

The Global Balanced Strategy Fund

Annual Report

for the year ended 31 March 2024

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## The Global Balanced Strategy Fund

### Report of the Authorised Corporate Director ('ACD')

Evelyn Partners Fund Solutions Limited, as ACD, presents herewith the Annual Report for The Global Balanced Strategy Fund for the year ended 31 March 2024.

The Global Balanced Strategy Fund ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 26 November 2013. The Company is incorporated under registration number IC000983. It is a non-UCITS retail scheme ('NURS') complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND'), as published by the Financial Conduct Authority ('FCA'). As the Company is a NURS, the ACD also acts as Alternative Investment Fund Manager ('AIFM') in order to comply with the Alternative Investment Fund Manager's Directive ('AIFMD').

The ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Company consist predominantly of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The shareholders are not liable for the debts of the Company.

The Company has no Directors other than the ACD.

The Instrument of Incorporation can be inspected at the offices of the ACD.

Copies of the Prospectus and Key Investor Information Document ('KIID') are available on request free of charge from the ACD.

#### Investment objective and policy

The investment objective of the Company is to achieve long term capital and income growth.

The Company will pursue its investment objective by gaining exposure to a portfolio of equities (at times up to 100%), bonds and cash or near cash, either through direct investment or through investment in other collective investment schemes. The Company may, at the Investment Managers' discretion, also invest in other transferable securities, money market instruments, deposits and warrants.

There will be a balance between income (meaning dividend producing companies) and growth and also a balance between equities in different geographical areas, and large, mid and small cap companies.

The Company may use derivatives for the purposes of Efficient Portfolio Management (including hedging).

#### Changes affecting the Company in the year

There were no fundamental or significant changes to the Company in the year.

Further information in relation to the Company is illustrated on page 50.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook and the Investment Funds sourcebook, we hereby certify the Annual Report on behalf of the ACD, Evelyn Partners Fund Solutions Limited.

Neil Coxhead  
Director  
Evelyn Partners Fund Solutions Limited  
3 July 2024

## Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND') published by the FCA, require the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains on the scheme property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying 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 the Financial Statements of UK Authorised Funds ('the SORP') issued by The Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's 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 Company or to cease operations, or have no realistic alternative but to do so;
- 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;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Company's information on the ACD's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.









COLL also requires the ACD to carry out an Assessment of Value on the Company and publish this assessment within the Annual Report.

The ACD is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus, COLL and FUND.




## Assessment of Value - The Global Balanced Strategy Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Evelyn Partners Fund Solutions Limited ('EPFL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for The Global Balanced Strategy Fund ('the Fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the Fund for the year ended 31 March 2024 using the seven criteria set by the FCA is set out below:

1. Quality of Service	
2. Performance	
3. ACD Costs	
4. Economies of Scale	
5. Comparable Market Rates	
6. Comparable Services	
7. Classes of Shares	
Overall Rating	

EPFL has adopted a traffic light system to show how it rated the Fund:

-  On balance, the Board believes the Fund has delivered value to shareholders, with no material issues noted.
-  On balance, the Board believes the Fund has delivered value to shareholders, but may require some action.
-  On balance, the Board believes the Fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How EPFL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

EPFL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessments will be subject to scrutiny by the Board (which includes independent directors) to ensure the outcomes of the assessments are clear and fair, before final sign-off by the chair of the Board prior to communicating to investors if the Fund has delivered value, and if not, where improvements need to be made.

In carrying out the assessment, the EPFL AVC has separately considered, the following seven criteria stipulated by the FCA. The Committee may also have considered other issues where it was deemed appropriate.

EPFL believes the Assessment of Value can make it easier for investors to both evaluate whether the Fund is providing them with value for money and make more informed decisions when choosing investments.

The seven criteria are:

- (1) Quality of service – the quality of every aspect of the service provided, including, for example, accounting, administration, customer services and communications;
- (2) Performance – how the Fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs – the fairness and value of the Fund's costs, including entry and exit fees, early redemption fees, administration charges;
- (4) Economies of scale – how costs have been or can be reduced as a result of increased assets-under-management ('AUM'), and whether or not those savings have been passed on to investors;
- (5) Comparable market rates – how the costs of the Fund compare with others in the marketplace;
- (6) Comparable services – how the charges applied to the Fund compare with those of other funds administered by EPFL;
- (7) Classes of shares – the appropriateness of the classes of shares in the Fund for investors.

## Assessment of Value - The Global Balanced Strategy Fund (continued)

### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as ACD, has overall responsibility for the Fund. The Board assessed, amongst other things: the day-to-day administration of the Fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; the calculation of income and distribution payments; the maintenance of accounting and other records; the preparation of annual audited and half-yearly Report & Accounts; the review of tax provisions and submission of tax computations to HMRC; the maintenance of the register of shareholders; the dealing and settlement arrangements and the quality of marketing material sent to shareholders. EPFL delegates the Investment Management of the Fund to three delegated Investment Management firms.

The Board reviewed information provided by EPFL's control functions on the adequacy of its internal services, including governance, operations and monitoring. Elements important to the investor experience such as the timely payment of settlement and distribution monies were also reviewed. Over the past year, EPFL has been audited by internal and external auditors, the Fund's Depositary and various EPFL delegated Investment Managers.

#### External Factors

The Board assessed the delegates' skills, processes and experience. Also considered were any results from service review meetings as well as the annual due diligence performed by EPFL on the delegated Investment Managers, UBS Asset Management (UK) Limited, Investec Wealth & Investment Limited and Rathbones Investment Management Limited, where consideration was given to, amongst other things, the delegates' controls around the Fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary services, custody, as well as services provided with regard to both audit and legal functions.

What was the outcome of the assessment?

#### Internal Factors

The Board recognised that all distribution and settlement monies were paid in a timely manner and that there were no significant findings as a result of the various audits performed on EPFL during the year. In addition, EPFL has performed its own independent analysis, using automated systems, of the Fund's liquidity. The Board concluded that EPFL had carried out its duties diligently.

#### External Factors

The Board concluded that the nature, extent and quality of the services provided by the external parties have benefitted and should continue to benefit the Fund and its shareholders.

Were there any follow up actions?

There were no follow-up actions required.

### 2. Performance

What was assessed in this section?

The Board reviewed the performance of the Fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the Fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

#### Investment Objective

The investment objective of the Company is to achieve long term capital and income growth.

#### Benchmark

As ACD, EPFL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

## Assessment of Value - The Global Balanced Strategy Fund (continued)

### 2. Performance (continued)

#### Benchmark (continued)

The benchmark for the Fund is the Investment Association Global Equity Income Sector (changed from the Investment Association Mixed 40-85% Sector on 30 April 2020), which is a comparator. A 'comparator' benchmark is an index or similar factor against which an investment manager invites investors to compare a fund's performance. Details of how the Fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 29 February 2024 (%)

	Currency	1 year	3 year	5 year
Investment Association Global Equity Income Sector	GBP	9.18	32.04	53.08
Hybrid Benchmark	GBP	-	-	55.28
The Global Balanced Strategy Fund Income Shares	GBX	10.88	18.88	41.14

The Hybrid Benchmark represents returns from the Investment Association Mixed 40-85% Sector (28/02/2019 to 30/04/2020) and the Investment Association Global Equity Income Sector (01/05/2020 to 29/02/2024).

Data provided by FE fundinfo. Care has been taken to ensure that the information is correct but FE fundinfo neither warrants, represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.

Performance is calculated net of fees. Past performance is not a guide to future performance.

#### What was the outcome of the assessment?

The Board assessed the performance of the Fund over its minimum recommended holding period of five years. It was noted that during this period there had been a change in benchmark on the 30 April 2020, from the Investment Association Mixed 40-85% Sector to the Investment Association Global Equity Income Sector.

The Fund's performance was compared against a hybrid of these two benchmarks where the Board noted that the Fund had underperformed the hybrid benchmark over the last five years. As a result, an amber rating was given.

Consideration was given to the risk metrics associated with the Fund which focused on, amongst other things, volatility and risk adjusted returns where EPFL were comfortable that the outcomes were in line with expectations.

#### Were there any follow up actions?

The Board acknowledged that two of the Investment Managers will be changing and EPFL will continue to monitor performance through its normal oversight process, at least biannually.

### 3. ACD Costs

#### What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Managers' fees.

The charges should be transparent and understandable to the investor, with no hidden costs.

#### What was the outcome of the assessment?

The Board received and considered information about each of the Fund's costs, and concluded that they were fair, reasonable and provided on a competitive basis.

#### Were there any follow up actions?

There were no follow-up actions required.

### 4. Economies of Scale

#### What was assessed in this section?

The Board reviewed each separate fee structure and AUM of the Fund to examine the effect on the Fund to potential and existing investors should it increase or decrease in value.

#### What was the outcome of the assessment?

The ACD's periodic charge and one of the Investment Managers' fees are tiered meaning there are opportunities for savings going forward should the Fund grow in size.

## Assessment of Value - The Global Balanced Strategy Fund (continued)

### 4. Economies of Scale (continued)

What was the outcome of the assessment? (continued)

The ancillary charges of the Fund represent 4 basis points<sup>1</sup>. Some of these costs are fixed and as the Fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

### 5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the ongoing charges figure ('OCF') of the Fund and how those charges affect its returns.

The OCF of the Fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 0.56%<sup>2</sup> compared favourably with those of similar externally managed funds.

Note that EPFL has not charged an entry fee, exit fee or any other event-based fees on this Fund.

Were there any follow up actions?

There were no follow-up actions required.

### 6. Comparable Services

What was assessed in this section?

The Board compared the Investment Managers' fees with those of other funds administered by EPFL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The Investment Managers' fees compared favourably against other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

### 7. Classes of Shares

What was assessed in this section?

The Board reviewed the Fund's set-up to ensure that where there are multiple share classes shareholders were in the correct share class given the size of their holding.

What was the outcome of the assessment?

There is only one share class in the Fund, therefore this part of the assessment does not apply.

Were there any follow up actions?

There were no follow-up actions required.

<sup>1</sup> One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 30 September 2023.

<sup>2</sup> Following guidance issued by the Investment Association on 30 November 2023, the interim synthetic OCF calculation was restated to exclude closed-ended vehicles.



## Assessment of Value - The Global Balanced Strategy Fund (continued)

### Overall Assessment of Value

Notwithstanding the matter discussed in section 2, the Board concluded that The Global Balanced Strategy Fund has provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

30 April 2024

### Consumer Feedback

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:

<https://www.evelyn.com/services/fund-solutions/assessment-of-value/>

Investors' views are invaluable to the development and delivery of this report.

Should you be unable to access the questionnaire online please contact us directly on 0141 222 1151 and we will provide you with a paper copy of the questionnaire.

## Report of the Depositary to the shareholders of The Global Balanced Strategy Fund

### Depositary's responsibilities

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

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares 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 revenue is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ('AIFM') are carried out (unless they conflict with the Regulations).

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

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 AIFM:

- (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 revenue 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.

NatWest Trustee and Depositary Services Limited  
3 July 2024

## Independent Auditor's report to the shareholders of The Global Balanced Strategy Fund

### Opinion

We have audited the financial statements of The Global Balanced Strategy Fund (the 'Company') for the year ended 31 March 2024 which comprise the Statement of total return, Statement of change in net assets attributable to shareholders, Balance sheet, the related Notes to the financial statements, including significant accounting policies and the Distribution table. 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 financial position of the Company as at 31 March 2024 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority 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 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

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

### 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 contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 COLL Rules

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

- Proper accounting records for the Company have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the Report of the Authorised Corporate Director for the year is consistent with the financial statements.

## Independent Auditor's report to the shareholders of The Global Balanced Strategy Fund (continued)

### Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 3, 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 wind up the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

### *Extent to which the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds;
- The Financial Conduct Authority's COLL Rules;
- The Financial Conduct Authority's Investment Funds sourcebook; and
- The Company's Prospectus.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Corporate Director. We corroborated these enquiries through our review of submitted returns, external inspections, relevant correspondence with regulatory bodies and the Company's breaches register.

## Independent Auditor's report to the shareholders of The Global Balanced Strategy Fund (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

#### *Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)*

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls; and
- The completeness and classification of special dividends between revenue and capital.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing the level of and reasoning behind the Company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director in its calculation of accounting estimates for potential management bias;
- Using a third-party independent data source to assess the completeness of the special dividend population and determining whether special dividends recognised were revenue or capital in nature with reference to the underlying circumstances of the investee companies' dividend payments;
- Assessing the Company's compliance with the key requirements of the Collective Investment Schemes sourcebook, Investment Funds sourcebook and its Prospectus;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the IA Statement of Recommended Practice for Authorised Funds; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

### Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP  
Chartered Accountants  
Statutory Auditor  
Bishop's Court  
29 Albyn Place  
Aberdeen AB10 1YL  
3 July 2024

## Accounting policies of The Global Balanced Strategy Fund

for the year ended 31 March 2024

### a Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and in accordance with the Statement of Recommended Practice for UK Authorised Funds ('the SORP') published by The Investment Association in May 2014 and amended in June 2017, and the requirements of the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND').

The ACD has considered a detailed assessment of the Fund'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 Fund continues to be open for trading and the ACD is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

### b Valuation of investments

The purchases and sales of investments are included up to close of business on the last business day of the accounting year.

Purchases and sales of investments are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver an asset arises.

The quoted investments of the Fund have been valued at the global closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year.

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 31 March 2024.

### c Foreign exchange

The base currency of the Fund is UK sterling which is taken to be the Fund's functional currency.

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. The resulting exchange differences are disclosed in note 2 of the Notes to the financial statements.

Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate prevailing at the balance sheet date.

### d Revenue

Revenue is recognised in the Statement of total return on the following basis:

Dividends from quoted equity instruments and non equity shares are recognised as revenue, net of attributable tax credits on the date when the securities are quoted ex-dividend.

Overseas dividends are recognised as revenue gross of any withholding tax and the tax consequences are recognised within the tax expense.

Distributions from collective investment schemes are recognised as revenue on the date the securities are quoted ex-dividend. Equalisation on distributions from collective investment schemes is deducted from the cost of the investment and does not form part of the Fund's distribution.

Distributions from collective investment schemes which are re-invested on behalf of the Fund are recognised as revenue on the date the securities are quoted ex-dividend and form part of the Fund's distribution.

Excess reportable income from reporting offshore funds is recognised as revenue when the reported distribution rate is available and forms part of the Fund's distribution.

Compensation is treated as either revenue or capital in nature depending on the facts of each particular case.

Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case.

## Accounting policies of The Global Balanced Strategy Fund (continued)

for the year ended 31 March 2024

### d Revenue (continued)

Interest on bank deposits and short term deposits is recognised on an accruals basis.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Fund. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows. The amortised amounts form part of the distributable revenue and are calculated at each month end.

Ordinary stock dividends are recognised wholly as revenue on the basis of the market values of the shares on the date that they are quoted ex-dividend. Where an enhancement is offered the amount by which the market value of the shares on the date they are quoted ex-dividend exceeds the cash dividend is taken to capital. The ordinary element of stock dividends is treated as revenue and forms part of the Fund's distributions.

### e Expenses

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

Bank interest paid is charged to revenue.

### f Taxation

Tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available to carry forward are recognised as an asset when it is probable that future taxable profits will be available, against which these losses can be utilised.

UK corporation tax is provided as amounts to be paid/recovered using the tax rates and laws that have been enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at 31 March 2024 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Provision for deferred tax assets are only made to the extent the timing differences are expected to be of future benefit.

All foreign dividend revenue is recognised as a gross amount which includes any withholding tax deducted at source. Where foreign tax is withheld in excess of the applicable treaty rate a tax debtor is recognised to the extent that the overpayment is considered recoverable.

### g Efficient Portfolio Management

Where appropriate, certain permitted instruments such as derivatives or forward currency contracts may be used for Efficient Portfolio Management purposes. Where such instruments are used to protect or enhance revenue, the revenue or expenses derived therefrom are included in the Statement of total return as revenue related items and form part of the distribution. Where such instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in the Statement of total return as capital related items.

### h Dilution levy

The need to charge a dilution levy will depend on the volume of sales or redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected, and if charging a dilution levy is, so far as practicable, fair to all shareholders and potential shareholders. Please refer to the Prospectus for further information.

Accounting policies of The Global Balanced Strategy Fund (continued)  
for the year ended 31 March 2024

*i Distribution policies*

*i Basis of distribution*

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income shares are paid to shareholders.

*ii Unclaimed distributions*

Distributions to shareholders outstanding after 6 years are taken to the capital property of the Fund.

*iii Revenue*

All revenue is included in the final distribution with reference to policy d.

*iv Expenses*

Expenses incurred against the revenue of the Fund are included in the final distribution, subject to any expense which may be transferred to capital for the purpose of calculating the distribution, with reference to policy e.

*v Equalisation*

Group 2 shares are shares purchased on or after the previous XD date and before the current XD date. Equalisation applies only to group 2 shares. Equalisation is the average amount of revenue included in the purchase price of group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax in the hands of the shareholders but must be deducted from the cost of shares for capital gains tax purposes. Equalisation per share is disclosed in the Distribution table.



## Investment Manager's report - Investec Wealth & Investment Limited

At the balance sheet date Investec Wealth & Investment Limited managed 30.12% of funds under management in accordance with the objective and policy of the Fund.

### Investment performance

The portfolio, managed by Investec Wealth & Investment Limited produced a total return of 8.41<sup>1</sup>% over the year under review and compares to 13.33% return for the Investment Association Global Equity Income Sector<sup>2</sup>.

### Market commentary\*

In GBP terms, global equities returned 21.2% over the period under review. The broad UK market rose 8.4%, with the medium sized company segment up 8.7%. Overseas equities generated greater returns with American, European and Japanese equities rising by 27.7%, 14.4% and 25.10% respectively. In contrast to the previous year, fixed interest yields were stable as central banks spent most of the year holding interest rates. The oil price (Brent) rose 9.9% in the 12 months to the end of March reflecting both resilient economic conditions and heightened tensions across the Middle East. Over the same period, the gold price increased 11.9%, again in US dollars.

During most of 2023 it felt that it was going to be another difficult year for investors. By the time we reached October sovereign markets were in turmoil, equity markets were at their lowest point of the year, and geopolitical concerns were once again in the ascendant as hostilities escalated in the Middle East. However, and as is often the case in financial markets, the mood was darkest before the dawn, and portfolios delivered strong gains towards the end of 2023. The primary fuel was a shift in the outlook for interest rates in 2024, with traders bringing forward the expected date of the first reductions as well as pricing in deeper cuts.

During the first quarter of 2024, towards the end of the reporting period, equities and corporate bonds have continued their ascent that begun during the later stage of 2023. Government bonds have had a harder time. The key reason for this is that growth has turned out to be more resilient than anticipated, especially in the United States. Indeed, the US recession that was widely expected to materialise in 2023 appears not to be going to happen in 2024 either. And while both the UK and Germany have suffered consecutive quarters of shrinking Gross Domestic Product, thus entering technical recessions, the downturns in both countries have been marginal and growth might already have resumed.

Back in January (2024) our view was that some of the markets' expectations seemed to be a bit contradictory, as they were pricing in strong earnings growth, inflation declining serenely towards central banks' 2% target and rapid interest rate cuts as economic growth weakened. We thought that at least one of these would have to give way. As it turned out, inflation has been stickier leading central banks to push back on the hope for early rate reductions. Whereas policy rate cuts starting in March in the US, UK and Europe were a racing certainty in terms of how they were priced in futures markets at the turn of the year, now we are looking at June. The Federal Reserve ('Fed') funds rate was expected to be 3.8% by year-end and is now priced at 4.6% versus a current level of 5.25%. The respective figures for the UK base rate are 3.5%, 4.5% and 5.25%, while in Europe they are 2.25%, 3% and 4%.

Equity markets were the stars of the show during the first quarter, with several registering new all-time highs. While some investors fear such territory to be unsustainable, the breaking of new ground often tends to herald a shift to a higher level, and this was certainly the case for US equities, where almost 40% of the trading days during the period resulted in a new closing peak. A key driver of sentiment in the US was, once again, enthusiasm about the adoption of generative artificial intelligence (AI), but there were also signs of a healthier broadening of participation in the bull market. The trends were similar in Europe, although the large company segment of the UK market remains frustratingly short of its February 2023 high.

Another feature has been the ascent of gold to new all-time highs. During the quarter, it appreciated by 6.5% in US dollar terms. Since last October's lows, it has risen by 22.4%. These are huge moves for such an asset and must be examined for the messages they are sending, because demand for gold usually reflects investors' meaningful fears about something else. While gold is often viewed quite simply as a hedge against inflation and it has certainly held its value against other assets over millennia, we believe that there is more to it than that.

<sup>1</sup> Source: Investec Wealth & Investment Limited. Time weighted total return, gross of charges.

<sup>2</sup> Source: FE Analytics / Investec Wealth & Investment Limited.

\* Source: Investec Wealth & Investment.

## Investment Manager's report - Investec Wealth & Investment Limited (continued)

### Market commentary (continued)\*

We note the increased buying of gold by non-western central banks in the aftermath of Russia's invasion of Ukraine and the freezing of Russia's dollar-based assets. Many countries around the world, while not necessarily being hostile to the US, have seen some merit in diversifying their reserves away from US dollars owing to concerns about the direction of US policy (the fact that gold's price is generally quoted in US dollars is not a factor – it's the value in the local currency that counts).

The recent move appears to reflect greater concern about the conduct of monetary policy in the face of elevated government debt. We thought about the threat of "financial repression", by which interest rates for savers are held at an artificially low level to allow the debt to be reduced in real terms by inflation, and we have also considered the potential for the "monetisation of debt", whereby central banks buy the debt directly from the government by "printing" money (Quantitative Easing was implemented by buying bonds in the open market, which is a subtle distinction, but enough to deflect accusations of outright monetisation). Both of these would tend to devalue a currency. But if everyone is doing it, and there is no "safe" currency to hide in, then real assets such as gold become relatively attractive as a store of value. We continue to hold gold as a viable tail risk hedge (or insurance policy) against these potential outcomes within the context of a balanced portfolio where the minimum objective is to retain its value in real terms over a cycle.

### Investment activities\*

The primary positive contributors to portfolio performance are shown in the following table. The S&P 500 Index hit new highs towards the end of the period. In particular, many of the largest stocks in the index exhibited excellent performance which led the index overall higher. In the early part of the period the performance of the US main index was very concentrated to a small selection of companies which make up a large proportion of the index. However, towards the end of the period, encouragingly we saw a broadening of returns which benefitted the iShares MSCI USA Quality Dividend UCITS ETF which has a wider exposure to the market. In local currency terms, the Japanese market was the best performer within developed equity markets over the year, however a weaker yen offset this for overseas investors.

In the UK, one sector that had a difficult 2023 and early 2024 was Consumer Staples. This in part is reflected in the price performance of Diageo where the company had an issue with a build up of inventory in its Latin American business. Likewise, Estee Lauder has been dealing with overstocking in Asia as the return to travel in China was slower than expected following the removal of the zero Covid-19 policy. More recent signs show a stabilisation in the business. NatWest Group disappointed on net interest margin guidance and raised concerns about whether the tailwind of higher rates has fallen away. There are also concerns about credit growth given the underlying UK macroeconomic conditions.

Holding	Basis Point Contribution	Total Return
Vanguard S&P 500 ETF	147.3	27.63%
iShares MSCI USA Quality Dividend UCITS ETF	114.2	18.85%
Polar Capital Technology Trust	111.1	49.61%
iShares Core MSCI Japan IMI UCITS ETF	57.7	19.88%
InterContinental Hotels Group	48.5	56.39%

The negative contributors were as follows.

Holding	Basis Point Contribution	Total Return
Natwest Group	-72.0	-29.95%
Burberry Group	-54.1	-53.07%
Prudential	-30.8	-31.87%
Estee Lauder	-29.2	-38.85%
Diageo	-24.5	-18.02%

During the period our top-down strategy has continued to advocate an underweight to risk assets. Therefore, we have continued to hold other assets such as fixed interest securities and gold, alongside equities. The returns relative to the benchmark of Investment Association Global Equity Income Sector should be considered given the equity underweight with a portfolio allocation of circa 80% as of 31 March 2024.

In the UK we exited positions with a more domestic market focus such as Tesco and Cranswick. New holdings include Bunzl and Intertek although the latter was sold towards the period end following strong performance.

\* Source: Investec Wealth & Investment Limited.

## Investment Manager's report - Investec Wealth & Investment Limited (continued)

### Investment activities\*

Outside the UK we introduced a holding in Schneider Electric, a world leading business in energy management and automation systems. With the weakness in Consumer Staples, we have taken the opportunity to add to existing holdings including Nestlé and PepsiCo during the year.

During the year we also introduced a holding in NVIDIA (although note the portfolio has indirect exposure through funds and exchange traded funds). The company is the leading designer of computer chips and a platform for the Artificial Intelligence ('AI') market. Not only are the chips a crucial part of the technology behind the AI boom, it has a competitive moat around its products with its platform locking customers into a regular upgrade cycle. Another growth business that we invested in is Intuitive Surgical, the leading provider of robotic assisted surgery machines. The technology helps with improving clinical outcomes via minimally invasive surgery and assists with improving the overall delivery of health care and cost of treatment.

During the year we became concerned about the narrow leadership within the US market, mainly driven by technology names. Therefore, we reduced Vanguard S&P 500 UCITS ETF and added a position in iShares S&P Small Cap 600 UCITS ETF to benefit when the return profile broadens out.

Given our underweight to equities, we continued to hold fixed interest securities in the portfolio which as of 31 March 2024 accounted for 14.7% of assets. Through most of the year we have been focused towards shorter dated issues of UK government debt given expectations for yields to rise. During January and February 2024, yields rose again as investors tempered their expectations for the timing of interest rates cuts. We feel we are near the top of the interest cycle and so while not adding equity risk we have taken the opportunity of this movement to extend the duration position with our bond holdings. We also hold these positions as a potential safe haven in the event of a long overdue recession, which if occurred, would likely result in central banks lowering interest rates.

### Investment strategy and outlook

We are by no means complacent about the world at the moment despite the strong performance of risk assets. (Geo)political risks and the indebtedness of western governments are the key structural concerns, but they are manageable and, to a greater or lesser degree, have been hanging over markets for a long time. Undue attention to those risks would have cost investors a lot of return in recent years. More cyclically, the path of inflation will be a key determinant of short-term outcomes and it will define central bank policy. While we believe that central banks remain alert to the risk of a "second wave" of inflation breaking out as it did in the 1970s, they are also hinting that, if push comes to shove, they may err on the side of supporting employment and economic stability if a choice has to be made. This is especially the case in the US in the run up to the election. We continue to maintain a quality bias in our investments, especially in terms of balance sheet strength and access to liquidity.

Investec Wealth & Investment Limited

17 April 2024

\* Source: Investec Wealth & Investment Limited.

## Investment Manager's report - Rathbones Investment Management Limited

At the balance sheet date Rathbones Investment Management Limited managed 39.85% of funds under management in accordance with the objective and policy of the Fund.

### Investment performance

For the period 1 April 2023 to 31 March 2024, the portfolio managed by Rathbones Investment Management Limited returned 13.75%\*, whereas the comparator benchmark Investment Association Global Equity Income Sector returned 13.33%\*\*.

### Investment activities

The largest purchases included :

SPDR Russell 2000 U.S. Small Cap UCITS ETF

US Treasury Bond 0.625% 31/12/2027

Jupiter Japan Income Fund

Mastercard

Adobe

PepsiCo

Merck

S&P Global

London Stock Exchange Group

CME Group

The largest sales included :

Citigroup

US Treasury Inflation Indexed Bonds 0.25% 15/07/2029

SPDR S&P US Dividend Aristocrats UCITS ETF

Diageo

Honeywell International

BP

Roche Holding

US Treasury Bond 0.625% 31/12/2027

Baker Hughes

Veritas Funds - Asian Fund

### Contribution Analysis

During the year under review the main contributors to performance included :

Polar Capital Technology Trust

Microsoft

JPMorgan Chase

Allianz Technology Trust

Alphabet 'A'

Intermediate Capital Group

Berkshire Hathaway

Meta Platforms 'A'

Sanlam Global Artificial Intelligence Fund

Axon Enterprise

During the year under review the main detractors from performance included :

Diageo

Prudential

Yum China Holdings

Gore Street Energy Storage Fund

First Sentier Investors ICVC - FSSA Greater China Growth Fund

Diversified Energy

Ceres Power Holdings

S4 Capital

Walt Disney

Schroder Investment Fund Co-Schroder Global Energy Transition Fund

### Market commentary

2023 ended on a more upbeat tone following what was a fairly tumultuous year with many conflicting economic forces at play. At the start of the year markets were buoyed by the anticipated reopening of the Chinese economy after a very draconian and prolonged pandemic lockdown but this failed to materialise and the lack of consumer confidence, in part reflecting the collapse of the Chinese real estate sector, resulted in the introduction of a number of stimulus packages from the People's Bank of China and other government led initiatives.

The failure of Silicon Valley Bank in the US led to a mini banking crisis in March once again undermining confidence in the banking sector and precipitating a sell-off in markets. Much of the rest of the year was dominated by the slow pace of falling inflation as economies stabilised post-pandemic and reacted to one of the fastest and largest ever rises in interest rates.

\* Source: Financial Express Analytics, true time-weighted methodology.

\*\* Source: FactSet.

## Investment Manager's report - Rathbones Investment Management Limited (continued)

### Market commentary (continued)

The US particularly enjoyed a rapid fall in inflationary pressures and towards the very end of the year the Federal Reserve signposted the anticipated peak in bond market yields and markets rallied on an anticipated 'pivot' in interest rates as early as quarter 1 2024. Returns over the year were unusually concentrated, dominated by the returns of the 'Magnificent 7' stocks in the US, disguising the true health of the US economy.

As we look ahead in 2024, the very sad events in Israel in October served to remind investors how fragile the geopolitical landscape is and how inextricably linked global markets are to such events.

The situation in Ukraine is still far from resolved and accordingly the need for stable and effective political leadership is needed now more than ever. This is sobering as we start an election year with over half the world's population set to vote including both here and in the USA.

Further we are hopeful that as interest rates start to fall and inflation returns to more normal levels that the true health of the US economy will improve and market returns continue to broaden out. As ever, investment markets climb a wall of worry with some leading economic indicators forecasting a recession this year. However, while one can sometimes struggle to see reasons to be optimistic, when we look through the lens of individual companies, we can take considerable confidence from the services and products being created and the opportunities therein despite the geopolitical landscape.

Rathbones Investment Management Limited  
18 April 2024

## Investment Manager's report - UBS Asset Management (UK) Limited

At the balance sheet date UBS Asset Management (UK) Limited managed 30.03% of funds under management in accordance with the objective and policy of the Fund; 15.18% were managed according to Global Sustainable Equity strategy and 14.85% were managed according to the Global Equity Concentrated Alpha strategy.

### Global Sustainable Equity

#### Investment performance\*

For the period from 1 April 2023 to 31 March 2024, the portfolio managed by UBS Asset Management (UK) Limited - Global Sustainable Equity returned 22.67%, where as the comparator benchmark Investment Association Global Equity Income Sector 13.33%.

#### Market review\*\*

Global equities delivered their fifth straight month of gains in March as implied volatility in bonds declined to its lowest level since the Federal Reserve's tightening cycle began and economic data continued to signal a broadening of growth. All major regional equity indexes rose in March, with outsized strength in the UK and Europe. Global credit spreads continued to compress even closer towards their tightest levels in the past 15 years. The Bloomberg Commodity Index rose 1.2%, with robust monthly gains in gold and oil driving returns.

While the 'Magnificent 7' drove the majority of market returns in 2023, we have started to see some deviation this quarter. Of these stocks, only NVIDIA and Meta Platforms 'A' delivered significant gains, while Tesla declined close to 30% and Apple was down 10% for the quarter. This points to considerable divergence amongst Mega Cap stocks which up until now have experienced narrow leadership driven by top down trends.

#### Investment outlook

Against this backdrop, we believe that the portfolio is well positioned amid a broadening out of equity market gains and some mean reversion in share price performance as markets start to normalize and we move past a peaking of interest rates. In this environment, we emphasize the importance of staying true to our price-to-intrinsic value philosophy and remain optimistic that our relative performance will recover as fundamentals come back into focus.

### Global Equity Concentrated Alpha

#### Investment performance\*

For the period from 1 April 2023 to 31 March 2024, the portfolio managed by UBS Asset Management (UK) Limited - Global Equity Concentrated Alpha returned 16.52%, where as the comparator benchmark Investment Association Global Equity Income Sector 13.33%.

#### Market review and outlook

The strategy underperformed the index in the first quarter. We have suffered from negative stock selection in the Health Care and Information Technology sectors, while our overweight to consumer staples has weighed on performance.

At the stock level, not holding US chip maker NVIDIA was the top detractor following positive results and strong Artificial Intelligence sentiment in the quarter. Our holding in US cyber security company Zscaler also contributed negatively as shares fell following their earnings report, after modest billings growth fell short of expectations. Conversely, we have benefitted from positive stock selection in materials, while a combination of stock selection and sector allocation effects in financials have added value. At the stock level, not holding Apple was our top contributor after disappointing fourth-quarter results. Not holding US Eclectic Vehicle maker Tesla has also contributed positively.

UBS Asset Management (UK) Limited

29 April 2024

\* Source: UBS Asset Management and FactSet.

\*\* Source: UBS Asset Management.

## Summary of portfolio changes

for the year ended 31 March 2024

The following represents the major purchases and sales in the year to reflect a clearer picture of the investment activities.

	Cost £
Purchases:	
Jupiter Japan Income Fund	2,208,811
M&G Investment Funds - Japan Fund	2,199,950
Amazon.com	1,988,077
Meta Platforms 'A'	1,964,010
PepsiCo	1,835,051
Microsoft	1,777,986
Linde	1,645,469
UK Treasury Bill 0% 22/05/2023	1,494,649
UK Treasury Bill 0% 31/07/2023	1,488,344
Haleon	1,430,154
SPDR Russell 2000 U.S. Small Cap UCITS ETF	1,375,500
UK Treasury Gilt 1.625% 22/10/2028	1,275,625
UK Treasury Gilt 3.5% 22/10/2025	1,255,943
US Treasury Bond 0.625% 31/12/2027	1,250,412
Zscaler	1,218,722
UK Treasury Gilt 3.25% 31/01/2033	1,186,235
Mastercard	1,157,797
Alphabet 'A'	1,150,456
Kenvue	1,132,943
S&P Global	1,046,762

	Proceeds £
Sales:	
Nestlé	2,106,515
Adobe	1,786,731
UnitedHealth Group	1,575,718
UK Treasury Bill 0% 17/04/2023	1,500,000
UK Treasury Bill 0% 22/05/2023	1,500,000
UK Treasury Bill 0% 31/07/2023	1,500,000
UK Treasury Gilt 0.25% 31/01/2025	1,344,868
UK Treasury Gilt 3.5% 22/10/2025	1,278,070
Sage Group	1,229,439
Palo Alto Networks	1,193,881
Vanguard S&P 500 UCITS ETF	1,159,024
AstraZeneca	1,083,561
Alphabet 'C'	1,079,840
Kenvue	1,018,570
UK Treasury Bill 0% 17/07/2023	1,000,000
Diageo	963,610
Citigroup	888,214
Visa	877,667
US Treasury Inflation Indexed Bonds 0.25% 15/07/2029	874,530
SPDR S&P US Dividend Aristocrats UCITS ETF	845,461

Portfolio statement  
as at 31 March 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 2.74% (3.24%)			
Aaa to Aa2 0.29% (0.50%)			
US Treasury Bond 0.625% 31/12/2027	\$830,000	573,469	0.29
Aa3 to A1 1.70% (1.82%)			
LVMH Moët Hennessy Louis Vuitton 1.125% 11/02/2027	£400,000	364,640	0.19
UK Treasury Gilt 0.5% 22/10/2061	£510,000	158,253	0.08
UK Treasury Gilt 1.625% 22/10/2028	£1,435,000	1,308,146	0.67
UK Treasury Gilt 1.75% 07/09/2037	£350,500	265,994	0.14
UK Treasury Gilt 3.25% 31/01/2033	£1,273,000	1,215,970	0.62
		3,313,003	1.70
A2 to A3 0.55% (0.59%)			
Compass Group 2% 03/07/2029	£400,000	356,200	0.18
Diageo Finance 1.75% 12/10/2026	£410,000	383,436	0.20
GlaxoSmithKline Capital 3.375% 20/12/2027	£350,000	340,260	0.17
		1,079,896	0.55
Baa1 to Baa2 0.00% (0.12%)		-	-
Baa3 and below 0.20% (0.21%)			
Bunzl Finance 2.25% 11/06/2025	£400,000	386,288	0.20
Total debt securities		5,352,656	2.74
Equities 77.74% (71.88%)			
Equities - United Kingdom 13.69% (18.44%)			
Equities - incorporated in the United Kingdom 11.91% (16.51%)			
Energy 2.07% (3.06%)			
BP	220,000	1,090,540	0.56
Diversified Energy	38,500	364,595	0.19
Shell	98,200	2,577,750	1.32
		4,032,885	2.07
Materials 0.41% (0.49%)			
Croda International	6,550	321,081	0.16
Rio Tinto	9,800	491,666	0.25
		812,747	0.41
Industrials 1.35% (1.74%)			
Ashtead Group	9,081	511,987	0.26
BAE Systems	34,000	458,830	0.24
Bunzl	9,000	274,320	0.14
Elixirr International	100,000	565,000	0.29
RELX	14,700	503,328	0.26
Spirax-Sarco Engineering	3,125	314,063	0.16
		2,627,528	1.35

\* Grouped by credit rating - source: Interactive Data and Bloomberg.



## Portfolio statement (continued)

as at 31 March 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - United Kingdom (continued)			
Equities - incorporated in the United Kingdom (continued)			
Consumer Discretionary 0.43% (0.93%)			
Burberry Group	20,000	242,600	0.12
Compass Group	10,700	248,561	0.13
InterContinental Hotels Group	4,200	346,164	0.18
		<u>837,325</u>	<u>0.43</u>
Consumer Staples 1.57% (2.16%)			
Diageo	20,300	593,876	0.31
Haleon	360,581	1,201,095	0.62
Unilever	17,000	675,750	0.35
Unilever EUR	14,350	570,675	0.29
		<u>3,041,396</u>	<u>1.57</u>
Health Care 2.06% (2.62%)			
AstraZeneca	28,034	2,993,471	1.54
PureTech Health	250,000	556,250	0.29
Smith & Nephew	45,000	446,130	0.23
		<u>3,995,851</u>	<u>2.06</u>
Financials 2.84% (3.45%)			
HSBC Holdings	80,000	495,120	0.25
Intermediate Capital Group	48,000	985,920	0.51
London Stock Exchange Group	22,272	2,113,613	1.09
Molten Ventures	171,000	404,244	0.21
Prudential	127,500	947,325	0.49
Standard Chartered	85,000	570,690	0.29
		<u>5,516,912</u>	<u>2.84</u>
Information Technology 0.27% (0.86%)			
Spectris	16,038	530,377	0.27
Communication Services 0.00% (0.22%)		-	-
Utilities 0.17% (0.35%)			
SSE	20,000	330,000	0.17
Real Estate 0.74% (0.63%)			
Empiric Student Property	250,400	237,880	0.12
LondonMetric Property	345,816	702,006	0.36
Segro	30,000	271,140	0.14
Target Healthcare REIT	276,500	230,601	0.12
		<u>1,441,627</u>	<u>0.74</u>
Total equities - incorporated in the United Kingdom		<u>23,166,648</u>	<u>11.91</u>

Portfolio statement (continued)  
as at 31 March 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - United Kingdom (continued)			
Equities - incorporated outwith the United Kingdom 1.78% (1.93%)			
Materials 0.65% (1.02%)			
Glencore	290,000	1,262,225	0.65
Industrials 0.34% (0.00%)			
Experian	19,000	656,260	0.34
Consumer Discretionary 0.41% (0.56%)			
Aptiv	7,617	479,903	0.25
Meituan Dianping	10,800	105,687	0.05
PDD Holdings	2,405	221,300	0.11
		806,890	0.41
Financials 0.38% (0.35%)			
JTC	90,000	738,900	0.38
Total equities - incorporated outwith the United Kingdom		3,464,275	1.78
Total equities - United Kingdom		26,630,923	13.69
Equities - Europe 12.67% (12.98%)			
Equities - Denmark 1.65% (1.26%)			
Genmab	1,218	290,937	0.15
Novo Nordisk	25,278	2,560,655	1.32
Vestas Wind Systems	15,800	347,996	0.18
Total equities - Denmark		3,199,588	1.65
Equities - Finland 0.43% (0.85%)			
Sampo	24,843	839,605	0.43
Equities - France 2.52% (3.01%)			
AXA	32,326	961,917	0.49
Cie Generale des Etablissements Michelin	17,199	522,300	0.27
Danone	9,173	469,610	0.24
LVMH Moët Hennessy Louis Vuitton	2,699	1,923,786	0.99
Sanofi	8,789	683,493	0.35
Schneider Electric	1,900	340,559	0.18
Total equities - France		4,901,665	2.52
Equities - Germany 0.61% (0.20%)			
Knorr-Bremse	7,068	421,790	0.22
Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	1,946	752,346	0.39
Total equities - Germany		1,174,136	0.61

Portfolio statement (continued)  
as at 31 March 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - Europe (continued)			
Equities - Ireland 2.63% (1.38%)			
Accenture	3,400	931,275	0.48
Bank of Ireland Group	56,561	456,782	0.23
CRH	14,000	955,535	0.49
Linde	7,597	2,790,848	1.43
Total equities - Ireland		<u>5,134,440</u>	<u>2.63</u>
Equities - Italy 0.16% (0.22%)			
Prysmian	7,781	<u>319,316</u>	<u>0.16</u>
Equities - Netherlands 1.81% (1.65%)			
ASML Holding	1,936	1,476,766	0.76
Heineken	6,402	488,887	0.25
Koninklijke Philips	67,030	1,065,809	0.55
Universal Music Group	20,551	489,682	0.25
Total equities - Netherlands		<u>3,521,144</u>	<u>1.81</u>
Equities - Norway 0.33% (0.60%)			
Equinor	31,078	<u>648,908</u>	<u>0.33</u>
Equities - Spain 0.12% (0.13%)			
EDP Renováveis	21,700	<u>232,742</u>	<u>0.12</u>
Equities - Switzerland 2.41% (3.68%)			
Alcon	7,037	462,248	0.24
Barry Callebaut	223	256,554	0.13
Chubb	4,589	941,340	0.48
Nestlé	7,600	639,501	0.33
Novartis	12,434	954,679	0.49
Roche Holding	2,700	544,960	0.28
Sandoz Group	17,359	415,133	0.21
UBS Group	19,700	480,294	0.25
Total equities - Switzerland		<u>4,694,709</u>	<u>2.41</u>
Total equities - Europe		<u>24,666,253</u>	<u>12.67</u>
Equities - North America 47.82% (36.54%)			
Equities - Canada 0.99% (0.62%)			
ARC Resources	16,252	229,211	0.12
Canadian Pacific Kansas City	9,983	696,775	0.36
Gildan Activewear	13,600	399,522	0.21
Tourmaline Oil	15,628	578,679	0.30
Total equities - Canada		<u>1,904,187</u>	<u>0.99</u>

Portfolio statement (continued)  
as at 31 March 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - North America (continued)			
Equities - United States 46.83% (35.92%)			
Abbott Laboratories	8,400	755,651	0.39
Adobe	4,634	1,849,858	0.95
Advanced Micro Devices	5,196	742,103	0.38
AECOM	1,514	117,500	0.06
Air Products & Chemicals	1,950	373,962	0.19
Alphabet 'A'	23,752	2,835,386	1.46
Alphabet 'C'	14,422	1,737,376	0.89
Amazon.com	23,949	3,417,034	1.76
Ameriprise Financial	4,314	1,497,205	0.77
Apollo Global Management	7,007	623,461	0.32
Apple	3,500	475,108	0.24
Arthur J Gallagher	3,438	680,088	0.35
Axon Enterprise	5,700	1,410,233	0.72
Ball	4,300	229,186	0.12
Berkshire Hathaway	5,686	1,891,987	0.97
Bio-Rad Laboratories	1,241	339,385	0.17
Boston Scientific	14,281	774,164	0.40
Broadcom	2,222	2,329,455	1.20
Brown & Brown	8,866	613,970	0.32
Brunswick Corporation	4,186	319,736	0.16
Cadence Design Systems	2,463	606,405	0.31
CBRE Group	4,200	323,266	0.17
Centene	11,790	731,526	0.38
CF Industries Holdings	9,383	617,908	0.32
Chevron	3,500	436,929	0.22
CME Group	5,000	851,771	0.44
Coca-Cola	32,433	1,569,981	0.81
Colgate-Palmolive	11,009	784,508	0.40
Consolidated Edison	10,792	775,537	0.40
Constellation Brands	3,416	734,335	0.38
Costco Wholesale	1,128	653,753	0.34
Deere	1,420	461,358	0.24
Devon Energy	10,713	425,382	0.22
Dollar Tree	3,897	410,754	0.21
Ecolab	3,419	624,338	0.32
Edwards Lifesciences	7,225	546,257	0.28
Elevance Health	1,664	682,737	0.35
Eli Lilly	2,066	1,269,856	0.65
Estee Lauder	6,078	741,052	0.38
Fidelity National Information Services	13,783	808,923	0.42
Fiserv	6,206	784,120	0.40
GE HealthCare Technologies	7,593	546,251	0.28

Portfolio statement (continued)  
as at 31 March 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - North America (continued)			
Equities - United States (continued)			
Hess	7,078	855,019	0.44
Ingersoll Rand	8,962	673,258	0.35
Intuitive Surgical	875	276,170	0.14
Johnson & Johnson	8,000	1,001,734	0.51
JPMorgan Chase	19,938	3,161,039	1.62
Keysight Technologies	3,780	467,454	0.24
Laboratory of America Holdings	1,768	305,595	0.16
Lattice Semiconductor	7,540	466,695	0.24
Lyft	42,643	652,515	0.34
Marsh & McLennan	4,736	771,781	0.40
Marvell Technology	13,000	729,420	0.37
Masco	6,479	404,050	0.21
Mastercard	5,856	2,229,475	1.15
MercadoLibre	344	411,123	0.21
Merck	9,300	971,117	0.50
Meta Platforms 'A'	6,878	2,642,960	1.36
Micron Technology	7,511	700,828	0.36
Microsoft	27,334	9,088,321	4.67
Moderna	6,152	518,945	0.27
Monster Beverage	13,409	628,920	0.32
Montrose Environmental Group	13,448	416,774	0.21
MSA Safety	2,760	422,941	0.22
NextEra Energy	13,448	679,825	0.35
Nike	2,500	185,949	0.10
NVIDIA	340	242,921	0.12
ON Semiconductor	5,418	315,408	0.16
Palo Alto Networks	3,700	831,471	0.43
PayPal Holdings	4,000	212,024	0.11
PepsiCo	15,283	2,117,299	1.09
Procter & Gamble	6,700	860,061	0.44
Progressive	3,535	578,416	0.30
Regal Rexnord	3,723	530,931	0.27
Rivian Automotive	39,459	342,035	0.18
S&P Global	3,000	1,009,040	0.52
salesforce.com	6,266	1,492,133	0.77
ServiceNow	1,557	938,723	0.48
Skechers	10,718	519,334	0.27
SLM Corporation	15,748	271,266	0.14
Starbucks	6,925	500,716	0.26
Take-Two Interactive Software	4,613	542,021	0.28
Thermo Fisher Scientific	600	275,770	0.14
TJX	10,537	845,379	0.43

Portfolio statement (continued)  
as at 31 March 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - North America (continued)			
Equities - United States (continued)			
Uber Technologies	10,504	640,010	0.33
UnitedHealth Group	3,755	1,469,659	0.76
Universal Display Corporation	4,335	577,611	0.30
Vertex Pharmaceuticals	2,221	734,737	0.38
Visa	17,940	3,958,374	2.03
Walt Disney	5,300	513,281	0.26
Waste Management	3,358	566,467	0.29
Wells Fargo	11,373	521,632	0.27
Wolfspeed	6,828	159,126	0.08
Xylem	4,600	470,469	0.24
Yum China Holdings	11,000	346,392	0.18
Zebra Technologies	1,749	417,254	0.21
Zoetis	1,700	227,618	0.12
Zscaler	6,567	1,001,334	0.51
Total equities - United States		<u>91,090,615</u>	<u>46.83</u>
Total equities - North America		<u>92,994,802</u>	<u>47.82</u>
Equities - Australia 0.92% (1.26%)			
BHP Group	70,600	1,606,150	0.83
Woodside Energy Group	11,500	181,470	0.09
Total equities - Australia		<u>1,787,620</u>	<u>0.92</u>
Equities - Japan 2.43% (2.25%)			
Daiichi Sankyo	20,700	518,294	0.27
JTOWER	7,700	161,502	0.08
Keyence	1,700	622,162	0.32
Mitsubishi UFJ Financial Group	75,200	603,570	0.31
Miura	34,200	521,980	0.27
Nippon Telegraph & Telephone	1,049,500	988,092	0.51
SoftBank Group	11,400	533,846	0.27
Sony	11,600	783,904	0.40
Total equities - Japan		<u>4,733,350</u>	<u>2.43</u>
Equities - Indonesia 0.00% (0.14%)		-	-
Equities - India 0.21% (0.27%)			
Axis Bank	8,084	<u>403,160</u>	<u>0.21</u>
Total equities		<u>151,216,108</u>	<u>77.74</u>

## Portfolio statement (continued)

as at 31 March 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Closed-Ended Funds 4.76% (6.69%)			
Closed-Ended Funds - United Kingdom 4.76% (6.52%)			
Closed-Ended Funds - incorporated in the United Kingdom 4.45% (5.92%)			
Aberforth Smaller Companies Trust	48,200	647,808	0.33
Allianz Technology Trust	400,000	1,390,000	0.71
Baillie Gifford Japan Trust	64,000	476,800	0.25
JPMorgan Emerging Markets Investment Trust	700,000	729,400	0.37
JPMorgan Global Emerging Markets Income Trust	445,000	580,725	0.30
Pacific Assets Trust	186,000	652,860	0.34
Polar Capital Technology Trust	103,500	3,099,825	1.59
Schroder AsiaPacific Fund	95,600	473,220	0.24
Worldwide Healthcare Trust Fund	187,000	623,645	0.32
Total closed-ended funds - incorporated in the United Kingdom		<u>8,674,283</u>	<u>4.45</u>
Closed-Ended Funds - incorporated outwith the United Kingdom 0.31% (0.60%)			
Schroder Oriental Income Fund	233,400	<u>603,339</u>	<u>0.31</u>
Total closed-ended funds - United Kingdom		<u>9,277,622</u>	<u>4.76</u>
Overseas Closed-Ended Funds - 0.00% (0.17%)		-	-
Total closed-ended funds		<u>9,277,622</u>	<u>4.76</u>
Collective Investment Schemes 11.60% (10.06%)			
UK Authorised Collective Investment Schemes 3.09% (0.71%)			
First Sentier Investors ICVC - FSSA Greater China Growth Fund	100,000	1,092,880	0.56
Jupiter Japan Income Fund	2,000,000	2,385,800	1.23
M&G Investment Funds - Japan Fund	1,700,000	<u>2,532,320</u>	<u>1.30</u>
Total UK authorised collective investment schemes		<u>6,011,000</u>	<u>3.09</u>
Offshore Collective Investment Schemes 8.51% (9.35%)			
iShares Core MSCI Japan IMI UCITS ETF	30,000	1,331,100	0.68
iShares MSCI EMU Small Cap UCITS ETF	2,830	670,003	0.34
iShares MSCI USA Quality Dividend UCITS ETF	74,500	2,868,250	1.47
iShares S&P 500 Equal Weight UCITS ETF	192,700	909,640	0.47
iShares S&P Small Cap 600 UCITS ETF	18,725	1,329,475	0.68
iShares USD TIPS UCITS ETF	365,000	1,767,878	0.91
Sanlam Global Artificial Intelligence Fund	420,000	1,429,848	0.73
SPDR Russell 2000 U.S. Small Cap UCITS ETF	30,000	1,445,400	0.74
SPDR S&P US Dividend Aristocrats UCITS ETF	9,900	568,177	0.29
UTI India Dynamic Equity Fund	60,000	947,646	0.49
Vanguard FTSE 250 UCITS ETF	25,250	774,418	0.40
Vanguard S&P 500 UCITS ETF	25,700	2,022,269	1.04
Veritas Funds - Asian Fund	670	<u>530,692</u>	<u>0.27</u>
Total offshore collective investment schemes		<u>16,594,796</u>	<u>8.51</u>
Total collective investment schemes		<u>22,605,796</u>	<u>11.60</u>

## Portfolio statement (continued)

as at 31 March 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Exchange Traded Commodities 1.90% (1.67%)			
WisdomTree Physical Gold	15,000	2,465,070	1.27
WisdomTree Physical Gold GBP	7,500	1,229,775	0.63
Total exchange traded commodities		<u>3,694,845</u>	<u>1.90</u>
Portfolio of investments		192,147,027	98.74
Other net assets		2,453,048	1.26
Total net assets		<u>194,600,075</u>	<u>100.00</u>

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 31 March 2023.

United Kingdom equities are grouped in accordance with Global Industry Classification Standard ('GICS').

GICS was developed by and is the exclusive property and a service mark of MSCI Inc. ('MSCI') and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ('S&P') and is licensed for use by Evelyn Partners Services Limited. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.



## Risk and reward profile\*

The risk and reward indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.

Typically lower rewards, lower risk ←				Typically higher rewards, higher risk →		
1	2	3	4	5	6	7

The Fund is in a higher category because the price of its investments have risen or fallen frequently and more dramatically than some other types of investment. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

For full details on risk factors for the Fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

\* As per the KIID published on 7 June 2024.

## Comparative table

The following disclosures give a shareholder an indication of the performance of a share in the Fund. It also discloses the operating charges and direct transaction costs applied to each share. Operating charges are those charges incurred in operating the Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

	2024	2023	2022
	p	p	p
Income			
Change in net assets per share			
Opening net asset value per share	149.31	154.85	146.91
Return before operating charges	22.57	(2.13)	11.09
Operating charges	(0.85)	(1.01)	(1.44)
Return after operating charges *	21.72	(3.14)	9.65
Distributions <sup>^</sup>	(2.45)	(2.40)	(1.71)
Closing net asset value per share	168.58	149.31	154.85
 * after direct transaction costs of:	 0.05	 0.08	 0.04
Performance			
Return after charges	14.55%	(2.03%)	6.57%
Other information			
Closing net asset value (£)	194,600,075	178,125,286	183,390,122
Closing number of shares	115,431,825	119,300,357	118,428,058
Operating charges <sup>^^</sup>	0.55%	0.68%	0.92%
Direct transaction costs	0.03%	0.05%	0.03%
Published prices			
Highest share price	169.6	156.2	164.0
Lowest share price	147.9	139.7	147.8

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

<sup>^</sup> Rounded to 2 decimal places.

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Managers' fees which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes and closed ended vehicles such as investment trusts in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 30 November 2023, the synthetic OCF calculation no longer includes closed ended vehicles.

## Financial statements - The Global Balanced Strategy Fund

### Statement of total return for the year ended 31 March 2024

	Notes	2024		2023	
		£	£	£	£
Income:					
Net capital gains / (losses)	2		22,960,308		(6,573,147)
Revenue	3	4,007,549		3,898,119	
Expenses	4	<u>(832,592)</u>		<u>(872,362)</u>	
Net revenue before taxation		3,174,957		3,025,757	
Taxation	5	<u>(242,246)</u>		<u>(169,637)</u>	
Net revenue after taxation			<u>2,932,711</u>		<u>2,856,120</u>
Total return before distributions			25,893,019		(3,717,027)
Distributions	6		(2,933,326)		(2,855,401)
Change in net assets attributable to shareholders from investment activities			<u>22,959,693</u>		<u>(6,572,428)</u>

### Statement of change in net assets attributable to shareholders for the year ended 31 March 2024

	2024		2023	
	£	£	£	£
Opening net assets attributable to shareholders		178,125,286		183,390,122
Amounts receivable on issue of shares	2,296,501		2,217,590	
Amounts payable on cancellation of shares	<u>(8,781,405)</u>		<u>(913,187)</u>	
		(6,484,904)		1,304,403
Dilution levy		-		3,189
Change in net assets attributable to shareholders from investment activities		22,959,693		(6,572,428)
Closing net assets attributable to shareholders		<u>194,600,075</u>		<u>178,125,286</u>

Balance sheet  
as at 31 March 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		192,147,027	166,615,308
Current assets:			
Debtors	7	1,475,911	396,962
Cash and cash equivalents	8	3,332,284	12,449,136
Total assets		<u>196,955,222</u>	<u>179,461,406</u>
Liabilities:			
Creditors:			
Distribution payable		(1,128,923)	(1,249,075)
Other creditors	9	(1,226,224)	(87,045)
Total liabilities		<u>(2,355,147)</u>	<u>(1,336,120)</u>
Net assets attributable to shareholders		<u>194,600,075</u>	<u>178,125,286</u>

Notes to the financial statements  
for the year ended 31 March 2024

1. Accounting policies

The accounting policies are disclosed on pages 13 to 15.

2. Net capital gains / (losses)	2024	2023
	£	£
Non-derivative securities - realised gains	2,079,056	18,793,040
Non-derivative securities - movement in unrealised gains / (losses)	20,932,630	(25,566,970)
Currency (losses) / gains	(72,821)	205,939
Forward currency contracts gains / (losses)	5,583	(1,930)
Capital special dividend	18,407	-
Compensation	2,895	-
Transaction charges	(5,442)	(3,226)
Total net capital gains / (losses)	<u>22,960,308</u>	<u>(6,573,147)</u>
3. Revenue	2024	2023
	£	£
UK revenue	1,046,402	1,918,554
Unfranked revenue	99,110	61,904
Overseas revenue	2,165,036	1,751,852
Interest on debt securities	295,420	77,359
Bank and deposit interest	358,597	88,450
Stock dividends	42,984	-
Total revenue	<u>4,007,549</u>	<u>3,898,119</u>
4. Expenses	2024	2023
	£	£
Payable to the ACD and associates		
Annual management charge*	896,620	706,790
Annual management charge rebate*	(131,184)	-
Registration fees	940	1,795
	<u>766,376</u>	<u>708,585</u>
Payable to the Depositary		
Depositary fees	<u>52,016</u>	<u>49,663</u>
Other expenses:		
Audit fee	9,828	8,581
Safe custody fees	3,203	21,970
Bank interest	5,197	5,909
FCA fee	21	53
Platform charges	11	6
Set up fee	1,200	505
Printing fees	-	80
Administration fee	-	69,266
Legal fee	(5,260)	7,744
	<u>14,200</u>	<u>114,114</u>
Total expenses	<u>832,592</u>	<u>872,362</u>

\* For the year ended 31 March 2024, the annual management charge is 0.48% and includes the ACD's periodic charge and Investment Managers' fees. Where the ACD's periodic charge and Investment Managers' fees are cumulatively lower than the annual management charge a rebate may occur. For the year ended 31 March 2024, the annual management charge after rebates is 0.46%

Notes to the financial statements (continued)  
for the year ended 31 March 2024

5. Taxation

	2024	2023
	£	£
<i>a. Analysis of the tax charge for the year</i>		
Overseas tax withheld	242,246	169,637
Total taxation (note 5b)	<u>242,246</u>	<u>169,637</u>

*b. Factors affecting the tax charge for the year*

The tax assessed for the year is lower (2023: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2023: 20%). The differences are explained below:

	2024	2023
	£	£
Net revenue before taxation	<u>3,174,957</u>	<u>3,025,757</u>
Corporation tax @ 20%	634,991	605,151
Effects of:		
UK revenue	(217,877)	(383,711)
Overseas revenue	(422,004)	(345,644)
Overseas tax withheld	242,246	169,637
Excess management expenses	4,890	124,204
Total taxation (note 5a)	<u>242,246</u>	<u>169,637</u>

*c. Provision for deferred taxation*

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £454,352 (2023: £449,462).

6. Distributions

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

	2024	2023
	£	£
Interim income distribution	1,768,126	1,609,625
Final income distribution	<u>1,128,923</u>	<u>1,249,075</u>
	2,897,049	2,858,700
Equalisation:		
Amounts deducted on cancellation of shares	43,828	2,317
Amounts added on issue of shares	<u>(7,551)</u>	<u>(5,616)</u>
Total net distributions	<u>2,933,326</u>	<u>2,855,401</u>

Reconciliation between net revenue and distributions:

Net revenue after taxation per Statement of total return	2,932,711	2,856,120
Undistributed revenue brought forward	719	-
Undistributed revenue carried forward	<u>(104)</u>	<u>(719)</u>
Distributions	<u>2,933,326</u>	<u>2,855,401</u>

Details of the distribution per share are disclosed in the Distribution table.

Notes to the financial statements (continued)  
for the year ended 31 March 2024

7. Debtors	2024	2023
	£	£
Sales awaiting settlement	1,051,105	-
Currency trades outstanding	373	-
Accrued revenue	342,586	390,923
Recoverable overseas withholding tax	42,453	6,039
Recoverable income tax	2,697	-
	<u>1,439,214</u>	<u>396,962</u>
Payable from the ACD and associates		
Annual management charge rebate	<u>36,697</u>	<u>-</u>
Total debtors	<u>1,475,911</u>	<u>396,962</u>
8. Cash and cash equivalents	2024	2023
	£	£
Total cash and cash equivalents	<u>3,332,284</u>	<u>12,449,136</u>
9. Other creditors	2024	2023
	£	£
Purchases awaiting settlement	1,186,884	50,977
Accrued expenses:		
Payable to the ACD and associates		
Annual management charge	<u>8,827</u>	<u>-</u>
Other expenses:		
Depository fees	447	-
Safe custody fees	12,452	11,841
Audit fee	9,300	7,632
Legal fee	-	6,000
Administration fee	7,086	7,086
Transaction charges	<u>1,228</u>	<u>3,509</u>
	<u>30,513</u>	<u>36,068</u>
Total accrued expenses	<u>39,340</u>	<u>36,068</u>
Total other creditors	<u>1,226,224</u>	<u>87,045</u>

10. Commitments and contingent liabilities

At the balance sheet date there are no commitments or contingent liabilities.

11. Share classes

The following reflects the change in shares in issue in the year:

	Income
Opening shares in issue	119,300,357
Total shares issued in the year	1,468,842
Total shares cancelled in the year	(5,337,374)
Closing shares in issue	<u>115,431,825</u>

Further information in respect of the return per share is disclosed in the Comparative table.

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 12. Related party transactions

Evelyn Partners Fund Solutions Limited, as ACD is a related party due to its ability to act in respect of the operations of the Fund.

The ACD acts as principal in respect of all transactions of shares in the Fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the Fund.

Amounts payable to the ACD and its associates are disclosed in note 4. The amounts due from/to the ACD and its associates at the balance sheet date are disclosed in notes 7 and 9.

### 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 168.6p to 172.3p as at 28 June 2024. This movement takes into account routine transactions but also reflects the market movements of recent months.

### 14. Transaction costs

#### a Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to agents, advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs	Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£
2024								
Equities	62,894,520	10,895	0.02%	31,662	0.05%	1,726	0.00%	62,938,803
Closed-Ended Funds	691,275	3	0.00%	2,903	0.42%	-	-	694,181
Bonds*	10,290,612	-	-	-	-	-	-	10,290,612
Collective Investment Schemes*	7,935,561	-	-	-	-	-	-	7,935,561
Exchange Traded Commodities*	600,313	-	-	-	-	-	-	600,313
Total	82,412,281	10,898	0.02%	34,565	0.47%	1,726	0.00%	82,459,470
	Purchases before transaction costs	Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	127,385,686	19,837	0.02%	41,930	0.03%	-	-	127,447,453
Closed-Ended Funds	6,184,679	1,094	0.02%	20,000	0.32%	-	-	6,205,773
Bonds*	17,862,214	-	-	-	-	-	-	17,862,214
Collective Investment Schemes*	4,587,029	-	-	-	-	-	-	4,587,029
Exchange Traded Commodities*	305,104	-	-	-	-	-	-	305,104
Total	156,324,712	20,931	0.04%	61,930	0.35%	-	-	156,407,573

\* No direct transaction costs were incurred in these transactions.

Capital events amount of £42,985 (2023: £222,297) is excluded from the total purchases as there were no direct transaction costs charged in these transactions.



## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 14. Transaction costs (continued)

#### a Direct transaction costs (continued)

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2024								
Equities	57,025,579	(10,033)	0.02%	(264)	0.00%	-	-	57,015,282
Closed-Ended Funds	5,224,197	(750)	0.01%	(22)	0.00%	-	-	5,223,425
Bonds*	10,888,510	-	-	-	-	-	-	10,888,510
Collective Investment Schemes*	5,469,310	-	-	-	-	-	-	5,469,310
Exchange Traded Commodities*	197,184	-	-	-	-	-	-	197,184
Total	78,804,780	(10,783)	0.03%	(286)	0.00%	-	-	78,793,711

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	41,501,241	(10,399)	0.03%	(200)	0.00%	-	-	41,490,642
Closed-Ended Funds	806,897	(177)	0.02%	-	-	-	-	806,720
Bonds*	12,094,378	-	-	-	-	-	-	12,094,378
Collective Investment Schemes	104,690,338	-	-	(1)	0.00%	-	-	104,690,337
Exchange Traded Commodities*	928,068	-	-	-	-	-	-	928,068
Total	160,020,922	(10,576)	0.05%	(201)	0.00%	-	-	160,010,145

\* No direct transaction costs were incurred in these transactions.

Capital events amount of £1,501,636 (2023: £24,150) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

#### Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the year:

2024	£	% of average net asset value
Commission	21,681	0.01%
Taxes	34,851	0.02%
Financial transaction tax	1,726	0.00%

2023	£	% of average net asset value
Commission	31,507	0.02%
Taxes	62,131	0.03%

#### b Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.10% (2023: 0.13%).

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies

In pursuing the Fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the Fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the ACD, which sets the risk appetite and ensures continued compliance with the management of all known risks.

#### a Market risk

Market risk is the risk that the value of the Fund's financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

#### (i) Other price risk

The Fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are equities, collective investment schemes, closed-ended funds and exchange traded commodities.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the Fund is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the Fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 March 2024, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £9,339,719 (2023: £8,042,503).

#### (ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies (continued)

#### a Market risk (continued)

#### (ii) Currency risk (continued)

The foreign currency risk profile of the Fund's financial instruments and cash holdings at the balance sheet date is as follows:

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Australian dollar	2,817	-	2,817
Canadian dollar	810,381	(321,012)	489,369
Danish krone	3,201,219	2,226	3,203,445
Euro	12,105,211	(18,675)	12,086,536
Hong Kong dollar	106,501	-	106,501
Japanese yen	4,777,540	(29,605)	4,747,935
Norwegian krone	649,390	-	649,390
Swiss franc	3,839,433	72,388	3,911,821
US dollar	103,822,468	330,832	104,153,300
Total foreign currency exposure	129,314,960	36,154	129,351,114

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
Australian dollar	2,955	-	2,955
Canadian dollar	254,762	1,320	256,082
Danish krone	2,245,677	-	2,245,677
Euro	11,352,996	1,919	11,354,915
Hong Kong dollar	155,947	-	155,947
Japanese yen	4,727,344	28,425	4,755,769
Norwegian krone	1,068,889	-	1,068,889
Swiss franc	5,874,299	4,127	5,878,426
US dollar	74,936,072	43,745	74,979,817
Total foreign currency exposure	100,618,941	79,536	100,698,477

At 31 March 2024, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £6,467,556 (2023: £5,034,924).

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies (continued)

#### a Market risk (continued)

##### (iii) Interest rate risk

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes.

During the year the Fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities. The Fund also has indirect exposure to interest rate risk as it invests in bond funds. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally. In the event of a change in interest rates, there would be no material impact upon the net assets of the Fund.

The Fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

The interest rate risk profile of financial assets and liabilities at the balance sheet date is as follows:

	Variable rate financial assets	Variable rate financial liabilities	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2024	£	£	£	£	£	£
Australian dollar	2,817	-	-	-	-	2,817
Canadian dollar	2,491	-	-	810,208	(323,330)	489,369
Danish krone	1,631	-	-	3,201,814	-	3,203,445
Euro	89,146	-	-	12,123,374	(125,984)	12,086,536
Hong Kong dollar	814	-	-	105,687	-	106,501
Japanese yen	44,190	-	-	4,764,772	(61,027)	4,747,935
Norwegian krone	482	-	-	648,908	-	649,390
Swiss franc	86,064	-	-	3,825,757	-	3,911,821
UK sterling	1,799,170	-	4,779,187	59,838,867	(1,168,263)	65,248,961
US dollar	1,305,479	-	573,469	102,950,895	(676,543)	104,153,300
	<u>3,332,284</u>	<u>-</u>	<u>5,352,656</u>	<u>188,270,282</u>	<u>(2,355,147)</u>	<u>194,600,075</u>

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies (continued)

#### a Market risk (continued)

#### (iii) Interest rate risk (continued)

	Variable rate financial assets	Variable rate financial liabilities	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2023	£	£	£	£	£	£
Australian dollar	2,955	-	-	-	-	2,955
Canadian dollar	4,145	-	-	251,937	-	256,082
Danish krone	1,686	-	-	2,243,991	-	2,245,677
Euro	14,572	-	-	11,340,343	-	11,354,915
Hong Kong dollar	817	-	-	155,130	-	155,947
Japanese yen	937	-	-	4,754,832	-	4,755,769
Norwegian krone	449	-	-	1,068,440	-	1,068,889
Swiss franc	5,952	-	-	5,872,474	-	5,878,426
UK sterling	11,000,935	-	4,869,364	62,841,653	(1,285,143)	77,426,809
US dollar	2,312,568	-	-	72,718,226	(50,977)	74,979,817
	13,345,016	-	4,869,364	161,247,026	(1,336,120)	178,125,286

#### b 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.

The Depositary has appointed the custodian to provide custody services for the assets of the Fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the Fund. The Fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

In addition to the interest rate risk, bond investments are exposed to issuer risk which reflects the ability for the bond issuer to meet its obligations to pay interest and return the capital on the redemption date. Change in issuer risk will change the value of the investments and is dealt with further in note 15a. The debt securities held within the portfolio are investment grade bonds. These are made across a variety of industry sectors, and geographical markets, so as to avoid concentrations of credit risk. A breakdown is provided in the Portfolio statement. The credit quality of the debt securities is disclosed in the Portfolio statement.

The Fund holds cash and cash deposits with financial institutions which potentially exposes the Fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the Fund of default.

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

#### c Liquidity risk

A significant risk is the cancellation of shares which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of shares at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the Fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded share capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies (continued)

#### c Liquidity risk (continued)

The Fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the Fund may not be able to immediately sell such securities.

The equity markets of emerging countries tend to be more volatile than the more developed markets of the world. Standards of disclosure and accounting regimes may not always fully comply with international criteria, and can make it difficult to establish accurate estimates of fundamental value. The dearth of accurate and meaningful information, and inefficiencies in its distribution, can leave emerging markets prone to sudden and unpredictable changes in sentiment. The resultant investment flows can trigger significant volatility in these relatively small and illiquid markets. At the same time, this lack of liquidity, together with low dealing volumes, can restrict the ACD's ability to execute substantial deals.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the Fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the Fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the Fund to meet large redemptions, while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand.

#### d Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

To ensure this, the fair value pricing committee is a body appointed by the ACD to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the Fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

	Investment assets	Investment liabilities
Basis of valuation	2024	2024
	£	£
Quoted prices	181,397,017	-
Observable market data	10,750,010	-
Unobservable data	-	-
	<u>192,147,027</u>	<u>-</u>
	Investment assets	Investment liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	159,446,576	-
Observable market data	7,168,732	-
Unobservable data	-	-
	<u>166,615,308</u>	<u>-</u>

No securities in the portfolio of investments are valued using valuation techniques.

## Notes to the financial statements (continued)

for the year ended 31 March 2024

### 15. Risk management policies (continued)

#### e Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

#### f Derivatives

The Fund may employ derivatives with the aim of reducing the Fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the Fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

In the year there was direct exposure to derivatives. On a daily basis, exposure is calculated in UK sterling using the commitment approach with netting applied where appropriate. The total global exposure figure is divided by the net asset value of the Fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the Fund at any given time and may not exceed 100% of the net asset value of the property of the Fund.

For certain derivative transactions cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

#### (i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the Fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the Fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The Fund may transact in derivative contracts which potentially exposes the Fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored. Forward currency transactions are only undertaken with the custodians appointed by the Depositary.

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

#### (ii) Leverage

The leverage is calculated as the exposure generated through the use of derivatives (calculated in accordance with the commitment approach) divided by the net asset value.

There have been no leveraging arrangements in the year.

#### (iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date there is no global exposure to derivatives.

There have been no collateral arrangements in the year.

## Distribution table

for the year ended 31 March 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 April 2023

Group 2 - Shares purchased 1 April 2023 to 30 September 2023

	Net revenue	Equalisation	Total distribution 30 November 2023	Total distribution 30 November 2022
Income				
Group 1	1.476	-	1.476	1.353
Group 2	0.766	0.710	1.476	1.353

Final distribution in pence per share

Group 1 - Shares purchased before 1 October 2023

Group 2 - Shares purchased 1 October 2023 to 31 March 2024

	Net revenue	Equalisation	Total distribution 31 May 2024	Total distribution 31 May 2023
Income				
Group 1	0.978	-	0.978	1.047
Group 2	0.562	0.416	0.978	1.047

### Equalisation

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



## Remuneration

### Remuneration code disclosure

The remuneration committee is responsible for setting the remuneration policy for all partners, directors and employees within Evelyn Partners Group Limited ('the Group'), including individuals designated as Material Risk Takers (MRTs) under the Remuneration Code. The remuneration policy is designed to be compliant with the Code and provides a framework to attract, retain, motivate and reward partners, directors and employees. The overall policy is designed to promote the long-term success of the group and to support prudent risk management, with particular attention to conduct risk.

### Remuneration committee

The remuneration committee report contained in the Group Report and Financial Statements for the year ended 31 December 2023 includes details on the remuneration policy. The remuneration committee comprises five non-executive directors<sup>1</sup> and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2023.

### Remuneration policy

The main principles of the remuneration policy are:

- to align remuneration with the strategy and performance of the business;
- to ensure that remuneration is set at an appropriate and competitive level taking into account market rates and practices;
- to foster and support conduct and behaviours which are in line with our culture and values;
- to maintain a sound risk management framework;
- to ensure that the ratio between fixed and variable remuneration is appropriate and does not encourage excessive risk taking;
- to comply with all relevant regulatory requirements; and
- to align incentive plans with the business strategy and shareholder interests.

The policy is designed to reward partners, directors and employees for delivery of both financial and non-financial objectives which are set in line with company strategy. As part of a "balanced scorecard" approach to variable remuneration non-financial criteria including, but not limited to, compliance and risk issues, client management, supervision, leadership and teamwork are considered alongside financial performance.

### Remuneration systems

The committee reviews all partners' and directors' fixed and variable remuneration. In addition, it approves hurdles and awards in respect of equity incentive plans, namely a Deferred Option Plan, Equity Matching Plan, Matching Share Plan, Executive Long Term Incentive Plan and an Investment Management Long Term Incentive Plan.

The remuneration of partners is made up of a fixed profit share, discretionary bonus profit share and non-discretionary bonus profit share. The remuneration of employees typically comprises of a salary with benefits including pension contribution, life assurance, permanent health insurance, private medical insurance, SAYE scheme and a discretionary bonus scheme. Partners, directors and associate directors are also eligible to participate, at the invitation of the committee, in the equity incentive plans described above.

When setting variable remuneration for the executive directors, the committee considers overall business profit for the group and divisions, achievement of both financial and non-financial objectives (including adherence to the principles of treating customers fairly, conduct risk, compliance and regulatory rules), personal performance and any other relevant policy of the board in respect of the year ended 31 December 2023. The committee agrees the individual allocation of variable remuneration and the proportion of that variable remuneration to be awarded as restricted shares.

<sup>1</sup> Please note that the data provided for the independent non-executive directors is as at 31 December 2023. The data provided is for independent non-executive directors only.

## Remuneration (continued)

### Aggregate quantitative information

The total amount of remuneration paid by Evelyn Partners Fund Solutions Limited ('EPFL') is nil as EPFL has no employees. However, a number of employees have remuneration costs recharged to EPFL and the annualised remuneration for these 72 employees is £3.51 million of which £3.23 million is fixed remuneration. This is based on the salary and benefits for those identified as working in EPFL as at 31 December 2023. Any variable remuneration is awarded for the year ended 31 December 2023. This information excludes any senior management or other Material Risk Takers (MRTs) whose remuneration information is detailed below.

Evelyn Partners Group Limited reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Group. It is difficult to apportion remuneration for these individuals in respect of their duties to EPFL. For this reason, the aggregate total remuneration awarded for the year 31 December 2023 for senior management and other MRTs detailed below has not been apportioned.

Table to show the aggregate remuneration split by Senior Management and other MRTs for EPFL		For the period 1 January 2023 to 31 December 2023			
	Fixed	Variable Cash	Variable Equity	Total	No. MRTs
	£'000	£'000	£'000	£'000	
Senior Management	3,518	1,662	-	5,180	18
Other MRTs	919	848	-	1,767	5
Total	4,437	2,510	-	6,947	23

### Investment Managers

The ACD delegates the management of the Company's portfolio of assets to UBS Asset Management (UK) Limited, Investec Wealth & Investment Limited and Rathbones Investment Management Limited and pays to the Investment Managers, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at the month end. The Investment Managers are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

## Further information

### Distributions and reporting dates

Where net revenue is available it will be distributed semi-annually on 31 May (final) and 30 November (interim). In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	1 April	final
	1 October	interim
Reporting dates:	31 March	annual
	30 September	interim

### Buying and selling shares

The property of the Fund is valued at 12 noon on the 14th day of each month (or, if such day is not a business day, on the next business day) and on the last business day of the month, and prices of shares are calculated as at that time. The ACD may at any time during a business day carry out an additional valuation at its discretion, agreed with the Depositary. Share dealing is on a forward basis meaning investors can buy and sell shares at the next valuation point following receipt of the order.

Prices of shares and the estimated yield of the Fund are published on the following website: [www.trustnet.com](http://www.trustnet.com) or may be obtained by calling 0141 222 1151.

### Performance Comparator

The Company uses the Investment Association Global Equity Income Sector for performance comparison purposes only.

The Index has been selected as a comparator for performance because the constituents are representative of the areas in which the Company itself is likely to invest, and it is therefore an appropriate comparator for the Company's performance.

## Appointments

### ACD and Registered office

Evelyn Partners Fund Solutions Limited  
45 Gresham Street  
London EC2V 7BG  
Telephone 0207 131 4000  
Authorised and regulated by the Financial Conduct Authority

### Administrator and Registrar

Evelyn Partners Fund Solutions Limited  
177 Bothwell Street  
Glasgow G2 7ER  
Telephone 0141 222 1151 (Registration)  
0141 222 1150 (Dealing)  
Authorised and regulated by the Financial Conduct Authority

### Directors of the ACD

Andrew Baddeley  
Brian McLean  
Mayank Prakash  
Neil Coxhead

### Independent Non-Executive Directors of the ACD

Dean Buckley  
Linda Robinson  
Sally Macdonald  
Victoria Muir

### Non-Executive Directors of the ACD

Paul Wyse - resigned 11 July 2023  
Guy Swarbreck - appointed 21 August 2023

### Investment Managers

UBS Asset Management (UK) Limited  
5 Broadgate  
London EC2M 2QS  
Authorised and regulated by the Financial Conduct Authority

### Investec Wealth & Investment Limited

30 Gresham St  
London EC2V 7QN  
Authorised and regulated by the Financial Conduct Authority

### Rathbones Investment Management Limited

Port of Liverpool Building  
Pier Head, Liverpool  
Merseyside L3 1NW  
Authorised and regulated by the Financial Conduct Authority

### Depositary

NatWest Trustee and Depositary Services Limited  
House A, Floor 0  
Gogarburn  
175 Glasgow Road  
Edinburgh EH12 1HQ  
Authorised and regulated by the Financial Conduct Authority

## Appointments (continued)

Auditor  
Johnston Carmichael LLP  
Bishop's Court  
29 Albyn Place  
Aberdeen AB10 1YL