

The Plain Andrews Unit Trust

Annual Report

for the year ended 5 April 2024

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## The Plain Andrews Unit Trust

### Report of the Manager

Evelyn Partners Fund Solutions Limited, as Manager, presents herewith the Annual Report for The Plain Andrews Unit Trust for the year ended 5 April 2024.

The Plain Andrews Unit Trust ('the Trust' or 'the Fund') is an authorised unit trust scheme further to an authorisation order dated 19 March 2004 and is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the Financial Conduct Authority ('FCA').

The Manager 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 Fund consist predominantly of securities which are readily realisable and, accordingly, the Fund 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 Trust Deed can be inspected at the offices of the Manager.

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

#### Investment objective and policy

The objective and policy of the Trust is to achieve a balanced return of income and capital growth through investment in a variety of asset classes including equities, bonds, money market instruments and cash. There may be some use of derivatives but only for purposes of Efficient Portfolio Management. There will be an emphasis on investment in units or shares in other regulated collective investment schemes. It is likely that a significant proportion of the Trust property will be invested in sub-funds of a regulated collective investment scheme operated by an associate of the Investment Adviser and called 'Stonehage Fleming Global Equities Umbrella Fund' which is an authorised unit trust.

#### Changes affecting the Fund in the year

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

Further information in relation to the Fund is illustrated on page 45.

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

Neil Coxhead  
Directors  
Evelyn Partners Fund Solutions Limited  
9 July 2024

Brian McLean

## Statement of the Manager's responsibilities

The Collective Investment Schemes sourcebook ('COLL') published by the FCA, requires the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Trust and of the net revenue and net capital gains on the scheme property of the Trust for the year.

In preparing the financial statements the Manager 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 Trust'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 Trust 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 Trust's information on the Manager'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 Manager to carry out an Assessment of Value on the Trust and publish this assessment within the Annual Report.

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




## Assessment of Value - The Plain Andrews Unit Trust

In line with the provisions contained within COLL 6.6.20R, the Board of Evelyn Partners Fund Solutions Limited ('EPFL') as Authorised Fund Manager ('AFM'), has carried out an Assessment of Value for The Plain Andrews Unit Trust ('the Trust'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the Trust for the year ended 5 April 2024 using the seven criteria set by the FCA is set out below:

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

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

-  On balance, the Board believes the Trust has delivered value to unitholders, with no material issues noted.
-  On balance, the Board believes the Trust has delivered value to unitholders, but may require some action.
-  On balance, the Board believes the Trust has not delivered value to unitholders 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 Trust 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 Trust 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 Trust performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) AFM costs – the fairness and value of the Trust'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 Trust compare with others in the marketplace;
- (6) Comparable services – how the charges applied to the Trust compare with those of other funds administered by EPFL;
- (7) Classes of units – the appropriateness of the classes of units in the Trust for investors.

## Assessment of Value - The Plain Andrews Unit Trust (continued)

### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as AFM, has overall responsibility for the Trust. The Board assessed, amongst other things: the day-to-day administration of the Trust; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of units; 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 dealing and settlement arrangements and the quality of marketing material sent to unitholders. EPFL delegates the Investment Management of the Trust to two 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 Trustee and various EPFL delegated Investment Advisers.

#### 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 Advisers, Stonehage Fleming Investment Management Limited and Sarasin & Partners LLP, where consideration was given to, amongst other things, the delegates' controls around the Trust's liquidity management.

The Board also considered the nature, extent and quality of administrative and unitholder services performed under separate agreements covering trustee 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 Trust'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 Trust and its unitholders.

Were there any follow up actions?

There were no follow-up actions.

### 2. Performance

What was assessed in this section?

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

#### Investment Objective

The objective and policy of the Trust is to achieve a balanced return of income and capital growth through investment in a variety of asset classes including equities, bonds, money market instruments and cash.

## Assessment of Value - The Plain Andrews Unit Trust (continued)

### 2. Performance (continued)

#### Benchmark

As AFM, 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.

The benchmark for the Trust is the ARC Sterling Steady Growth PCI, which is a comparator. A 'comparator' benchmark is an index or similar factor against which an Investment Adviser invites investors to compare a fund's performance. Details of how the Trust had performed against its comparator benchmark over various timescales can be found below.

#### Cumulative Performance as at 29.02.2024 (%)

	Currency	1 Year	3 Year	5 Year
The Plain Andrews Unit Trust TR	GBX	8.51%	8.86%	27.25%
ARC Sterling Steady Growth PCI TR	GBP	5.87%	8.20%	23.40%

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 FE Fundinfo 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 Trust over its minimum recommended holding period of five years and observed that it has outperformed its comparator benchmark, the ARC Sterling Steady Growth PCI. As a result, a green rating was given.

The Board found that the Trust is investing in the asset classes permitted by the investment policy and that there have been no breaches of the policy in the last 12 months.

#### Were there any follow up actions?

There were no follow-up actions required.

### 3. AFM 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'), Trustee/Custodian fees and audit fee. The AMC includes the Manager's periodic charge and the Investment Advisers' 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 Trust'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 the AUM of the Trust to examine the effect on the Trust to potential and existing investors should it increase or decrease in value.

## Assessment of Value - The Plain Andrews Unit Trust (continued)

### 4. Economies of Scale (continued)

What was the outcome of the assessment?

The Investment Adviser's fee for Sarasin & Partners LLP is tiered meaning that there are opportunities for savings going forward should their portion of the Trust grow in size.

The Investment Adviser's fee for Stonehage Fleming Investment Management Limited is a fixed percentage charge and as a result there are no opportunities for savings should their portion of the Trust grow in size.

The Manager's periodic charge is a fixed percentage charge meaning there are no opportunities for savings going forward should the Trust grow in size.

The ancillary charges of the Trust represent 13 basis points<sup>1</sup>. Some of these costs are fixed and as the Trust 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 Trust, and how those charges affect the returns of the Trust.

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

What was the outcome of the assessment?

The OCF of 1.06%<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 Trust.

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 Trust's Investment Advisers' 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 Advisers' fees compared favourably with other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

### 7. Classes of Units

What was assessed in this section?

The Board reviewed the Trust's set-up to ensure that where there are multiple unit classes, unitholders are in the correct unit class given the size of their holding.

What was the outcome of the assessment?

There is only one unit class in the Trust, 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%.

<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 Plain Andrews Unit Trust (continued)

### Overall Assessment of Value

The Board concluded that The Plain Andrews Unit Trust provided value to unitholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

30 April 2024

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 Trustee to the unitholders of The Plain Andrews Unit Trust

### Trustee's responsibilities

The Trustee must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Trustee must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited  
9 July 2024

## Independent Auditor's report to the unitholders of The Plain Andrews Unit Trust

### Opinion

We have audited the financial statements of The Plain Andrews Unit Trust (the 'Trust') for the year ended 5 April 2024 which comprise the Statement of total return, Statement of change in net assets attributable to unitholders, 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 Trust at 5 April 2024 and of the net revenue and the net capital gains on the scheme property of the Trust 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 Trust Deed.

### 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 Manager'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 Trust'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 Manager 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 Manager 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 Trust 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 Manager for the year is consistent with the financial statements.

## Independent Auditor's report to the unitholders of The Plain Andrews Unit Trust (continued)

### Responsibilities of the Manager

As explained more fully in the Statement of the Manager's responsibilities set out on page 3, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor 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 Trust 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; and
- The Trust's Prospectus.

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

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Manager was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Manager 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.

## Independent Auditor's report to the unitholders of The Plain Andrews Unit Trust (continued)

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

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

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 Trust'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 Manager 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 Trust's compliance with the key requirements of the Collective Investment Schemes sourcebook and its Prospectus;
- Completion of appropriate checklists and use of our experience to assess the Trust'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 are to become aware of it.

### Use of Our Report

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules published by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Trust's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

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

## Accounting policies of The Plain Andrews Unit Trust

for the year ended 5 April 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').

The Manager 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 Manager 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 5 April 2024.

Collective investment schemes also operated by the Manager are valued at cancellation price for dual priced funds and at the single price for single priced funds.

Derivatives are valued at the price which would be required to close out the contract at the balance sheet date.

Where an observable market price is unreliable or does not exist, investments are valued at the Manager's best estimate of the amount that would be received from an immediate transfer at arm's length. The Manager has appointed the fair value pricing committee 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.

### 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.

## Accounting policies of The Plain Andrews Unit Trust (continued)

for the year ended 5 April 2024

### d Revenue (continued)

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.

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 scrip dividends is treated as revenue and forms part of the Fund's distributions.

Return on options are treated as capital or revenue depending on the characteristics of the option.

If an option is entered into for the purpose of protecting capital, the premium is treated as a capital return and if the option is entered into for the intention of protecting/generating revenue, the premium is treated as revenue and forms part of the sub-funds' distributions. The premium is only permitted to be treated as revenue if there is no initial capital loss when entering an options contract. In the event of a premium being treated as revenue this may have the effect of diminishing the capital property of the Fund.

In the year, all premiums received on option trades have been allocated to revenue net of the expenses incurred in the transaction and form 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 5 April 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.

When a disposal of a holding in a non-reporting offshore fund is made, any gain is an offshore income gain and tax will be charged to capital. There may be instances where tax relief is due to revenue for the utilisation of excess management expenses.

## Accounting policies of The Plain Andrews Unit Trust (continued)

for the year ended 5 April 2024

### 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.

The premiums paid/received on options written for the purpose of reducing the price and risk of entering a stock position, are allocated to the capital property of the Fund.

### h *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 units are paid to unitholders.

#### ii *Unclaimed distributions*

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



## Investment Adviser's report - Stonehage Fleming Investment Management Limited

For the portfolio managed by Stonehage Fleming Investment Management Limited, who as at the year end managed 69.65% of the Fund's net asset value.

### Investment performance

Within the portfolio managed by Stonehage Fleming Investment Management Limited, the core portfolio returned +14.3% and the passive portfolio returned +16.0% over the 12 month period<sup>^</sup>. The comparative benchmark, ARC Sterling Steady Growth PCI, returned +9.3% over the same period<sup>^^</sup>.

Our in-house global equity strategy, Stonehage Fleming Global Best Ideas had a strong year, aided by good stock selection within the health care sector. In the second half of the period, we saw strong returns from our holdings in the US, particularly our small cap manager Driehaus which benefitted from holdings in technology, consumer staples and industrial stocks, whilst Polar Capital Funds - Insurance Fund also outperformed global markets as their Property & Casualty insurance holdings saw positive earnings results. Within alternatives, the specialist holding in catastrophe bonds performed well. Although it was an active year in terms of natural events, very little of the perils impacted the catastrophe bond market.

There have been a number of changes to the portfolio across all asset classes. Most notably within fixed income, the duration of the portfolio was increased with greater exposure in core government bonds, specifically US Treasuries and UK Gilts. Within equities a number of changes were made focussing on consolidating positioning around a smaller number of investment ideas and managers, where the highest conviction is held. This meant redeeming positions in a number of active managers where the forward looking outperformance had diminished and reinvesting the proceeds to a number of exchange traded fund instruments which access a market cap weighted representation of the US, Japan and Emerging Market indices.

### Market Review

Financial markets had a mixed period in the 12 months to 5 April 2024 as a weaker first half overall was followed by some strong returns in the second half. Markets were led higher as investors' sentiment improved with inflation moderating across developed markets and economic activity remained resilient in the US and Europe, despite elevated interest rates. Amid escalating conflicts in the Middle East and Ukraine the price of oil surged and in response to this uncertainty investors have turned to gold, a traditional safe haven asset which reached an all time high at the end of March.

Moving into the start of 2024, Equity markets showcased their strongest first quarter of the year since 2019, as corporate earnings were well received by the market and several rate cuts were still priced in. The magnificent 7 drove US equity performance for the majority of the period, supported by ongoing enthusiasm for Artificial Intelligence, we saw returns broaden with strong gains exhibited across Communication Services, Energy and IT businesses. Regionally, the US continues to dominate, though Europe and Japan posted stellar returns.

Fixed income markets gyrated in the 12 months to 5 April 2024. Developed market sovereign bonds came under pressure as sticky wage and core inflation threatened 'higher for longer' interest rates, but as these fears receded, they rallied in quarter 4. Volatility was high throughout the year amid intense scrutiny of inflation prints and central bank communications. Credit performed better than sovereigns as corporate defaults remained low, with spreads beginning to narrow in quarter 4 2023 narrowing considerably during quarter 4's 'risk on' rally, particularly within High Yield.

### Investment strategy and outlook

The coming six months will be critical for the next phase of the economic and market cycle, as central banks pivot their policy to reflect incoming growth and inflation trends, and the US presidential race enters the final stretch. Equity markets are currently well supported by broadening economic momentum, and market concentration is not perceived as an imminent threat to the health of the market. Nevertheless, periods of shorter-term volatility will not surprise us as investors react to ongoing developments and adjust their expectations. The portfolio is well-diversified across assets and market segments, reflecting today's economic, political and geopolitical shifting sands.

Stonehage Fleming Investment Management Limited

9 May 2024

<sup>^</sup>Source: Stonehage Fleming, Bloomberg as at 31 March 2024.

<sup>^^</sup>Source: Estimated Index Level provided by ARC.

## Investment Adviser's report - Sarasin & Partners LLP

For the portfolio managed by Sarasin & Partners LLP, who as at the year end managed 30.35% of the Fund's net asset value.

### Investment performance\*

For the year to 5 April 2024, the portfolio managed by Sarasin & Partners LLP returned +10.0% on a total return basis gross of fees ahead of the ARC Sterling Steady Growth PCI comparator return of +9.3%.

### Market backdrop\*\*

Over the year to 5 April, equity markets have performed strongly. Towards the end of 2023, the main catalyst for the sharp uptick in equity market performance was the clear indication from the Federal Reserve ('Fed') at their November meeting that US interest rates had peaked. It wasn't just equities that rallied off the back of this news, bond yields also retreated on expectations that we would now be seeing the first rate cut in the US in 2024. Turning to this year, the strong finish to 2023 has broadly continued in equity markets. It has also been pleasing to see a further broadening out of the rally across sectors and regions, although returns are still being dominated by US technology, particularly those that are exposed to tailwinds in Artificial Intelligence ('AI').

Although greatly reduced from its peak of over 9% in 2022, US inflation is temporarily stuck in a range of 3% - 4%. The latest reading for March of 3.5% was higher than hoped for, which has pushed back expectations for the first US rate cut to later in the year. As you might expect, more stubborn inflation numbers coupled with stronger than expected economic growth has pushed bond yields higher once again. The US labour market has remained reasonably tight, and this is another contributing factor as to why we can't expect rates to come down just yet. The latest UK CPI number was 3.2% for March, which is likely to come down again to well below 3% at the end of April when the new energy price cap kicks in and the Bank of England might even now make its first interest rate reduction ahead of the Fed.

### Investment activities\*\*

Over the 12 months, we have lifted net equity exposure from 64% to 69% with 11% in fixed interest, 9% in alternative assets and 11% in cash as at 5 April 2024.

The key drivers of performance over the 12-month period were US technology companies, which have dominated market performance, and semi-conductor stocks. NVIDIA, Amazon.com, Alphabet 'A' and Microsoft were amongst the top contributors. NVIDIA remains one of the best placed companies to benefit from the AI phenomenon while Amazon.com has a very profitable cloud business, Amazon Web Services, and a highly cash generative retail business. Meta Platforms 'A' was also a leading contributor, benefitting from AI and improvements from recent cost cutting measures. Detractors included AIA Group and Prudential, Asian insurance providers, which suffered due to weakness in the Chinese economy despite their results coming in as expected.

The portfolio's fixed income allocation returned 2.4% over the period, with government bonds losing ground, but corporate bonds where we have focussed the fund's exposure making positive returns. The portfolio's bond allocation is now providing a yield to maturity of 5.7% from an A-rated portfolio with 6 years duration and we believe this will generate a 'real' return going forward.

The portfolio's alternatives saw mixed returns over the 12 months. The portfolio's exposure to gold, absolute return funds and private equity made positive returns, but the portfolio's holdings in high quality infrastructure and renewables were weak. These infrastructure holdings, accessed via investment trusts, offer attractive dividend yields and exposure to inflation linked cashflow, but higher interest rates have pushed shares to discounts to their underlying Net Asset Values. When we see a return to more accommodative policy from central banks, we are confident that these assets can provide strong risk adjusted returns.

During the period under review, we started a position in Apple in July last year. Apple is one of the leading technology companies in the consumer electronics space which is set to benefit from demand for its iPhone 16 involving generative AI. In addition, we started a position in Fortinet, a leading player in cyber security software. NVIDIA was purchased, with our opening purchase executed at circa \$460, almost half of the stock's closing price as at 5 April. We sold Ecolab, the water technology company on the back of a strong rise in its share price and slow future growth prospects. Palo Alto Networks was also sold, after the company reported disappointing results.

\*Source: Sarasin & Partners LLP and ARC.

\*\*Source: Sarasin & Partners LLP.

## Investment Adviser's report - Sarasin & Partners LLP (continued)

### Investment strategy and outlook

In the UK and Europe, headline inflation continues to fall back towards target levels and we expect UK and European central banks to announce their first interest rate cuts over the summer. With regard to the US, the election will have some impact on Fed policy later in the year, as they will be keen to avoid accusations of political bias with aggressive rate cuts, but normal service will resume early in 2025 whoever is in office.

The positive impact of the China slowdown, if it continues, will be relatively low growth for the global economy well into the foreseeable future, a favourable backdrop for our long-term thematic approach and which should also allow central banks to revert to more accommodative and stable monetary policy. Despite the ongoing geopolitical challenges in Ukraine, the Middle East and potentially Asia as well, energy markets are back in balance, as are global supply chains. Corporate profitability and cash flow generation remain robust, fuelling dividend growth and share buy-back programmes well ahead of global inflation.

Apart from the escalation of the Middle East crisis in early April, arguably the biggest risk to the current benign mood in markets is the impact of Quantitative Tightening (the shrinking of central bank balance sheets), which so far bond investors have absorbed, alongside the alarming growth in sovereign debt across the developed world. The cost of servicing US national debt is set to exceed \$1 trillion per annum and the "exorbitant privilege" the United States enjoys as the world's leading economy should not be taken for granted indefinitely. This is a long-term concern we must monitor carefully. However, as the Fed appears to be engineering a 'soft' landing for their economy, we expect markets to continue to respond positively and we are happy to remain overweight risk assets in the portfolio.

Sarasin & Partners LLP  
5 April 2024

## Summary of portfolio changes

for the year ended 5 April 2024

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

Purchases:	Cost £
Vanguard S&P 500 UCITS ETF	645,329
Vanguard FTSE Developed Europe ex UK UCITS ETF	417,249
Amundi Prime Japan UCITS ETF	372,563
UK Treasury Gilt 0.875% 31/07/2033	317,650
iShares USD Treasury Bond 7-10yr UCITS ETF	277,275
iShares Core MSCI EM IMI UCITS ETF	271,849
Apple	239,932
Sarasin Funds ICVC - Sarasin Responsible Corporate Bond	193,019
UK Treasury Gilt 0.625% 31/07/2035	187,778
Fermat UCITS Cat Bond Fund	156,362
American Tower	144,041
UK Treasury Gilt 3.25% 22/01/2044	133,765
NVIDIA	132,820
Cisco Systems	127,939
Amazon.com	126,107
BlackRock Strategic Funds - Asia Pacific Absolute Return Fund	120,000
Home Depot	116,335
Compass Group	112,938
Shiseido	109,309
Takeda Pharmaceutical	107,823

Sales:	Proceeds £
BlackRock ICS Sterling Liquidity Fund	409,133
iShares Core S&P 500 UCITS ETF	351,685
Artisan US Focus Fund	350,049
Fidelity US Quality Income UCITS ETF	347,500
Fidelity Institutional Funds ICVC - Emerging Markets Fund	325,499
Sarasin Funds ICVC - Sarasin Global Higher Dividend Fund	311,186
UK Treasury Gilt 0.875% 31/07/2033	273,436
UK Treasury Gilt 2% 07/09/2025	267,332
iShares Core FTSE 100 UCITS ETF	258,631
iShares GBP Corporate Bond 0-5yr UCITS ETF	218,326
iShares Physical Gold	210,675
J O Hambro Capital Management Umbrella Fund	179,118
Invesco Physical Gold	157,881
Comgest Growth - Comgest Growth Japan	157,117
GAM Star Cat Bond Fund	156,363
Lyxor Core STOXX Europe 600	153,838
London Stock Exchange Group	137,922
Meta Platforms 'A'	137,286
UK Treasury Gilt 3.25% 22/01/2044	135,968
iShares MSCI EM UCITS ETF	132,376

## Portfolio statement

as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt Securities* 2.95% (3.17%)			
Aa3 to A1 2.95% (3.17%)			
UK Treasury Gilt 0.5% 31/01/2029	£178,741	152,055	0.70
UK Treasury Gilt 0.625% 31/07/2035	£276,168	189,009	0.87
UK Treasury Gilt 0.875% 31/07/2033	£398,555	301,626	1.38
UK Treasury Gilt 2% 07/09/2025**	-	-	-
Total debt securities		<u>642,690</u>	<u>2.95</u>
Equities 21.04% (18.00%)			
Equities - United Kingdom 1.04% (2.77%)			
Materials 0.25% (0.87%)			
DS Smith	6,049	24,789	0.11
Rio Tinto	626	<u>31,140</u>	<u>0.14</u>
		55,929	0.25
Industrials 0.30% (0.00%)			
RELX	1,987	<u>65,909</u>	<u>0.30</u>
Consumer Discretionary 0.45% (0.00%)			
Compass Group	4,399	<u>97,658</u>	<u>0.45</u>
Consumer Staples 0.00% (0.41%)		-	-
Health Care 0.00% (0.33%)		-	-
Financials 0.00% (1.05%)		-	-
Real Estate 0.04% (0.11%)			
Home REIT <sup>^</sup>	60,655	<u>7,733</u>	<u>0.04</u>
Total equities - United Kingdom		<u>227,229</u>	<u>1.04</u>
Equities - Europe 4.63% (3.95%)			
Equities - France 0.79% (1.01%)			
Air Liquide	461	74,135	0.34
EssilorLuxottica	193	33,636	0.15
LVMH Moët Hennessy Louis Vuitton	96	<u>65,852</u>	<u>0.30</u>
Total equities - France		<u>173,623</u>	<u>0.79</u>

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

\*\* Residual holding of 0.01.

<sup>^</sup> Home REIT is included in the portfolio of investments with a value of £0.1275 (2023: £0.3805), a 67% discount applied to £0.3805 which was the last traded price before the asset was temporarily suspended on 3 January 2023.

Portfolio statement (continued)  
as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - Europe (continued)			
Equities - Germany 0.55% (0.65%)			
Siemens	394	58,278	0.27
Siemens Healthineers	1,259	60,059	0.28
Total equities - Germany		<u>118,337</u>	<u>0.55</u>
Equities - Ireland 1.02% (0.34%)			
Accenture	323	85,237	0.39
Medtronic	2,041	136,811	0.63
Total equities - Ireland		<u>222,048</u>	<u>1.02</u>
Equities - Luxembourg 0.00% (0.38%)		-	-
Equities - Netherlands 0.94% (0.61%)			
ASML Holding	185	143,706	0.66
ING Groep	4,545	60,787	0.28
Total equities - Netherlands		<u>204,493</u>	<u>0.94</u>
Equities - Norway 0.48% (0.35%)			
Equinor	4,688	103,761	0.48
Equities - Sweden 0.28% (0.30%)			
Investor	3,134	61,074	0.28
Equities - Switzerland 0.57% (0.31%)			
Partners Group Holding	64	71,105	0.33
SGS	699	51,609	0.24
Total equities - Switzerland		<u>122,714</u>	<u>0.57</u>
Total equities - Europe		<u>1,006,050</u>	<u>4.63</u>
Equities - North America 13.33% (9.30%)			
Equities - Canada 0.24% (0.00%)			
Hydro One	2,300	52,463	0.24
Equities - United States 13.09% (9.30%)			
Alphabet 'A'	1,851	223,702	1.03
Amazon.com	1,650	241,911	1.11
American Tower	657	99,085	0.45
Amgen	479	102,487	0.47
Apple	1,126	151,374	0.69
Broadcom	77	81,666	0.37
Cisco Systems	2,612	100,475	0.46
CME Group	704	117,766	0.54
Colgate-Palmolive	2,128	148,227	0.68

## Portfolio statement (continued)

as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - North America (continued)			
Equities - United States (continued)			
Costco Wholesale	48	27,142	0.12
Deere	338	110,547	0.51
Eli Lilly	94	58,405	0.27
Fortinet	1,069	60,097	0.28
Home Depot	343	97,196	0.45
JPMorgan Chase	553	86,566	0.40
Mastercard	299	113,017	0.52
Merck	1,309	132,846	0.61
Meta Platforms 'A'	265	110,666	0.51
Microsoft	512	172,656	0.79
NVIDIA	250	174,369	0.80
Otis Worldwide	1,221	94,613	0.43
Prologis	862	85,240	0.39
Tetra Tech Inc	346	52,901	0.24
Texas Instruments	305	40,485	0.19
Thermo Fisher Scientific	153	70,278	0.32
United Parcel Service	280	33,602	0.15
Walt Disney	727	68,236	0.31
Total equities - United States		<u>2,855,555</u>	<u>13.09</u>
Total equities - North America		<u>2,908,018</u>	<u>13.33</u>
Equities - Australia 0.26% (0.00%)			
Lynas Rare Earths	2,975	8,773	0.04
Sonic Healthcare	3,189	48,033	0.22
Total equities - Australia		<u>56,806</u>	<u>0.26</u>
Equities - Cayman Islands 0.00% (0.47%)		-	-
Equities - Far East 1.78% (1.10%)			
Equities - Hong Kong 0.30% (0.61%)			
AIA Group	12,200	<u>66,287</u>	<u>0.30</u>
Equities - Japan 0.84% (0.27%)			
Daikin Industries	400	42,184	0.19
Keyence	200	67,942	0.31
Takeda Pharmaceutical	3,400	73,224	0.34
Total equities - Japan		<u>183,350</u>	<u>0.84</u>
Equities - Taiwan 0.64% (0.22%)			
Taiwan Semiconductor Manufacturing ADR	1,240	<u>138,938</u>	<u>0.64</u>
Total equities - Far East		<u>388,575</u>	<u>1.78</u>
Equities - India 0.00% (0.41%)		-	-
Total equities		<u>4,586,678</u>	<u>21.04</u>

## Portfolio statement (continued)

as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Closed-Ended Funds 1.86% (2.38%)			
Closed-Ended Funds - United Kingdom 1.86% (2.03%)			
Closed-Ended Funds - incorporated in the United Kingdom 0.19% (0.37%)			
HgCapital Trust	7,023	33,500	0.14
US Solar Fund	31,892	11,378	0.05
Total closed-ended funds - incorporated in the United Kingdom		<u>44,878</u>	<u>0.19</u>
Closed-Ended Funds - incorporated outwith the United Kingdom 1.67% (1.66%)			
3i Infrastructure	24,046	78,270	0.36
International Public Partnerships	66,424	82,764	0.38
Renewables Infrastructure Group	73,969	73,229	0.34
Schiehallion Fund	35,424	21,063	0.10
Sequoia Economic Infrastructure Income Fund	104,750	85,266	0.39
Syncona	18,533	21,795	0.10
Total closed-ended funds - incorporated outwith the United Kingdom		<u>362,387</u>	<u>1.67</u>
Total closed-ended funds - United Kingdom		<u>407,265</u>	<u>1.86</u>
Overseas Closed-Ended Funds 0.00% (0.35%)		-	-
Total closed-ended funds		<u>407,265</u>	<u>1.86</u>
Collective Investment Schemes 67.99% (68.67%)			
UK Authorised Collective Investment Schemes 4.74% (7.40%)			
Man GLG Income Fund	253,575	325,590	1.48
Sarasin Funds ICVC - Sarasin Responsible Corporate Bond <sup>^</sup>	884,230	710,921	3.26
Total UK authorised collective investment schemes		<u>1,036,511</u>	<u>4.74</u>
Offshore Collective Investment Schemes 63.25% (61.27%)			
Amundi Prime Japan UCITS ETF	17,057	409,837	1.88
BlackRock ICS Sterling Liquidity Fund	30,900	30,900	0.14
BlackRock Strategic Funds - Asia Pacific Absolute Return Fund	1,130	122,080	0.56
BlueBay Global Investment Grade Corporate Bond Fund	2,876	269,160	1.23
Coremont Investment Fund -			
Brevan Howard Absolute Return Government Bond Fund	438	56,712	0.26
Dimensional Funds - Global Targeted Value Fund	7,968	265,406	1.22
Fermat UCITS Cat Bond Fund	15,636	158,927	0.73
Heptagon Fund ICAV - Driehaus US Small Cap Equity Fund	2,313	253,204	1.16
iShares Core FTSE 100 UCITS ETF	9,943	76,790	0.35
iShares Core MSCI EM IMI UCITS ETF	32,259	836,476	3.83
iShares Core MSCI Japan IMI UCITS ETF	1,056	46,010	0.21
iShares Core S&P 500 UCITS ETF	2,748	1,189,802	5.45
iShares MSCI EM UCITS ETF	2,526	74,441	0.34
iShares S&P 500 GBP Hedged UCITS ETF	4,849	569,661	2.61
iShares USD Treasury Bond 3-7yr UCITS ETF	48,376	217,329	1.00
iShares USD Treasury Bond 7-10yr UCITS ETF	105,863	456,428	2.09
Lumyna Marshall TOPS UCITS Fund A ACC	1,486	197,850	0.91

<sup>^</sup> Managed by the Investment Adviser, Sarasin & Partners LLP.



## Portfolio statement (continued)

as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Collective Investment Schemes (continued)			
Offshore Collective Investment Schemes (continued)			
Amundi Alternative Funds - Amundi Sandler US Equity Fund	1,482	176,084	0.81
Amundi MSCI World V UCITS ETF	100,287	1,414,849	6.48
Lyxor Core STOXX Europe 600	2,645	524,292	2.40
Polar Capital Funds - Insurance Fund	43,635	369,963	1.70
Sector Capital Fund - Sector Healthcare Value Fund	1,700	227,131	1.04
Stonehage Fleming Global Best Ideas Equity Fund <sup>^</sup>	3,955	988,806	4.53
Vanguard FTSE All-World UCITS ETF	11,836	1,191,412	5.46
Vanguard FTSE Developed Europe ex UK UCITS ETF	12,254	420,067	1.93
Vanguard Global Aggregate Bond UCITS ETF	32,036	709,117	3.25
Vanguard S&P 500 UCITS ETF	26,535	2,069,266	9.48
Veritas Funds - Asian Fund	196	160,484	0.74
Xtrackers S&P 500 Equal Weight UCITS ETF	4,482	318,312	1.46
Total offshore collective investment schemes		<u>13,800,796</u>	<u>63.25</u>
Total collective investment schemes		<u>14,837,307</u>	<u>67.99</u>
Exchange Traded Commodities 3.33% (5.01%)			
Invesco Physical Gold	710	126,143	0.58
iShares Physical Gold	16,786	600,939	2.75
Total exchange traded commodities		<u>727,082</u>	<u>3.33</u>
Options 0.04% (0.07%)			
CBOE Mini SPX Index Jun 24 400	(10)	(519)	0.00
CBOE Mini SPX Index Jun 24 485	10	2,929	0.01
CBOE Mini SPX Index Sep 24 420	(10)	(2,216)	(0.01)
CBOE Mini SPX Index Sep 24 500	10	8,233	0.04
Options assets		11,162	0.05
Options liabilities		(2,735)	(0.01)
Total options		<u>8,427</u>	<u>0.04</u>
Forward currency contracts -0.06% (0.13%)			
Sell Hong Kong dollar	(HK\$171,947)	(17,415)	
Buy UK sterling	£17,396	17,396	
Expiry date 8 April 2024		<u>(19)</u>	<u>0.00</u>
Sell Euro	(€246,000)	(211,544)	
Buy UK sterling	£210,644	210,644	
Expiry date 20 June 2024		<u>(900)</u>	<u>0.00</u>

<sup>^</sup> Managed by the Investment Adviser, Stonehage Fleming Investment Management Limited.

## Portfolio statement (continued)

as at 5 April 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Forward currency contracts (continued)			
Sell US dollar	(\$1,667,649)	(1,321,502)	
Buy UK sterling	£1,309,388	1,309,388	
Expiry date 20 June 2024		(12,114)	(0.06)
Total forward currency contracts		(13,033)	(0.06)
Investment assets		21,212,184	97.22
Investment liabilities		(15,768)	(0.07)
Portfolio of investments		21,196,416	97.15
Other net assets		621,538	2.85
Total net assets		21,817,954	100.00

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. Forward contracts are not listed on stock exchanges and are considered over-the-counter instruments.

The comparative figures in brackets are as at 5 April 2023.

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

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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 7 June 2024

## Comparative table

The following disclosures give a unitholder an indication of the performance of a unit in the Fund. It also discloses the operating charges and direct transaction costs applied to each unit. 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 unit			
Opening net asset value per unit	185.14	199.05	192.22
Return before operating charges	24.35	(10.06)	9.91
Operating charges	(2.02)	(2.14)	(2.41)
Return after operating charges *	22.33	(12.20)	7.50
Distributions <sup>^</sup>	(2.39)	(1.71)	(0.67)
Closing net asset value per unit	205.08	185.14	199.05
* after direct transaction costs of:	(0.04)	0.03	0.03
Performance			
Return after charges	12.06%	(6.13%)	3.90%
Other information			
Closing net asset value (£)	21,817,954	20,868,106	22,186,315
Closing number of units	10,638,895	11,271,258	11,145,872
Operating charges <sup>^^</sup>	1.06%	1.15%	1.20%
Direct transaction costs	0.02%	0.01%	0.01%
Published prices			
Highest offer unit price	207.6	198.3	210.5
Lowest bid unit price	181.3	175.0	188.5

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 Manager's periodic charge and the Investment Advisers' 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 Plain Andrews Unit Trust

### Statement of total return for the year ended 5 April 2024

	Notes	2024	2023
		£	£
Income:			
Net capital gains / (losses)	2	2,263,530	(1,548,608)
Revenue	3	458,340	372,316
Expenses	4	<u>(178,218)</u>	<u>(173,464)</u>
Net revenue before taxation		280,122	198,852
Taxation	5	<u>(10,956)</u>	<u>(7,306)</u>
Net revenue after taxation		<u>269,166</u>	<u>191,546</u>
Total return before distributions		2,532,696	(1,357,062)
Distributions	6	(269,188)	(191,582)
Change in net assets attributable to unitholders from investment activities		<u>2,263,508</u>	<u>(1,548,644)</u>

### Statement of change in net assets attributable to unitholders for the year ended 5 April 2024

	2024	2023
	£	£
Opening net assets attributable to unitholders	20,868,106	22,186,315
Amounts receivable on issue of units	125,570	237,923
Amounts payable on cancellation of units	<u>(1,439,230)</u>	<u>(7,488)</u>
	(1,313,660)	230,435
Change in net assets attributable to unitholders from investment activities	2,263,508	(1,548,644)
Closing net assets attributable to unitholders	<u>21,817,954</u>	<u>20,868,106</u>

Balance sheet  
as at 5 April 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		21,212,184	20,334,726
Current assets:			
Debtors	7	76,906	41,699
Cash and bank balances	8	1,103,468	781,796
Total assets		<u>22,392,558</u>	<u>21,158,221</u>
Liabilities:			
Investment liabilities		(15,768)	(3,704)
Creditors:			
Bank overdrafts	8	(210)	-
Distribution payable		(59,897)	(53,877)
Other creditors	9	(498,729)	(232,534)
Total liabilities		<u>(574,604)</u>	<u>(290,115)</u>
Net assets attributable to unitholders		<u>21,817,954</u>	<u>20,868,106</u>

## Notes to the financial statements

for the year ended 5 April 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	323,228	476,873
Non-derivative securities - movement in unrealised gains / (losses)	2,013,122	(1,607,719)
Derivative contracts - realised losses	(40,150)	(6,126)
Derivative contracts - movement in unrealised (losses) / gains	(3,122)	11,550
Currency losses	(19,019)	(11,562)
Forward currency contracts gains / (losses)	536	(401,802)
Compensation	146	43
Transaction charges	(11,211)	(9,865)
Total net capital gains / (losses)	<u>2,263,530</u>	<u>(1,548,608)</u>
3. Revenue	2024	2023
	£	£
UK revenue	49,093	65,967
Unfranked revenue	32,201	20,416
Overseas revenue	342,277	266,854
Interest on debt securities	31,357	14,162
Bank and deposit interest (including futures interest)	3,412	4,917
Total revenue	<u>458,340</u>	<u>372,316</u>
4. Expenses	2024	2023
	£	£
Payable to the Manager and associates		
Annual management charge*	322,508	311,707
Annual management charge rebate*	(163,522)	(155,909)
	<u>158,986</u>	<u>155,798</u>
Payable to the Trustee		
Trustee fees	<u>9,018</u>	<u>9,000</u>
Other expenses:		
Audit fee	8,700	7,224
Safe custody fees	1,371	1,208
FCA fee	143	234
	<u>10,214</u>	<u>8,666</u>
Total expenses	<u>178,218</u>	<u>173,464</u>

\* The annual management charge is 1.50% and includes the Manager's periodic charge and the Investment Advisers' fees. Where the Manager's periodic charge and the Investment Advisers' fees are cumulatively lower than the annual management charge a rebate may occur. For the year ended 5 April 2024, the annual management charge after rebates is 0.74%. The Investment Advisers' fees exclude any holdings within the portfolio of investments that are managed by the Investment Advisers, Stonehage Fleming Investment Management Limited and Sarasin & Partners LLP.

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 5. Taxation

	2024	2023
	£	£
<i>a. Analysis of the tax charge for the year</i>		
Overseas tax withheld	10,956	7,306
Total taxation (note 5b)	<u>10,956</u>	<u>7,306</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>280,122</u>	<u>198,852</u>
Corporation tax @ 20%	56,024	39,770
Effects of:		
UK revenue	(9,819)	(13,193)
Overseas revenue	(51,324)	(44,071)
Overseas tax withheld	10,956	7,306
Excess management expenses	5,119	17,494
Total taxation (note 5a)	<u>10,956</u>	<u>7,306</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 £92,990 (2023: £87,871).

### 6. Distributions

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

	2024	2023
	£	£
Quarter 1 income distribution	84,131	39,568
Interim income distribution	63,368	33,314
Quarter 3 income distribution	59,394	64,902
Final income distribution	<u>59,897</u>	<u>53,877</u>
	266,790	191,661
Equalisation:		
Amounts deducted on cancellation of units	2,398	-
Amounts added on issue of units	-	(79)
Total net distributions	<u>269,188</u>	<u>191,582</u>

Reconciliation between net revenue and distributions:

Net revenue after taxation per Statement of total return	269,166	191,546
Undistributed revenue brought forward	35	71
Undistributed revenue carried forward	(13)	(35)
Distributions	<u>269,188</u>	<u>191,582</u>

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



Notes to the financial statements (continued)  
for the year ended 5 April 2024

7. Debtors	2024	2023
	£	£
Sales awaiting settlement	31,873	-
Accrued revenue	25,116	24,135
Recoverable overseas withholding tax	2,516	1,313
Recoverable income tax	346	346
	<u>59,851</u>	<u>25,794</u>
Payable from the Manager and associates		
Annual management charge rebate	<u>17,055</u>	<u>15,905</u>
Total debtors	<u>76,906</u>	<u>41,699</u>
8. Cash and bank balances	2024	2023
	£	£
Bank balances	1,101,487	779,795
Amounts held at futures clearing houses and brokers	<u>1,981</u>	<u>2,001</u>
Cash and bank balances	<u>1,103,468</u>	<u>781,796</u>
Bank overdraft	<u>(210)</u>	<u>-</u>
Total cash and bank balances	<u>1,103,258</u>	<u>781,796</u>
9. Other creditors	2024	2023
	£	£
Purchases awaiting settlement	480,771	220,000
Accrued expenses:		
Payable to the Manager and associates		
Annual management charge	<u>7,236</u>	<u>4,333</u>
Other expenses:		
Trustee fees	197	123
Safe custody fees	387	236
Audit fee	8,700	7,560
FCA fee	2	3
Transaction charges	<u>1,436</u>	<u>279</u>
	<u>10,722</u>	<u>8,201</u>
Total accrued expenses	<u>17,958</u>	<u>12,534</u>
Total other creditors	<u>498,729</u>	<u>232,534</u>
10. Commitments and contingent liabilities		
At the balance sheet date there are no commitments or contingent liabilities.		

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 11. Unit classes

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

	Income
Opening units in issue	11,271,258
Total units issued in the year	67,150
Total units cancelled in the year	(699,513)
Closing units in issue	<u>10,638,895</u>

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

### 12. Related party transactions

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

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

Amounts payable to the Manager and its associates are disclosed in note 4. The amounts due from/to the Manager 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 unit has increased from 205.1p to 211.0p as at 3 July 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	3,545,918	1,203	0.03%	1,169	0.03%	120	0.00%	3,548,410
Closed-Ended Funds	267,761	100	0.04%	167	0.06%	-	-	268,028
Bonds*	746,761	-	-	-	-	-	-	746,761
Collective Investment Schemes	2,727,045	14	0.00%	-	-	-	-	2,727,059
Exchange Traded Commodities	66,312	17	0.03%	-	-	-	-	66,329
Total	<u>7,353,797</u>	<u>1,334</u>	<u>0.09%</u>	<u>1,336</u>	<u>0.10%</u>	<u>120</u>	<u>0.00%</u>	<u>7,356,587</u>

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

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 14. Transaction costs (continued)

#### a Direct transaction costs (continued)

	Purchases before transaction costs	Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	1,762,942	1,126	0.06%	841	0.05%	77	0.00%	1,764,986
Closed-Ended Funds*	524	-	-	-	-	-	-	524
Bonds*	849,755	-	-	-	-	-	-	849,755
Collective Investment Schemes	3,043,650	54	0.00%	-	-	-	-	3,043,704
Exchange Traded Commodities	73,282	18	0.02%	-	-	-	-	73,300
Total	5,730,153	1,198	0.08%	841	0.05%	77	0.00%	5,732,269

Capital events amount of £nil (2023: £6,248) is excluded from the total purchases as there were no direct transaction costs charged in these transactions.

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2024								
Equities	3,374,588	(1,076)	0.03%	(21)	0.00%	-	-	3,373,491
Closed-Ended Funds	228,672	(106)	0.05%	(5)	0.00%	-	-	228,561
Bonds*	775,594	-	-	-	-	-	-	775,594
Collective Investment Schemes	4,063,324	(29)	0.00%	-	-	-	-	4,063,295
Exchange Traded Commodities*	452,746	(61)	0.01%	-	-	-	-	452,685
Total	8,894,924	(1,272)	0.09%	(26)	0.00%	-	-	8,893,626

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	2,094,594	(670)	0.03%	(3)	0.00%	-	-	2,093,921
Closed-Ended Funds	204,944	(102)	0.05%	(5)	0.00%	-	-	204,837
Bonds*	406,467	-	-	-	-	-	-	406,467
Collective Investment Schemes*	2,511,914	-	-	-	-	-	-	2,511,914
Exchange Traded Commodities	245,375	(61)	0.02%	-	-	-	-	245,314
Total	5,463,294	(833)	0.10%	(8)	0.00%	-	-	5,462,453

Capital events amount of £2,953 (2023: £nil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

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

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 14. Transaction costs (continued)

#### a Direct transaction costs (continued)

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	2,606	0.01%
Taxes	1,362	0.01%
Financial transaction tax	120	0.00%
	£	
Direct transaction costs - derivatives	323	

2023	£	% of average net asset value
Commission	2,031	0.01%
Taxes	849	0.00%
Financial transaction tax	77	0.00%
	£	
Direct transaction costs - derivatives	111	

#### 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 0.07% (2023: 0.08%).

### 15. Risk management policies

In pursuing the Fund's investment objective, as set out in the Prospectus, the following are accepted by the Manager 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 Manager'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 Manager, 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 Manager in pursuance of the investment objective and policy.

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 15. Risk management policies (continued)

#### a Market risk (continued)

##### (i) Other price risk (continued)

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 5 April 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 unitholders of the Fund would increase or decrease by approximately £1,027,917 (2023: £981,398).

##### (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.

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	56,806	-	56,806
Canadian dollar	52,463	(9,153)	43,310
Euro	495,706	441	496,147
Hong Kong dollar	66,268	17,414	83,682
Japanese yen	183,350	2,327	185,677
Norwegian krone	103,761	1,599	105,360
Swedish krona	61,074	476	61,550
Swiss franc	122,714	1,603	124,317
US dollar	3,366,765	(468,330)	2,898,435
Total foreign currency exposure	4,508,907	(453,623)	4,055,284

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
Danish krone	-	200	200
Euro	476,228	245	476,473
Hong Kong dollar	303,432	-	303,432
Japanese yen	56,444	266	56,710
Norwegian krone	73,057	217	73,274
Swedish krona	63,076	650	63,726
US dollar	2,516,393	4,602	2,520,995
Total foreign currency exposure	3,488,630	6,180	3,494,810

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 15. Risk management policies (continued)

#### a Market risk (continued)

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

At 5 April 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 unitholders of the Fund would increase or decrease by approximately £125,893 (2023: £95,771). Forward currency contracts are used to manage the portfolio exposure to currency movements.

#### (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	-	-	-	56,806	-	56,806
Canadian dollar	-	-	-	52,463	(9,153)	43,310
Euro	153	-	-	496,894	(900)	496,147
Hong Kong dollar	-	-	-	83,701	(19)	83,682
Japanese yen	-	-	-	185,677	-	185,677
Norwegian krone	-	-	-	105,360	-	105,360
Swedish krona	-	-	-	61,550	-	61,550
Swiss franc	-	-	-	124,317	-	124,317
UK sterling	1,107,778	-	642,690	16,090,057	(77,855)	17,762,670
US dollar	-	(4,673)	-	3,389,575	(486,467)	2,898,435
	<u>1,107,931</u>	<u>(4,673)</u>	<u>642,690</u>	<u>20,646,400</u>	<u>(574,394)</u>	<u>21,817,954</u>

## Notes to the financial statements (continued)

for the year ended 5 April 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	£	£	£	£	£	£
Danish krone	-	-	-	200	-	200
Euro	-	(6,304)	-	485,269	(2,492)	476,473
Hong Kong dollar	-	-	-	303,432	-	303,432
Japanese yen	-	-	-	56,710	-	56,710
Norwegian krone	-	-	-	73,274	-	73,274
Swedish krona	-	-	-	63,726	-	63,726
UK sterling	787,412	-	663,198	16,209,097	(286,411)	17,373,296
US dollar	686	-	-	2,521,521	(1,212)	2,520,995
	<u>788,098</u>	<u>(6,304)</u>	<u>663,198</u>	<u>19,713,229</u>	<u>(290,115)</u>	<u>20,868,106</u>

#### 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 Trustee 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. 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 units 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 units 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 units 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.

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.

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 15. Risk management policies (continued)

#### c Liquidity risk (continued)

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 Manager's ability to execute substantial deals.

To reduce liquidity risk the Manager 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. In the case of forward foreign currency contracts these are payable in less than one year.

#### 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 Manager 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	16,891,233	(2,735)
Observable market data	4,313,218	(13,033)
Unobservable data*	7,733	-
	<u>21,212,184</u>	<u>(15,768)</u>
	Investment assets	Investment liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	14,483,736	(3,704)
Observable market data	5,827,911	-
Unobservable data*	23,079	-
	<u>20,334,726</u>	<u>(3,704)</u>

\*The following security is valued in the portfolio of investments using a valuation technique:

Home REIT is included in the portfolio of investments with a value of £0.1275 (2023: £0.3805), a 67% discount applied to £0.3805 which was the last traded price before the asset was temporarily suspended on 3 January 2023.



## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 15. Risk management policies (continued)

#### d Fair value of financial assets and financial liabilities (continued)

##### Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the Manager has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The Manager of the Fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other the assumptions used are under continuous review by the Manager with particular attention paid to the carrying value of the investments.

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

The following assets held in the portfolio of investments are subject to special arrangements arising from their illiquid nature:

	2024	2023
	% of the total net asset value	% of the total net asset value
Home REIT	0.04%	0.11%

#### 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 Manager 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.

Derivatives may be used for investment purposes and as a result could potentially impact upon the risk factors outlined above.

#### (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 Trustee.

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

## Notes to the financial statements (continued)

for the year ended 5 April 2024

### 15. Risk management policies (continued)

#### f Derivatives (continued)

##### (ii) Leverage

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

As at the balance sheet date, the leverage was 100.01%.

##### (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 the global exposure is as follows:

	Gross exposure value £	% of the total net asset value
Investment		
Options		
CBOE Mini SPX Index Jun 24 485	2,679	0.01%
Forward Currency Contracts		
Value of short position - Hong Kong dollar	17,415	0.08%
Value of short position - euro	211,544	0.97%
Value of short position - US dollar	1,321,502	6.06%

There have been no collateral arrangements in the year.

## Distribution table

for the year ended 5 April 2024

Quarter 1 distribution in pence per unit

Group 1 - Units purchased before 6 April 2023

Group 2 - Units purchased 6 April 2023 to 5 July 2023

	Net revenue	Equalisation	Total distribution 31 August 2023	Total distribution 31 August 2022
Income				
Group 1	0.742	-	0.742	0.355
Group 2	0.742	-	0.742	0.355

Interim distribution in pence per unit

Group 1 - Units purchased before 6 July 2023

Group 2 - Units purchased 6 July 2023 to 5 October 2023

	Net revenue	Equalisation	Total distribution 30 November 2023	Total distribution 30 November 2022
Income				
Group 1	0.559	-	0.559	0.299
Group 2	0.559	-	0.559	0.299

Quarter 3 distribution in pence per unit

Group 1 - Units purchased before 6 October 2023

Group 2 - Units purchased 6 October 2023 to 5 January 2024

	Net revenue	Equalisation	Total distribution 29 February 2024	Total distribution 28 February 2023
Income				
Group 1	0.524	-	0.524	0.579
Group 2	0.524	-	0.524	0.579

Final distribution in pence per unit

Group 1 - Units purchased before 6 January 2024

Group 2 - Units purchased 6 January 2024 to 5 April 2024

	Net revenue	Equalisation	Total distribution 31 May 2024	Total distribution 31 May 2023
Income				
Group 1	0.563	-	0.563	0.478
Group 2	0.563	-	0.563	0.478

## 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 Advisers

The Manager delegates the management of the Fund's portfolio of assets to Stonehage Fleming Investment Management Limited and Sarasin & Partners LLP and pays to the Investment Advisers, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at the month end excluding any holdings within the portfolio that are managed by the Investment Advisers. The Investment Advisers 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 quarterly on 31 August (quarter 1), 30 November (interim), 28 February (quarter 3) and 31 May (final). In the event of a distribution, unitholders will receive a tax voucher.

XD dates:	6 July	final
	6 October	interim
	6 January	interim
	6 April	interim
Reporting dates:	5 April	annual
	5 October	interim

### Buying and selling units

The property of the Fund is valued at 12 noon each Wednesday and on the first business day of each month, with the exception of any bank holiday in England and Wales or the last business day prior to those days annually where the valuation may be carried out at a time agreed in advance between the Manager and the Trustee, and prices of units are calculated at that time. Unit dealing is on a forward basis i.e. investors can buy and sell units at the next valuation point following receipt of the order.

Prices of units 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.

### Benchmark

Unitholders may compare the performance of the Trust against the ARC Sterling Steady Growth PCI. Comparison of the Trust's performance against this benchmark will give unitholders an indication of how the Trust is performing against an index based on the real performance numbers delivered to discretionary private clients by participating Investment Managers.

The benchmark is not a target for the Trust, nor is the Trust constrained by the benchmark.

## Appointments

### Manager 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 Manager

Andrew Baddeley  
Brian McLean  
Mayank Prakash  
Neil Coxhead

### Independent Non-Executive Directors of the Manager

Dean Buckley  
Linda Robinson  
Victoria Muir  
Sally Macdonald

### Non-Executive Directors of the Manager

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

### Investment Advisers

Stonehage Fleming Investment Management Limited  
6 St James's Square  
London SW1Y 4JU  
Authorised and regulated by the Financial Conduct Authority

### Sarasin & Partners LLP

Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU  
Authorised and regulated by the Financial Conduct Authority

### Trustee

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

### Auditor

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