)				
AUD	3,108,000	BOC Aviation 5.375% 03.03.21	1,661,650	0.31
USD	400,000	Temasek Financial I 3.375% 23.07.42	353,379	0.07
Total Singapore			<u>2,015,029</u>	<u>0.38</u>
<b>SOUTH AFRICA</b> (20 February 2019 - 0.79%)				
USD	590,000	AngloGold Ashanti Holdings 5.125% 01.08.22	484,244	0.09
GBP	500,000	Investec 4.5% 05.05.22	529,745	0.10
USD	2,000,000	Republic of South Africa 4.85% 27.09.27	1,645,687	0.31
USD	220,000	Sasol Financing International 4.5% 14.11.22	176,504	0.03
USD	500,000	Transnet SOC 4% 26.07.22	394,775	0.07
Total South Africa			<u>3,230,955</u>	<u>0.60</u>
<b>SOUTH KOREA</b> (20 February 2019 - 1.02%)				
USD	1,000,000	Export-Import Bank of Korea 3.25% 10.11.25	835,347	0.16
AUD	1,200,000	Export-Import Bank of Korea 4% 07.06.27	703,310	0.13
GBP	1,755,000	Korea Development Bank 1.75% 15.12.22	1,787,169	0.34
AUD	1,640,000	Korea South-East Power 5.75% 25.09.20	865,132	0.16
Total South Korea			<u>4,190,958</u>	<u>0.79</u>
<b>SPAIN</b> (20 February 2019 - 1.36%)				
GBP	750,000	Iberdrola Finanzas 6% 01.07.22	834,225	0.16
EUR	800,000	Iberdrola International 2.625% Perp	721,419	0.14
EUR	700,000	Naturgy Finance 3.375% Perp	632,710	0.12
EUR	1,000,000	Spain (Kingdom of) 1.85% 30.07.35	993,662	0.19
GBP	1,600,000	Spain (Kingdom of) 5.25% 06.04.29	2,076,064	0.39
GBP	800,000	Telefónica Emisiones 5.375% 02.02.26	968,568	0.18
EUR	500,000	Telefónica Europe 3.875% Perp	462,945	0.09
EUR	1,300,000	Telefónica Europe 5.875% Perp	1,271,816	0.24
USD	280,000	Telefónica Europe 8.25% 15.09.30	319,953	0.06
Total Spain			<u>8,281,362</u>	<u>1.57</u>
<b>SWEDEN</b> (20 February 2019 - 0.41%)				
GBP	1,550,000	Svenska Handelsbanken 1.625% 18.06.22	1,571,979	0.30
GBP	250,000	Vattenfall 6.875% 15.04.39	442,298	0.08
Total Sweden			<u>2,014,277</u>	<u>0.38</u>
<b>SWITZERLAND</b> (20 February 2019 - 1.36%)				
GBP	750,000	Credit Suisse Group Funding (Guernsey) 2.75% 08.08.25	794,992	0.15
GBP	1,300,000	Credit Suisse Group Funding (Guernsey) 3% 27.05.22	1,350,479	0.25
USD	750,000	Tyco Electronics Group 7.125% 01.10.37	908,980	0.17
USD	1,600,000	UBS Group Funding Switzerland 2.859% 15.08.23	1,268,389	0.24
USD	200,000	Willow No. 2 Ireland 4.25% 01.10.45	165,787	0.03
USD	650,000	Xstrata Finance Canada 6% 15.11.41	599,664	0.11
GBP	295,000	Zurich Finance (UK) 6.625% Perp	333,719	0.06
Total Switzerland			<u>5,422,010</u>	<u>1.01</u>
<b>TURKEY</b> (20 February 2019 - 0.25%)				
USD	440,000	Turk Telekomunikasyon 4.875% 19.06.24	347,422	0.07
Total Turkey			<u>347,422</u>	<u>0.07</u>

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value		Bid value £	Percentage of total net assets %
<b>UNITED ARAB EMIRATES</b> (20 February 2019 - 0.20%)			
USD	247,671	10,030	-
USD	119,045	94,831	0.02
USD	330,000	402,543	0.08
Total United Arab Emirates		507,404	0.10
<b>UNITED KINGDOM</b> (20 February 2019 - 29.96%)			
GBP	2,346,500	2,513,805	0.47
GBP	290,000	333,546	0.06
GBP	203,000	204,908	0.04
GBP	700,000	641,396	0.12
GBP	260,000	324,007	0.06
GBP	330,000	376,913	0.07
GBP	250,000	249,825	0.05
GBP	750,000	778,605	0.15
USD	650,000	517,657	0.10
USD	1,800,000	1,492,949	0.28
GBP	214,468	288,039	0.05
GBP	400,000	445,912	0.08
GBP	1,600,000	1,707,488	0.32
GBP	1,550,000	1,581,000	0.30
GBP	1,250,000	1,330,225	0.25
GBP	1,625,000	1,793,366	0.34
GBP	850,000	862,112	0.16
GBP	400,000	542,500	0.10
USD	550,000	470,601	0.09
GBP	645,000	675,986	0.13
GBP	1,600,000	1,610,832	0.30
GBP	400,000	425,036	0.08
USD	200,000	245,023	0.05
GBP	2,675,000	2,714,349	0.51
GBP	1,400,000	1,638,000	0.31
GBP	200,000	214,340	0.04
GBP	800,000	1,191,816	0.22
GBP	1,800,000	1,962,000	0.37
GBP	850,000	1,301,018	0.24
GBP	1,660,000	1,720,905	0.32
GBP	400,000	486,476	0.09
EUR	1,800,000	1,512,408	0.28
GBP	250,000	261,718	0.05
GBP	120,000	248,454	0.05
GBP	1,000,000	1,119,830	0.21
GBP	2,600,000	3,121,898	0.59
GBP	250,000	294,133	0.06
GBP	500,000	583,625	0.11
GBP	175,000	186,338	0.04
GBP	1,100,000	1,164,801	0.22
GBP	535,000	877,400	0.17
GBP	300,000	301,101	0.06
GBP	100,000	106,018	0.02
GBP	330,000	468,131	0.09
GBP	600,000	609,480	0.11
GBP	1,700,000	1,718,020	0.32
GBP	800,000	885,312	0.17
GBP	800,000	869,656	0.16
GBP	500,000	538,400	0.10
GBP	610,000	701,250	0.13
GBP	210,000	228,629	0.04
USD	280,000	328,753	0.06
GBP	150,000	154,395	0.03
GBP	600,000	675,774	0.13

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value		Bid value £	Percentage of total net assets %	
<b>UNITED KINGDOM (continued)</b>				
GBP	1,000,000	Heathrow Funding 6% 20.03.20	1,003,140	0.19
GBP	500,000	Heathrow Funding 9.2% 29.03.21	543,180	0.10
GBP	600,000	Hiscox 2% 14.12.22	610,692	0.11
GBP	440,000	Hiscox FRN 24.11.45	510,594	0.10
GBP	860,000	Home Group 0% 11.05.27	672,615	0.13
GBP	1,800,000	HSBC Holdings 3% 22.07.28	1,950,552	0.37
GBP	1,000,000	Iceland Bondco 4.625% 15.03.25	831,180	0.16
GBP	2,200,000	Imperial Brands Finance 4.875% 07.06.32	2,659,052	0.50
GBP	1,030,000	InterContinental Hotels Group 3.875% 28.11.22	1,100,957	0.21
GBP	367,000	Intermediate Capital Group 5% 24.03.23	391,127	0.07
GBP	1,258,000	Intermediate Capital Group 6.25% 19.09.20	1,283,210	0.24
EUR	1,250,000	International Personal Finance 5.75% 07.04.21	1,056,889	0.20
EUR	300,000	ITV 1.375% 26.09.26	259,029	0.05
GBP	160,000	John Lewis 4.25% 18.12.34	160,000	0.03
GBP	280,000	John Lewis 6.125% 21.01.25	321,675	0.06
GBP	300,000	Ladbrokes Group Finance 5.125% 08.09.23	325,038	0.06
GBP	715,000	Ladbrokes Group Finance 5.125% 16.09.22	752,473	0.14
GBP	155,000	Leeds Building Society 13.375% PIBS	337,125	0.06
GBP	1,000,000	Legal & General Group 5.375% 27.10.45	1,150,930	0.22
GBP	1,200,000	Lendlease Europe Finance 6.125% 12.10.21	1,287,396	0.24
GBP	2,095,000	Liverpool Victoria Friendly Society 6.5% 22.05.43	2,369,613	0.45
GBP	252,500	Lloyds Bank 7.375% 01.06.20	255,379	0.05
GBP	241,000	Lloyds Banking Group 7.875% Perp	313,298	0.06
GBP	250,000	London Power Networks 6.125% 07.06.27	327,975	0.06
GBP	2,228,000	London Stock Exchange Group 4.75% 02.11.21	2,355,308	0.44
GBP	1,930,000	Manchester Airport Group Funding 4.125% 02.04.24	2,160,789	0.41
GBP	400,000	Marks & Spencer 3% 08.12.23	417,472	0.08
USD	330,000	Marks & Spencer 7.125% 01.12.37	295,071	0.06
GBP	152,993	Mitchells & Butlers Finance 5.574% 15.12.30	174,665	0.03
GBP	650,000	Mitchells & Butlers Finance 6.469% 15.09.30	763,750	0.14
GBP	2,800,000	Morrison (WM) Supermarkets 2.5% 01.10.31	2,864,400	0.54
GBP	1,326,900	National Grid 1.25% RPI Linked 06.10.21	1,677,202	0.32
GBP	357,000	National Westminster Bank 11.5% Perp	622,072	0.12
GBP	10,000	National Westminster Bank 11.5% Perp 'Reg S'	17,744	-
EUR	1,500,000	Nationwide Building Society 2% 25.07.29	1,323,544	0.25
GBP	100,000	Nationwide Building Society 7.859% Perp	123,008	0.02
GBP	1,100,000	NGG Finance 5.625% 18.06.73	1,259,500	0.24
GBP	1,200,000	NIE Finance 2.5% 27.10.25	1,266,756	0.24
GBP	690,500	Northern Electric 8.061p Net Cum Irrd Pref	973,605	0.18
GBP	280,000	Northern Gas Networks Finance 4.875% 15.11.35	392,311	0.07
GBP	1,200,000	Northumbrian Water Finance 2.375% 05.10.27	1,272,948	0.24
GBP	2,031,000	NWEN Finance 5.875% 21.06.21	2,122,293	0.40
GBP	82,992	Octagon Healthcare Funding 5.333% 31.12.35	106,943	0.02
USD	200,000	Pearson Funding Five 3.25% 08.05.23	156,814	0.03
GBP	132,000	Peel South East 10% 30.04.26	180,663	0.03
GBP	3,720,000	Pennon Group 2.875% Perp	3,725,878	0.70
GBP	1,200,000	Pension Insurance 8% 23.11.26	1,566,288	0.29
GBP	450,000	Phoenix Group Holdings 5.75% 07.07.21	476,492	0.09
GBP	125,000	Places for People Finance 4.25% 15.12.23	129,250	0.02
GBP	680,000	Places for People Treasury 2.875% 17.08.26	718,107	0.14
GBP	300,000	Porterbrook Rail Finance 4.625% 04.04.29	357,723	0.07
GBP	330,000	Provident Financial 6% 27.09.21	336,207	0.06
GBP	400,000	Prudential 5.625% 20.10.51	482,512	0.09
USD	1,200,000	RELX Capital 3.5% 16.03.23	974,589	0.18
USD	220,000	Rio Tinto Finance USA 7.125% 15.07.28	233,466	0.04
GBP	350,000	RL Finance Bonds No. 2 6.125% 30.11.43	398,027	0.07
GBP	150,000	RL Finance Bonds No. 3 6.125% 13.11.28	184,401	0.03
GBP	400,000	Rothschilds Continuation Finance (CI) 9% Perp	487,172	0.09
GBP	2,200,000	Royal Bank of Scotland Group 3.125% 28.03.27	2,348,346	0.44
GBP	350,000	RSA Insurance Group 7.375% Cum Irrd Pref	462,000	0.09

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value		Bid value £	Percentage of total net assets %	
<b>UNITED KINGDOM (continued)</b>				
DKK	4,000,000	RSA Insurance Group FRN Perp	463,949	0.09
GBP	610,000	Sainsbury (J) 6.5% Perp	621,712	0.12
GBP	700,000	Santander UK 5.875% 14.08.31	838,628	0.16
GBP	902,000	Severn Trent 1.3% 11.07.22	1,111,715	0.21
GBP	700,000	Severn Trent Utilities Finance 1.625% 04.12.22	711,102	0.13
GBP	640,000	Severn Trent Utilities Finance 4.875% 24.01.42	958,822	0.18
GBP	2,555,000	Sky 4% 26.11.29	3,130,360	0.59
GBP	200,000	South Eastern Power Networks 5.625% 30.09.30	275,350	0.05
GBP	800,000	SP Distribution 5.875% 17.07.26	1,005,560	0.19
GBP	1,250,000	SSE 4.25% 14.09.21	1,310,962	0.25
GBP	1,145,000	SSE 8.375% 20.11.28	1,733,003	0.33
GBP	120,000	Standard Chartered 8.25% Non-Cum Irrd Pref	166,800	0.03
GBP	310,000	Sunderland (SHG) Finance 6.38% 31.03.42	453,841	0.09
GBP	800,000	TalkTalk Telecom Group 5.375% 15.01.22	810,752	0.15
GBP	476,000	Telereal Securitisation 4.9741% 10.09.27	541,214	0.10
GBP	3,695,000	Tesco Personal Finance 5% 21.11.20	3,780,318	0.71
GBP	646,344	Tesco Property Finance 1 7.6227% 13.07.39	961,076	0.18
GBP	280,000	Thames Water (Kemble) Finance 5.875% 15.07.22	290,539	0.05
GBP	330,000	Thames Water Utilities Cayman Finance 2.375% 03.05.23	334,643	0.06
GBP	1,000,000	Thames Water Utilities Finance 5.5% 11.02.41	1,506,750	0.28
EUR	1,650,000	Thomas Cook Group 6.25% 15.06.22	90,521	0.02
GBP	500,000	Trafford Centre Finance 4.25% 28.04.24	535,855	0.10
GBP	450,000	Travis Perkins 4.5% 07.09.23	474,926	0.09
GBP	5,300,000	UK Treasury 4.5% 07.09.34	7,976,208	1.50
GBP	160,000	Unique Pub Finance 6.464% 30.03.32	194,160	0.04
GBP	460,000	Unique Pub Finance 7.395% 28.03.24	526,194	0.10
USD	600,000	United Utilities 6.875% 15.08.28	581,012	0.11
GBP	600,000	Vodafone Group 0% 26.11.20	594,450	0.11
EUR	1,800,000	Vodafone Group 2.875% 20.11.37	1,835,084	0.35
GBP	600,000	Vodafone Group 3% 12.08.56	626,304	0.12
GBP	400,000	Vodafone Group 5.9% 26.11.32	575,436	0.11
GBP	100,000	Wessex Water Services Finance 4% 24.09.21	104,588	0.02
GBP	860,000	Western Power Distribution (South West) 2.375% 16.05.29	907,369	0.17
GBP	400,000	Western Power Distribution (West Midlands) 3.875% 17.10.24	444,500	0.08
GBP	1,400,000	Western Power Distribution 3.625% 06.11.23	1,496,964	0.28
GBP	430,000	William Hill 4.875% 07.09.23	459,984	0.09
GBP	1,250,000	WPP Finance 2013 2.875% 14.09.46	1,220,312	0.23
GBP	200,000	Yorkshire Power Finance 7.25% 04.08.28	288,958	0.05
GBP	250,000	Yorkshire Water Finance 3.75% 22.03.46	260,893	0.05
		<b>Total United Kingdom</b>	<b>141,677,408</b>	<b>26.64</b>
<b>UNITED STATES (20 February 2019 - 23.99%)</b>				
USD	1,000,000	AbbVie 3.75% 14.11.23	826,247	0.16
USD	1,000,000	AbbVie 4.4% 06.11.42	890,608	0.17
USD	1,400,000	Aflac 6.45% 15.08.40	1,573,285	0.30
USD	1,100,000	Air Lease 3.625% 01.04.27	902,565	0.17
USD	700,000	Air Lease 3.625% 01.12.27	573,898	0.11
USD	750,000	Allstate 4.5% 15.06.43	741,426	0.14
EUR	2,000,000	Altria Group 3.125% 15.06.31	1,935,014	0.36
USD	430,000	Altria Group 9.95% 10.11.38	554,498	0.10
USD	1,700,000	Amazon.com 4.8% 05.12.34	1,707,048	0.32
USD	1,500,000	American Honda Finance 2.15% 10.09.24	1,178,895	0.22
GBP	1,700,000	American International Group 5% 26.04.23	1,896,690	0.36
USD	1,600,000	American Tower 3.8% 15.08.29	1,354,176	0.25
GBP	250,000	Amgen 4% 13.09.29	297,523	0.06
USD	500,000	Amgen 6.375% 01.06.37	553,834	0.10
USD	2,500,000	Anthem 3.65% 01.12.27	2,100,614	0.40
USD	286,000	Aon 4.5% 15.12.28	257,213	0.05
USD	170,000	Appalachian Power 6.375% 01.04.36	178,190	0.03
EUR	1,250,000	AT&T 3.15% 04.09.36	1,285,709	0.24

**MARLBOROUGH GLOBAL BOND FUND**

**PORTFOLIO STATEMENT**

as at 20 February 2020

	<b>Holding or nominal value</b>		<b>Bid value £</b>	<b>Percentage of total net assets %</b>
		<b>UNITED STATES (continued)</b>		
USD	2,100,000	AvalonBay Communities 3.3% 01.06.29	1,767,634	0.33
USD	850,000	Avon International Operations 7.875% 15.08.22	687,668	0.13
USD	330,000	BAC Capital Trust XIV FRN Perp	248,388	0.05
USD	750,000	Bank of America 4.183% 25.11.27	645,376	0.12
GBP	800,000	Bank of America 4.25% 10.12.26	942,752	0.18
GBP	800,000	Bank of America 6.125% 15.09.21	862,144	0.16
GBP	1,800,000	Becton, Dickinson and Co 3.02% 24.05.25	1,921,680	0.36
USD	750,000	Becton, Dickinson and Co 6% 15.05.39	758,059	0.14
USD	400,000	Bed Bath & Beyond 5.165% 01.08.44	227,652	0.04
USD	1,800,000	Boardwalk Pipelines 4.45% 15.07.27	1,473,153	0.28
EUR	1,400,000	Celanese US Holdings 1.25% 11.02.25	1,204,174	0.23
USD	420,000	Cencosud 6.625% 12.02.45	373,423	0.07
USD	1,000,000	Centene 4.625% 15.12.29	843,013	0.16
USD	1,500,000	Centene 4.75% 15.01.25	1,209,160	0.23
USD	1,500,000	CF Industries 4.5% 01.12.26	1,292,083	0.24
USD	1,600,000	Charter Communications Operating Capital 6.384% 23.10.35	1,627,731	0.31
GBP	750,000	Citigroup 1.75% 23.10.26	756,450	0.14
USD	400,000	Citigroup 3.98% 20.03.30	347,074	0.07
GBP	1,400,000	Citigroup 5.15% 21.05.26	1,702,428	0.32
USD	2,400,000	CNA Financial 3.9% 01.05.29	2,070,750	0.39
USD	1,200,000	Commercial Metals 4.875% 15.05.23	976,652	0.18
USD	800,000	Conagra Brands 7.125% 01.10.26	778,578	0.15
USD	750,000	Continental Resources 3.8% 01.06.24	607,494	0.11
USD	750,000	CVS Health 6.125% 15.09.39	779,915	0.15
USD	1,000,000	Delta Air Lines 2.9% 28.10.24	789,195	0.15
USD	1,200,000	Delta Air Lines 3.75% 28.10.29	954,491	0.18
USD	1,650,000	Diamond 1/2 Finance 8.1% 15.07.36	1,782,662	0.34
GBP	400,000	Digital Stout Holding 4.75% 13.10.23	445,980	0.08
USD	1,250,000	Discover Bank 3.45% 27.07.26	1,027,862	0.19
USD	500,000	Discovery Communications 5% 20.09.37	455,015	0.09
USD	1,400,000	Discovery Communications 6.35% 01.06.40	1,463,321	0.28
USD	1,000,000	Dominion Energy 2.579% 01.07.20	778,912	0.15
USD	1,600,000	Dominion Energy Gas Holdings 3% 15.11.29	1,282,806	0.24
USD	1,681,000	Domtar 6.75% 15.02.44	1,585,264	0.30
USD	204,000	DPL 7.25% 15.10.21	168,012	0.03
USD	1,500,000	Duke Realty 4% 15.09.28	1,307,429	0.25
USD	1,800,000	Energy Transfer Operating 5.5% 01.06.27	1,608,607	0.30
USD	1,000,000	Energy Transfer Partners 4.95% 15.06.28	868,901	0.16
USD	1,600,000	Equinix 5.375% 15.05.27	1,347,267	0.25
USD	200,000	Estée Lauder 3.7% 15.08.42	174,500	0.03
USD	600,000	Ford Motor Credit Co 3.35% 01.11.22	471,653	0.09
GBP	800,000	Ford Motor Credit Co 4.535% 06.03.25	848,936	0.16
GBP	1,000,000	General Electric 4.875% 18.09.37	1,197,710	0.23
GBP	1,800,000	General Motors Financial Co 2.25% 06.09.24	1,822,554	0.34
USD	1,000,000	General Motors Financial Co 4.2% 06.11.21	804,144	0.15
USD	1,600,000	Georgia Power 3.25% 01.04.26	1,311,836	0.25
GBP	280,000	Goldman Sachs Group 6.875% 18.01.38	437,909	0.08
USD	2,245,000	Hartford Financial Services Group 6.625% 30.03.40	2,536,455	0.48
USD	2,600,000	HCA 4.125% 15.06.29	2,196,884	0.41
USD	600,000	HCP 4% 01.06.25	506,757	0.10
USD	1,200,000	Hilton Domestic Operating Company 4.875% 15.01.30	1,001,127	0.19
USD	490,000	Humana 8.15% 15.06.38	580,498	0.11
USD	400,000	Ingersoll-Rand Global Holding 4.25% 15.06.23	333,992	0.06
NZD	545,000	International Bank for Rec & Dev 0.5% 06.07.20	267,640	0.05
BRL	2,500,000	International Finance 0% 26.05.27	306,791	0.06
USD	800,000	iStar 5.25% 15.09.22	637,116	0.12
USD	1,000,000	JPMorgan Chase & Co 3.54% 01.05.28	840,462	0.16
GBP	250,000	Juneau Investments 5.9% 22.02.21	256,485	0.05
USD	1,200,000	Kansas City Southern 2.875% 15.11.29	960,576	0.18
USD	900,000	Kansas City Southern 4.7% 01.05.48	882,919	0.17



**MARLBOROUGH GLOBAL BOND FUND**

**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value			Bid value £	Percentage of total net assets %
<b>UNITED STATES (continued)</b>				
USD	650,000	Kinder Morgan Energy Partners 6.55% 15.09.40	670,926	0.13
USD	600,000	Lam Research 3.8% 15.03.25	505,977	0.10
USD	1,100,000	Las Vegas Sands 3.9% 08.08.29	908,186	0.17
USD	2,000,000	Lennar 4.875% 15.12.23	1,678,256	0.32
USD	280,000	Lexmark International 7.125% 15.03.20	216,703	0.04
USD	800,000	Liberty Mutual Group 3.951% 15.10.50	673,491	0.13
USD	1,800,000	Louisiana-Pacific 4.875% 15.09.24	1,442,252	0.27
GBP	2,000,000	McDonald's 5.875% 23.04.32	2,867,000	0.54
USD	1,500,000	MetLife 6.4% 15.12.36	1,485,956	0.28
GBP	600,000	Metropolitan Life Global Funding I 1.625% 09.06.22	607,530	0.11
GBP	800,000	Metropolitan Life Global Funding I 2.625% 05.12.22	833,256	0.16
USD	2,600,000	Microsoft 3.45% 08.08.36	2,281,501	0.43
USD	600,000	Molson Coors Brewing 5% 01.05.42	537,406	0.10
EUR	400,000	Montenegro 3.875% 18.03.20	336,289	0.06
USD	800,000	Newell Brands 5.375% 01.04.36	697,904	0.13
GBP	1,000,000	Northern Powergrid Holdings 7.25% 15.12.22	1,168,990	0.22
USD	540,000	Oncor Electric Delivery 7.25% 15.01.33	627,571	0.12
USD	1,200,000	Owens Corning 7% 01.12.36	1,231,812	0.23
USD	927,000	Packaging Corp of America 3.65% 15.09.24	764,082	0.14
USD	460,000	Partners Healthcare System 4.117% 01.07.55	429,303	0.08
USD	1,200,000	Priceline 3.55% 15.03.28	1,015,772	0.19
USD	2,050,000	Principal Financial Group 3.7% 15.05.29	1,777,671	0.33
GBP	1,600,000	Proctor & Gamble 1.375% 03.05.25	1,636,992	0.31
USD	1,000,000	Prologis 3.25% 01.10.26	832,525	0.16
USD	1,000,000	Public Service Electric and Gas Co 3.65% 01.09.28	867,460	0.16
USD	1,000,000	Radian Group 4.875% 15.03.27	825,531	0.16
USD	400,000	Reynolds American 7.25% 15.06.37	421,278	0.08
USD	330,000	Reynolds American 8.125% 01.05.40	362,988	0.07
USD	1,600,000	Rockies Express Pipeline 4.95% 15.07.29	1,243,153	0.23
USD	1,500,000	Seagate HDD Cayman 4.875% 01.06.27	1,251,408	0.24
USD	1,600,000	Sempra Energy 3.4% 01.02.28	1,321,552	0.25
USD	1,800,000	TerraForm Power Operating 5% 31.01.28	1,527,913	0.29
GBP	2,310,000	Textron 6.625% 07.04.20	2,322,982	0.44
USD	1,600,000	The Boeing Company 3.75% 01.02.50	1,371,664	0.26
USD	500,000	The Interpublic Group of Companies 4.65% 01.10.28	451,633	0.09
USD	400,000	Time Warner Cable 6.55% 01.05.37	403,833	0.08
USD	850,000	Time Warner Cable 7.3% 01.07.38	905,839	0.17
USD	1,200,000	Tyson Foods 4.875% 15.08.34	1,150,646	0.22
USD	1,100,000	United Continental Holdings 5% 01.02.24	912,757	0.17
USD	300,000	Unum Group 5.75% 15.08.42	278,426	0.05
USD	750,000	Unum Group 6.75% 15.12.28	733,759	0.14
USD	5,500,000	US Treasury 0% 15.02.31	3,527,507	0.66
USD	8,200,000	US Treasury 2.25% 15.08.49	6,741,482	1.27
USD	2,800,000	US Treasury 2.375% 15.08.24	2,268,997	0.43
USD	420,000	Valmont Industries 5.25% 01.10.54	352,600	0.07
USD	1,727,000	Ventas Realty 4.875% 15.04.49	1,691,385	0.32
USD	500,000	VEREIT Operating Partnership 3.1% 15.12.29	395,262	0.07
USD	2,400,000	VEREIT Operating Partnership 3.95% 15.08.27	2,002,977	0.38
USD	1,250,000	VeriSign 5.25% 01.04.25	1,069,549	0.20
GBP	400,000	Verizon Communications 1.875% 19.09.30	402,372	0.08
GBP	2,250,000	Verizon Communications 3.375% 27.10.36	2,639,340	0.50
EUR	500,000	VF 0.625% 25.02.32	416,913	0.08
USD	400,000	VF 6% 15.10.33	427,871	0.08
USD	850,000	Visa 2.75% 15.09.27	698,656	0.13
USD	700,000	Visa 4.15% 14.12.35	661,988	0.12
USD	315,000	Wachovia Capital Trust III FRN Perp	248,417	0.05
GBP	2,600,000	Walgreens Boots Alliance 3.6% 20.11.25	2,750,514	0.52
GBP	300,000	Wells Fargo & Co 4.875% 29.11.35	400,446	0.08
GBP	2,600,000	Welltower 4.5% 01.12.34	3,242,304	0.61
EUR	2,050,000	Westlake Chemical 1.625% 17.07.29	1,788,070	0.34

**MARLBOROUGH GLOBAL BOND FUND**
**PORTFOLIO STATEMENT**

as at 20 February 2020

Holding or nominal value		Bid value £	Percentage of total net assets %	
<b>UNITED STATES (continued)</b>				
USD	600,000	Williams Partners 3.9% 15.01.25	497,450	0.09
USD	1,078,000	WRKCo 3.375% 15.09.27	882,401	0.17
USD	500,000	WRKCo 4.65% 15.03.26	438,450	0.08
USD	650,000	Zoetis 4.5% 13.11.25	567,746	0.11
USD	370,000	Zurich Reinsurance 7.125% 15.10.23	332,708	0.06
		<b>Total United States</b>	<b>153,179,110</b>	<b>28.89</b>
<b>VENEZUELA (20 February 2019 - 0.01%)</b>				
USD	240,000	Venezuela 11.75% 21.10.26	24,708	-
		<b>Total Venezuela</b>	<b>24,708</b>	<b>-</b>
<b>UNLISTED (20 February 2019 - 3.48%)</b>				
USD	1,400,000	Allergan 2.8% 15.03.23	1,108,100	0.21
USD	1,500,000	Andeavor 5.125% 15.12.26	1,266,990	0.24
USD	480,000	Appalachian Power 7% 01.04.38	548,345	0.10
USD	1,100,000	Bayer US Finance II 5.5% 15.08.25	954,254	0.18
CAD	330,000	Bombardier 7.35% 22.12.26	193,078	0.04
USD	1,100,000	Bristol-Myers Squibb 4.125% 15.06.39	1,025,858	0.19
USD	1,670,000	CenterPoint Energy Resources 5.85% 15.01.41	1,735,796	0.33
USD	2,400,000	Cheniere Corpus Christi Holdings 5.125% 30.06.27	2,077,495	0.39
USD	1,300,000	Discovery Communications 3.95% 15.06.25	1,093,350	0.21
USD	657,784	Eletson Holdings 9.625% 15.01.22	177,600	0.03
AUD	280,000	European Investment Bank 0.5% 21.07.23	141,410	0.03
GBP	2,700,000	Fidelity National Information Services 2.602% 21.05.25	2,857,896	0.54
USD	1,662,000	Keurig Dr Pepper 4.417% 25.05.25	1,433,005	0.27
USD	850,000	Nutrien 4.125% 15.03.35	730,049	0.14
GBP	2,400,000	Sainsbury (J) 2.875% Perp	2,451,600	0.46
NZD	820,000	Spark Finance 4.5% 25.03.22	426,031	0.08
USD	250,000	Tronox 6.5% 15.04.26	197,156	0.04
USD	800,000	WRKCo 4% 15.03.28	679,970	0.13
		<b>Total Unlisted</b>	<b>19,097,983</b>	<b>3.61</b>
<b>Portfolio of stock investments</b>		<b>471,690,266</b>	<b>88.80</b>	
<b>Counterparty</b>	<b>Foreign Currency Hedges</b>			
HSBC	Sell AUD 2,000,000 for USD 1,402,117 - 3 March 2020	58,559	0.01	
HSBC	Sell EUR 4,800,000 for GBP 4,104,352 - 3 March 2020	76,759	0.02	
HSBC	Sell EUR 1,600,000 for USD 1,789,545 - 10 March 2020	47,015	0.01	
HSBC	Sell EUR 5,800,000 for CHF 6,241,197 - 16 March 2020	70,059	0.01	
HSBC	Sell EUR 3,600,000 for JPY 441,878,940 - 17 March 2020	48,886	0.01	
HSBC	Sell EUR 5,500,000 for GBP 4,675,351 - 8 April 2020	54,715	0.01	
HSBC	Sell EUR 1,500,000 for USD 1,643,392 - 15 April 2020	14,588	-	
HSBC	Sell EUR 2,600,000 for GBP 2,207,550 - 16 April 2020	22,623	0.01	
HSBC	Sell EUR 1,150,000 for GBP 973,047 - 16 April 2020	6,637	-	
HSBC	Sell EUR 850,000 for GBP 716,476 - 16 April 2020	2,089	-	
HSBC	Sell JPY 455,710,560 for CHF 4,000,000 - 23 March 2020	(1,451)	-	
HSBC	Sell NZD 1,200,000 for GBP 593,506 - 16 April 2020	2,613	-	
HSBC	Sell USD 2,500,000 for JPY 274,211,525 - 17 March 2020	(35,542)	(0.01)	
HSBC	Sell USD 1,519,179 for NOK 14,000,000 - 17 April 2020	(9,895)	-	
	<b>Net value of all derivative positions</b>	<b>357,655</b>	<b>0.07</b>	
<b>Portfolio of investments and derivative positions</b>		<b>472,047,921</b>	<b>88.87</b>	
<b>Net current assets (excluding derivative positions)</b>		<b>59,106,646</b>	<b>11.13</b>	
<b>Total net assets</b>		<b>531,154,567</b>	<b>100.00</b>	

## MARLBOROUGH GLOBAL BOND FUND

### STATEMENT OF TOTAL RETURN

for the year ended 20 February 2020

	Notes	20 February 2020		20 February 2019	
		£	£	£	£
Income:					
Net capital gains/(losses)	4		28,068,548		(1,518,834)
Revenue	6	14,830,092		13,307,856	
Expenses	7	<u>(2,387,501)</u>		<u>(1,971,868)</u>	
Net revenue before taxation		12,442,591		11,335,988	
Taxation	8	<u>(9,272)</u>		<u>(13,853)</u>	
Net revenue after taxation			<u>12,433,319</u>		<u>11,322,135</u>
Total return before distributions			40,501,867		9,803,301
Distributions	9		(12,433,319)		(11,322,135)
Change in net assets attributable to unitholders from investment activities			<u>28,068,548</u>		<u>(1,518,834)</u>

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the year ended 20 February 2020

		20 February 2020		20 February 2019	
		£	£	£	£
Opening net assets attributable to unitholders			384,539,124		320,891,718
Amounts receivable on issue of units		131,110,556		70,457,903	
Amounts payable on cancellation of units		(22,966,719)		(14,179,248)	
Amounts payable on unit class conversions		<u>(425)</u>		<u>(5,927)</u>	
			108,143,412		56,272,728
Change in net assets attributable to unitholders from investment activities			28,068,548		(1,518,834)
Retained distribution on accumulation units			10,403,483		8,893,512
Closing net assets attributable to unitholders			<u>531,154,567</u>		<u>384,539,124</u>

**MARLBOROUGH GLOBAL BOND FUND**

**BALANCE SHEET**

as at 20 February 2020

	Notes	20 February 2020	20 February 2019
		£	£
<b>Assets:</b>			
<b>Fixed Assets:</b>			
Investment assets	17	472,094,809	338,032,090
<b>Current Assets:</b>			
Debtors	10	8,176,212	6,397,859
Cash and bank balances		53,111,617	43,827,455
Total assets		<u>533,382,638</u>	<u>388,257,404</u>
<b>Liabilities:</b>			
Investment liabilities	17	46,888	245,213
<b>Creditors:</b>			
Bank overdrafts		-	697,757
Distribution payable on income units		1,312,372	1,387,787
Other creditors	11	868,811	1,387,523
Total liabilities		<u>2,228,071</u>	<u>3,718,280</u>
<b>Net assets attributable to unitholders</b>		<u><u>531,154,567</u></u>	<u><u>384,539,124</u></u>

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### 1 ACCOUNTING POLICIES

##### **Basis of preparation**

The financial statements have been prepared in compliance with UK Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

The financial statements are prepared in sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

There are no material events that have been identified that may cast significant doubt about the Fund's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The authorised fund manager believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and, following the consideration of the impact of COVID-19 as set out in note 18, they continue to adopt the going concern basis in preparing the financial statements.

##### **Revenue**

Interest on debt securities is recognised on an accruals basis. Accrued interest purchased and sold on debt securities is excluded from the capital cost of these securities and is treated as revenue. Interest earned from debt securities is accounted for on an effective yield basis. Effective yield is where the interest arising on the security that is purchased at a discount or premium to the maturity value is amortised and recognised at a consistent rate over the life of the security.

Dividends from preference shares are recognised when the security is quoted ex-dividend. Bank interest is accounted for on an accruals basis.

##### **Allocation of revenue**

Revenue, attributable after expenses to multiple unit classes, with the exception of the authorised fund manager's periodic charge, which is directly attributable to individual unit classes, is allocated to unit classes pro-rata to the value of the net assets of the relevant unit class on the day that the revenue is incurred.

##### **Expenses**

All expenses, other than those relating to purchase and sale of investments, are charged initially against revenue on an accruals basis.

##### **Valuation**

The valuation point was 12:00 on 20 February 2020 being the last valuation point of the accounting year.

Listed investments are valued at fair value which is the bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the authorised fund manager's best estimate of the amount that would be received from the immediate transfer at arm's length in a manner designed to show fair value. This modelling takes into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance, maturity of the company and other relevant factors.

Where applicable, investment valuations exclude any element of accrued revenue.

##### **Taxation**

Corporation tax has been provided for at 20% on taxable income less expenses. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions, or events giving rise to them, occurred before the balance sheet date.

##### **Exchange rates**

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 20 February 2020 being the last valuation point of the accounting year. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

#### 2 DISTRIBUTION POLICIES

The distribution policy of the Fund is to distribute or accumulate all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on non-derivative instruments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 20 February 2020

**DISTRIBUTION POLICIES**

**Equalisation**

Equalisation applies only to units purchased during the distribution period. It is the average amount of income included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to UK income tax but must be deducted from the cost of the units for UK capital gains tax purposes.

**3 RISK MANAGEMENT POLICIES**

In pursuing its investment objective, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities held in accordance with the investment objectives and policies together with cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued income.

The main risks arising from the Fund's financial instruments and the authorised fund manager's policies for managing these risks are summarised below. These policies have been applied throughout the year.

The Fund is managed according to COLL 5, 'Investment and Borrowing Powers' which helps achieve the statutory objective of protecting consumers by laying down the minimum standards for the investments that may be held by an authorised fund. In particular: (a) the proportion of transferable securities and derivatives that may be held by the authorised fund is restricted if those transferable securities and derivatives are not listed on an eligible market. The intention of this is to restrict the transferable securities and derivatives that cannot be accurately valued and readily disposed of; and (b) the authorised funds are required to comply with a number of investment rules that require the spreading of risk.

**Market price risk**

Market price risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Fund holds. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised fund manager in pursuance of the investment objective and policy as set out in the Prospectus.

Investment limits set out in the Trust Deed, Prospectus and in the rules contained in the Collective Investment Schemes Sourcebook mitigate the risk of excessive exposure to any particular security or issuer.

**Foreign currency risk**

The income and capital value of the Fund's investments can be affected by foreign currency translation movements as most of the Fund's assets and income may be denominated in currencies other than sterling which is the Fund's functional currency. It is however a part of the Fund's strategy to hedge a substantial part of its foreign currency exposure back to sterling.

The authorised fund manager has identified three principal areas where foreign currency risk could impact the Fund. These are, movements in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the period between when an investment purchase or sale is entered into and the date when settlement of the investment occurs, and finally movements in exchange rates affecting income received by the Fund. The Fund converts all receipts of income received in currency into sterling on the day of receipt.

**Derivatives**

A substantial proportion of the Fund is invested in bonds denominated in Euros. The Fund has the option when it is considered appropriate to hedge this foreign currency exposure by entering into forward foreign currency exchange contracts. This would reduce either the profits or losses which would otherwise arise on currency movements. In general the Fund does hedge a substantial part of its foreign currency exposure.

**Credit and counterparty risk**

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 responsibilities. The Fund only buys and sells investments through brokers which have been approved by the authorised fund manager as an acceptable counterparty.

The Fund invests in fixed interest bonds, which are generally viewed as lower-risk investments than equities. However the solvency of organisations with whom the Fund invests cannot be guaranteed, and any difficulty may adversely affect the Fund's performance. Although bonds have a fixed coupon or interest payment, the Fund will be buying and selling bonds on a regular basis, and so the overall level of income will fluctuate.

Lower graded bonds may have a higher risk of the issuer failing to meet its income or capital repayments when due.

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### RISK MANAGEMENT POLICIES

##### Interest rate risk

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Fund's cash holdings are held in deposit accounts, whose rates are determined by the banks concerned on a daily basis.

The Fund invests in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the fund manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

##### Liquidity risk

The Fund's assets comprise mainly of readily realisable securities. The main liability of the Fund is the redemption of any units that investors wish to sell. Assets of the Fund may need to be sold if insufficient cash is available to finance such redemptions. The liquidity of the Fund's assets is regularly reviewed by the authorised fund manager.

<b>4 NET CAPITAL GAINS/(LOSSES)</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
The net gains/(losses) on investments during the year comprise:		
Non-derivative securities gains	28,150,985	1,346,496
Gains/(losses) on forward foreign exchange contracts	373,148	(3,408,158)
Other currency (losses)/gains	(444,866)	550,165
Transaction charges	(10,719)	(7,337)
<b>Net capital gains/(losses)</b>	<b>28,068,548</b>	<b>(1,518,834)</b>
<b>5 PURCHASES, SALES AND TRANSACTION COSTS</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
Purchases excluding transaction costs		
Debt securities	177,940,830	92,495,678
Preference shares	556,044	1,321,155
	<u>178,496,874</u>	<u>93,816,833</u>
Debt securities - commissions	-	6,994
Preference shares - taxes and other charges	2,781	2,399
Total purchase transaction costs	<u>2,781</u>	<u>9,393</u>
<b>Purchases including transaction costs</b>	<b>178,499,655</b>	<b>93,826,226</b>
Purchase transaction costs expressed as a percentage of the principal amount:		
Debt securities - commissions	0.00%	0.01%
Preference shares - taxes and other charges	0.50%	0.18%
Sales excluding transaction costs		
Debt securities	70,500,772	45,005,609
Preference shares	-	1,581,176
	<u>70,500,772</u>	<u>46,586,785</u>
Debt securities - commissions	-	(22)
Total sale transaction costs	<u>-</u>	<u>(22)</u>
<b>Sales net of transaction costs</b>	<b>70,500,772</b>	<b>46,586,763</b>
Sale transaction costs expressed as a percentage of the principal amount:		
Debt securities - commissions	0.00%	0.00%
Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:		
Commissions	0.00%	0.00%
Taxes and other charges	0.00%	0.00%
	<u>0.00%</u>	<u>0.00%</u>
<b>Transaction handling charges</b>		
These are charges payable to the trustee in respect each transaction.	<u>£10,719</u>	<u>£7,337</u>

##### Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price. The average portfolio dealing spread at 20 February 2020 is 0.55% (2019: 0.60%).

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

<b>6 REVENUE</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
UK dividends	268,683	252,480
Overseas dividends	68,756	131,052
Interest on debt securities	14,485,233	12,907,354
Bank interest	7,420	16,970
<b>Total revenue</b>	<b>14,830,092</b>	<b>13,307,856</b>
<b>7 EXPENSES</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
Payable to the authorised fund manager or associate:		
Authorised fund manager's periodic charge	2,157,192	1,735,828
Registration fees	4,016	4,016
	<u>2,161,208</u>	<u>1,739,844</u>
Other expenses:		
Trustee's fees	121,298	110,102
Safe custody fees	98,801	78,837
Interest	-	36,107
FCA fee	124	158
Audit fee	6,070	6,820
	<u>226,293</u>	<u>232,024</u>
<b>Total expenses</b>	<b>2,387,501</b>	<b>1,971,868</b>
<b>8 TAXATION</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
a Analysis of the tax charge for the year		
Overseas tax	9,272	13,853
<b>Total tax charge</b> (see note 8(b))	<u>9,272</u>	<u>13,853</u>
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for a unit trust (20%). The differences are explained below:		
Net revenue before taxation	12,442,591	11,335,988
Corporation tax at 20% (2019: 20%)	<u>2,488,518</u>	<u>2,267,198</u>
Effects of:		
Interest distribution allowable for taxation	(2,488,518)	(2,267,198)
Overseas tax	9,272	13,853
<b>Total tax charge</b> (see note 8(a))	<u>9,272</u>	<u>13,853</u>
At 20 February 2020 the Fund has deferred tax assets of £84,526 (2019: £86,380) arising from surplus management expenses, which have not been recognised due to uncertainty over the availability of future taxable profits.		
<b>9 DISTRIBUTIONS</b>	<b>20 February 2020</b>	<b>20 February 2019</b>
	<b>£</b>	<b>£</b>
The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:		
Interim	6,853,329	5,769,461
Final	6,343,060	5,884,449
Amount deducted on cancellation of units	168,962	135,444
Amount added on issue of units	(931,607)	(461,292)
Equalisation on conversions	(425)	(5,927)
<b>Distributions</b>	<u>12,433,319</u>	<u>11,322,135</u>



## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### 10 DEBTORS

	20 February 2020	20 February 2019
	£	£
Amounts receivable for issue of units	1,762,938	888,745
Accrued income	6,397,824	5,508,743
Taxation recoverable	15,450	371
<b>Total debtors</b>	<b>8,176,212</b>	<b>6,397,859</b>

#### 11 OTHER CREDITORS

	20 February 2020	20 February 2019
	£	£
Amounts payable for cancellation of units	163,302	9,571
Purchases awaiting settlement	521,888	1,218,925
Manager's periodic charge and registration fees	132,113	101,140
Accrued expenses	51,508	57,887
<b>Total other creditors</b>	<b>868,811</b>	<b>1,387,523</b>

#### 12 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities as at 20 February 2020 (2019: nil).

#### 13 RELATED PARTIES

The authorised fund manager is involved in all transactions in the shares of the Fund, the aggregate values of which are set out in the statement of change in net assets attributable to unitholders on page 24 and note 9. Amounts due to/from the authorised fund manager in respect of unit transactions at the year end are disclosed in notes 10 and 11. Amounts paid to the authorised fund manager in respect of the manager's periodic charge and registration fees are disclosed in note 7. Amounts due from the authorised fund manager at the year end are as follows:

	20 February 2020	20 February 2019
	£	£
Marlborough Fund Managers Ltd	(1,467,523)	(778,034)

In addition to the above, some shares in the Fund are owned by directors of Marlborough Fund Managers Ltd or directors of UFC Fund Management plc, the ultimate parent company of Marlborough Fund Managers Ltd, as set out below:

Proportion of units owned by directors of Marlborough Fund Managers Ltd or UFC Fund Management plc	0.18%	0.23%
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Distributions were payable on the above holdings at the rates applicable to other unitholders.

#### 14 UNIT CLASSES

The unit classes in issue for the Fund and the annual management charge for each unit class is as follows:

A Income	1.125%
A Accumulation	1.125%
B Income	0.625%
B Accumulation	0.625%
P Income	0.375%
P Accumulation	0.375%

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### 15 UNITHOLDERS' FUNDS RECONCILIATION

During the year the authorised fund manager has issued, cancelled and converted units from one unit class to another as set out below:

	A Income	B Income	P Income
Opening units in issue at 21 February 2019	19,172,892	204,796	43,453,751
Unit issues	3,496,783	107,004	14,833,724
Unit cancellations	(4,326,968)	(64,178)	(4,105,215)
Unit conversions	(579,527)	(5,252)	(480,685)
Closing units in issue at 20 February 2020	<u>17,763,180</u>	<u>242,370</u>	<u>53,701,575</u>

	A Accumulation	B Accumulation	P Accumulation
Opening units in issue at 21 February 2019	8,817,835	1,075,109	140,973,510
Unit issues	1,693,569	119,745	48,902,162
Unit cancellations	(814,233)	(356,248)	(3,233,477)
Unit conversions	(148,324)	(49,038)	1,094,599
Closing units in issue at 20 February 2020	<u>9,548,847</u>	<u>789,568</u>	<u>187,736,794</u>

#### 16 RISK DISCLOSURES

##### Market price risk sensitivity

A five per cent increase in the market prices of the Fund's portfolio would have the effect of increasing the return and net assets by £23,584,513 (2019: £16,900,128). A five per cent decrease would have an equal and opposite effect.

##### Foreign currency risk

At the year end date a portion of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 20 February 2020:

	Investments	Net current assets	Total
	£	£	£
Australian dollar	4,393,236	140,476	4,533,712
Brazil real	975,642	6,082	981,724
Canadian dollar	1,353,739	8,917	1,362,656
Danish kroner	1,409,773	8,219	1,417,992
Euro	18,343,865	932,209	19,276,074
Japanese yen	1,809,149	42,311,515	44,120,664
New Zealand dollar	728,575	17,783	746,358
Norwegian kroner	1,505,263	7,326	1,512,589
Singapore dollar	-	138,735	138,735
Swedish kroner	333,754	1,972,359	2,306,113
Swiss franc	8,104,939	1,449,236	9,554,175
US dollar	184,129,937	2,366,513	186,496,450
	<u>223,087,872</u>	<u>49,359,370</u>	<u>272,447,242</u>

Foreign currency exposure at 20 February 2019:

	Investments	Net current assets	Total
	£	£	£
Australian dollar	4,651,342	207,000	4,858,342
Brazil real	968,084	7,040	975,124
Canadian dollar	1,278,170	503,857	1,782,027
Danish kroner	1,352,076	8,536	1,360,612
Euro	24,794,917	802,143	25,597,060
Japanese yen	2,088,691	34,036,516	36,125,207
New Zealand dollar	1,591,392	23,546	1,614,938
Norwegian kroner	2,182,867	2,063,978	4,246,845
Singapore dollar	143,420	2,312	145,732
Swedish kroner	8,469,053	1,309,342	9,778,395
Swiss franc	-	425,256	425,256
US dollar	126,961,815	2,547,125	129,508,940
	<u>174,481,827</u>	<u>41,936,651</u>	<u>216,418,478</u>

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### RISK DISCLOSURES

##### Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £13,622,362 (2019: £10,820,924). A five per cent increase would have an equal and opposite effect.

##### Derivatives risk

The underlying exposure to forward currency contracts at 20 February 2020 was a net unrealised gain of £357,655 (2019: net unrealised loss of £215,675).

##### Interest rate risk

The interest rate risk profile of financial assets and liabilities for the year ended 20 February 2020 consists of the following:

	20 February 2020	20 February 2019
	£	£
Financial assets fixed interest rate:		
Australian dollar	5,423,844	5,638,839
Brazil real	668,851	689,281
Canadian dollar	1,353,739	1,278,170
Euro	40,429,464	29,391,402
New Zealand dollar	1,319,468	1,591,392
Norwegian kroner	336,520	350,807
Singapore dollar	-	143,420
Sterling	224,079,964	162,415,171
Swedish kroner	333,754	343,403
US dollar	177,483,517	123,812,786
	<u>451,429,121</u>	<u>325,654,671</u>
Financial assets floating rate:		
Brazil real	-	56,804
Canadian dollar	-	494,951
Danish kroner	469,165	476,698
Euro	1,219,364	1,044,468
Japanese yen	42,311,515	34,036,516
Norwegian kroner	-	2,056,122
Singapore dollar	138,735	2,299
Sterling	10,415,981	6,491,302
Swedish kroner	1,954,385	1,306,146
Swiss franc	1,449,832	425,431
US dollar	1,542,672	2,276,761
	<u>59,501,649</u>	<u>48,667,498</u>
Financial assets non-interest bearing instruments:		
Australian dollar	140,476	150,196
Brazil real	312,873	285,843
Canadian dollar	8,917	8,906
Danish kroner	948,829	883,915
Euro	1,043,579	737,255
New Zealand dollar	17,783	23,546
Norwegian kroner	7,326	7,856
Singapore dollar	-	13
Sterling	13,121,707	8,172,529
Swedish kroner	18,509	2,825
Swiss franc	-	-
US dollar	6,831,869	3,662,351
	<u>22,451,868</u>	<u>13,935,235</u>
Financial liabilities floating rate:		
Sterling	-	(697,757)
Financial liabilities non-interest bearing instruments:		
Euro	(413,864)	-
Sterling	(1,814,207)	(2,637,278)
US dollar	-	(383,245)
	<u>(2,228,071)</u>	<u>(3,020,523)</u>
	<u>531,154,567</u>	<u>384,539,124</u>

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### RISK DISCLOSURES

##### Interest rate risk sensitivity on debt securities

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A half of one per cent increase in interest rates would have the effect of decreasing the return and net assets by £15,199,737 (2019: £7,501,795). A half of one per cent decrease would have an equal and opposite effect.

##### Debt security credit analysis

Portfolio split by investment grade

	20 February 2020	20 February 2019
	Bid value (£)	
Investments of investment grade	397,951,914	259,668,412
Investments below investment grade:	48,305,215	52,138,895
Unrated	25,433,137	26,195,245
<b>Portfolio of stock investments</b>	<b>471,690,266</b>	<b>338,002,552</b>

##### Liquidity risk

The following table provides a maturity analysis of the Fund's financial liabilities:

		20 February 2020	20 February 2019
		£	£
Within one year:			
Derivatives	Investment liabilities	46,888	245,213
Non-derivatives	Bank overdrafts	-	697,757
	Distribution payable	1,312,372	1,387,787
	Other creditors	868,811	1,387,523
		<b>2,228,071</b>	<b>3,718,280</b>

#### 17 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	20 February 2020		20 February 2019	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	24,574,999	-	3,350,165	-
Level 2 - Observable market data	447,518,710	46,888	334,679,725	245,213
Level 3 - Unobservable data	1,100	-	2,200	-
	<b>472,094,809</b>	<b>46,888</b>	<b>338,032,090</b>	<b>245,213</b>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

## MARLBOROUGH GLOBAL BOND FUND

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 20 February 2020

#### 18 POST BALANCE SHEET EVENTS

Since the year end there has been a significant global market reaction to the ongoing Covid-19 global pandemic. The impact on global markets going forwards will depend on the ongoing scale, duration and individual approach to each country's government in their management of the pandemic, which continues to evolve on a day by day basis. This economic uncertainty could have a significant adverse impact on the Fund, including on the fair value of its investments. MFM as the Authorised Fund Manager and the Investment Manager to the Fund continue to monitor UK government announcements and advice as the situation continues to develop.

The Authorised Fund Manager considers the emergence and spread of COVID-19 to be a non-adjusting post balance sheet

Since 20 February 2020, the Net Asset Value per unit has changed as follows:

	Net Asset Value per unit (pence)		
	20 February 2020*	18 June 2020	Movement (%)
A Income	160.55	161.44	0.55%
A Accumulation	287.81	291.91	1.42%
B Income	160.86	161.61	0.47%
B Accumulation	199.03	202.20	1.59%
P Income	161.35	162.03	0.42%
P Accumulation	207.29	210.76	1.67%

\* These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

**MARLBOROUGH GLOBAL BOND FUND**

**DISTRIBUTION TABLE**

**Interim distribution for the period from 21 February 2019 to 20 August 2019**

Group 1: units purchased prior to 21 February 2019

Group 2: units purchased on or after 21 February 2019

		Gross revenue 20 August 2019 pence per unit	Equalisation 20 August 2019 pence per unit	Distribution paid 20 October 2019 pence per unit	Distribution paid 20 October 2018 pence per unit
A Income	Group 1	1.815287	-	1.815287	1.973280
	Group 2	1.023873	0.791414	1.815287	1.973280
A Accumulation	Group 1	3.219139	-	3.219139	3.411149
	Group 2	1.518538	1.700601	3.219139	3.411149
B Income	Group 1	2.201310	-	2.201310	2.346335
	Group 2	0.645356	1.555954	2.201310	2.346335
B Accumulation	Group 1	2.685159	-	2.685159	2.780100
	Group 2	0.776059	1.909100	2.685159	2.780100
P Income	Group 1	2.398293	-	2.398293	2.538970
	Group 2	0.990664	1.407629	2.398293	2.538970
P Accumulation	Group 1	3.036529	-	3.036529	3.111826
	Group 2	1.526902	1.509627	3.036529	3.111826

**Final distribution for the period from 21 August 2019 to 20 February 2020**

Group 1: units purchased prior to 21 August 2019

Group 2: units purchased on or after 21 August 2019

		Gross revenue 20 February 2020 pence per unit	Equalisation 20 February 2020 pence per unit	Distribution paid 20 April 2020 pence per unit	Distribution paid 20 April 2019 pence per unit
A Income	Group 1	1.374494	-	1.374494	1.810480
	Group 2	0.496959	0.877535	1.374494	1.810480
A Accumulation	Group 1	2.464696	-	2.464696	3.171708
	Group 2	0.976354	1.488342	2.464696	3.171708
B Income	Group 1	1.775264	-	1.775264	2.189568
	Group 2	0.897673	0.877591	1.775264	2.189568
B Accumulation	Group 1	2.197204	-	2.197204	2.634278
	Group 2	1.390394	0.806810	2.197204	2.634278
P Income	Group 1	1.981161	-	1.981161	2.384560
	Group 2	0.937487	1.043674	1.981161	2.384560
P Accumulation	Group 1	2.545047	-	2.545047	2.971242
	Group 2	1.247617	1.297430	2.545047	2.971242

# Marlborough

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