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MFM
TECHINVEST SPECIAL SITUATIONS FUND

**ANNUAL REPORT
AND AUDITED FINANCIAL STATEMENTS**

for the year ended 30 April 2018

MFM TECHINVEST SPECIAL SITUATIONS FUND

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director 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.

Depository

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.

Investment Manager

Techinvest Ltd
Merchants House
27/30 Merchants Quay
Dublin 8
Republic of Ireland

Authorised and regulated by the Central Bank of Ireland.

Auditor

Barlow Andrews LLP
Carlyle House
78 Chorley New Road
Bolton
BL1 4BY

MFM TECHINVEST SPECIAL SITUATIONS FUND

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MFM TECHINVEST SPECIAL SITUATIONS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 April 2018

Percentage change and sector position to 30 April 2018

	<u>Six Months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>Since launch*</u>
MFM Techinvest Special Situations Fund	4.00%	8.51%	77.46%	150.63%	99.98%
Quartile Ranking**	2	4	1	1	4

* Launched 14.06.2005 (performance calculated from first pricing point 05.07.05).

** Based on ranking within The Investment Association's UK Smaller Companies sector.

External Source of Economic Data: Morningstar.

For the year ended 30 April 2018, the price of your Fund's Class A shares rose 8.51%. Over the same period, London's main stock market index, the FTSE 100, climbed 4.24%, while the broader-based index of stocks, the FTSE All-Share, increased 4.17%. Your Fund is focused on smaller UK-listed companies and is a constituent of the IA UK Smaller Companies table. The index that tracks smaller listed companies in the UK, the FTSE SmallCap, achieved a 6.04% rise over the year.

Regular followers of our reports will know that we place much more importance on the longer-term, multi-year outcome and strongly encourage the Fund's investors to take a similar view. Over the five years to 30 April 2018, the FTSE 100 returned 16.78% and the FTSE All-Share saw a gain of 21.75%. Smaller companies in general performed much better, as demonstrated by the 53.05% jump in the FTSE SmallCap. However, the *MFM Techinvest Special Situations Fund* dramatically outperformed all these indices, posting a gain of 150.63% over the five-year period and placing the Fund in fifth place out of 46 in the IA UK Smaller Companies table.

The strong long-term performance of the Fund (both in absolute-terms and relative to its peers) is particularly satisfying when taking into account the uncertain backdrop for the UK economy and its domestically-focused smaller companies. In our report for the half year ended 31 October 2017, we commented that investor appetite for UK small cap equities appeared to be weakening and that UK equity funds were seeing outflows of investor capital. This trend continued into the most recent six month period; the Financial Times recently reported that UK-focused funds experienced net outflows of £466m during March alone. Of this, funds in the IA UK Smaller Companies sector saw total outflows of £17m.

At April 30, the ten largest holdings in the Fund, in order of weighting, were Statpro (the provider of portfolio analysis software to the global asset management industry, which has continued to win blue chip clients in the past year), D4T4 Solutions (a data collection and analytics specialist, providing products and services to enterprises and enabling them to drive value from their information assets), Yu Group (an independent supplier of gas and electricity focused on servicing SME businesses throughout the UK, which has gained a strong market foothold), CityFibre Infrastructure (a provider of wholesale full-fibre network infrastructure in the UK, now subject to an agreed takeover offer), FairFx (an international payment services provider to both private clients and corporations, through prepaid currency cards, travel cash and international money transfers), Miton Group (the multi-asset investment manager that actively manages funds for the retail sector), Bonmarche (a multi-channel retailer of womenswear and accessories, which operates in over 300 stores in the UK and has a growing online operation), Quiz (the "fast fashion" retail company, which came to market in 2017, backed by an experienced retail management team), Mincon Group (the manufacturer and distributor of a range of precision engineered tools for a variety of industries in the resources sector), Eckoh (a provider of customer service solutions for contact centres, which is now building a successful business based on its secure payment technology, by enabling organisations to take payments securely over the internet or phone).

The Fund ended the year with 4.3% in cash, which, coupled with the likely proceeds from the takeover of Cityfibre, enables the Fund to take advantage of new opportunities among listed companies or through participation in new issues.

Recent additions to the Fund include Keystone Law, a fast growing and profitable challenger law firm. Established in 2002, Keystone is one of the first platform models disrupting the traditional law sector. This model facilitates the scalability of its operations and enables a faster ramp up in the number of revenue-generating, experienced lawyers than the traditional model. The Company came to market in November 2017 and recently reported a strong increase in annual revenue and earnings.

Another recent addition is Arena Events Group. The Company is a hire business, which serves the sporting, leisure and exhibition sectors. It provides temporary physical structures, seating, ice rinks, furniture and interiors. The Group has operations across Europe, the US, the Middle East and Asia, earning the majority of its revenue from sporting events in the UK and US. The key customer focus is on blue chip annual events and Arena's market listing will help to underpin its international expansion plans.

In the early part of 2018, we bid farewell to a long-standing constituent of the Fund, Lombard Risk Management, as it accepted a cash takeover offer. The offer of 13p per share represented an almost 100% premium to the closing share price on the day prior to the announcement.

As we've commented before, successful investing in small company shares requires a patient long-term approach and your Fund's managers take a two-to-three year view on individual investments within the portfolio. However, they are also vigilant for changes in events that might impact an investment case or its risk/return profile and are always ready to make adjustments to the weightings of individual stocks as investment stories unfold.

MFM TECHINVEST SPECIAL SITUATIONS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 April 2018

At midnight on 30 April 2018, your Fund held 41 securities with an average portfolio weighting of 2.3%. The shares of small companies tend to be much less liquid than their larger peers, meaning that the average daily volume of shares traded on the stock exchange can be relatively low. This characteristic makes it challenging for managers to acquire holdings large enough to have a meaningful impact on the overall performance of their portfolios. This is especially true of funds that have hundreds of millions or billions of pounds to invest. With a total fund value of £11.6m at 30 April 2018, the *MFM Techinvest Special Situations Fund* is sufficiently small and nimble enough to seek thinly-traded opportunities, an advantage not enjoyed by many competing funds in the sector.

Despite the strong returns of recent years, there is no sign of the market exuberance that often characterises the final stage of a bull-run in equities. Evidence of recent investor outflows from UK-focused funds supports this view. Investors appear especially wary of domestically-focused businesses that have proportionally less revenue derived from overseas sources.

The market appears to have 'priced in' a marginally negative outlook for economic growth and ongoing difficulties around Brexit negotiations. As a result, many UK small company stocks remain attractively valued and this is helpful to those investors willing to see beyond short-term economic volatility. Over the past few months, your Fund's managers have selectively added to some of their more favoured holdings and continue to seek strongly-capitalised, well-managed companies whose stock market valuations appear out-of-kilter with their long-term potential for growth.

The Fund is valued once a week at 12:00pm each Wednesday. The latest price is normally posted by 5:30pm that day on the Techinvest home-page at www.techinvest.ie. It can also be found in the Financial Times each day and at www.marlboroughfunds.com. A fact-sheet is updated each month with the latest data on the Fund and can be found on the Techinvest website.

Techinvest Ltd.
Investment Manager
23 May 2018

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MFM TECHINVEST SPECIAL SITUATIONS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 30 April 2018

Distributions (pence per share)

	<u>Year 2018</u>	<u>Year 2017</u>	<u>Year 2016</u>	<u>Year 2015</u>
<u>Class A Accumulation</u>				
Net income paid 30 June	0.0000	0.0000	0.0000	0.0000
Net income paid 31 December		0.0000	0.0000	0.0000
<u>Class B Accumulation</u>				
Net income paid 30 June	0.0000	0.2100	0.0100	0.0000
Net income paid 31 December		0.2200	0.0508	0.0000
<u>Class P Accumulation</u>				
Net income paid 30 June	0.1191	0.1051	0.2398	0.0000
Net income paid 31 December		0.1873	0.2161	0.0000

Material portfolio changes

Major purchases	Cost (£)	Major sales	Proceeds (£)
Lakehouse	512,929	Lombard Risk Management	693,789
D4t4 Solutions	497,202	Blue Prism Group	506,123
PROACTIS Holdings	445,200	Keywords Studios	458,974
Quiz	414,579	Medica Group	421,476
Bonmarché Holdings	410,778	Styles & Wood Group	387,524
FairFX Group	349,435	Bank of Ireland Group	378,928
GYG	300,000	Boohoo.com	341,698
Arena Events Group	288,087	Park Group	308,285
Boohoo.com	262,872	Cairn Homes	288,395
appScatter Group	260,000	Yü Group	280,240
eve Sleep	259,778	Stadium Group	267,368
StatPro Group	256,445	Mountfield Group	236,044
Inspired Energy	240,364	Fulcrum Utility Services	230,893
Gresham Technologies	237,904	Brown (N) Group	222,911
BATM Advanced Communications	223,635	Van Elle Holdings	215,312
Medica Group	222,829	Distil	196,221
Frenkel Topping Group	216,285	Restore	194,656
WYG	204,613	Redhall Group	190,840
Keystone Law Group	186,569	GYG	162,216
Cairn Homes	185,386	Lakehouse	161,379
Other purchases	1,986,836	Other sales	1,668,724
Total purchases for the year	7,961,726	Total sales for the year	7,811,996

MFM TECHINVEST SPECIAL SITUATIONS FUND

AUTHORISED STATUS AND GENERAL INFORMATION

Authorised status

MFM Techinvest Special Situations Fund is an investment company with variable capital incorporated under the Open Ended Investment Company (OEIC) Regulations 2001. It is a UCITS scheme as defined in the Collective Investment Schemes Sourcebook (COLL). The Company is incorporated in England and Wales with the registration number IC000385 and is authorised and regulated by the Financial Conduct Authority with effect from 7 April 2005. The shareholders are not liable for the debts of the Company.

Investment objective

The investment objective of the Fund is to provide long term capital growth and the accumulation of income through an actively managed portfolio of equities whose future prospects do not appear to be fully reflected yet in the current stock market price. The focus will be on smaller UK companies, although opportunities outside the UK may also be included, where appropriate. Particular attention will be paid to new emerging growth stocks and to recovery situations where change in a company's underlying dynamics or direction can be expected to lead to an improvement in its reported results. There may be occasions when the investment manager, in order to ensure liquidity or stability, chooses to hold bonds, government securities, collective investment schemes or a high level of cash or money market instruments.

Rights and terms attaching to each share class

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

Changes in prospectus

No significant changes have been made since the last report.

Up to date key investor information documents, prospectus and manager's reports and accounts for any fund within the manager's range, can be requested by the investor at any time.

Remuneration policy

In line with the requirement 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 2017 are set out below:

	Number of identified staff	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
		£	£	£
Remuneration paid to staff of the Authorised Fund Manager (AFM) who have a material impact on the risk profile of the Fund				
Senior management	11	748,245	577,465	170,780
Risk takers and other identified staff	5	270,253	235,378	34,875
Allocation of total remuneration of the employees of the AFM to the Fund				
Senior management	0.02	1,744	1,346	398
Risk takers and other identified staff	0.48	36,133	34,001	2,132

The total number of staff employed by the AFM was 139 as at 30 September 2017. The total remuneration paid to those staff was £5,799,615, of which £3,592,693 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.

MFM TECHINVEST SPECIAL SITUATIONS FUND

AUTHORISED CORPORATE DIRECTOR'S 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



G R HITCHIN
INVESTMENT DIRECTOR

MARLBOROUGH FUND MANAGERS LTD
18 June 2018

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook (COLL) requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial affairs of the Company and of its net revenue and the net gains/(losses) for the year.

In preparing those financial statements the ACD is required to:

- comply with the Prospectus, the Statement of Recommended Practice for Financial Statements of Authorised Funds issued in May 2014, the Instrument of Incorporation, 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 Company will continue in operation.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the COLL, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD 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 ACD to take all necessary steps as a director to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.

MFM TECHINVEST SPECIAL SITUATIONS FUND

DEPOSITARY'S REPORT

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of MFM Techinvest Special Situations Fund ("the Company") for the period ended 30 April 2018

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of the shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised 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 Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

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

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

HSBC BANK PLC

LONDON

18 June 2018

MFM TECHINVEST SPECIAL SITUATIONS FUND

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MFM TECHINVEST SPECIAL SITUATIONS FUND

Opinion

We have audited the financial statements of MFM Techinvest Special Situations Fund (the 'company') for the year ended 30 April 2018 which comprise the statement of total return, the statement of change in net assets attributable to shareholders, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its net expense and net capital gains or losses on the company property for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by The Investment Association, the rules contained in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

Basis for opinion

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

Conclusions relating to going concern

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the report of the authorised corporate director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- we have been given all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

MFM TECHINVEST SPECIAL SITUATIONS FUND

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MFM TECHINVEST SPECIAL SITUATIONS FUND

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the authorised corporate director.

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

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

Responsibilities of the authorised corporate director

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities set out on page 5, the authorised corporate director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the authorised corporate director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Use of our report

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

Barlow Andrews LLP
Chartered Accountants
Statutory Auditor
Carlisle House
78 Chorley New Road
Bolton

18 June 2018

MFM TECHINVEST SPECIAL SITUATIONS FUND

COMPARATIVE TABLE

Accumulation shares were first offered at 100p on 14 June 2005. On 31 December 2012, the existing shares were reclassified as Class A shares and Class B and P shares became available for purchase.

<u>Class A accumulation shares</u>	Year to 30.04.2018	Year to 30.04.2017	Year to 30.04.2016
Change in net assets per share	pence	pence	pence
Opening net asset value per share	181.51	140.28	111.34
Return before operating charges*	18.35	43.76	31.23
Operating charges	(3.11)	(2.53)	(2.29)
Return after operating charges*	15.24	41.23	28.94
Distributions	0.00	0.00	0.00
Retained distributions on accumulation shares	0.00	0.00	0.00
Closing net asset value per share	196.75	181.51	140.28
* after direct transaction costs of:	0.62	0.50	0.64
Performance			
Return after charges	8.40%	29.39%	25.99%
Other information			
Closing net asset value	£9,134,720	£9,937,950	£9,426,862
Closing number of shares	4,642,879	5,475,073	6,719,919
Operating charges	1.62%	1.64%	1.69%
Direct transaction costs	0.33%	0.33%	0.47%
Prices			
Highest share price	199.17p	182.38p	144.92p
Lowest share price	184.57p	131.86p	114.23p
<u>Class B accumulation shares</u>			
Change in net assets per share	Year to 30.04.2018	Year to 30.04.2017	Year to 30.04.2016
	pence	pence	pence
Opening net asset value per share	185.19	142.16	112.34
Return before operating charges*	18.01	44.73	31.43
Operating charges	(2.20)	(1.70)	(1.61)
Return after operating charges*	15.81	43.03	29.82
Distributions	(0.22)	(0.26)	(0.01)
Retained distributions on accumulation shares	0.22	0.26	0.01
Closing net asset value per share	201.00	185.19	142.16
* after direct transaction costs of:	0.64	0.49	0.64
Performance			
Return after charges	8.54%	30.27%	26.54%
Other information			
Closing net asset value	£201	£185	£142
Closing number of shares	100	100	100
Operating charges	1.12%	1.14%	1.19%
Direct transaction costs	0.33%	0.33%	0.47%
Prices			
Highest share price	203.82p	186.06p	146.80p
Lowest share price	188.50p	133.81p	115.26p

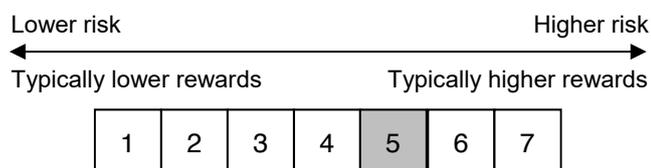
MFM TECHINVEST SPECIAL SITUATIONS FUND

COMPARATIVE TABLE

Class P accumulation shares	Year to 30.04.2018	Year to 30.04.2017	Year to 30.04.2016
Change in net assets per share	pence	pence	pence
Opening net asset value per share	186.80	143.23	112.91
Return before operating charges*	18.94	45.07	31.65
Operating charges	(1.72)	(1.50)	(1.33)
Return after operating charges*	17.22	43.57	30.32
Distributions	(0.31)	(0.32)	(0.24)
Retained distributions on accumulation shares	0.31	0.32	0.24
Closing net asset value per share	204.02	186.80	143.23
* after direct transaction costs of:	0.64	0.55	0.67
Performance			
Return after charges	9.22%	30.42%	26.85%
Other information			
Closing net asset value	£2,429,227	£1,460,657	£10,954
Closing number of shares	1,190,705	781,929	7,648
Operating charges	0.87%	0.89%	0.94%
Direct transaction costs	0.33%	0.33%	0.47%
Prices			
Highest share price	206.49p	187.67p	147.88p
Lowest share price	190.26p	134.82p	115.84p

Operating charges are the same as the ongoing charges and are the total expenses paid by each share 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 shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



The 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.

This Fund has been measured as 5 because it has experienced moderate to high volatility historically.

MFM TECHINVEST SPECIAL SITUATIONS FUND
PORTFOLIO STATEMENT

as at 30 April 2018

Holding or nominal value	Bid value £	Percentage of total net assets %
BEVERAGES (Nil, April 2017 - 2.33%)		
Total Beverages	0	0.00
CONSTRUCTION & MATERIALS (3.05%, April 2017 - 4.74%)		
2,418,724 Ashley House	208,010	1.80
179,000 Van Elle Holdings	144,990	1.25
Total Construction & Materials	353,000	3.05
ELECTRONIC & ELECTRICAL EQUIPMENT (Nil, April 2017 - 4.00%)		
Total Electronic & Electrical Equipment	0	0.00
FINANCIAL SERVICES (10.61%, April 2017 - 6.15%)		
484,600 FairFX Group	484,600	4.19
200,000 Frenkel Topping Group	94,000	0.81
817,443 Miton Group	388,285	3.36
8,683,333 Tavistock Investments	260,500	2.25
Total Financial Services	1,227,385	10.61
FIXED LINE TELECOMMUNICATIONS (4.66%, April 2017 - 2.02%)		
679,000 CityFibre Infrastructure Holdings	539,126	4.66
Total Fixed Line Telecommunications	539,126	4.66
GAS, WATER & MULTIUTILITIES (7.94%, April 2017 - 7.35%)		
370,000 Fulcrum Utility Services	241,240	2.09
65,700 Yü Group	676,710	5.85
Total Gas, Water & Multiutilities	917,950	7.94
GENERAL RETAILERS (11.05%, April 2017 - 6.16%)		
408,400 Bonmarché Holdings	387,980	3.35
150,000 Boohoo.com	274,725	2.38
115,000 Brown (N) Group	235,060	2.03
242,112 Quiz	380,116	3.29
Total General Retailers	1,277,881	11.05
HEALTH CARE EQUIPMENT & SERVICES (0.79%, April 2017 - 4.56%)		
388,578 Totally	90,927	0.79
Total Health Care Equipment & Services	90,927	0.79
HOUSEHOLD GOODS & HOME CONSTRUCTION (1.65%, April 2017 - Nil)		
214,798 eve Sleep	191,170	1.65
Total Household Goods & Home Construction	191,170	1.65
INDUSTRIAL ENGINEERING (Nil, April 2017 - 1.39%)		
Total Industrial Engineering	0	0.00
INDUSTRIAL TRANSPORTATION (1.88%, April 2017 - Nil)		
150,000 GYG	217,500	1.88
Total Industrial Transportation	217,500	1.88
NON EQUITY INVESTMENT INSTRUMENTS (Nil, April 2017 - 0.58%)		
Total Non Equity Investment Instruments	0	0.00
SOFTWARE & COMPUTER SERVICES (29.94%, April 2017 - 20.14%)		
400,000 appScatter Group	284,000	2.46
200,000 Brady	120,000	1.04
560,000 D4t4 Solutions	728,000	6.29

MFM TECHINVEST SPECIAL SITUATIONS FUND

PORTFOLIO STATEMENT

as at 30 April 2018

Holding or nominal value	Bid value £	Percentage of total net assets %
SOFTWARE & COMPUTER SERVICES (continued)		
125,000 Dillistone Group	105,000	0.91
750,000 Eckoh	322,500	2.79
381,757 Elecosoft	232,872	2.01
750,000 GAN	270,000	2.33
118,607 Gresham Technologies	225,353	1.95
72,119 Osirium Technologies	93,755	0.81
113,662 PROACTIS Holdings	122,755	1.06
545,000 StatPro Group	915,600	7.92
400,000 VR Education Holdings	42,400	0.37
Total Software & Computer Services	<u>3,462,235</u>	<u>29.94</u>
SUPPORT SERVICES (6.39%, April 2017 - 9.16%)		
1,150,000 Inspired Energy	207,000	1.79
100,000 Keystone Law Group	282,000	2.44
641,811 Lakehouse	250,306	2.16
Total Support Services	<u>739,306</u>	<u>6.39</u>
TECHNOLOGY HARDWARE & EQUIPMENT (3.02%, April 2017 - 1.28%)		
850,000 BATM Advanced Communications	232,050	2.01
1,291,515 Filtronic	116,236	1.01
Total Technology Hardware & Equipment	<u>348,286</u>	<u>3.02</u>
TRAVEL & LEISURE (7.02%, April 2017 - 6.64%)		
475,000 Arena Events Group	270,750	2.34
52,000 On the Beach Group	318,240	2.75
474,948 Safestay	223,226	1.93
Total Travel & Leisure	<u>812,216</u>	<u>7.02</u>
OVERSEAS SECURITIES (7.74%, April 2017 - 10.49%)		
145,000 Cairn Homes	228,415	1.98
28,000 Dalata Hotel Group	161,843	1.40
75,000 Datalex	171,035	1.48
306,206 Mincon Group	333,031	2.88
Total Overseas Securities	<u>894,324</u>	<u>7.74</u>
UNQUOTED SECURITIES (0.00%, April 2017 - 0.00%)		
90,000 Infoserve Group	0	0.00
Total Unquoted Securities	<u>0</u>	<u>0.00</u>
Portfolio of investments	11,071,306	95.74
Net other assets	492,842	4.26
Total net assets	<u>11,564,148</u>	<u>100.00</u>

MFM TECHINVEST SPECIAL SITUATIONS FUND

STATEMENT OF TOTAL RETURN

for the year ended 30 April 2018

	Notes	30 April 2018		30 April 2017	
		£	£	£	£
Income:					
Net capital gains/(losses)	4		997,511		2,467,760
Revenue	6	122,811		98,412	
Expenses	7	<u>(181,085)</u>		<u>(150,715)</u>	
Net revenue/(expense) before taxation		(58,274)		(52,303)	
Taxation	8	<u>0</u>		<u>0</u>	
Net revenue/(expense) after taxation			<u>(58,274)</u>		<u>(52,303)</u>
Total return before distributions			939,237		2,415,457
Distributions	9		(471)		1,015
Change in net assets attributable to shareholders from investment activities			<u>938,766</u>		<u>2,416,472</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 30 April 2018

	30 April 2018		30 April 2017	
	£	£	£	£
Opening net assets attributable to shareholders		11,398,792		9,437,958
Amounts receivable on issue of shares	2,806,175		2,656,941	
Amounts payable on cancellation of shares	<u>(3,581,649)</u>		<u>(3,113,351)</u>	
Amounts payable on share class conversions	<u>(1,177)</u>		<u>(907)</u>	
		(776,651)		(457,317)
Change in net assets attributable to shareholders from investment activities		938,766		2,416,472
Retained distribution on accumulation shares		3,241		1,679
Closing net assets attributable to shareholders		<u>11,564,148</u>		<u>11,398,792</u>

MFM TECHINVEST SPECIAL SITUATIONS FUND**BALANCE SHEET**

as at 30 April 2018

	Notes	30 April 2018	30 April 2017
		£	£
Assets:			
Fixed Assets:			
Investments	15	11,071,306	9,916,265
Current Assets:			
Debtors	10	135,922	171,123
Cash and bank balances		548,127	1,359,099
Total assets		<u>11,755,355</u>	<u>11,446,487</u>
Liabilities:			
Creditors:			
Bank overdrafts		35,495	32,088
Other creditors	11	155,712	15,607
Total liabilities		<u>191,207</u>	<u>47,695</u>
Net assets attributable to shareholders		<u>11,564,148</u>	<u>11,398,792</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

1 ACCOUNTING POLICIES

a Basis of preparation

The financial statements have been prepared in compliance with FRS102 and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014.

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. The principal accounting policies adopted are set out below.

b Going concern

The authorised corporate director (ACD) has at the time of approving the financial statements, a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future. Thus it continues to adopt the going concern basis of accounting in preparing the financial statements.

c Revenue

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

d Expenses

All expenses are accounted for on an accruals basis and, other than those relating to purchase and sale of investments, are charged against income as shown in these accounts.

e Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on net revenue for the year. The taxable amount differs from net revenue as reported in the Statement of Total Return (SOTR) because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Fund's liability for current tax is calculated using tax rates that have been enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient tax profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the SOTR. Deferred tax assets and liabilities are offset when the Fund has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

f Valuation of investments

The investments of the Fund have been valued at their fair value at close of business on 30 April 2018. Fair value is normally the bid value of each security by reference to quoted prices from reputable sources; that is the market price. If the ACD believes that the quoted price is unreliable, or if no price exists, a valuation technique is used whereby fair value is the ACD's best estimate of a fair and reasonable value for that investment.

g Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange ruling at the date of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the net capital gains/(losses) for the period.

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

ACCOUNTING POLICIES

h Cash and bank balances

Cash and bank balances include deposits held at call with banks. Bank overdrafts are shown within creditors in liabilities.

i Financial assets

The ACD has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of the Fund's financial instruments.

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

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include amounts receivable for the issue of shares, accrued income and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Amortised cost is the amount at which the financial asset is measured at initial recognition, less any reduction for impairment or uncollectability.

Basic financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the SOTR.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

j Financial liabilities

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

Financial liabilities are classified into specified categories. The classification depends on the nature and purpose of the financial liabilities and is determined at the time of recognition.

Basic financial liabilities, which include amounts payable for cancellation of shares and accrued expenses, are initially measured at transaction price. Other financial liabilities are measured at fair value.

Financial liabilities are derecognised when, and only when, the Fund's obligations are discharged, cancelled, or they expire.

2 DISTRIBUTION POLICIES

a Basis of distribution

The policy of the Fund is to distribute any net revenue shown as such in the statement of total return. Revenue attributable to accumulation shareholders is retained at the end of each distribution period and represents a reinvestment of revenue.

b Apportionment to multiple share classes

The ACD's periodic charge is directly attributable to individual share classes. All other income and expenses are allocated to the share classes pro-rata to the value of the net assets of the relevant share class on the day that the income or expenses are recognised.

c Equalisation

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

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

3 RISK MANAGEMENT POLICIES

In pursuing its investment objective as stated on page 4, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities and other instruments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for redemptions and debtors for accrued income.

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

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 ACD 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 some of the Fund's assets and income may be denominated in currencies other than sterling which is the Fund's functional currency.

The ACD 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 in 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.

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 ACD as an acceptable counterparty.

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.

Liquidity risk

The Fund's assets comprise mainly of readily realisable securities. The main liability of the Fund is the redemption of any shares 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 ACD.

4 NET CAPITAL GAINS/(LOSSES)

	30 April 2018	30 April 2017
	£	£
The net gains/(losses) on investments during the year comprise:		
Non-derivative securities	1,005,311	2,472,651
Currency gains/(losses)	(5,132)	(1,923)
Transaction charges	(2,668)	(2,968)
Net capital gains/(losses)	997,511	2,467,760

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

5 PURCHASES, SALES AND TRANSACTION COSTS

(All purchases and sales are in the equity asset class)

	30 April 2018	30 April 2017
	£	£
Purchases excluding transaction costs	7,293,007	4,068,583
Corporate actions	<u>645,228</u>	<u>277,793</u>
	7,938,235	4,346,376
Commissions	15,033	11,072
Taxes and other charges	<u>8,458</u>	<u>7,512</u>
Total purchase transaction costs	<u>23,491</u>	<u>18,584</u>
Purchases including transaction costs	<u>7,961,726</u>	<u>4,364,960</u>
Purchase transaction costs expressed as a percentage of the principal amount:		
Commissions	0.21%	0.27%
Taxes and other charges	0.12%	0.18%
Sales excluding transaction costs	7,204,546	4,629,041
Corporate actions	<u>624,000</u>	<u>656,404</u>
	7,828,546	5,285,445
Commissions	(16,471)	(12,936)
Taxes and other charges	<u>(79)</u>	<u>(79)</u>
Total sale transaction costs	<u>(16,550)</u>	<u>(13,015)</u>
Sales net of transaction costs	<u>7,811,996</u>	<u>5,272,430</u>
Sale transaction costs expressed as a percentage of the principal amount:		
Commissions	0.23%	0.28%
Taxes and other charges	0.00%	0.00%
Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:		
Commissions	0.26%	0.25%
Taxes and other charges	<u>0.07%</u>	<u>0.08%</u>
	<u>0.33%</u>	<u>0.33%</u>
Transaction handling charges		
These are charges payable to the trustee in respect each transaction.	<u>£2,668</u>	<u>£2,968</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.

Average portfolio dealing spread at the balance sheet date 3.32% 3.41%

6 REVENUE

	30 April 2018	30 April 2017
	£	£
UK dividends	104,530	79,648
Overseas dividends	17,817	18,663
Bank interest	<u>464</u>	<u>101</u>
Total revenue	<u>122,811</u>	<u>98,412</u>

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

7 EXPENSES

	30 April 2018	30 April 2017
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	169,537	140,000
Registration fees	3,453	3,552
	<u>172,990</u>	<u>143,552</u>
Payable to the depositary or associate:		
Depositary's fees	4,462	3,465
Safe custody fees	665	591
	<u>5,127</u>	<u>4,056</u>
Other expenses:		
Financial Conduct Authority fee	96	164
Audit fee	2,872	2,880
Publication fee	0	63
	<u>2,968</u>	<u>3,107</u>
Total expenses	<u>181,085</u>	<u>150,715</u>

8 TAXATION

	30 April 2018	30 April 2017
	£	£
a Analysis of the tax charge for the year		
UK Corporation tax at 20%	0	0
Total tax charge	<u>0</u>	<u>0</u>
b Factors affecting the tax charge for the year		
Net revenue/(expense) before taxation	(58,274)	(52,303)
Corporation tax at 20%	(11,655)	(10,461)
Effects of:		
Revenue not subject to taxation	(24,469)	(19,662)
Unutilised excess management expenses	36,124	30,123
Total tax charge	<u>0</u>	<u>0</u>

At 30 April 2018 the Fund has deferred tax assets of £176,965 (30.04.17 - £140,841) arising from surplus management expenses, which have not been recognised due to uncertainty over the availability of future taxable profits.

9 DISTRIBUTIONS

	30 April 2018	30 April 2017
	£	£
The distributions take account of revenue deducted on the issue of shares and revenue received on the cancellation of shares and comprise:		
Interim	1,823	856
Final	1,419	823
Amounts added on cancellation of shares	(3,472)	(2,829)
Amounts deducted on issue of shares	1,878	1,042
Equalisation on conversions	(1,177)	(907)
Distributions	<u>471</u>	<u>(1,015)</u>
Net deficit of revenue for the year	(58,745)	(51,288)
Net revenue/(expense) after taxation for the year	<u>(58,274)</u>	<u>(52,303)</u>

Details of the distribution per share are set out in the distribution table in note 16.

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

10 DEBTORS

	30 April 2018 £	30 April 2017 £
Amounts receivable for issue of shares	0	151,609
Sales awaiting settlement	111,434	0
Accrued income	24,488	19,514
Total debtors	<u>135,922</u>	<u>171,123</u>

11 OTHER CREDITORS

	30 April 2018 £	30 April 2017 £
Amounts payable for cancellation of shares	10,986	0
Purchases awaiting settlement	128,069	0
Accrued expenses	16,657	15,607
Total other creditors	<u>155,712</u>	<u>15,607</u>

12 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-Fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders.

Amounts payable to the ACD in respect of the ACD's periodic charge and registration fees are disclosed in note 7.

The total amounts due to/(from) the ACD at the year end were as follows:

	Outstanding at year end	
	30 April 2018 £	30 April 2017 £
Marlborough Fund Managers Ltd	23,828	(139,662)

Techinvest Limited, the Fund's investment advisor, and its associates had the following shareholdings in the Fund:

	30 April 2018 £	30 April 2017 £
Accumulation shares	5.25%	4.92%

13 SHAREHOLDERS' FUNDS

The Fund currently has three share classes; Class A (minimum investment £1,000), Class B (minimum investment £50,000), Class P (minimum investment £1,000,000). The annual management charges are 1.5%, 1.0% and 0.75% respectively.

During the year the ACD has issued, cancelled and converted shares from one share class to another as set out below:

	Class A	Class B	Class P
Opening shares in issue at 1 May 2017	5,475,073	100	781,929
Share issues	557,313	0	887,677
Share cancellations	(942,789)	0	(910,821)
Share conversions	(446,718)	0	431,920
Closing shares in issue at 30 April 2018	<u>4,642,879</u>	<u>100</u>	<u>1,190,705</u>

14 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 by £553,565 (30.04.17 - £495,813). A five per cent decrease would have an equal and opposite effect.

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

RISK DISCLOSURES

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 30 April 2018:

	Investments £	Net current assets £	Total £
Euro	894,324	474	894,798
US Dollar	0	343	343
	<u>894,324</u>	<u>817</u>	<u>895,141</u>

Foreign currency exposure at 30 April 2017:

	Investments £	Net current assets £	Total £
Euro	1,195,508	0	1,195,508
US Dollar	0	366	366
	<u>1,195,508</u>	<u>366</u>	<u>1,195,874</u>

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 £44,757 (30.04.17 - £59,794). A five per cent increase would have an equal and opposite effect.

Liquidity risk

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

	30 April 2018 £	30 April 2017 £
Within one year:		
Bank overdrafts	35,495	32,088
Other creditors	155,712	15,607
	<u>191,207</u>	<u>47,695</u>

15 FAIR VALUE HIERARCHY FOR INVESTMENTS

Fair value hierarchy as at 30 April 2018

Valuation technique	30 April 2018		30 April 2017	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1	11,071,306	0	9,916,265	0
Level 2	0	0	0	0
Level 3	0	0	0	0
	<u>11,071,306</u>	<u>0</u>	<u>9,916,265</u>	<u>0</u>

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 - 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.

Infoserve Group is delisted and deemed to be valueless by the fund manager.

MFM TECHINVEST SPECIAL SITUATIONS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2018

16 DISTRIBUTION TABLE

ACCUMULATION SHARES

For the period from 1 May 2017 to 31 October 2017

Group 1: shares purchased prior to 1 May 2017

Group 2: shares purchased on or after 1 May 2017

		Net revenue 31 Oct 2017 pence per share	Equalisation 31 Oct 2017 pence per share	Distribution payable 31 Dec 2017 pence per share	Distribution paid 31 Dec 2016 pence per share
<u>Class A</u>	Group 1	0.0000	0.0000	0.0000	0.0000
	Group 2	0.0000	0.0000	0.0000	0.0000
<u>Class B</u>	Group 1	0.2200	0.0000	0.2200	0.0508
	Group 2	0.2200	0.0000	0.2200	0.0508
<u>Class P</u>	Group 1	0.1873	0.0000	0.1873	0.2161
	Group 2	0.1873	0.0000	0.1873	0.2161

For Corporate Shareholders the percentage split between Franked and Unfranked income relating to this distribution was:
 Franked 100.00% Unfranked 0.00%

£0.00 is the depositary's net liability to corporation tax in respect of the gross revenue.
 0.0000p is the depositary's net liability to corporation tax per share.

For the period from 1 November 2017 to 30 April 2018

Group 1: shares purchased prior to 1 November 2017

Group 2: shares purchased on or after 1 November 2017

		Net revenue 30 Apr 2018 pence per share	Equalisation 30 Apr 2018 pence per share	Distribution payable 30 Jun 2018 pence per share	Distribution paid 30 Jun 2017 pence per share
<u>Class A</u>	Group 1	0.0000	0.0000	0.0000	0.0000
	Group 2	0.0000	0.0000	0.0000	0.0000
<u>Class B</u>	Group 1	0.0000	0.0000	0.0000	0.2100
	Group 2	0.0000	0.0000	0.0000	0.2100
<u>Class P</u>	Group 1	0.1191	0.0000	0.1191	0.1051
	Group 2	0.1191	0.0000	0.1191	0.1051

For Corporate Shareholders the percentage split between Franked and Unfranked income relating to this distribution was:
 Franked 100.00% Unfranked 0.00%

£0.00 is the depositary's net liability to corporation tax in respect of the gross revenue.
 0.0000p is the depositary's net liability to corporation tax per share.

Marlborough

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