

The Jay Fund

Annual Report

for the year ended 30 September 2024

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The Jay Fund

Report of the Authorised Corporate Director ('ACD')

Evelyn Partners Fund Solutions Limited ('EPFL'), as ACD, presents herewith the Annual Report for The Jay Fund for the year ended 30 September 2024.

The Jay Fund ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 27 April 2004. The Company is incorporated under registration number IC000318. It 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 ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Company consist predominantly of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The Financial Stability Board ('FSB') created the Task Force on Climate-related Financial Disclosures ('TCFD') to improve and increase reporting of climate-related financial information. EPFL have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD Product report is designed to help you understand the impact the Company has on the climate and equally how climate change could influence the performance of the Company. The report will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy, and risk management that EPFL has in place to manage the risks and opportunities related to climate change, please refer to the TCFD Entity report. These reports are available on our website <https://www.evelyn.com/services/fund-solutions/tcf reporting/>.

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

The Company has no Directors other than the ACD.

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

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

Investment objective and policy

The Company aims to maximise the overall return through investment in some or all sectors in some or all world markets, including the UK, in transferable securities, money market instruments and deposits, warrants, collective investment schemes, derivatives and other permitted investments and transactions. It is the ACD's intention that derivatives be used for Hedging purposes.

Changes affecting the Company in the year

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

Further information in relation to the Company is illustrated on page 42.

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 ACD, Evelyn Partners Fund Solutions Limited.



Neil Coxhead
Director
Evelyn Partners Fund Solutions Limited
13 December 2024

Statement of the Authorised Corporate Director's responsibilities

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

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for the Financial Statements of UK Authorised Funds ('the SORP') issued by The Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Company's information on the ACD's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.









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

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




Assessment of Value - The Jay Fund

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

A high-level summary of the outcome of EPFL's rigorous review of the Fund for the year ended 30 September 2024, using the seven criteria set by the FCA is set out below:

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

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

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

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

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

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

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

The seven criteria are:

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

Assessment of Value - The Jay Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

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

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

External Factors

The Board assessed the delegate's 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 Manager, Goldman Sachs International, where consideration was given to, amongst other things, the delegate's controls around the Fund's liquidity management.

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

What was the outcome of the assessment?

Internal Factors

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

External Factors

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

Were there any follow up actions?

There were no follow-up actions required.

2. Performance

What was assessed in this section?

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

Investment Objective

The Fund seeks to maximise the overall return through investment in some or all sectors in some or all world markets, including the UK, in transferable securities, money market instruments and deposits, warrants, collective investment schemes, derivatives and other permitted investments and transactions.

Benchmark

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

Assessment of Value - The Jay Fund (continued)

2. Performance (continued)

Benchmark (continued)

The benchmark for the Fund is the IA Mixed Investment 40-85% Shares Sector, which is a comparator. A 'comparator' benchmark is an index or similar factor against which an Investment Manager invites investors to compare a fund's performance. Details of how the Fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 31 August 2024 (%)

Instrument	Currency	1 year	3 years	5 Years
IA Mixed Investment 40-85% Shares Sector TR in GB	GBP	12.48	5.49	25.60
The Jay Fund Class A Net Income TR in GB	GBX	9.11	-5.76	22.13

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

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

What was the outcome of the assessment?

The Board assessed the performance of the Fund over the recommended minimum holding period of five years and observed that it had underperformed its comparator benchmark, the IA Mixed Investment 40-85% Shares Sector. The Board also considered a composite comparator benchmark that was more aligned with the composition of the Fund's portfolio and noted that it had also underperformed this comparator. As a result, an Amber rating was given.

EPFL assessed the investment risk within the Fund, focusing amongst other things on volatility and risk adjusted returns. The Board concluded that the level of investment risk is appropriate, within its mandated parameters, without taking excessive risk for an actively managed Fund of this type.

The Board found that the Fund 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?

EPFL will continue to monitor performance through its normal oversight process, at least bi-annually.

3. ACD Costs

What was assessed in this section?

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

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

What was the outcome of the assessment?

The Board received and considered information about each of the Fund's costs, and concluded that they were fair, reasonable and were 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 Fund to examine the effect on the Fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

Both the Investment Manager's fee and the ACD's periodic charge are a fixed percentage charge meaning there are no opportunities for savings going forward should the Fund grow in size.

The ancillary charges¹ of the Fund represent 27 basis points². Some of these costs are fixed and as the Fund grows in size, may result in a small reduction in the basis point cost of these services.

There were no follow-up actions required.

¹ Ancillary charge is any charge paid directly out of the Fund in addition to the ACD periodic charge and the Investment Manager's fee, e.g., Auditor, Custodian or Depositary fees.

² One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 31 March 2024.

Assessment of Value - The Jay Fund (continued)

5. Comparable Market Rates

What was assessed in this section?

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

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

What was the outcome of the assessment?

The OCF of 1.23%³ was found to be more expensive than those of similar externally managed funds.

Were there any follow up actions?

There was no further action required as the Board were of the opinion that no element within the OCF gave any cause for concern.

6. Comparable Services

What was assessed in this section?

The Board compared the Investment Manager's fee 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 Manager's fee was found to have 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 Shares

What was assessed in this section?

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

What was the outcome of the assessment?

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

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the matters referenced in sections 2 and 5, the Board concluded that The Jay Fund had provided value to investors.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

30 November 2024

Consumer Feedback

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

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

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

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

³ Figure calculated at interim report, 31 March 2024.

Report of the Depositary to the shareholders of The Jay Fund

Depositary's responsibilities

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

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

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
13 December 2024

Independent Auditor's report to the shareholders of The Jay Fund

Opinion

We have audited the financial statements of The Jay Fund (the 'Company') for the year ended 30 September 2024, which comprise the Statement of total return, Statement of change in net assets attributable to shareholders, Balance sheet, the related Notes to the financial statements, including significant accounting policies and the Distribution table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Company as at 30 September 2024 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Rules

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

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

Independent Auditor's report to the shareholders of The Jay Fund (continued)

Responsibilities of the Authorised Corporate Director

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

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

Auditor Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

Independent Auditor's report to the shareholders of The Jay Fund (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)

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

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

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

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

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

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Accounting policies of The Jay Fund

for the year ended 30 September 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 ACD has considered a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the ACD is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

b *Valuation of investments*

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

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

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

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 30 September 2024.

c *Foreign exchange*

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

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

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

d *Revenue*

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

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

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

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

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.

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.

Accounting policies of The Jay Fund (continued)

for the year ended 30 September 2024

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 30 September 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.

g Efficient Portfolio Management

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

h Dilution levy

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

i Distribution policies

i Basis of distribution

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

ii Unclaimed distributions

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

iii Revenue

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

Accounting policies of The Jay Fund (continued)

for the year ended 30 September 2024

i Distribution policies (continued)

iv Expenses

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

v Equalisation

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

Investment Manager's report

Investment performance¹

Between the 1 October 2023 and the end of the investment period on the 30 September 2024, the portfolio returned 10.79% net cumulative. During the last 3 years the Fund returned a performance of -2.05% net cumulative. During the last 5 years the Fund returned a performance of 22.93% net cumulative.

Review of the Investment Activities during the year²

The Fund redeemed approximately £3.3million on 8 August 2024. The redemption was made pro-rate according to investment targets, and the portfolio was subsequently rebalanced.

The Fund continues to be invested in a combination of 70% equities and 30% fixed income, according to our global active equity strategy. The equity component is implemented principally through the Global Equity Partners (GEP) portfolio, whose strategy is based on selecting global, large market capitalisation companies that are attractively valued. The fixed-income allocation of the portfolio is invested in GBP-denominated sovereign/agency bonds.

Fixed Income Key Activity during year

From 1 October 2023 to 30 September 2024, the market value of the Fund's fixed income holdings decreased approximately by £1.5million. During quarter 3 2024, the Fund sold approximately 1.1million face value of fixed income including the sale of: UK Treasury Gilt 1.25% 22/07/2027 and GBP denominated Kreditanstalt fuer Wiederaufbau 1.375% 15/12/2025, Kreditanstalt fuer Wiederaufbau 0.875% 15/09/2026 and Kreditanstalt fuer Wiederaufbau 1.375% 09/12/2024. In quarter 2 2024, there were no fixed income trades. The Fund bought £330,000 face value of the UK Treasury Gilt 0.875% 31/07/2033 in quarter 1 2024. There were no trades during quarter 4 2023. The Fund continued to hold sovereign/agency bonds with all currency exposure in GBP.

Public Equity Period Review – Global Equity Partners (GEP)

Quarter 4 2023

After the fall in quarter 3 2023, global equities rebounded strongly by 11.4% (total returns in USD) in quarter 4 2023. The market sentiment started to improve gradually as the apprehensions around the Federal Reserve (Feds') next move slowly shifted to optimism for the potential peaking of interest rates.

While the returns continued to suffer initially due to the fear around 'higher for longer' interest rates, the momentum picked up in November after the release of the Consumer Price Index ('CPI') readings which came out to be cooler than expected. Headline inflation fell to 3.1% and 3.9% on a year on year basis for US and UK respectively. Following this fall in CPI numbers, investors grew hopeful around the interest rates having peaked. Having said that, while the market doesn't anticipate more hikes, the Fed, in the November meeting, has suggested to keep the rates at high levels for an extended period. Stronger-than-expected growth in US Gross Domestic Product ('GDP') for quarter 3 provided the much-needed positive push to the global equities. While the GDP growth was disappointing in Japan, markets managed to perform well on the back of investment landscape in the region expected to benefit from bettering corporate governance and government's tax-refund incentives.

Even though there were signs of economic resilience, it is worth noting that most of the contribution to the GDP growth came from non-residential fixed investment with consumer spending remaining cautious. Activity in US and UK picked up with composite Purchasing Managers Index ('PMI') rising above 50 in December. However, Manufacturing PMI fell to 48 in US and 46 in UK indicating industrial weakness. On the geopolitical front, the meeting between the Chinese and US Presidents leading to certain agreements on energy transition and climate change proved to be good news for the global landscape. Investor sentiment turned positive driven by hopes around lowering tensions between the two superpowers, eventually helping the growth of markets.

In terms of sector performance, all the sectors except Energy ended the quarter in green with Information Technology and Real Estate topping the list.

In quarter 4 2023, the Goldman Sachs Asset Management Global Equity Partners Strategy returned 12.2% (gross of fees). Our stock selection within the Information Technology and Real Estate sectors contributed to portfolio returns while our positions in Industrials and Consumer Staples sectors detracted the most from relative returns during the quarter.

¹ Source: Goldman Sachs AMR Performance.

² Source: Goldman Sachs Global Equity Partners Review.

Investment Manager's report (continued)

Public Equity Period Review – Global Equity Partners (GEP) (continued)

Quarter 1 2024

Global markets posted robust gains, returning 9.0% in quarter one of 2024. Market environment was governed by the release of strong corporate earnings along with comparatively resilient economic data. While the hopes of a rate cut in March have been pushed, the Fed continues to keep the rates on hold at 5.25-5.5%. The inflation rate slightly tickled up in the US while it dropped close to 3.5 in the UK. Additionally, the composite PMI also remained above 50 across key regions suggesting expansion in activity during the quarter. While the GDP for quarter 4 in US was revised up, there were talks of Japan slipping into technical recession posting a second consecutive fall in GDP. However, the markets weren't overly affected by the news as the GDP numbers were revised later up to a slight expansion. Bank of Japan ('BoJ') ended its long set negative interest rate policy in the March meeting. Markets, however, were relatively unphased as they had already anticipated the move.

Corporate earnings remained in limelight during the quarter. Market performance was supported by earnings beat from several companies. The numbers from some of the "Magnificent 7" companies were particularly good pushing the gains during the period. The rally was led by stocks in Communication Services and Information Technology sectors while Real Estate lagged. The picture was similar in Japan with stocks showing earnings resilience in their quarterly announcements.

Presidential election in US remains a key area of focus. Donald Trump emerged as winner in several Republican presidential primaries held while his main challenger Nikki Haley dropped out in March.

In quarter 1 2024, the Goldman Sachs Asset Management Global Equity Partners Strategy returned 8.7% (gross of fees). During the quarter, our stock selection within Materials and Information Technology sectors supported portfolio returns while our positions in Energy and Consumer Staples sectors detracted the most from relative returns.

Quarter 2 2024

Global Markets posted another quarter of solid gains, returning 3% in quarter 2 of 2024. The economic momentum of quarter 1 of 2024 continued into the second, despite the outlook dimming for the Fed's interest rate cuts amid persistent inflation.

Global disinflation trends continued but were uneven across different geographies. In the eurozone, where growth momentum and demand pressures have come down, central banks have begun to cut rates as inflation momentum has eased. Conversely in the US, price pressure is taking longer to unwind, keeping central banks on hold. While inflation remains closely monitored, it looks less concerning compared to a few months ago as the disinflation process continues, slowing moving towards the target of 2%.

The quarter had a challenging start, with April seeing a significant pullback due to hotter-than-expected inflation readings. However, momentum started changing following a strong jobs report, and stocks were back in the green by the middle of May. Market performance was driven by concentrated gains in stocks tied to Artificial Intelligence ('AI'). This narrow rally saw rise in primarily large-growth and large-blend stocks. Technology and communications stocks continued to lead the market, with defensive stocks also performing well. On the other hand, Materials and Real Estate stocks struggled during the quarter. As for Japan, stocks saw strong gains in quarter 1, but their performance has been lacklustre in quarter 2. Forex volatility, caution about a hawkish BoJ, rising domestic interest rates, and a weak domestic economy weighed on Japanese equities. Non-macroeconomic risks remain elevated. Geopolitical shocks such as the Israel-Hamas war and key elections in the US, keep the political uncertainty high.

In quarter 2 2024, the Goldman Sachs Asset Management Global Equity Partners Strategy returned flat, 0.03% (gross of fees). During the quarter, our stock selection within Health Care and under allocation to Consumer Discretionary supported portfolio returns, while our positions in Information Technology and Consumer Staples sectors detracted the most from relative returns.

Quarter 3 2024

Global equities gained 6.4% in quarter 3, despite heightened volatility on several occasions. Stocks faced pressure in July and August due to weaker US economic data and an interest rate hike from the BoJ. However, the long-anticipated start of the Fed's rate cutting cycle in September, a less hawkish stance from Japanese policymakers and new stimulus measures in China helped boost investor sentiment, leading to a rally by quarter end. Inflation continued to slow down in quarter 3, and labour markets showed signs of cooling, following the trends set in previous quarters. This environment gave central banks room to begin cutting interest rates. The US delivered a 50 basis points ('bps') rate cut, while the UK and Euro Area cut rates by 25 bps. Additionally, China announced a broad range of stimulus measures to support its economy, which further restored market confidence.

Investment Manager's report (continued)

Public Equity Period Review – Global Equity Partners (GEP) (continued)

Quarter 3 2024 (continued)

In Japan, the market experienced significant volatility in quarter 3, particularly in July. Conditions steadied in August and September, supported by the Fed's rate cut and hopes for a more expansionist political leader. However, unexpected political developments led to a 4.9% decline in the Tokyo Stock Price Index ('TOPIX') by the end of the quarter.

Equities rose during the quarter, as returns broadened to include value-oriented stocks and previously lagging sectors. Globally, value stocks and small caps outperformed growth and large caps, with Financials and Industrials leading the way. Other interest-rate sensitive asset classes, such as real estate, were also well supported. However, the Energy sector struggled, and Information Technology stocks came under pressure as investors reassessed the high spending on AI applications.

The geopolitical backdrop continues to remain tense, with heightened tensions in the Middle East. The upcoming U.S. elections in November have also contributed to the increased overall uncertainty.

In quarter 3 2024, the Goldman Sachs Asset Management Global Equity Partners Strategy returned 3.0% (gross of fees). During the quarter, our stock selection within Health Care and Materials supported portfolio returns, while our positions in Industrials and Consumer Staples sectors detracted the most from relative returns.

Key Contributors in quarter 4 2023

American Tower, the US-based operator of telecommunications infrastructure, was the biggest contributor to relative returns during the quarter. The stock price saw stable growth post reporting better-than-expected earnings on the back of re-acceleration in organic tenant billing growth. Moreover, the company also raised its outlook and announced an agreement with MTN Nigeria to improve the wireless connectivity in the region through its African operations. This highlights American Tower's commitment to sustainability while expanding its presence in the African market. We continue to like the company as they continue to work with the major cell phone carriers to get 5G capabilities more broadly available. The company is also expected to potentially benefit from their recent partnership with Qualcomm, which will see them install a new type of server to increase connectivity and resilience for its customers.

Hexagon, a Swedish technology company specializing in hardware and software services, was another key contributor to relative returns during the period. The company delivered strong results in a softer environment for construction and automation end-markets with topline beating consensus, while being in-line on margins. Growth was primarily driven by the introduction of new products and from stronger end-markets like Mining, Autonomy, Power & Energy offsetting weaker markets. We continue to like the company with its growing software mix, and steadily improving margins and cash flow generation. We expect strong Research and Development and complementary Mergers and Acquisitions ('M&A') to continue to drive change in the business sales mix, one where the software business with its recurring revenues accounts for a greater share of sales, ultimately driving margin expansion. A leader within its industry, with exposure to structural growth trends like automation across a broad range of industries, the company is poised for long-term growth.

Key Detractors in quarter 4 2023

Rentokil Initial, the UK-based provider of pest control and hygiene services, was the biggest detractor from relative returns during the period. The company posted weaker than expected earnings due to weakened North American pest control activity and a poor demand environment. While the business remained resilient with management reiterating full year guidance, macro-economic headwinds continued to weigh on investment sentiments. We believe that the company will continue to grow in the future, given the expected structural growth in the market, the growth in organic business and well-structured M&A strategy and the consolidation opportunity in the fragmented pest industry.

Danaher, the US-based life sciences and diagnostics company, was another key detractor from returned during the period. Despite reporting stronger than expected earnings, investor sentiments were weighed down by a downward guidance revision and industry wide headwinds. The conglomerate houses leading brands in demanding and attractive end-markets and has a diversified business. Over the long-term, we expect the company to benefit from multiple tailwinds including strong demand for bio-processing products, increasing efforts towards achievement of sustainability targets and rising need for new medical therapies and drugs. While Danaher stands to generate attractive organic growth given competitive positioning, we also remain bullish on the company's inorganic growth prospects which have historically helped the company boost competence and sales.

Investment Manager's report (continued)

Key Contributors in quarter 1 2024

Taiwan Semiconductor Manufacturing ADR, the Taiwan based manufacturer of semiconductors, was the biggest contributor to relative returns during the period. The company reported earnings which were in-line with expectations, with the market reacting positively to guidance which came in ahead of expectations. Strong AI demand continued to drive earnings growth and we believe there will be no further impact from destocking, given normalized inventory in the channel. We also continue to like the company as we believe that it would retain its competitive advantages over long time period, as few of its peers can afford to build factories that would give them the ability to compete for the company's clients.

Walt Disney was another key contributor to relative returns during the period. The stock outperformed markets on the back of earnings beat, driven by continued strength in their parks business. Another positive was lower-than-expected losses in their streaming business, which is close to achieving the key breakeven milestone this year. Management's guidance for the year was better-than-expected, indicating high growth. We continue to like the company for the longer term given that it is home to some of the best-known franchises, increased content spending and a rich library. Moreover, they announced collaboration with Epic Games to create new games and an entertainment universe as well as investing a minority stake in the company, opening up a new avenue of growth.

Key Detractors in quarter 1 2024

Neste, a Finland-based oil refiner and renewable energy company, was the biggest detractor during the period. The company reported good earnings ahead of expectations. However, the beat was more than offset by guidance which came below consensus numbers, leading to a decline in share price. We continue to monitor the developments at Neste's growth projects and the underlying drivers of product margins very closely. We continue to see Neste as the leading player in the renewables fuel market and while we acknowledge short-term volatility remains a risk, current valuations are attractive especially when taking into account 1) a more normalized margin environment in future years, 2) Neste's strong volume growth, and 3) the company's opportunity to be a dominant player in the sustainable aviation fuel market which could be accretive to margins.

American Tower was another key detractor from relative returns during the period. The stock underperformed due to sectoral headwinds and broader concerns around the US Commercial Property market. We continue to like the company as they continue to work with the major cell phone carriers to get 5G capabilities more broadly available. The company is also expected to potentially benefit from their recent partnership with Qualcomm, which will see them install a new type of server to increase connectivity and resilience for its customers.

Key Contributors in quarter 2 2024

Taiwan Semiconductor Manufacturing ADR was the biggest contributor to relative returns during the quarter. The stock outperformed markets driven by positive news flow on customer demand, capacity utilization and increased pricing. Also, customer demand growth continues to remain strong, driven by resilient demand in Datacenter (AI investments in Graphic Processing Units and Application-Specific Integrated Circuits) and recovery in consumer end markets. Moreover, Taiwan Semiconductor Manufacturing ADR also noted that they would be increasing its wafer prices for advanced nodes starting next year (CY25) to better capture the value being provided to its customers, which we believe should further increase topline growth as well as gross margins. We also continue to like the company as we believe that it would retain its competitive advantages over long time period, as few of its peers can afford to build factories that would give them the ability to compete for the company's clients.

AstraZeneca, was another key contributor to relative returns during the quarter. The stock price rose on the back of strong capital markets day, solid results and positive product news flow. At the capital markets day in May, the company showcased its extensive pipeline and detailed key drivers which should aide in achieving its long-term revenue target of \$80billion by 2030, implying a 20% upside from consensus. We continue to remain invested as the company has a sustainable top-line growth and a strong product pipeline, not dependent on any single drug. We believe the company's operating margins to improve substantially driven by its high margin oncology franchise and new product sales. We also believe the company's exposure to emerging markets to play a pivotal role in growth, moving forward.

Investment Manager's report (continued)

Key Detractors in quarter 2 2024

Estée Lauder, the American multinational cosmetics company, was the largest detractor from relative returns during the period. The company reported good earnings with both sales and margins coming ahead of expectations. However, the downward revision in management guidance weighed on investor sentiments, leading to a weakness in the share. We believe the key is the inflection point in Asian travel retail, where shipments have restarted. Also, the European business, which includes the global travel retail business, grew by low-double digits. We look at these as positives and continue to believe in the name.

Walt Disney was another key detractor from returns during the quarter. The company reported strong earnings, with Earnings Per Share ('EPS') ahead of expectations, operating income beat across all segments and upward revision of Financial Year EPS guidance. However, management guidance on its direct-to-consumer business was negative for the upcoming quarter, driven by Hotstar divestment and lack of associated subscriber growth. Also, management guided experiences to be flat year on year due to the Easter holidays, among others. These factors have weighted on market sentiments leading to a fall in share price. We believe these to be short-lived and continue to hold the stock as the company works to alleviate them.

Key Contributors in quarter 3 2024

DSM-Firmenich AG, a Dutch-based innovator in nutrition, health, and beauty, was the biggest contributor to relative returns during the month. The main driver of positive stock performance was the company's announcement of half year results at the back end of July, signifying a continued momentum in operating earnings in all business segments. On the back of the strong performance, management also raised the guidance for full year Earnings Before Interest Taxes Depreciation and Amortisation ('EBITDA'), a signal that momentum is expected to continue further into the second half of the year. We continue to like the transformative journey that DSM-Firmenich AG has undertaken and see the separation of its Animal Nutrition & Health (ANH) segment as a positive driver for medium and long-term performance, given the portfolio ex-ANH presents reduced cyclicality and volatility of sales, higher profitability and lower capital intensity.

American Tower was another key contributor to relative returns during the quarter. The stock price rose on the back of good earnings results, with revenue growth coming in above consensus. The company also raised guidance for the year which further gained investor interest. We continue to like the company as it is a global tower leader with an attractive business model with sticky customers, high margins, long-term contracts and low capex. With global interest rates starting to normalize, this should add to the attractiveness of the offering.

Key Detractors in quarter 3 2024

Rentokil Initial was the largest detractor from relative returns during the quarter. The company reported slower growth in quarter 3 and downgraded the Financial Year 24 guidance which raised concerns around growth trends into 2025 and beyond which cumulatively had a negative impact on the share performance. Also, the company's recent results made it clear that poor execution on the ongoing integration of Terminix has also been impactful of earnings. This defers the benefits which were expected to accrue to earnings from the acquisition and reduces conviction in the company. As a result, we have reduced the position, while we further review the stock.

Alphabet 'A', the American multinational mass media and entertainment conglomerate, was another key detractor from returns during the quarter. Shares detracted during the quarter as the company lost the US antitrust lawsuit that ruled that Alphabet 'A' has been running a monopoly in their Search business by paying companies including Apple and Samsung to keep Google as the default option. However, we continue to like the stock for its strong position in secular growth market of digital advertising and cloud scaling. We also believe that the recent cost initiatives will have Profit and Loss impact, and continued cost discipline in the core and in other bets will drive sustained margin expansion.

Investment Manager's report (continued)

Investment outlook

United States

The US economy remains sound with GDP growth in quarter 3 likely to be close to the 3% annualized pace recorded in quarter 2. The labour market is cooling, but real wage growth and household consumption remain strong. Despite robust domestic demand, inflation pressures have continued to ease with core Personal Consumption Expenditure, the Fed's preferred inflation gauge, now running at 2.1% on a 3-month annualized basis. Against this backdrop, the Fed has room to respond to weaker job growth and reduce its restrictive policy stance at a pace that can be adjusted to the incoming data. Our base case remains that the US economy will cool gradually, consistent with a soft landing. In that environment, we believe the Fed will cut the policy rate by 25bps at consecutive meetings until it reaches 3.75-4% in March of next year. After that, we anticipate quarterly cuts to 3-3.25%. With disinflation on track and the Fed squarely focused on avoiding further labour market cooling, the risks to our outlook seem tilted towards faster easing.

Europe

In the Euro Area, recent economic data have surprised to the downside and are pointing to a further moderation of activity. As inflation data have also come in softer than expected, a door has opened for more European Central Bank ('ECB') rate cuts. Indeed, after the expected 25bps cut at the September meeting the balance of views on the ECB's governing council seems to have shifted to a more benign inflation outlook, bringing in play a rate cut at the October meeting. Considering these developments, we have changed our ECB call and added an extra 25bps policy rate cut in 2024. We now expect the ECB to cut at every meeting until the policy rate reaches 2.5% in March 2025. After that, we expect the Bank to shift to a more cautious quarterly pace with a likely end-target of 2%.

United Kingdom

In the UK, the Bank of England ('BoE') is moving at a decidedly slower pace. It was on hold at the September meeting, in line with expectations, and is likely to deliver only one more rate cut this year, bringing the total of cuts in 2024 to 50bps, compared to an expected total of 100bps for the Fed and ECB. The reason for the BoE's more cautious approach is uncertainty around the inflation outlook with services inflation still elevated. That said, we expect disinflation will continue as wage growth slows in coming months, creating room for the BoE to continue gradual policy easing in 2025.

Asia

Arguably the main event in September was China's unexpected announcement of a series of policy measures aiming to boost economic activity and improve sentiment. Until last month, the policy response had been very incremental, which had created an impression that Beijing had become less concerned about the near-term economic outlook and was instead focused on solving longer-term problems. However, the new measures and the way in which they were communicated suggest a greater sense of urgency among policymakers to reverse the weak economic momentum and improve sentiment. The measures ranged from direct monetary stimulus in the form of rate cuts and liquidity injections to regulatory changes helping the property sector and new swap and relending facilities to support the equity market.

Yet, monetary policy on its own is unlikely to be sufficient, given the deeper structural economic problems China is facing. More direct demand support will be required to lift the near-term outlook. That support is likely to come from fiscal policy. Even though official details are still lacking, unconfirmed media reports indicate the government is considering a relatively modest RMB 2trillion of additional bonds to support consumption and tackle local government debt issues. At roughly 1.6% of GDP that stimulus would be small compared to the fiscal packages in 2008-2009 and 2015-2016, which both exceeded 10% of GDP. Although their economic impact is still uncertain, the policy announcements have already had a large effect on market sentiment, reflected in the 25% increase in the local A-share equity market between 24 September and the end of the month. Given the modest size of the stimulus measures, we are not changing our outlook for China, but they do reduce the downside risks to our forecast of 4.5-5% GDP growth in 2024.

Goldman Sachs International

15 October 2024

Summary of portfolio changes

for the year ended 30 September 2024

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

	Cost £
Purchases:	
Estée Lauder	258,071
UK Treasury Gilt 0.875% 31/07/2033	247,622
Morgan Stanley	243,949
salesforce.com	235,972
TotalEnergies	227,733
Microsoft	200,493
Marvell Technology	160,558
Alphabet 'A'	100,620
Rentokil Initial	73,983
Danaher	55,861
AstraZeneca	51,376
NIKE	47,399
Keyence	39,182
Northern Trust	38,201
Accenture 'A'	31,999
Walt Disney	20,740
Marsh & McLennan	16,808
NVIDIA	8,997
DSM-Firmenich AG	7,034
Hexagon	6,040

	Proceeds £
Sales:	
Kreditanstalt fuer Wiederaufbau 1.375% 09/12/2024	320,957
Kreditanstalt fuer Wiederaufbau 0.875% 15/09/2026	281,112
Kreditanstalt fuer Wiederaufbau 1.375% 15/12/2025	240,245
UK Treasury Gilt 1.25% 22/07/2027	233,820
Ball	207,186
American Tower	204,572
Intuit	186,362
Microsoft	186,014
Boston Scientific	180,042
Reckitt Benckiser Group	175,357
InterContinental Hotels Group	162,823
UBS Group	161,155
Alphabet 'A'	160,495
AstraZeneca	158,945
Rentokil Initial	147,040
Marsh & McLennan	140,551
Taiwan Semiconductor Manufacturing ADR	137,539
NVIDIA	128,094
Procter & Gamble	109,920
Amazon.com	109,638

Portfolio statement
as at 30 September 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt Securities* 28.96% (29.29%)			
Aaa to Aa2 9.95% (15.26%)			
European Investment Bank 0% 07/12/2028	£555,000	470,529	5.87
Kreditanstalt fuer Wiederaufbau 0.875% 15/09/2026	£218,000	204,610	2.55
Kreditanstalt fuer Wiederaufbau 1.375% 15/12/2025	£127,000	122,464	1.53
		<u>797,603</u>	<u>9.95</u>
Aa3 to A1 19.01% (14.03%)			
UK Treasury Gilt 0.25% 31/07/2031	£200,000	157,730	1.97
UK Treasury Gilt 0.875% 22/10/2029	£492,000	428,384	5.34
UK Treasury Gilt 0.875% 31/07/2033	£330,000	255,202	3.18
UK Treasury Gilt 1.25% 22/07/2027	£360,000	336,251	4.20
UK Treasury Gilt 1.5% 22/07/2026	£200,000	191,780	2.39
UK Treasury Gilt 2% 07/09/2025	£158,000	154,717	1.93
		<u>1,524,064</u>	<u>19.01</u>
Total debt securities		<u>2,321,667</u>	<u>28.96</u>
Equities 65.82% (66.32%)			
Equities - United Kingdom 3.28% (10.12%)			
Equities - incorporated in the United Kingdom 3.28% (8.63%)			
Industrials 0.65% (2.06%)			
Rentokil Initial	14,201	51,749	0.65
Consumer Discretionary 0.00% (1.68%)		-	-
Consumer Staples 0.00% (2.00%)		-	-
Health Care 2.63% (2.89%)			
AstraZeneca	1,820	210,865	2.63
Total equities - incorporated in the United Kingdom		<u>262,614</u>	<u>3.28</u>
Equities - incorporated outwith the United Kingdom 0.00% (1.49%)			
Industrials 0.00% (1.49%)		-	-
Total equities - United Kingdom		<u>262,614</u>	<u>3.28</u>
Equities - Europe 12.78% (13.91%)			
Equities - Finland 0.59% (1.37%)			
Neste	3,273	47,315	0.59
Equities - France 1.73% (0.00%)			
TotalEnergies	2,844	138,402	1.73

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

Portfolio statement (continued)
as at 30 September 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - Europe (continued)			
Equities - Ireland 2.28% (2.21%)			
Accenture 'A'	695	183,114	2.28
Equities - Netherlands 0.73% (1.30%)			
Davide Campari-Milano	9,238	58,261	0.73
Equities - Spain 1.16% (1.45%)			
Banco Bilbao Vizcaya Argentaria	11,530	93,130	1.16
Equities - Sweden 2.07% (2.09%)			
Hexagon	20,709	166,168	2.07
Equities - Switzerland 4.22% (5.49%)			
DSM-Firmenich AG	2,285	234,983	2.93
Nestlé	1,375	103,244	1.29
Total equities - Switzerland		338,227	4.22
Total equities - Europe		1,024,617	12.78
Equities - United States 43.80% (36.99%)			
Alphabet 'A'	2,273	281,128	3.51
Amazon.com	1,780	247,224	3.08
American Tower	920	159,432	1.99
Boston Scientific	2,883	180,071	2.25
Danaher	916	189,770	2.37
Estée Lauder	1,623	120,622	1.50
Ferguson Enterprises	766	112,602	1.40
Intuit	251	116,184	1.45
Marsh & McLennan	694	115,424	1.44
Martin Marietta Materials	280	112,274	1.40
Marvell Technology	1,959	105,329	1.31
Microsoft	1,216	389,943	4.86
Morgan Stanley	2,224	172,833	2.16
NIKE	942	62,053	0.77
Northern Trust	1,795	120,438	1.50
NVIDIA	2,046	185,312	2.31
Procter & Gamble	1,673	215,986	2.69
S&P Global	472	181,759	2.27
salesforce.com	859	175,258	2.19
Walt Disney	1,452	104,092	1.30
Waste Management	1,065	164,695	2.05
Total equities - United States		3,512,429	43.80

Portfolio statement (continued)
as at 30 September 2024

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - Japan 4.04% (3.67%)			
Hoya	1,563	160,034	2.00
Keyence	459	163,513	2.04
Total equities - Japan		<u>323,547</u>	<u>4.04</u>
Equities - Taiwan 1.92% (1.63%)			
Taiwan Semiconductor Manufacturing ADR	1187	<u>153,677</u>	<u>1.92</u>
Total equities		<u>5,276,884</u>	<u>65.82</u>
Offshore Collective Investment Schemes 1.85% (1.64%)			
Vanguard FTSE Emerging Markets UCITS ETF	3,062	<u>147,969</u>	<u>1.85</u>
Portfolio of investments		7,746,520	96.63
Other net assets		270,277	3.37
Total net assets		<u>8,016,797</u>	<u>100.00</u>

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

The comparative figures in brackets are as at 30 September 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 on 2 September 2024.

Comparative table

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

	2024	2023	2022
	p	p	p
Class A Net Income			
Change in net assets per share			
Opening net asset value per share	225.04	213.71	258.24
Return before operating charges	24.97	14.65	(41.61)
Operating charges	(3.05)	(2.81)	(2.59)
Return after operating charges *	21.92	11.84	(44.20)
Distributions [^]	(0.50)	(0.51)	(0.33)
Closing net asset value per share	246.46	225.04	213.71
 * after direct transaction costs of:	 0.03	 0.02	 0.05
Performance			
Return after charges	9.74%	5.54%	(17.12%)
Other information			
Closing net asset value (£)	8,016,797	10,193,281	9,668,448
Closing number of shares	3,252,804	4,529,641	4,524,024
Operating charges ^{^^}	1.25%	1.25%	1.03%
Direct transaction costs	0.01%	0.01%	0.02%
Published prices			
Highest share price	255.6	236.5	271.5
Lowest share price	221.2	213.8	216.3

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

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee 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.

Financial statements - The Jay Fund

Statement of total return

for the year ended 30 September 2024

	Notes	2024		2023	
		£	£	£	£
Income:					
Net capital gains	2		1,046,873		512,350
Revenue	3	158,647		152,347	
Expenses	4	<u>(123,021)</u>		<u>(118,308)</u>	
Net revenue before taxation		35,626		34,039	
Taxation	5	<u>(12,982)</u>		<u>(10,921)</u>	
Net revenue after taxation			<u>22,644</u>		<u>23,118</u>
Total return before distributions			1,069,517		535,468
Distributions	6		(22,654)		(23,101)
Change in net assets attributable to shareholders from investment activities			<u>1,046,863</u>		<u>512,367</u>

Statement of change in net assets attributable to shareholders

for the year ended 30 September 2024

	2024		2023	
	£	£	£	£
Opening net assets attributable to shareholders		10,193,281		9,668,448
Amounts receivable on issue of shares	170,634		12,466	
Amounts payable on cancellation of shares	<u>(3,393,981)</u>		<u>-</u>	
		(3,223,347)		12,466
Change in net assets attributable to shareholders from investment activities		1,046,863		512,367
Closing net assets attributable to shareholders		<u>8,016,797</u>		<u>10,193,281</u>

Balance sheet
as at 30 September 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		7,746,520	9,912,648
Current assets:			
Debtors	7	19,487	27,438
Cash and bank balances	8	293,351	367,586
Total assets		<u>8,059,358</u>	<u>10,307,672</u>
Liabilities:			
Creditors:			
Bank overdrafts	8	-	(47,604)
Distribution payable		(14,995)	(22,512)
Other creditors	9	(27,566)	(44,275)
Total liabilities		<u>(42,561)</u>	<u>(114,391)</u>
Net assets attributable to shareholders		<u><u>8,016,797</u></u>	<u><u>10,193,281</u></u>

Notes to the financial statements
for the year ended 30 September 2024

1. Accounting policies

The accounting policies are disclosed on pages 12 to 14.

2. Net capital gains

	2024	2023
	£	£
Non-derivative securities - realised gains	668,904	141,555
Non-derivative securities - movement in unrealised gains	376,861	389,623
Currency gains / (losses)	9,573	(9,700)
Forward currency contracts gains	204	-
Transaction charges	(8,669)	(9,128)
Total net capital gains	<u>1,046,873</u>	<u>512,350</u>

3. Revenue

	2024	2023
	£	£
UK revenue	9,776	19,541
Overseas revenue	103,667	95,718
Interest on debt securities	42,759	33,845
Bank and deposit interest	2,445	3,243
Total revenue	<u>158,647</u>	<u>152,347</u>

4. Expenses

	2024	2023
	£	£
Payable to the ACD and associates		
ACD's periodic charge*	31,079	30,000
Investment Manager's fee*	71,737	68,620
	<u>102,816</u>	<u>98,620</u>
Payable to the Depositary		
Depositary fees	<u>9,006</u>	<u>9,000</u>
Other expenses:		
Audit fee	8,700	7,632
Non-executive directors' fees	1,447	2,102
Safe custody fees	731	638
Bank interest	39	1
FCA fee	80	136
KIID production fee	202	179
	<u>11,199</u>	<u>10,688</u>
Total expenses	<u>123,021</u>	<u>118,308</u>

* The annual management charge is 0.97% and includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)
for the year ended 30 September 2024

5. Taxation

	2024 £	2023 £
<i>a. Analysis of the tax charge for the year</i>		
Overseas tax withheld	12,982	10,921
Total taxation (note 5b)	<u>12,982</u>	<u>10,921</u>

b. Factors affecting the tax charge for the year

The tax assessed for the year is higher (2023: higher) 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>35,626</u>	<u>34,039</u>
Corporation tax @ 20%	7,125	6,808
Effects of:		
UK revenue	(1,955)	(3,908)
Overseas revenue	(19,404)	(17,767)
Overseas tax withheld	12,982	10,920
Excess management expenses	14,234	14,868
Total taxation (note 5a)	<u>12,982</u>	<u>10,921</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 the asset not recognised is £209,096 (2023: £194,862).

6. Distributions

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

	2024 £	2023 £
Interim income distribution	1,861	589
Final income distribution	<u>14,995</u>	<u>22,512</u>
	16,856	23,101
Equalisation:		
Amounts deducted on cancellation of shares	6,019	-
Amounts added on issue of shares	<u>(221)</u>	<u>-</u>
Total net distributions	<u>22,654</u>	<u>23,101</u>

Reconciliation between net revenue and distributions:

Net revenue after taxation per Statement of total return	22,644	23,118
Undistributed revenue brought forward	22	5
Undistributed revenue carried forward	<u>(12)</u>	<u>(22)</u>
Distributions	<u>22,654</u>	<u>23,101</u>

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

Notes to the financial statements (continued)
for the year ended 30 September 2024

7. Debtors	2024	2023
	£	£
Accrued revenue	10,349	18,371
Recoverable overseas withholding tax	9,073	8,955
Prepaid expenses	65	112
Total debtors	<u>19,487</u>	<u>27,438</u>
8. Cash and bank balances	2024	2023
	£	£
Cash and bank balances	<u>293,351</u>	<u>367,586</u>
Bank overdraft	<u>-</u>	<u>(47,604)</u>
Total cash and bank balances	<u>293,351</u>	<u>319,982</u>
9. Other creditors	2024	2023
	£	£
Purchases awaiting settlement	-	17,607
Currency trades outstanding	-	68
Accrued expenses:		
Payable to the ACD and associates		
ACD's periodic charge	-	82
Investment management fees	<u>17,040</u>	<u>17,561</u>
	17,040	17,643
Other expenses:		
Depository fees	-	25
Safe custody fees	135	76
Audit fee	8,700	7,632
Non-executive directors' fees	1,190	1,121
FCA fee	40	-
Transaction charges	<u>461</u>	<u>103</u>
	10,526	8,957
Total other creditors	<u>27,566</u>	<u>44,275</u>

10. Commitments and contingent liabilities

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

11. Share classes

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

	Class A Net Income
Opening shares in issue	4,529,641
Total shares issued in the year	69,165
Total shares cancelled in the year	<u>(1,346,002)</u>
Closing shares in issue	<u>3,252,804</u>

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

Notes to the financial statements (continued)

for the year ended 30 September 2024

12. Related party transactions

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

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

Amounts payable to the ACD and its associates are disclosed in note 4. The amount due to the ACD and its associates at the balance sheet date is disclosed in note 9.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per Class A Net Income share has increased from 246.5p to 255.0p as at 29 November 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	1,848,958	1,299	0.07%	6	0.00%	10	0.00%	1,850,273
Bonds*	247,622	-	-	-	-	-	-	247,622
Total	2,096,580	1,299	0.07%	6	0.00%	10	0.00%	2,097,895

	Purchases before transaction costs	Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	2,166,589	255	0.01%	719	0.03%	-	-	2,167,563
Bonds*	147,146	-	-	-	-	-	-	147,146
Total	2,313,735	255	0.01%	719	0.03%	-	-	2,314,709

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 30 September 2024

14. Transaction costs (continued)

a Direct transaction costs (continued)

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2024								
Equities	4,204,738	(24)	0.00%	(46)	0.00%	-	-	4,204,668
Bonds*	1,076,134	-	-	-	-	-	-	1,076,134
Collective Investment Schemes*	35,795	-	-	-	-	-	-	35,795
Total	5,316,667	(24)	0.00%	(46)	0.00%	-	-	5,316,597

	Sales before transaction costs	Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£
2023								
Equities	2,109,983	(23)	0.00%	(9)	0.00%	-	-	2,109,951
Bonds*	130,000	-	-	-	-	-	-	130,000
Total	2,239,983	(23)	0.00%	(9)	0.00%	-	-	2,239,951

Capital events amount of £3,776 (2023: £nil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Summary of direct transaction costs

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

	£	% of average net asset value
2024		
Commission	1,323	0.01%
Taxes	52	0.00%
Financial transaction tax	10	0.00%
2023		
Commission	278	0.00%
Taxes	728	0.01%

b Average portfolio dealing spread

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

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

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 30 September 2024

15. Risk management policies

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

a Market risk

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

(i) Other price risk

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

The main element of the portfolio of investments which is exposed to this risk is equities and collective investment schemes which are disclosed in the Portfolio statement.

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

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

At 30 September 2024, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £271,243 (2023: £346,370).

(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.

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	573,210	10,699	583,909
Japanese yen	323,547	657	324,204
Swedish krona	166,168	-	166,168
Swiss franc	103,251	-	103,251
US dollar	3,884,587	2,568	3,887,155
Total foreign currency exposure	5,050,763	13,924	5,064,687

Notes to the financial statements (continued)

for the year ended 30 September 2024

15. Risk management policies (continued)

a Market risk (continued)

(ii) Currency risk (continued)

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
Danish krone	-	1,138	1,138
Euro	651,119	9,680	660,799
Japanese yen	423,184	955	424,139
Swedish krona	165,307	(17,607)	147,700
Swiss franc	329,710	-	329,710
US dollar	4,329,770	2,305	4,332,075
Total foreign currency exposure	5,899,090	(3,529)	5,895,561

At 30 September 2024, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £253,234 (2023: £294,778).

(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 amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally.

At 30 September 2024, if interest rates increased or decreased by 25 basis points, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £17,894 (2023: £27,149).

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.

Notes to the financial statements (continued)

for the year ended 30 September 2024

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk (continued)

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	£	£	£	£	£	£
Euro	1,119	-	-	582,790	-	583,909
Japanese yen	-	-	-	324,204	-	324,204
Swedish krona	-	-	-	166,168	-	166,168
Swiss franc	7	-	-	103,244	-	103,251
UK sterling	292,225	-	2,321,667	380,779	(42,561)	2,952,110
US dollar	-	-	-	3,887,155	-	3,887,155
	293,351	-	2,321,667	5,444,340	(42,561)	8,016,797

	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	-	-	-	1,138	-	1,138
Euro	1,166	-	-	659,633	-	660,799
Japanese yen	48,476	-	-	375,663	-	424,139
Swedish krona	-	(47,604)	-	212,911	(17,607)	147,700
Swiss franc	8	-	-	329,702	-	329,710
UK sterling	317,388	-	2,985,241	1,044,270	(49,180)	4,297,719
US dollar	548	-	-	4,331,528	-	4,332,076
	367,586	(47,604)	2,985,241	6,954,845	(66,787)	10,193,281

b Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

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

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

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

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

Notes to the financial statements (continued)

for the year ended 30 September 2024

15. Risk management policies (continued)

c Liquidity risk

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

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

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

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

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

All of the financial liabilities are payable on demand.

d Fair value of financial assets and financial liabilities

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

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

	Investment assets	Investment liabilities
Basis of valuation	2024	2024
	£	£
Quoted prices	6,948,917	-
Observable market data	797,603	-
Unobservable data	-	-
	<u>7,746,520</u>	<u>-</u>
	Investment assets	Investment liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	8,357,848	-
Observable market data	1,554,800	-
Unobservable data	-	-
	<u>9,912,648</u>	<u>-</u>

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

Notes to the financial statements (continued)

for the year ended 30 September 2024

15. Risk management policies (continued)

e Assets subject to special arrangements arising from their illiquid nature

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

f Derivatives

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

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

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

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

(i) Counterparties

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

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

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

(ii) Leverage

The leverage is calculated as the 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.

There have been no leveraging arrangements in the year.

(iii) Global exposure

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

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

There have been no collateral arrangements in the year.

Distribution table

for the year ended 30 September 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 October 2023

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

	Net revenue	Equalisation	Total distribution 15 May 2024	Total distribution 15 May 2023
Income				
Group 1	0.041	-	0.041	0.013
Group 2	0.026	0.015	0.041	0.013

Final distribution in pence per share

Group 1 - Shares purchased before 1 April 2024

Group 2 - Shares purchased 1 April 2024 to 30 September 2024

	Net revenue	Equalisation	Total distribution 15 January 2025	Total distribution 15 January 2024
Income				
Group 1	0.461	-	0.461	0.497
Group 2	0.102	0.359	0.461	0.497

Equalisation

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

Remuneration

Remuneration code disclosure

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

Remuneration committee

The remuneration committee report contained in the Group Report and Financial Statements for the year ended 31 December 2023 includes details on the remuneration policy. The remuneration committee comprises five non-executive directors¹ 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.

¹ 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 Manager

The ACD has appointed Goldman Sachs International to provide investment management and related advisory services to the ACD. Goldman Sachs International is paid a monthly fee out of the scheme property of The Jay Fund which is calculated on the total value of the portfolio of investments at the month end. Goldman Sachs International are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed semi-annually on 15 January (final) and 15 May (interim). In the event of a distribution, shareholders will receive a tax voucher.

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

Buying and selling shares

The property of the Fund is valued at 12pm on the first and third Friday (or the next business day if such day is not a business day) and the last business day of every 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 ACD and depositary, and prices of shares are calculated as at that time. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

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

Benchmark

Shareholders may compare the performance of the Company against the IA Mixed Investment 40-85% Shares sector. Comparison of the Company's performance against this benchmark will give Shareholders an indication of how the Company is performing against other similar funds in this peer group sector. The ACD has selected this comparator benchmark as the ACD believes it best reflects the asset allocation of the Company. The benchmark is not a target for the Company, nor is the Company constrained by the benchmark.

Appointments

ACD and Registered office

Evelyn Partners Fund Solutions Limited

45 Gresham Street

London EC2V 7BG

Telephone 0207 131 4000

Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar

Evelyn Partners Fund Solutions Limited

177 Bothwell Street

Glasgow G2 7ER

Telephone 0141 222 1151 (Registration)

0141 222 1150 (Dealing)

Authorised and regulated by the Financial Conduct Authority

Directors of the ACD

Andrew Baddeley

Brian McLean

Mayank Prakash

Neil Coxhead

Independent Non-Executive Directors of the ACD

Dean Buckley

Linda Robinson

Victoria Muir

Sally Macdonald

Non-Executive Directors of the ACD

Guy Swarbreck

Investment Manager

Goldman Sachs International

Plumtree Court

25 Shoe Lane

London EC4A 4AU

Authorised and regulated by the Financial Conduct Authority

Depository

NatWest Trustee and Depository 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