



The Virgin Money Growth Fund 1

Final Report and Financial Statements
For the year ended 31 July 2024

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Management and professional services

For the year ended 31 July 2024

Manager (the 'Manager')

Virgin Money Unit Trust Managers Limited
Jubilee House
Gosforth
Newcastle upon Tyne
NE3 4PL

Directors:

J. Byrne
H. Chater (Resigned 10 April 2024)
S. Hynes (Appointed 11 March 2024)
P. Moore (Appointed 16 April 2024)
D. Mouille (Resigned 2 April 2024)
F. Murphy (Resigned 2 April 2024)
A. Patrizi (Resigned 28 October 2024)
M. Phibbs (Resigned 2 July 2024)
C. Rhodes (Appointed 29 October 2024)
D. Taylor (Resigned 30 April 2024)
S. Wemyss (Resigned 2 April 2024)

Telephone 03456 10 20 30*

Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

abrdn Investments Limited
280 Bishopsgate
London
EC2M 4AG

Authorised and regulated by the Financial Conduct Authority.

Registrar

SS&C Financial Services Europe Limited**
SS&C House
St Nicholas Lane
Basildon
Essex
SS15 5FS

FNZ (UK) Limited***
10th Floor
135 Bishopsgate
London
United Kingdom
EC2M 3TP

Trustee

Citibank UK Limited
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

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

* Calls to 03 numbers cost the same as calls to 01 or 02 numbers and they are included in inclusive minutes and discount schemes in the same way. Calls may be monitored and recorded.

** Main Register of Unitholders.

*** FNZ Plan Register (being a record of persons who subscribe for Units through Individual Savings Accounts (ISAs) opened from 1 January 2023).

Management and professional services

For the year ended 31 July 2024

Independent Auditor

KPMG LLP
20 Castle Terrace
Edinburgh
EH1 2EG

Manager's investment report

For the year ended 31 July 2024

Investment Objective, Policy and Strategy

The aim of the Fund is to provide a total return (income and capital growth) over the longer term (five years or more) from a multi-asset portfolio of shares and bonds from around the world.

The Fund aims to achieve the objective by investing in other funds, rather than investing directly in individual shares and bonds. This means that the Fund is what's often known as a 'fund-of-funds'. The funds which it invests in may be managed by us, our Investment Adviser, or any other authorised fund manager.

The Fund invests:

- at least 30% in funds that have a higher return potential (compared to other investments in the Fund) – but which carry a higher level of risk, such as shares (from both developed and emerging countries) and higher yielding bonds. This includes company shares, property shares, and higher yielding bonds such as corporate bonds rated by the leading credit agencies as below investment grade (BB or lower); and
- the rest in funds that have a lower return potential (compared to other investments in the Fund) – but which carry a lower level of risk. This includes government bonds (loans to a government) from developed countries, investment grade corporate bonds (loans to a company) with relatively strong credit ratings (BBB or higher), and cash.

The split between higher and lower risk investments, and the types of investment (for example, geography and types of bonds) are chosen so that risk (measured by how much the Fund's value fluctuates, known as 'volatility') is expected to remain within the range 30% to 50% of the risk of world stock markets over 10-year periods. The Fund uses the MSCI All Countries World Index GBP to represent world stock markets.

The underlying funds are chosen to implement the desired mix of assets as per the bullet points above. Normally at least 80% of the funds that the Fund invests in will be passively managed. This means that they aim to track the performance of a particular share index or bond index. The rest will be actively managed funds – this is where the fund manager chooses individual shares / bonds and as a result returns may be higher (or lower) than the market.

One way in which the Fund seeks to manage risks and opportunities is via Environmental, Social and Governance (ESG) considerations. Where the Investment Adviser feels it is beneficial from a risk or return perspective, and suitable investment options are available, investments will be chosen because of their integration of ESG considerations into stock selection (increasing / decreasing allocation to individual companies based on the ESG scoring process of the index provider / fund manager), adoption of sustainable investing objectives or policies, positive shareholder engagement policies, and / or investment in companies providing products and services that support the transition to a low carbon economy. In addition, the Fund will limit (to no more than 0.5% of the value of the Fund's assets) indirect exposure to companies which:

- make more than 5% of their earnings from tobacco products, thermal coal or unconventional oil and gas (such as oil sands or shale gas),
- are involved in the manufacture of controversial weapons such as cluster munitions or antipersonnel landmines,
- or who violate the UN Global Compact principles on human rights, labour, the environment and anti-corruption.

If the Investment Adviser determines that the allocation to the above type of companies does exceed 0.5% of the value of the Fund's assets, the Investment Adviser will take action to reduce exposure to below 0.5% (by selling underlying funds identified as contributing to the over-exposure) within a reasonable timeframe, ordinarily within two months.

As well as investing in bond and share funds, the Fund may also hold cash or funds investing in cash and money-market investments.

The Fund's mix of investments will be reviewed at least annually, and may change in consideration of the outlook for each investment type, but it will always include at least 30% in funds with higher risk/return potential.

Manager's investment report

For the year ended 31 July 2024

Trust Status

The Fund is an authorised unit trust scheme under S243 of the Financial Services and Markets Act 2000 and is categorised as a UK UCITS¹ scheme under the Collective Investment Schemes Sourcebook ('the COLL Rules').

Financial Instruments

In pursuing its investment objective set out above, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise directly from its operations. Further details of the risks that arise in connection with financial instruments and how these risks are managed are set out in note 13 of the financial statements.

Unit Trust schemes are not permitted by the Regulations² to enter into a transaction if its purpose could reasonably be regarded as speculative. The Fund's use of financial instruments satisfies these requirements and no speculative trading in financial instruments is undertaken.

The Fund invests predominantly in collective investment schemes, as shown in the Portfolio statement on page 11. Management fees for the funds in which it invests are met by the Manager out of the operating charges set out in the Comparative tables on page 10.

Risk and Reward Profile

The Fund's Synthetic Risk and Reward Indicator ('SRRI') is 4 on a scale of 1 (lower) to 7 (higher) as it invests in a mixture of gilt-edged securities and corporate bonds - which typically provide moderate rewards but carry a lower level of risk, and company shares which typically provide higher rewards but carry a higher level of risk.

For further information, please refer to the Fund's Key Investor Information Document ('KIID').

Distribution

The Fund receives dividend income from stocks held in its portfolio. Every six months, income received is netted off against expenses incurred. Any net balance is distributed two months after the end of the period.

Income Unit Class

The final distribution for the year ended 31 July 2024 will be 1.3250p net per unit paid on 30 September 2024.

The total distribution for the year is 2.3980p net per unit.

Accumulation Unit Class

The final distribution for the year ended 31 July 2024 will be 1.2485p net per unit paid on 30 September 2024.

The total distribution for the year is 2.1715p net per unit.

Fund Performance

For the year ended 31 July 2024, the net asset value for Income Units increased by 4.49%³ from 102.16p to 106.75p. The net asset value for Accumulation Units increased by 6.99%³ from 95.66p to 102.35p.

¹ Authorised in accordance with the Undertakings in Collective Investments in Transferable Securities (UCITS) Directive.

² The Regulations derive from UK and EU financial services legislation including the Financial Services and Markets Act 2000, the UCITS Directive and Financial Conduct Authority (FCA) rules, principally COLL.

³ Based on published net asset value as shown on page 10.

Manager's investment report

For the year ended 31 July 2024

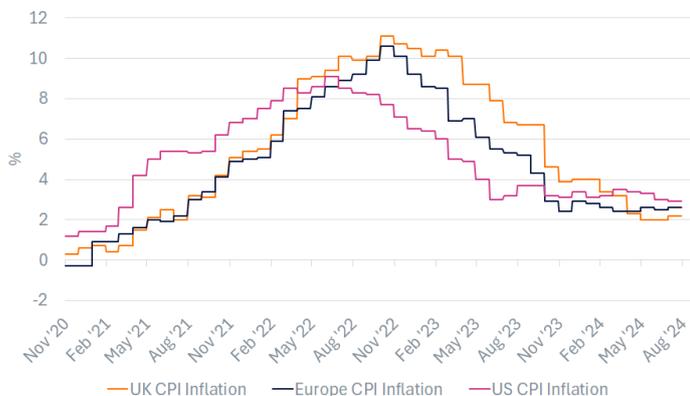
Markets overview from 1 August 2023 to 31 July 2024

Fixed income markets had a positive year as major central banks paused interest rate hikes with inflation reducing consistently, although remaining still above-target in most economies. Meanwhile, global equities advanced in aggregate terms, driven by some extent to a rally in large-cap technology stocks and optimism, albeit with some uncertainty due to major central banks' data-dependent stances, towards interest rate cuts. The European Central Bank (ECB) and Bank of England (BoE) subsequently cut rates in June and August 2024, respectively. Having said that, concerns over the Chinese economy and ongoing wars in Ukraine and the Middle East remained key risks.

Inflation eases and some central banks cut interest rates, albeit with caution:

- Headline inflation mostly eased in major economies, including the US, UK and Europe, but remained above target for most part of the review period. While economic data was generally good and alleviated concerns over a global recession, central banks remained cautious. This postponed the expected timing and reduced the number of anticipated interest rate cuts.

Major Global Inflation Rates



- In the US, annual inflation to July 2024 fell to 2.9%, its lowest level in almost three-and-a-half years, but still remained above the 2% target. Hence, the US Federal Reserve (Fed) kept rates unchanged in July but signalled a potential cut in September. Dovish statements and weaker US jobs data raised hopes that an interest rate cut was imminent. The target range for the Fed funds rate was maintained at 5.25–5.50%.
- Europe saw consistently reducing inflation which fell to an estimated 2.5% in June as expected, though the core rate remained at a higher-than-forecast 2.9%. In response, the ECB cut its main refinancing operations rate by 0.25% to 4.25% at its June 2024 meeting, but maintained that rate in July. Meanwhile, French President Emmanuel Macron announced a snap general election which saw a surprise win from the left-wing New Popular Front. Investor reaction to this political development was muted.

- Annual inflation returned to the UK's 2% target in May and remained so in June, prompting the BoE to cut interest rates by 25 basis points in early August. Gross domestic product was stronger than anticipated at 0.9% for the three-month figure in May as well. Elsewhere, Prime Minister Rishi Sunak too called for snap elections, but lost to the Labour Party as widely expected.

Bond markets advanced after central bank policy shift:

- Global government bonds rose modestly in local-currency terms but were weaker in sterling terms. The US 10-year Treasury yields were relatively stable and ended the period just below 4%. The yield on 10-year German Bunds was also steady and ended at slightly above 2.0%. In the UK, investors bought Gilts in anticipation of the UK's first rate cut in over four years, which was announced at the beginning of August.
- Corporate bonds put up a solid performance over the period as investor risk appetite improved. The asset class rebounded from initial headwinds due to high interest rates and concerns over a global economic slowdown. In the US, riskier high-yield bonds outperformed higher-quality investment-grade bonds.
- High-yield bonds were supported by their income attractions and relatively stable credit-quality trends. Investment-grade bonds lagged because of their longer duration, or sensitivity to changes in interest rates, as underlying government bond yields increased.

Global equities surge ahead on an interest rate peak and resilient macros:

- Global stock markets, as represented by the MSCI World Index, rose over the year in all major currencies, including sterling.
- Global equity markets ended the year notably higher, amid easing inflation, some major central banks starting to cut rates, an artificial intelligence-led rally in large-cap technology stocks. Concerns over a potential global recession decreased as well due to robust economic data, but weakness and China and geopolitical tensions in Russia and the Middle East remained a risk.
- In the US, following a notable surge starting late October, the S&P 500 Index and the technology-orientated NASDAQ Composite Index both hit all-time highs before falling back later in July due to disappointing earnings news from Tesla and Alphabet, which is the parent company of Google. The share prices rose in both dollar and sterling terms.
- Over the year, European stock markets, as seen by the German stock market index, the DAX, advanced in both local currency and sterling terms, after being pressured until late October alongside global peers. They remained resilient despite political changes and amid reducing inflation, an interest rate cut and good economic data.

Manager's investment report

For the year ended 31 July 2024

- UK equities gained on decreasing inflation and in anticipation of an interest rate cut. Despite entering a recession in the fourth quarter of 2023, the gross domestic product growth returned to strength by the end of the year. Investors welcomed the change in political leadership as well. The internationally focused FTSE 100 Index outperformed the domestically focused FTSE 250 Index over the review period.

Global Markets All-Time Highs



- Conversely, Chinese equities fell despite fresh stimulus measures to support the economy. The Chinese yuan further depreciated on continued worries about the country's uncertain economic outlook and indebted property sector.

Macroeconomic factors continue to improve but downside risks remain prevalent:

- Macroeconomic factors remain at large, with investors scrutinising the latest data and trying to predict when a pause or pivot in the direction of interest rates might occur. Market participants are optimistic that rate cuts will happen soon, which is bolstering their risk appetite. The Chinese economy continues to be vulnerable and geopolitical pressures persist globally.
- Recessionary concerns have reduced but also stay all too present as global growth stagnates against a backdrop of elevated inflationary pressures.

Manager's investment report

For the year ended 31 July 2024

Assessment of Value

In 2017 the Financial Conduct Authority (FCA) published the final Asset Management Market Study. This introduced (among other reforms) new governance rules with the aim of enhancing duty of care and ensuring the industry acts in investors' best interests. The rules were outlined in the FCA policy statement PS18/8 and came into effect from 30 September 2019. As a result, Virgin Money Unit Trust Managers Limited is required to perform a detailed annual assessment, determining whether our funds are "providing value to investors", which has previously been included in the Fund's annual report and accounts. From 2023 the resulting findings for all of the funds managed by Virgin Money Unit Trust Managers Limited are published on a consolidated basis, and can be found on the Virgin Money UK website.

Comparative tables

As at 31 July 2024

Change in net assets per unit for the year ending	Income Units			Accumulation Units		
	31 Jul 24 (p)	31 Jul 23 (p)	31 Jul 22 (p)	31 Jul 24 (p)	31 Jul 23 (p)	31 Jul 22 (p)
Opening net asset value per unit	102.16	103.58	111.78	95.66	95.14	100.00
Return before operating charges	7.60	1.19	(6.45)	7.14	0.95	(4.62)
Operating charges	(0.61)	(0.81)	(0.91)	(0.45)	(0.43)	(0.24)
†Return after operating charges	6.99	0.38	(7.36)	6.69	0.52	(4.86)
Distributions on income units	(2.40)	(1.80)	(0.84)	(2.17)	(1.84)	(0.50)
Retained distribution on accumulation units	-	-	-	2.17	1.84	0.50
Closing net asset value per unit	106.75	102.16	103.58	102.35	95.66	95.14
After direct transaction costs of :	-	-	0.01	-	-	0.01
Performance						
Return after operating charges (%) [*]	6.84	0.37	(6.58)	6.99	0.55	(4.86)
Other information						
Closing net asset value (£)	34,521,930	41,157,178	45,850,383	5,964,199	767,062	951
Closing number of units	32,338,074	40,286,407	44,264,580	5,827,436	801,885	1,000
Operating charges (%) [‡]	0.59	0.79	0.85	0.45	0.45	0.50
Direct transaction costs (%)	-	-	0.01	-	-	0.01
Prices						
Highest price (p)	108.20	105.00	113.50	102.60	96.87	100.00
Lowest price (p)	97.99	96.64	100.00	91.82	88.80	91.52

*The Return after operating charges is calculated as the 'Return after operating charges' per unit divided by the 'Opening net asset value' per unit.

‡The operating charges are the annualised total expenses paid by the Fund in the year, expressed as a percentage of its average net assets. The Annual Management Charge for Income Units changed from 0.75% to 0.45% on 6 January 2024.

Portfolio statement

As at 31 July 2024

Security	Holdings	Market Value £'000	% of Net Assets
COLLECTIVE INVESTMENT SCHEMES			
Bonds and Gilts (65.19%*)		25,022	61.81
abrtn Liquidity Fund Lux - Sterling Fund [#]	1,185	1,185	2.93
abrtn OEIC IV - abrtn Global Government Bond Tracker Fund [#]	6,734,079	5,768	14.25
abrtn OEIC IV - abrtn Global Inflation-Linked Bond Tracker Fund [#]	1,461,158	1,267	3.13
abrtn OEIC IV - abrtn Short Dated Global Inflation-Linked Bond Tracker Fund [#]	1,280,930	1,240	3.06
abrtn OEIC IV - abrtn Short Dated Sterling Corporate Bond Tracker Fund [#]	2,330,787	2,469	6.10
iShares ESG Screened Global Corporate Bond Index Fund	863,006	7,310	18.05
iShares ESG Sterling Corporate Bond Index Fund	5,026,428	4,113	10.16
iShares Green Bond Index Fund	96,814	830	2.05
Responsible Global High Yield Bond Fund	82,326	840	2.08
Shares (35.19%*)		15,597	38.52
abrtn ACS I - abrtn Sustainable Index UK Equity Fund [#]	355,223	478	1.18
abrtn ACS I - abrtn Sustainable Index World Equity Fund [#]	4,228,185	5,012	12.38
abrtn OEIC IV - abrtn Global REIT Tracker Fund [#]	1,038,238	890	2.20
iShares Continental European Equity ESG Index Fund	1,789,848	2,026	5.00
iShares MSCI EM ESG Enhanced Fund	710,106	2,882	7.12
iShares MSCI Japan ESG Enhanced Fund	158,187	801	1.98
Legal & General ESG Emerging Markets Government Bond Index Fund	1,574,727	1,548	3.82
Virgin Money Climate Change Fund [^]	1,220,442	1,960	4.84
Portfolio of investments		40,619	100.33
Net other liabilities (-0.38%*)		(133)	(0.33)
Net assets		40,486	100.00

*Comparative figures shown in brackets relate to percentage of total net assets at 31 July 2023.

[^] This fund is managed by Virgin Money Unit Trust Managers Limited.

[#] This fund is managed by abrtn Investments Limited, Investment Advisor to the Fund.

Purchases and sales of investments

For the year ended 31 July 2024

Purchases	Cost £'000
abrtn Liquidity Fund Lux - Sterling Fund [#]	8,399
Responsible Global High Yield Bond Fund	826
abrtn OEIC IV - abrtn Global Government Bond Tracker Fund [#]	606
iShares ESG Screened Global Corporate Bond Index Fund	280
abrtn OEIC IV - abrtn Short Dated Sterling Corporate Bond Tracker Fund [#]	100
Legal & General ESG Emerging Markets Government Bond Index Fund	84
iShares MSCI EM ESG Enhanced Fund	51
abrtn OEIC IV - abrtn Short Dated Global Inflation-Linked Bond Tracker Fund [#]	50
Virgin Money Climate Change Fund [^]	50
Total for the year	10,446

[^] This fund is managed by Virgin Money Unit Trust Managers Limited.

[#] This fund is managed by abrtn Investments Limited, Investment Advisor to the Fund.

The above constitutes all purchases of investments in the year.

Purchases and sales of investments

For the year ended 31 July 2024

Sales	Proceeds £'000
abrnd Liquidity Fund Lux - Sterling Fund [#]	8,392
abrnd SICAV II - Global High Yield Bond Fund [#]	885
abrnd ACS I - abrnd Sustainable Index World Equity Fund [#]	814
iShares ESG Screened Global Corporate Bond Index Fund	690
iShares Green Bond Index Fund	456
abrnd OEIC IV - abrnd Short Dated Sterling Corporate Bond Tracker Fund [#]	430
iShares Continental European Equity ESG Index Fund	382
abrnd OEIC IV - abrnd Global Government Bond Tracker Fund [#]	350
Virgin Money Climate Change Fund [^]	348
iShares ESG Sterling Corporate Bond Index Fund	295
iShares MSCI EM ESG Enhanced Fund	239
iShares MSCI Japan ESG Enhanced Fund	195
Legal & General ESG Emerging Markets Government Bond Index Fund	140
abrnd OEIC IV - abrnd Short Dated Global Inflation-Linked Bond Tracker Fund [#]	130
Total for the year	13,746

[^] This fund is managed by Virgin Money Unit Trust Managers Limited.

[#] This fund is managed by abrnd Investments Limited, Investment Advisor to the Fund.

The above constitutes all sales of investments in the year.

Statement of total return

For the year ended 31 July 2024

		31 Jul 24		31 Jul 23	
	Notes	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	2		1,741		(652)
Revenue	4	1,271		1,137	
Expenses	5	(169)		(287)	
Interest payable and similar charges		-		(16)	
Net revenue before taxation		1,102		834	
Taxation	6	(171)		(68)	
Net revenue after taxation			931		766
Total return before distributions			2,672		114
Distributions	7		(931)		(765)
Change in net assets attributable to unitholders from investment activities			1,741		(651)

Statement of change in net assets attributable to unitholders

For the year ended 31 July 2024

	31 Jul 24		31 Jul 23	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		41,924		45,851
Amounts receivable on issue of units	9,146		4,992	
Amounts payable on cancellation of units	(12,437)		(8,274)	
		(3,291)		(3,282)
Change in net assets attributable to unitholders from investment activities		1,741		(651)
Retained distribution on accumulation units		112		6
Closing net assets attributable to unitholders		40,486		41,924

Notes to the financial statements are on pages 16 to 27.

Balance sheet

As at 31 July 2024

		31 Jul 24		31 Jul 23	
	Notes	£'000	£'000	£'000	£'000
Assets					
Fixed assets					
Investments			40,619		42,084
Current assets					
Debtors	8	320		2,382	
Cash and bank balances	9	156		103	
Total current assets			476		2,485
Total assets			41,095		44,569
Liabilities					
Provision for liabilities			(3)		(3)
Creditors					
Distribution payable		(428)		(308)	
Other creditors	10	(178)		(2,334)	
Total liabilities			(609)		(2,645)
Net assets attributable to unitholders			40,486		41,924

Notes to the financial statements are on pages 16 to 27.

Notes to the financial statements

For the year ended 31 July 2024

1. Accounting policies

(a) Basis of accounting

The Financial Statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments, and in accordance with the United Kingdom Generally Accepted Accounting Practice as defined within Financial Reporting Standard (FRS) 102 and the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (now known as the Investment Association) in May 2014 and updated in June 2017.

The Manager has undertaken a detailed assessment, and continues to monitor, the Trust's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Trust continues to be open for trading and the Manager is satisfied the Trust has adequate financial resources to continue in operation for at least 12 months from the date of the financial statements and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

(b) Revenue recognition

Dividends on distributions on holdings in collective investment schemes are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when they are declared.

Any reported revenue from an offshore fund, in excess of any distribution received in the reporting period, is recognised as revenue no later than the date on which the reporting fund makes this information available.

If any revenue receivable at the balance sheet date is not expected to be received for a significant period after the accounting year end, a provision reflecting the timing of the receipt for the relevant amount will be made.

(c) Treatment of expenses

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

In order to maintain the operating charges of the Fund at 0.45% (2023: 0.79%) for Income Units and 0.45% (2023: 0.45%) for Accumulation Units, the Manager will rebate to the Fund an amount equivalent to the value of the operating charges incurred by investing in the underlying securities.

(d) Distribution policy

The distribution policy of the Fund is to distribute all available revenue, after deduction of expenses as an dividend distribution.

Gains and losses on investments and currencies, whether realised or unrealised, are taken as capital and are not available for distribution.

(e) Equalisation

Equalisation applies only to Group 2 units, being units that were purchased during the distribution periods (as detailed on page 28). It is the average amount of revenue included in the purchase price of all Group 2 units and is refundable to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

(f) Basis of valuation of investments

The valuation point was at 5pm on 31 July 2024, which was the last working day of the accounting year.

Collective Investment Schemes are valued by reference to their net asset value. Dual priced funds have been valued at the bid price. Single priced funds have been valued using the single price.

All purchases and sales are accounted for on the trade date.

Listed investments are valued at bid market value.

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

(g) Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at close of business on the last business day 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.

Notes to the financial statements

For the year ended 31 July 2024

1. Accounting policies

(h) Taxation

The charge for taxation is based on the results for the year.

Provision is made for corporation tax at the current rate on the excess of taxable income over allowable expenses.

Deferred tax is provided on all timing differences (other than those recorded as permanent differences) that have originated but not reversed at the balance sheet date at the average rate of tax expected to apply. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

(i) Efficient portfolio management

Where appropriate, certain permitted transactions, such as derivatives or forward foreign exchange transactions can be used for efficient portfolio management. Where such transactions are used to protect or enhance income, the income and expenses derived there from are included in 'Revenue' or 'Expenses' in the Statement of total return. Where such transactions are used to protect or enhance capital, the gains and losses derived there from are included in 'Net capital gains/(losses)' in the Statement of total return. Any positions on such transactions open at the year end are reflected in the Balance sheet at their market to market value.

Notes to the financial statements

For the year ended 31 July 2024

2. Net Capital Gains/(Losses)

The net capital gains/(losses) during the year comprise:

	31 Jul 24	31 Jul 23
	£'000	£'000
Non-derivative securities	1,741	(652)
Net capital gains/(losses)	1,741	(652)

3. Portfolio Transaction Costs

Analysis of total trade costs:

	Purchases		Sales	
	31 Jul 24	31 Jul 23	31 Jul 24	31 Jul 23
	£'000	£'000	£'000	£'000
Collective investment schemes	10,446	60,984	13,746	61,477
Trades in the year before transaction costs	10,446	60,984	13,746	61,477

Commissions

Collective investment schemes	-	-	-	-
Total Commissions	-	-	-	-

Taxes

Collective investment schemes	-	-	-	-
Total Taxes	-	-	-	-

Total net trades in the year after transaction costs	10,446	60,984	13,746	61,477
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The dealing spread represents the difference between the values determined for investments by reference to the bid and offer prices, expressed as a percentage of the value determined by reference to the offer price. The average dealing spread of the investments at the balance sheet date was 0.04% (2023: 0.73%).

Notes to the financial statements

For the year ended 31 July 2024

Total transaction cost expressed as a percentage of asset class:

	Purchases		Sales	
	31 Jul 24	31 Jul 23	31 Jul 24	31 Jul 23
	%	%	%	%

Commissions

Collective investment schemes	-	-	-	-
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Taxes

Collective investment schemes	-	-	-	-
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Total transaction cost expressed as a percentage of average NAV:

	31 Jul 24	31 Jul 23
	%	%
Commissions	-	-
Taxes	-	-
Total	-	-

4. Revenue

	31 Jul 24	31 Jul 23
	£'000	£'000
Distributions from regulated collective investment schemes:		
Non-taxable investment income	166	194
Interest distributions	530	561
Offshore distributions non-taxable	82	37
Offshore distributions taxable	418	317
Bank interest	68	30
UK distributions taxable	7	(2)
Total revenue	1,271	1,137

Notes to the financial statements

For the year ended 31 July 2024

5. Expenses

	31 Jul 24	31 Jul 23
	£'000	£'000
Payable to the Manager, associates of the Manager, and agents of either of them:		
Manager's service charge*	169	287
Total expenses	169	287

During the year, and the comparative period, the Manager has borne the auditor's fee of £14,466 (2023: £13,308) and all the fees charged by the Trustee, Financial Conduct Authority and the Registrar, including irrecoverable VAT where applicable.

* The service charge is net of rebates to operating charges on the Fund paid by the Manager, as outlined in note 1(c) on page 16.

6. Taxation

(a) Analysis of the tax charge in the year:

	31 Jul 24	31 Jul 23
	£'000	£'000
Corporation tax	168	61
Overseas tax	3	4
Total current tax	171	65
Deferred tax	-	3
Total taxation	171	68

Notes to the financial statements

For the year ended 31 July 2024

(b) Factors affecting the tax charge for the year:

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust which is 20% (2023: 20%).

The differences are explained below:

	31 Jul 24	31 Jul 23
	£'000	£'000
Net revenue before taxation	1,102	834
Corporation tax of 20% (2023: 20%)	220	167
Effects of:		
Revenue not subject to taxation	(49)	(46)
Movement in excess management expenses	-	(52)
Overseas tax	3	4
Double taxation relief - Total	(3)	(5)
Total tax (note 6(a))	171	68

Authorised Unit Trusts are exempt from tax on capital gains in the UK. Therefore, any capital gain is not included in the above reconciliation.

(c) Deferred tax:

Provision at start of the year	3	-
Deferred tax charge in profit and loss account for the year	-	3
Provision at the end of the year	3	3

(d) Factors affecting future tax charge:

At the year end, there is a potential deferred tax asset of £0 (2023: £0) in relation to surplus management expenses. No deferred tax assets have been recognised.

Notes to the financial statements

For the year ended 31 July 2024

7. Distributions

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

	31 Jul 24	31 Jul 23
	£'000	£'000
Interim	410	443
Final	501	315
	911	758
Add: Equalisation deducted on cancellation of units	72	21
Less: Equalisation received on issue of units	(52)	(14)
Net distribution for the year	931	765

Details of the distributions per unit are set out in the Distribution tables on page 28.

8. Debtors

	31 Jul 24	31 Jul 23
	£'000	£'000
Accrued revenue	274	276
Amounts receivable for issue of units	42	-
Sales awaiting settlement	-	2,100
Income tax recoverable	4	6
Total debtors	320	2,382

9. Cash and bank balances

	31 Jul 24	31 Jul 23
	£'000	£'000
Cash and bank balances	156	103
Total cash and bank balances	156	103

Notes to the financial statements

For the year ended 31 July 2024

10. Other creditors

	31 Jul 24	31 Jul 23
	£'000	£'000
Accrued expenses	10	20
Amounts payable on cancellation of units	-	153
Corporation tax payable	168	61
Purchases awaiting settlement	-	2,100
Total creditors	178	2,334

11. Related party transactions

Investments managed by Virgin Money Unit Trust Managers Limited (VMUTM) are denoted in the Portfolio statement and purchases and sales of investments.

Revenue received from VMUTM related investments during the year was £8,831 (2023: £26,748).

Management fees paid to VMUTM are detailed in note 5 and details of units issued and cancelled by VMUTM are shown in the Statement of change in net assets attributable to unitholders. The balance due to VMUTM at the year end in respect of these transactions was £9,849 (2023: £20,459).

In order to maintain the operating charges of the Fund at 0.45% (2023: 0.75%) for Income Units and 0.45% (2023: 0.45%) for Accumulation Units, the Manager has rebated to the Fund an amount equivalent to the value of the operating charges incurred by investing in the underlying securities. For the year ended 31 July 2024 the rebate amounted to £64,777 (2023: £57,694).

Investments managed by subsidiaries of abrtn plc are denoted in the Portfolio statement and purchases and sales of investments. Revenue received from investments managed by subsidiaries of abrtn plc during the year was £673,976 (2023: £1,153,771).

12. Capital commitments and contingent liabilities

On 31 July 2024, the Fund had no capital commitments (2023: £nil) and no contingent liabilities (2023: £nil).

Notes to the financial statements

For the year ended 31 July 2024

13. Financial risk management, derivatives and other financial instruments

The risks inherent in the Fund's investment portfolio are as follows:

(a) Financial Risk Management

Financial risk can be separated into the following components: market risk, credit risk and liquidity risk. The table below and overleaf is provided to enable users of these financial statements to assess and understand the risks that arise in connection with the financial instruments held by the Fund and how those risks are managed.

Risks are set out in order of significance.

Risk	Risk definition	Risk background and significance	Mitigation technique	Quantitative analysis
1) Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: other price risk, interest rate risk, and currency risk.	See below.	See below.	See below.
1a) Other price risk	This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk), whether those changes are caused by factors specific to individual financial instruments or its issuer, or other factors affecting similar financial instruments traded in the market.	Other price risk arises 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. As the Fund invests in collective investment schemes, the Fund is exposed to a significant level of other price risk.	The Manager carries out regular monitoring of the performance of the fund. The Investment Adviser only selects portfolio holdings which are in line with the investment objective of the fund and the Manager carries out a separate periodic review of the portfolio holdings to ensure they are in line with the investment objective and that all relevant regulations are being met.	See 13(b).

Notes to the financial statements

For the year ended 31 July 2024

Risk	Risk definition	Risk background and significance	Mitigation technique	Quantitative analysis
1b) Interest rate risk	The risk that an investment's value will change due to a change in the absolute level of interest rates, in the spread between two rates, in the shape of the yield curve or in any other interest rate relationship.	Around half of the Fund's financial assets are collective investment schemes which neither pay interest nor have a maturity date. Therefore, the Fund's exposure to interest rate risk is considered insignificant for that half of the assets. The other half of the Fund invests in collective investment schemes that invest in fixed rate securities, for which any change to the prevailing interest rates may result in income increasing or decreasing and the value of securities held increasing or decreasing. In addition, changes in expectations of future interest rates may also result in an increase or decrease in the value of the securities held. In general, if interest rates rise the income potential of the Fund also rises, but value of the fixed rate securities will decline. A decline in interest rates will, in general, have the opposite effect.	No formal mitigation techniques are adopted by the Investment Adviser or the Manager. Investments in fixed interest rate securities is wholly consistent with the Fund's investment objective.	Not applicable.

Notes to the financial statements

For the year ended 31 July 2024

Risk	Risk definition	Risk background and significance	Mitigation technique	Quantitative analysis
1c) Currency risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.	All of the Fund's assets are denominated in sterling, with the effect that the balance sheet and total return cannot be materially affected by currency movements. Given this, the Manager does not consider the Fund has a significant exposure to currency risk.	As the Manager does not consider the Fund has significant exposure to currency risk, no formal mitigation techniques are adopted by the Investment Adviser or the Manager.	Not applicable.
2) Credit risk	This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.	Certain transactions in securities the Fund enters into expose it to the risk that the counterparty will not deliver the investments for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. Given the mitigation techniques followed, the Manager does not consider the Fund has a significant exposure to counterparty risk. Issuer risk is considered to be significant as the majority of the Fund's assets are collective investment schemes where the issuer has monetary obligations to the Fund.	The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time, and changes in brokers' financial ratings are reviewed. The Fund's assets including cash are held on trust for the benefit of unitholders by the Trustee. The financial position of the Trustee is itself monitored on a regular basis by the Manager.	Not applicable.
3) Liquidity risk	The risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities, including redemption liability.	All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. Given this, the Manager does not consider that the Fund has a significant exposure to liquidity risk.	In general, the Investment Adviser manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.	Not applicable.

(b) Other price risk and fair value of financial assets and liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the Fund disclosed in the Balance sheet.

A 1% increase in the market price of investments at 31 July 2024 compared to the fair value reported would have caused net capital gains to increase by £406,190 (2023: £420,840) and the net asset value to increase by £406,190 (2023: £420,840). A decrease would have had an equal and opposite effect.

Notes to the financial statements

For the year ended 31 July 2024

14. Reconciliation of the unit movements in the year

	31 Jul 24	31 Jul 24
	Income Units	Accumulation Units
Opening units in issue on 1 Aug 23	40,286,407	801,885
Creations during the year	3,232,396	5,929,840
Cancellations during the year	(11,180,729)	(904,289)
Closing units in issue on 31 Jul 24	32,338,074	5,827,436

15. Fair value hierarchy

	31 Jul 24		31 Jul 23	
	Assets	Liabilities	Assets	Liabilities
Valuation technique - Investments	£'000	£'000	£'000	£'000
Level 1	3,683	-	3,941	-
Level 2	36,936	-	38,143	-
Level 3	-	-	-	-
	40,619	-	42,084	-

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Distribution tables

For the year ended 31 July 2024

Distribution in pence per unit

Interim distribution paid 28 March 2024

Group 1	Units purchased prior to 1 August 2023
Group 2	Units purchased from 1 August 2023 to 31 January 2024 inclusive

	Revenue (p)	Equalisation (p)	Distribution paid 28 Mar 24 (p)	Distribution paid 31 Mar 23 (p)
Income units				
Group 1	1.0730	-	1.0730	1.0349
Group 2	0.7392	0.3338	1.0730	1.0349

Accumulation units

Group 1	0.9230	-	0.9230	1.0127
Group 2	0.8797	0.0433	0.9230	1.0127

Final distribution paid 30 September 2024

Group 1	Units purchased prior to 1 February 2024
Group 2	Units purchased from 1 February 2024 to 31 July 2024 inclusive

	Revenue (p)	Equalisation (p)	Distribution paid 30 Sep 24 (p)	Distribution paid 29 Sep 23 (p)
Income units				
Group 1	1.3250	-	1.3250	0.7642
Group 2	0.8257	0.4993	1.3250	0.7642
Accumulation units				
Group 1	1.2485	-	1.2485	0.8318
Group 2	0.8435	0.4050	1.2485	0.8318

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). 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 income tax but must be deducted from the cost of units for capital gains tax purposes.

Statement of the Manager's responsibilities

For the year ended 31 July 2024

The Collective Investment Schemes Sourcebook published by the FCA, ('the COLL Rules') require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund and of the net income and net gains or losses on the property of the Fund for the period.

In preparing the financial statements the Manager is responsible for:

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

The Manager is responsible for the management of the Fund in accordance with the Trust Deed, Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Fund's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Final Report and Financial Statements were approved by the Manager and signed on its behalf by:



Jonathan Byrne
Director
27 Nov 2024



Paula Moore
Director
27 Nov 2024

Independent auditor's report to the unitholders of The Virgin Money Growth Fund 1 (the 'Trust')

For the year ended 31 July 2024

Opinion

We have audited the financial statements of the Trust for the year ended 31 July 2024 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Tables and the accounting policies set out on pages 16 and 17.

In our opinion the financial statements:

- > give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Trust as at 31 July 2024 and of the net revenue and the net capital gains on the property of the Trust for the year then ended; and
- > have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

The Manager has prepared the financial statements on the going concern basis as they do not intend to liquidate the Trust or to cease their operations, and as they have concluded that the Trust's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Manager's conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- > we consider that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- > we have not identified, and concur with the Manager's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Independent auditor's report to the unitholders of The Virgin Money Growth Fund 1 (the 'Trust')

For the year ended 31 July 2024

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- > Enquiring of directors as to the Trust’s high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- > Assessing the segregation of duties in place between the Manager, the Trustee, the Administrator and the Investment Adviser;
- > Reading board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Trust is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Trust’s activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent auditor's report to the unitholders of The Virgin Money Growth Fund 1 (the 'Trust')

For the year ended 31 July 2024

Other Information

The Manager is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- > we have not identified material misstatements in the other information; and
- > in our opinion the information given in the Manager's Report for the financial year is consistent with the financial statements.

Matters on Which we are Required to Report by Exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- > proper accounting records for the Trust have not been kept; or
- > the financial statements are not in agreement with the accounting records.

Manager's Responsibilities

As explained more fully in their statement set out on page 29, the Manager is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Trust'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 they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Trust'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 Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.



Wiqas Kaiser
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
20 Castle Terrace
Edinburgh
EH1 2EG

27 Nov 2024

Manager's remuneration (unaudited)

For the year ended 31 July 2024

In accordance with the FCA's UCITS Remuneration Code, Virgin Money Unit Trust Managers Limited ("VMUTM"), as the Manager, is required to establish and apply a remuneration policy for certain categories of staff whose activities have a material impact on the risk profile of the Manager or the UK UCITS funds ("UCITS") that it manages ("UCITS Remuneration Code Staff" or "Code Staff"). VMUTM does not directly employ any staff, other than its two independent non-executive directors. All other staff involved in the management of the Fund were provided from Virgin Money UK PLC and also from abrtn plc (previously one of the ultimate parent entities) on a secondment basis. The Manager has established a remuneration policy to ensure that remuneration for its Code Staff:

- (i) is consistent with and promotes sound and effective risk management;
- (ii) does not encourage risk taking that exceeds the level of tolerated risk of VMUTM or that is inconsistent with the risk profile of the UCITS funds it manages; and
- (iii) encourages behaviours that are aligned with the business strategy, objectives, values and interests of VMUTM, the UCITS funds it manages, and the investors in those UCITS funds, and seeks to avoid conflicts of interest.

The remuneration policy is subject to annual review by the Compliance function and is approved annually by the Board of VMUTM.

Employee Remuneration Disclosure

The table below provides an overview of the following:

Aggregate total remuneration paid by VMUTM to its Code Staff – in other words those individuals who could have a material impact on the risk profile of VMUTM or the UCITS funds it manages, including the Virgin Money Growth Fund 1.

This broadly includes senior management, decision makers and control functions. VMUTM has no employees. For the purpose of this disclosure, Code Staff includes individuals employed by Virgin Money UK PLC or abrtn plc who were seconded full-time to VMUTM.

In 2023 the VMUTM secondees from both Virgin Money UK PLC and abrtn plc had a performance period running from 1 January to 31 December. Amounts shown below reflect payments made from 1 January 2023 to 31 December 2023 inclusive.

Virgin Money Growth Fund 1 Reporting period: 01/08/23-31/07/24	Headcount	Total Remuneration £'000 ¹	Proportion relevant to Virgin Money Growth Fund 1 £'000 ²
VMUTM Code Staff ³	16		
Total remuneration		2,038	23
of which			
Fixed remuneration		1,560	18
Variable remuneration		478	5

¹ These figures represent the total remuneration paid by VMUTM to Code Staff as defined in note 3

² These figures represent the proportion of the amounts in the previous column, based on the average assets under management of the Virgin Money Growth Fund 1 in 2023 compared to the average total assets under management in 2023 of all funds of which VMUTM is the manager

³ Code Staff comprises:

- i) Directors of VMUTM, including the independent non-executive directors (fees invoiced directly to VMUTM), non-executive directors appointed by the parent companies of VMUTM which are Virgin Money UK PLC and abrtn plc (these directors are not remunerated for carrying out this role, which is an immaterial part of the work they do for Virgin Money UK PLC or abrtn plc), and the Chief Executive Officer of VMUTM (seconded from Virgin Money UK PLC)
- ii) Other members of the VMUTM Executive Committee, which includes individuals with significant management functions, plus staff engaged in control functions

Statement of the Trustee's responsibilities

in respect of the Scheme and Report of the Trustee to the Unitholders of The Virgin Money Growth Fund 1 ("the Trust")

For the year ended 31 July 2024

The Trustee is responsible for the safekeeping of all property of the Trust which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Trustee to take reasonable care to ensure that the Trust is managed and operated in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the Sourcebook'), the Financial Services and Markets Act 2000, as amended, and the Trust Deed and the Prospectus of the Trust, concerning: the pricing of and dealing in Trust Units; the application of income of the scheme; and the Trust investment portfolio and borrowing activities.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Trustee of the scheme, based on information and explanations provided to us, we believe that, in all material respects, the Manager:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the scheme's units and the application of the scheme's income in accordance with the Sourcebook, the Trust Deed and Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the scheme; and
- (iii) has, otherwise, ensured the proper operation of the Trust.

Citibank UK Limited,
27 Nov 2024

Virgin Money Unit Trust Managers Limited

Authorised and regulated by the Financial Conduct Authority

Registered office: Jubilee House
Gosforth, Newcastle upon Tyne NE3 4PL

Registered in England no. 3000482