New Square Investment Funds

Annual Report

for the year ended 31 August 2024

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### New Square Investment Funds

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

Evelyn Partners Fund Solutions Limited ('EPFL'), as ACD, presents herewith the Annual Report for New Square Investment Funds for the year ended 31 August 2024.

New Square Investment Funds ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 15 September 2000. The Company is incorporated under registration number IC000079. 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 Company has been set up as an umbrella company. Provision exists for an unlimited number of sub-funds to be included within the umbrella and additional sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. The sub-funds represent segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other sub-fund and shall not be available for any such purpose.

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/tcfd-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.

### Sub-funds

There are four sub-funds available in the Company:

Bay Fund

Beech Fund

Acacia Fund

Samphire Fund

### Investment objective and policy

The investment objective and policy of each sub-fund is disclosed within the Investment Manager's report of the individual sub-funds.

#### Cross holdings

Throughout the year, no sub-fund held shares of any other sub-fund in the umbrella.

# Report of the Authorised Corporate Director (continued)

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 116.

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 12 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/expense 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 these assessments 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 - Bay 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 Bay Fund ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the year ended 31 August 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 sub-fund:

- On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- On balance, the Board believes the sub-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 sub-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 sub-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;
- Performance how the sub-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 sub-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 sub-fund compare with others in the marketplace;
- (6) Comparable services how the charges applied to the sub-fund compare with those of other funds administered by EPFL;
- (7) Classes of shares the appropriateness of the classes of shares in the sub-fund for investors.

#### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-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 sub-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 sub-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, Quilter Cheviot Limited, where consideration was given to, amongst other things, the delegate's controls around the sub-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 sub-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 sub-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 sub-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 sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

### Investment Objective

The sub-fund seeks to provide capital growth predominantly through investment in a diversified portfolio of global equities, bonds, collective investment schemes, money market instruments, deposits and derivatives (for hedging and efficient portfolio management). There will be no emphasis placed on particular economic or industrial sectors, though no investment will be made in any company overtly engaged in armaments manufacture or distribution.

#### 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.

### 2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the IA Flexible 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 sub-fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 31 July 2024 (%)

	Currency	1 year	3 year	5 year
IA Flexible Sector TR in GB	GBP	10.15	7.44	25.17
Bay Fund TR in GB	GBX	14.23	24.49	57.78

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

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

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund over its minimum recommended holding period of five years and observed that it has outperformed its comparator benchmark, the IA Flexible Sector. As a result, a green rating was given.

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

The Board found that the sub-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?

There were no follow-up actions required.

### 3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's 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 sub-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 sub-fund to examine the effect on the sub-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 on a fixed percentage charge meaning there are no opportunities for savings going forward should the sub-fund grow in size.

The ancillary charges<sup>1</sup> of the sub-fund represent 5 basis points<sup>2</sup>. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

Ancillary charge is any charge paid directly out of the sub-fund in addition to the AMC, e.g., Auditor, Custodian or Depositary fees.

 $<sup>^2</sup>$  One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 29 February 2024.

### 5. Comparable Market Rates

What was assessed in this section?

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

The OCF of the sub-fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 0.56%<sup>3</sup> compared favourably with those of similar externally managed funds.

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

Were there any follow up actions?

There were no follow-up actions required.

### 6. Comparable Services

What was assessed in this section?

The Board compared the Investment 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 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 sub-fund's set-up to ensure that where there were 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 sub-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

The Board concluded that the Bay Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

29 October 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.

<sup>&</sup>lt;sup>3</sup> Figure calculated at interim report, 29 February 2024.

### Assessment of Value - Beech 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 Beech Fund ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the year ended 31 August 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 sub-fund:

- On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- On balance, the Board believes the sub-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 sub-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 sub-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;
- Performance how the sub-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 sub-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 sub-fund compare with others in the marketplace;
- (6) Comparable services how the charges applied to the sub-fund compare with those of other funds administered by EPFL;
- (7) Classes of shares the appropriateness of the classes of shares in the sub-fund for investors.

#### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-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 sub-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 sub-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, Whitley Asset Management Limited<sup>1</sup> ('Whitley'), where consideration was given to, amongst other things, the delegate's controls around the sub-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 sub-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 sub-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 sub-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 sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

### Investment Objective

The sub-fund seeks to provide capital growth through investment across equity and bond markets of the world. Income is of only secondary consideration.

#### 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.

<sup>&</sup>lt;sup>1</sup> On the 7 October 2024 it was announced that Whitley has been fully acquired by Cazenove Capital, a division of Schroders Wealth Management.

#### 2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the IA Global sector (changed from the IA Mixed Investment 40-85% Shares sector on 31 May 2022), 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 sub-fund had performed against its comparator benchmark and a hybrid benchmark representing the returns from the IA Mixed Investment 40-85% Shares sector between 31 May 2019 to 31 May 2022, and the IA Global sector between 1 June 2022 to 31 July 2024, over various timescales can be found below.

Cumulative Performance as at 31 July 2024 (%)

Instrument	Currency	1 year	3 year	5 year	17.04.2021 to 31.07.2024
IA Global sector	GBP	12.65	15.38	47.04	18.98
Hybrid Benchmark*	GBP	12.65	15.49	32.03	18.14
Beech Fund	GBX	8.62	-8.38	4.87	-1.39

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

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

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

The Board assessed the performance of the sub-fund over the recommended minimum holding period of five years. It was noted that during this period there had been a change in Investment Manager to Whitley on 15 April 2021. Subsequent to this, on 31 May 2022 the benchmark was changed from the IA Mixed Investment 40-85% Shares sector to the IA Global sector and as such, the sub-fund's performance was compared against a hybrid of these two benchmarks.

The Board noted that the sub-fund had significantly underperformed the hybrid benchmark over the last five years and also underperformed the IA Global sector since Whitley took over its management. Consequently, the Board felt that the sub-fund's performance warranted a Red rating.

EPFL assessed the investment risk within the sub-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 sub-fund of this type.

The Board found that the sub-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 twelve months.

#### Were there any follow up actions?

The sub-fund merits further monitoring due to the performance issues since launch. EPFL has met with Whitley to understand how they intend to improve performance and if their investment strategy will be impacted by the acquisition of the Whitley business by Cazenove Capital. This engagement will continue on a regular basis until it can be evidenced that the gap between the performance of the sub-fund and its benchmark shows signs of a sustained improvement.

### 3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's 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 sub-fund's costs, and concluded that they were fair, reasonable and were provided on a competitive basis. The Board noted that there may be a reduction in some of those costs following the acquisition of Whitley by Cazenove Capital.

Were there any follow up actions?

There were no follow-up actions required.

<sup>\*</sup> The Hybrid Benchmark represents returns from the IA Mixed Investment 40-85% Shares sector (31/05/2019 to 31/05/2022) and the IA Global sector (01/06/2022 to 31/07/2024).

#### 4. Economies of Scale

What was assessed in this section?

The Board reviewed each separate fee structure and the AUM of the sub-fund to examine the effect on the sub-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 on a fixed percentage charge meaning there are no opportunities for savings going forward should the sub-fund grow in size.

The ancillary charges<sup>2</sup> of the sub-fund represent 9 basis points<sup>3</sup>. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

### 5. Comparable Market Rates

What was assessed in this section?

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

The OCF of the sub-fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 1.36%<sup>4</sup> compared favourably with those of similar externally managed funds. The OCF figure may reduce over time as the result of the acquisition of Whitley by Cazenove Capital.

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

Were there any follow up actions?

There were no follow-up actions required.

#### 6. Comparable Services

What was assessed in this section?

The Board compared the Investment 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 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 sub-fund's set-up to ensure that where there were 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 sub-fund, therefore this part of the assessment does not apply.

<sup>&</sup>lt;sup>2</sup> Ancillary charge is any charge paid directly out of the sub-fund in addition to the AMC, e.g., Auditor, Custodian or Depositary fees.

<sup>&</sup>lt;sup>3</sup> One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 29 February 2024.

<sup>&</sup>lt;sup>4</sup> Figure calculated at interim report, 29 February 2024.

### 7. Classes of Shares (continued)

Were there any follow up actions?

There were no follow-up actions required.

#### Overall Assessment of Value

The Board acknowledged that the Beech Fund's performance was a cause for concern but ultimately were of the opinion that, when combined with other aspects of the sub-fund that they considered to be of benefit to the shareholders, it had provided value.

### Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

6 December 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.

### Assessment of Value - Acacia 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 Acacia Fund ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the year ended 31 August 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 sub-fund:

- On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- On balance, the Board believes the sub-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 sub-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 sub-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;
- Performance how the sub-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 sub-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 sub-fund compare with others in the marketplace;
- (6) Comparable services how the charges applied to the sub-fund compare with those of other funds administered by EPFL;
- (7) Classes of shares the appropriateness of the classes of shares in the sub-fund for investors.

### Assessment of Value - Acacia Fund (continued)

#### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-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 sub-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 sub-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, Quilter Cheviot Limited, where consideration was given to, amongst other things, the delegate's controls around the sub-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 sub-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 sub-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 sub-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 sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

### Investment Objective

The sub-fund seeks to provide a combination of capital and income growth through investment across equity and bond markets of the world and collective investment schemes, money market instruments, deposits and derivatives (for hedging and efficient portfolio management).

### 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 - Acacia Fund (continued)

### 2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the IA Flexible 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 sub-fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 31 July 2024 (%)

	Currency	1 year	3 year	5 year
IA Flexible Sector	GBP	10.15	7.44	25.17
Acacia Fund	GBX	12.94	11.38	48.01

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

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

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund over its minimum recommended holding period of five years and observed that it has outperformed its comparator benchmark, the IA Flexible sector. As a result, a green rating was given.

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

The Board found that the sub-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 twelve months.

Were there any follow up actions?

There were no follow-up actions required.

### 3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's 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 sub-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 sub-fund to examine the effect on the sub-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 on a fixed percentage charge meaning there are no opportunities for savings going forward should the sub-fund grow in size.

The ancillary charges<sup>1</sup> of the sub-fund represent 6 basis points<sup>2</sup>. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

<sup>&</sup>lt;sup>1</sup> Ancillary charge is any charge paid directly out of the sub-fund in addition to the AMC, e.g., Auditor, Custodian or Depositary fees.

<sup>&</sup>lt;sup>2</sup> One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 29 February 2024.

### Assessment of Value - Acacia Fund (continued)

### 5. Comparable Market Rates

What was assessed in this section?

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

The OCF of the sub-fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 0.62%<sup>3</sup> compared favourably with those of similar externally managed funds

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

Were there any follow up actions?

There were no follow-up actions required.

### 6. Comparable Services

What was assessed in this section?

The Board compared the Investment 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 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 sub-fund's set-up to ensure that where there were 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 sub-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

The Board concluded that the Acacia Fund had provided value to shareholders.

### Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

29 October 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.

<sup>&</sup>lt;sup>3</sup> Figure calculated at interim report, 29 February 2024.

### Assessment of Value - Samphire 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 Samphire Fund ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund for the year ended 31 August 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 sub-fund:

- On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- On balance, the Board believes the sub-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 the sub-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 sub-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 sub-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;
- Performance how the sub-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 sub-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 sub-fund compare with others in the marketplace;
- (6) Comparable services how the charges applied to the sub-fund compare with those of other funds administered by EPFL;
- (7) Classes of shares the appropriateness of the classes of shares in the sub-fund for investors.

### Assessment of Value - Samphire Fund (continued)

#### 1. Quality of Service

What was assessed in this section?

#### Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-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 sub-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 sub-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, Rathbones Investment Management Limited, where consideration was given to, amongst other things, the delegate's controls around the sub-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 sub-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 sub-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 sub-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 sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

### Investment Objective

The sub-fund seeks to deliver long term (ten years plus) capital growth and income.

#### 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 - Samphire Fund (continued)

### 2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is the MSCI PIMFA Balanced Index, 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 sub-fund had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 31 July 2024 (%)

	Currency	1 year	3 year	5 year	17.10.2018 to 31.07.2024
MSCI PIMFA Balanced Index	GBP	12.98	14.00	27.36	40.22
Samphire Fund	GBX	10.40	3.48	26.13	40.34

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

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

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund since launch on 17 October 2018 and observed that it had outperformed its comparator benchmark, the MSCI PIMFA Balanced Index.

The Board did acknowledge that the Investment Manager does refer internally to an alternative benchmark, which the sub-fund had underperformed. However, EPFL chose to give preference to the official prospectus benchmark.

EPFL assessed the investment risk within the sub-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 sub-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?

There were no follow-up actions required.

#### 3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fee. The AMC includes the ACD's periodic charge and the Investment Manager's 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 sub-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 sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

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

The ancillary charges<sup>1</sup> of the sub-fund represent 10 basis points<sup>2</sup>. Some of these costs are fixed and as the sub-fund grows in size, may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

<sup>&</sup>lt;sup>1</sup> Ancillary charge is any charge paid directly out of the sub-fund in addition to the AMC, e.g., Auditor, Custodian or Depositary fees.

<sup>&</sup>lt;sup>2</sup>One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 29 February 2024.

### Assessment of Value - Samphire Fund (continued)

#### 5. Comparable Market Rates

What was assessed in this section?

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

The OCF of the sub-fund was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF of 0.76%<sup>3</sup> compared favourably with those of similar externally managed funds.

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

Were there any follow up actions?

There were no follow-up actions required.

#### 6. Comparable Services

What was assessed in this section?

The Board compared the Investment 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 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 sub-fund's set-up to ensure that where there were 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 sub-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

The Board concluded that Samphire Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited

28 October 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.

<sup>&</sup>lt;sup>3</sup> Figure calculated at interim report, 29 February 2024.

### Report of the Depositary to the shareholders of New Square Investment Funds

### 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 12 December 2024

### Independent Auditor's report to the shareholders of New Square Investment Funds

#### Opinion

We have audited the financial statements of New Square Investment Funds (the 'Company') for the year ended 31 August 2024, which comprise the Statements of total return, Statements of change in net assets attributable to shareholders, Balance sheets, the related Notes to the financial statements, including significant accounting policies and the Distribution tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Company as at 31 August 2024 and of the net revenue/expense 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's 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 New Square Investment Funds (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 4, 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; and
- The Company's Prospectus.

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

# Independent Auditor's report to the shareholders of New Square Investment Funds (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
12 December 2024

### Accounting policies of New Square Investment Funds

for the year ended 31 August 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 sub-funds' ability to meet their liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have 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 sub-funds have been valued at the global closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year.

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

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

Where an observable market price is unreliable or does not exist, investments are valued at the ACD's best estimate of the amount that would be received from an immediate transfer at arm's length.

#### c Foreign exchange

The base currency of the sub-funds is UK sterling which is taken to be the sub-funds' 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 sub-funds' distribution.

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

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

### Accounting policies of New Square Investment Funds (continued)

for the year ended 31 August 2024

#### d Revenue (continued)

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

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

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

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the sub-funds. 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.

#### e Expenses

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

Bank interest paid is charged to revenue.

#### f Taxation

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

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

Deferred taxation is provided in full on timing differences that result in an obligation at 31 August 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.

### Accounting policies of New Square Investment Funds (continued)

for the year ended 31 August 2024

### i Distribution policies

#### i Basis of distribution

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

#### ii Unclaimed distributions

Distributions to shareholders outstanding after 6 years are taken to the capital property of the sub-fund.

#### iii Revenue

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

#### iv Expenses

Expenses incurred against the revenue of the sub-funds 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.

#### vi Revenue deficit

If expenses exceed the revenue of the sub-funds no distribution will be made and the revenue deficit will be met by the capital property of the sub-funds.

### Bay Fund

### Investment Manager's report

### Investment objective and policy

The investment objective of The Bay Fund ('the Fund') is to provide capital growth predominantly through investment in a diversified portfolio of global equities, collective investment schemes, money market instruments, deposits and derivatives (for hedging and efficient portfolio management). There will be no emphasis placed on particular economic or industrial sectors, though no investment will be made in any company overtly engaged in armaments manufacture or distribution.

#### Investment performance

This is the 48th report since the Fund was launched in November 2000 and the 25th since Evelyn Partners Fund Solutions Limited (formerly Smith & Williamson Fund Administration Limited) replaced Capita as Authorised Corporate Director. The Fund became a UCITS scheme in April 2004.

Over the 12 months to 30 August 2024, the net asset value ('NAV') increased by 14.13% from 3,008p\* to 3,433p\* while the IA Flexible Sector comparator benchmark rose 11.50%\*\*.

Sterling increased 3.9% against the US dollar to 1.31435\* and appreciated 1.6% against the Euro to 1.18735\*.

For the six months to 30 August 2024, NAV increased 1.6% from 3,379p\* while the IA Flexible Sector comparator benchmark rose 4.83%\*\*.

#### Investment activities \*\*\*

NAV underperformed the benchmark by 323 basis points for the six months to 30 August 2024.

29 of the Fund's 51 holdings at the year end generated positive sterling returns: Sandoz (+35.6%), AstraZeneca (+32.9%), Roche (+23.6%), Adidas and Apple (+21.9%), J P Morgan Chase (+16.4%), SSE (+16.1%), Mercantile IT (+15.1%), Novartis (+14%), Bank of America (+13.8%), Alphabet (+13.6%), American Express (+13.4%), Palo Alto Networks (+13.1%), SAP (+12.3%), Netflix (+12%), Novo-Nordisk (+11.7%), Compass Group (+10.6%), Experian (+8.8%), Shell (+8.7%), EssilorLuxottica (+6.3%), the iShares S & P 500 (+6.1%), Xylem (+4.2%), Thermo Fisher (+4%), TotalEnergies (+3.8%), Caterpillar (+2.7%), Relx (+2.3%), National Grid (+2%), Linde (+2%), and Impax Environmental (+0.6%).

The detractors were Advanced Micro Devices (-25.7%), LVMH (-21.4%), Diageo (-16.5%), Prudential (-16.2%), Reckitt Benckiser (-12.6%), L'Oréal (-11.7%), Siemens (-8.3%), ASML (-8.2%), Hermès (-8%), Legal & General (-7.8%), BP (-6.8%), Home Depot (-6.7%), Chevron (-6.3%), Rio Tinto (-6.1%), Visa (-5.9%), Microsoft (-2.9%), Union Pacific (-2.8%), Amazon (-2.7%), Infineon Technologies (-2.3%), Adobe (-1.3%), Nestlé (-0.9%) and GlaxoSmithKline (-0.4%).

Over the last six months we added to the investments in Palo Alto, American Express, Linde, Shell, EssilorLuxottica, Legal & General, Siemens, L'Oréal, Hermès, LVMH Moet Hennessy Vuitton, ASML and Novo-Nordisk. We sold the nil-paid rights for National Grid.

Our recent reports highlighted the impact of inflation, interest rates and subdued economic growth on the macro-economic picture. The invasion of Ukraine has entered a third year and the conflict in Gaza has added to geographical instability.

Three central banks took diverging decisions in July. First up, the Bank of Japan ('BoJ') delivered an unanticipated interest rate hike to take its base rate to 0.25% from the 0.1% range while also reducing its bond buying programme. The policy tightening appears to be the clearest signal yet that the BoJ believes inflation is finally returning to stability. After the BoJ news the US Federal Reserve ('the Fed') announced it would maintain its interest rate at 5.25%-5.50%, making it eight consecutive policy meetings that have decided to keep it at a 23 year high. However, there was the strongest sign yet that a cut will follow at the September meeting, as the accompanying statement declared the committee was "attentive to the risks to both sides of its dual mandate" — suggesting there has been a shift towards greater concerns regarding the unemployment rate and away from a focus on curbing inflation. The following day the Bank of England cut rates for the first time since the Covid-19 pandemic, lowering its base rate to 5%. The rate had been at 5.25% since August 2023, but a close split among rate-setters (5-4) suggests it was a close-run thing and given market expectations for a reduction going into it, it could be described as a hawkish cut. Furthermore, the lack of a strong consensus suggests that the move lower does not necessarily signal the start of a sustained cutting cycle.

<sup>\*</sup> Source: Evelyn Partners Fund Solutions Limited (based on mid priced at 5pm on 30 August 2024).

<sup>\*\*</sup>Source: FE Analytics.

<sup>\*\*\*</sup>Source: Quilter Cheviot.

### Investment Manager's report (continued)

Investment activities (continued) \*

The major event of the last week in August was the Fed chair Jerome Powell's speech at the Kansas City annual Fed's economic symposium in Jackson Hole, Wyoming. Chair Powell acknowledged "the time has come for policy to adjust. The direction of travel is clear, and the timing and pace of rate cuts will depend on incoming data, the evolving outlook, and the balance of risks" suggesting a rate cut at the September meeting and hinted at the possibility of a 50 basis point rate cut instead of the usual 25. This was well received by the US equity market

Capital cash represented 1.75% of the Fund on 30 August 2024.

The full year dividend is 32.68p (7.581p interim + 25.099p final) which is 2.59% higher than the 2023 distribution\*.

Investment strategy and outlook \*\*

The geopolitical situation remains uncertain and any deterioration in the Middle East or Ukraine could swiftly feed through to financial markets. Domestic politics have been resolved in the UK with a large Labour majority but still remains uncertain ahead of the US election in early November.

We are now through earnings season and, generally speaking, companies in all regions are beating expectations in aggregate. Technology, healthcare and financials are performing particularly well, even though the technology sector has seen some market weakness due to sky high expectations. We take reassurance from the fact that businesses continue to post profits ahead of consensus forecasts, and that all major equity regions are predicted to provide year on year earnings growth in 2024 and beyond.

Quilter Cheviot 5 September 2024

\*Source: Evelyn Partners Fund Solutions Limited

<sup>\*\*</sup>Source: Quilter Cheviot Limited

# Summary of portfolio changes for the year ended 31 August 2024

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

	Cost
Purchases:	£
Infineon Technologies	1,474,134
AstraZeneca	839,344
Hermes International	751,329
L'Oréal	727,919
Palo Alto Networks	502,878
Siemens	440,545
Visa	434,100
Microsoft	405,409
ASML Holding	358,336
Linde	347,874
Legal & General Group	315,722
EssilorLuxottica	306,836
Shell	299,569
LVMH Moët Hennessy Louis Vuitton	277,315
JPMorgan Chase	271,527
Impax Environmental Markets	216,403
Novo Nordisk	207,053
Xylem	177,875
Advanced Micro Devices	175,422
American Express	174,616
	Proceeds
Sales:	£
Findlay Park American Fund	4,732,244
Aberdeen Standard OEIC I - ASI Asia Pacific Equity Fund	1,413,350
JPMorgan Fund ICVC - Emerging Markets Fund	844,900
TR Property Investment Trust	698,049
Cellnex Telecom	672,553
Segro	399,519
Smith & Nephew	323,019
Land Securities Group	178,739
Vodafone Group	167,649
National Grid Rights	44,416

# Portfolio statement

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities 93.44% (83.47%) Equities - United Kingdom 16.83% (17.68%) Equities - incorporated in the United Kingdom 15.36% (16.50%) Energy 2.66% (2.50%)			
BP	122,500	526,015	0.66
Shell	60,000	1,608,600	2.00
orion .	-	2,134,615	2.66
Materials 1.34% (1.56%)			
Rio Tinto	22,500	1,073,138	1.34
		.,	
Industrials 2.42% (2.02%) RELX	55,000	1 0 4 / 450	2.42
RELA	33,000 _	1,946,450	2.42
Consumer Discretionary 1.31% (1.25%)			
Compass Group	44,000	1,055,120	1.31
Consumer Staples 2.36% (3.53%)			
Diageo	50,000	1,236,250	1.54
Reckitt Benckiser Group	15,000	654,900	0.82
•	· · · · · · · · · · · · · · · · · · ·	1,891,150	2.36
Health Care 1.82% (1.02%)			
AstraZeneca	7,500	995,400	1.24
GSK	28,000	463,960	0.58
		1,459,360	1.82
Financials 1.35% (1.32%)			
Legal & General Group	350,000	783,300	0.98
Prudential	45,000	293,400	0.37
	·-	1,076,700	1.35
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			
Communication Services 0.00% (0.26%)		-	-
Utilities 2.10% (2.20%)			
National Grid	74,000	738,668	0.92
SSE	50,000	943,500	1.18
		1,682,168	2.10
Real Estate 0.00% (0.84%)		-	-
Takala and the stream and adds to the U.S. 182	·-	10.010.701	1504
Total equities - incorporated in the United Kingdom	-	12,318,701	15.36

# Portfolio statement (continued)

as at 31 August 2024

	Nominal value or	Market value	% of total net assets
Investment	holding	£	
Equities (continued) Equities - United Kingdom (continued) Equities - incorporated outwith the United Kingdom 1.47% (1.18%) Industrials 1.47% (1.18%)			
Experian	32,000	1,178,880	1.47
Total equities - incorporated outwith the United Kingdom	-	1,178,880	1.47
Total equities - United Kingdom	-	13,497,581	16.83
Equities - Europe 33.13% (27.70%) Equities - Denmark 4.23% (3.14%) Novo Nordisk	32,000	3,395,730	4.23
NOVO NOIGISK	02,000	0,070,700	4.20
Equities - France 10.64% (9.16%) EssilorLuxottica Hermes International	6,600 1,800	1,190,651 3,288,163	1.48 4.10
L'Oréal	4,000	1,336,085	1.67
LVMH Moët Hennessy Louis Vuitton	3,400	1,930,871	2.41
TotalEnergies	15,000	785,657	0.98
Total equities - France	-	8,531,427	10.64
Equities - Germany 5.75% (3.02%)			
adidas	5,000	979,071	1.22
Infineon Technologies	50,000	1,388,175	1.73
SAP	6,600	1,098,935	1.37
Siemens	8,000	1,149,989	1.43
Total equities - Germany	-	4,616,170	5.75
Equities - Ireland 1.81% (1.30%)			
Linde	4,000	1,454,518	1.81
Equities - Netherlands 5.54% (4.45%)			
ASML Holding	6,500	4,444,098	5.54
Equities - Spain 0.00% (0.96%)		-	-
Equities - Switzerland 5.16% (5.67%)			
Nestlé	25,000	2,040,624	2.54
Novartis	9,700	888,319	1.11
Roche Holding	4,500	1,158,596	1.44
Sandoz Group	1,700	56,850	0.07
Total equities - Switzerland	•	4,144,389	5.16
Total equities - Europe	-	26,586,332	33.13
τοιαι εφοιπες - Ευτορε	-	20,300,332	33.13

# Portfolio statement (continued)

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - United States 43.48% (38.09%)			
Adobe	3,000	1,310,504	1.63
Advanced Micro Devices	16,250	1,836,865	2.29
Alphabet 'A'	24,000	2,981,898	3.72
Amazon.com	30,000	4,074,111	5.08
American Express	9,000	1,770,622	2.21
Apple	20,500	3,569,815	4.45
Bank of America	20,000	619,973	0.77
Caterpillar	10,000	2,707,704	3.37
Chevron	10,000	1,125,281	1.40
Home Depot	5,000	1,401,636	1.75
JPMorgan Chase	11,000	1,881,278	2.34
Microsoft	11,275	3,576,086	4.46
Netflix	2,500	1,333,270	1.66
Palo Alto Networks	6,600	1,820,229	2.27
Thermo Fisher Scientific	1,625	760,019	0.95
Union Pacific	5,000	973,901	1.21
Visa	10,000	2,101,503	2.62
Xylem	10,000	1,046,376	1.30
Total equities - United States		34,891,071	43.48
Total equities		74,974,984	93.44
Closed-Ended Funds 2.06% (2.79%)			
Impax Environmental Markets	200,000	780,000	0.97
Mercantile Investment Trust	350,000	873,250	1.09
Total closed-ended funds	•	1,653,250	2.06
	•		

### Portfolio statement (continued)

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 2.75% (12.08%) UK Authorised Collective Investment Schemes 0.00% (3.28%)		-	-
Offshore Collective Investment Schemes 2.75% (8.80%) iShares Core S&P 500 UCITS ETF	52,000	2,210,130	2.75
Total collective investment schemes		2,210,130	2.75
Portfolio of investments		78,838,364	98.25
Other net assets		1,406,073	1.75
Total net assets		80,244,437	100.00

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

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

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

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

# Risk and reward profile\*

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

Typically lower rewards,				Typically higher rewards,			
✓ lower risk					higher risk	<b>→</b>	
1	2	3	4	5	6	7	

The sub-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 sub-fund, please refer to the Prospectus.

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

 $<sup>^{</sup>st}$  As per the KIID published on 7 June 2024.

## Comparative table

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

	2024	2023	2022
Income	р	р	р
Change in net assets per share			
Opening net asset value per share	2,983.05	2,764.69	2,917.67
Return before operating charges	474.63	269.50	(104.96)
Operating charges	(18.13)	(19.28)	(19.79)
Return after operating charges *	456.50	250.22	(124.75)
Distributions <sup>^</sup>	(32.68)	(31.86)	(28.23)
Closing net asset value per share	3,406.87	2,983.05	2,764.69
* after direct transaction costs of:	0.77	0.00	0.03
Performance			
Return after charges	15.30%	9.05%	(4.28%)
Other information			
Closing net asset value (£)	80,244,437	70,279,199	66,961,700
Closing number of shares	2,355,373	2,355,955	2,422,030
Operating charges <sup>^^</sup>	0.56%	0.68%	0.69%
Direct transaction costs	0.02%	0.00%	0.00%
Published prices			
Highest share price	3,532	3,037	3,121
Lowest share price	2,896	2,603	2,564

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

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

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment 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.

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

# Financial statements - Bay Fund

Amounts payable on cancellation of shares

from investment activities

Change in net assets attributable to shareholders

Closing net assets attributable to shareholders

# Statement of total return

for the year ended 31 August 2024

	Notes	2024		2023			
Incomo		£	£	£	£		
Income:							
Net capital gains	2		10,010,629		5,237,217		
Revenue	3	1,297,764		1,225,390			
Expenses	4 _	(421,304)		(376,829)			
Net revenue before taxation		876,460		848,561			
Taxation	5 _	(108,096)		(83,842)			
Net revenue after taxation		<del>-</del>	768,364	_	764,719		
Total return before distributions			10,778,993		6,001,936		
Distributions	6		(768,356)		(764,741)		
Change in net assets attributable to shareholder from investment activities	S	- =	10,010,637	- -	5,237,195		
Statement of change in net assets attributable to shareholders for the year ended 31 August 2024							
		2024		202	23		
		£	£	£	£		
Opening net assets attributable to shareholders			70,279,199		66,961,700		
Amounts receivable on issue of shares		835,645		112,398			

(881,044)

(2,032,094)

(1,919,696)

5,237,195

70,279,199

(45,399)

10,010,637

80,244,437

# Balance sheet as at 31 August 2024

	Notes	2024	2023
Assets:		£	£
Fixed assets:			
Investments		78,838,364	69,110,509
Current assets:			
Debtors	7	218,332	217,627
Cash and bank balances	8	1,790,642	1,539,706
Total assets		80,847,338	70,867,842
Liabilities:			
Creditors:			
Distribution payable		(591,175)	(579,259)
Other creditors	9	(11,726)	(9,384)
Total liabilities		(602,901)	(588,643)
Net assets attributable to shareholders		80,244,437	70,279,199

# Notes to the financial statements

for the year ended 31 August 2024

# 1. Accounting policies

The accounting policies are disclosed on pages 26 to 28.

2.	Net capital gains	2024	2023
		£	£
	Non-derivative securities - realised gains	5,317,351	236,753
	Non-derivative securities - movement in unrealised gains	4,748,870	5,004,767
	Currency losses	(52,644)	(1,945)
	Transaction charges	(2,948)	(2,358)
	Total net capital gains	10,010,629	5,237,217
3.	Revenue	2024	2023
		£	£
	UK revenue	534,715	558,027
	Unfranked revenue	-	16,485
	Overseas revenue	743,692	633,220
	Bank and deposit interest	19,357	17,658
	Total revenue	1,297,764	1,225,390
4.	Expenses	2024	2023
'.	Exportsos	£	£
	Payable to the ACD and associates	₩	2
	Annual management charge*	457,738	409,200
	Annual management charge rebate*	(76,285)	(68,200)
		381,453	341,000
	Payable to the Depositary		
		24 200	21.070
	Depositary fees	24,388	21,960
	Other expenses:		
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,456	2,057
	Safe custody fees	5,117	4,194
	Bank interest	192	2
	FCA fee	412	489
	KIID production fee	186	191
		15,463	13,869
	Total expenses	421,304	376,829

<sup>\*</sup> The annual management charge is 0.60% and includes the ACD's periodic charge and the Investment Manager's fees. Where the ACD's periodic charge and the Investment Manager's fee are cumulatively lower than the annual management charge a rebate may occur. For the year ended 31 August 2024, the annual management charge after rebates is 0.50%.

for the year ended 31 August 2024

5. Taxation	2024	2023		
	£	£		
a. Analysis of the tax charge for the year				
Overseas tax withheld	108,096	83,842		
Total taxation (note 5b)	108,096	83,842		

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

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

	2024	2023
	£	£
Net revenue before taxation	876,460	848,561
Corporation tax @ 20%	175,292	169,712
Effects of:		
Ellecis of.		
UK revenue	(106,943)	(111,605)
Overseas revenue	(148,738)	(126,645)
Overseas tax withheld	108,096	83,842
Excess management expenses	80,389	68,538
Total taxation (note 5a)	108,096	83,842

## 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 £710,569 (2023: £630,180).

## 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	177,380	176,057
Final income distribution	591,175	579,259
	768,555	755,316
Equalisation:		
Amounts deducted on cancellation of shares	1,542	9,805
Amounts added on issue of shares	(1,741)	(380)
Total net distributions	768,356	764,741
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	768,364	764,719
Undistributed revenue brought forward	1	23
Undistributed revenue carried forward	(9)	(1)
Distributions	768,356	764,741

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

2,355,955

26,023

(26,605)

2,355,373

# Notes to the financial statements (continued)

for the year ended 31 August 2024

7.	Debtors	2024	2023
		£	£
	Accrued revenue	187,426	189,950
	Recoverable overseas withholding tax	24,001	21,310
	Prepaid expenses	82	291
		211,509	211,551
	Payable from the ACD and associates		
	Annual management charge rebate	6,823	6,076
	Total debtors	218,332	217,627
8.	Cash and bank balances	2024	2023
		£	£
	Total cash and bank balances	1,790,642	1,539,706
9.	Other creditors	2024	2023
		£	£
	Accrued expenses:		
	Payable to the ACD and associates		
	Annual management charge	1,325	
	Other expenses:		
	Depositary fees	70	-
	Safe custody fees	983	403
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,076	2,045
	FCA fee	172	-
		10,401	9,384
	Total other creditors	11,726	9,384
10	. Commitments and contingent liabilities  At the balance sheet date there are no commitments or co	ntingent liabilities.	
11	. Share classes		
	The following reflects the change in shares in issue in the year	ar:	
	- · · · · · · · · · · · · · · · · · · ·		Income
			0.055.055

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

# 12. Related party transactions

Opening shares in issue

Closing shares in issue

Total shares issued in the year

Total shares cancelled in the year

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

The ACD acts as principal in respect of all transactions of shares in the sub-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 sub-fund.

for the year ended 31 August 2024

## 12. Related party transactions (continued)

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

#### 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 3,407p to 3,524p as at 11 December 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			Ŧ		Finar		Purchases after transaction
	costs	Comn	nission	Taxes		transaction tax		costs
2024	£	£	%	£	%	£	%	£
Equities	8,826,378	3,401	0.04%	7,243	0.08%	6,169	0.07%	8,843,191
Closed-Ended Funds	215,325	-	-	1,078	0.50%	-	-	216,403
Collective Investment Schemes*	76,480	-	-	-	-	-	-	76,480
Total	9,118,183	3,401	0.04%	8,321	0.58%	6,169	0.07%	9,136,074

The were no purchases in the prior accounting year.

	Sales before transaction costs	Comm	iission	Taxe	es	Finan transact		Sales after transaction costs
2024	£	£	%	£	%	£	%	£
Equities	1,786,236	(336)	0.02%	(5)	0.00%	-	-	1,785,895
Closed-Ended Funds	698,050	-	-	(1)	0.00%	-	-	698,049
Collective Investment Schemes*	6,990,494	-	-	-	-	-	-	6,990,494
Total	9,474,780	(336)	0.02%	(6)	0.00%	_	-	9,474,438

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

## 14. Transaction costs (continued)

## a Direct transaction costs (continued)

	Sales before transaction costs	Comm	nission	Taxe	es	Finar transac		Sales after transaction costs
2023	£	£	%	£	%	£	%	£
Equities	395,450	(113)	0.03%	(1)	0.00%	-	-	395,336
Collective Investment Schemes*	801,336	-	-	-	-	-	-	801,336
otal	1,196,786	(113)	0.03%	(1)	0.00%	-	-	1,196,672

Capital events amount of £nil (2023: £14,674) 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 sub-fund's average net asset value in the year:

2024	£	% of average net asset value
Commission	3,737	0.00%
Taxes	8,327	0.01%
Financial transaction tax	6,169	0.01%
2023	£	% of average net asset value
Commission	113	0.00%
Taxes	1	0.00%

# 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 0.04% (2023: 0.03%).

#### 15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

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

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- a Market risk (continued)
- (i) Other price risk (continued)

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 August 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £3,941,918 (2023: £3,455,525).

#### (ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Danish krone	3,395,730	7,168	3,402,898
Euro	17,591,695	16,833	17,608,528
Swiss franc	4,144,389	-	4,144,389
US dollar	36,364,963	112,265	36,477,228
Total foreign currency exposure	61,496,777	136,266	61,633,043
	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
Danish krone	2,208,240	10,374	2,218,614
Euro	12,362,328	10,936	12,373,264
Swiss franc	3,985,034	-	3,985,034
IIC dollar		FO 000	20 170 120
US dollar	32,109,221	52,909	32,162,130

At 31 August 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 sub-fund would increase or decrease by approximately £3,081,652 (2023: £2,536,952).

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- a Market risk (continued)
- (iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund.

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

There is no exposure to interest bearing securities at the balance sheet date.

#### 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.

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

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

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

## c Liquidity risk

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

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-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.

for the year ended 31 August 2024

## 15. Risk management policies (continued)

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

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 sub-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	78,838,364	-
Observable market data	-	-
Unobservable data		
	78,838,364	
	Investment assets	Investment liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	62,392,829	-
Observable market data	6,717,680	-
Unobservable data	-	-
	69,110,509	

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

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 sub-fund may employ derivatives with the aim of reducing the sub-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 sub-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.

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.

During the year there were no derivative transactions.

for the year ended 31 August 2024

# 15. Risk management policies (continued)

f Derivatives (continued)

#### (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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 31 August 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 September 2023

Group 2 - Shares purchased 1 September 2023 to 29 February 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	30 April 2024	30 April 2023
Income				
Group 1	7.581	-	7.581	7.269
Group 2	7.274	0.307	7.581	7.269

## Final distribution in pence per share

Group 1 - Shares purchased before 1 March 2024

Group 2 - Shares purchased 1 March 2024 to 31 August 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	31 October 2024	31 October 2023
Income				
Group 1	25.099	-	25.099	24.587
Group 2	14.061	11.038	25.099	24.587

## 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.

## Beech Fund

## Investment Manager's report

## Investment objective and policy

The investment objective of Beech Fund ('the Fund') is to provide capital growth through investment across equity and bond markets of the world. Income is of only secondary consideration. The Fund will seek to achieve the investment objective by investing in shares, bonds, or other similar securities listed on the London and other recognised Stock Exchanges and in other collective investment schemes.

#### Investment performance\*

For the year ended 31 August 2024, Beech Fund returned +10.3%. Over the same period the comparator benchmark, the IA Global sector rose by +14.6%. The respectable performance masks what has been a volatile period for equity and fixed income markets over the past year, driven by geopolitical uncertainty, concerns about global recessions and investor concerns about the impacts on Artificial Intelligence ('AI') on a variety of industries.

The Fund benefited more broadly from a recovery in developed market equities. Global equity funds such as Heriot Global Fund and Heptagon Fund ICAV - WCM Global Equity Fund contributed to portfolio performance, up +16.7% and +27.4% respectively in sterling terms. The Fund's overweight to US equities was also beneficial for performance, with recent addition Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund returning +17.5% (GBP) and core holdings Brown Advisory US Sustainable Growth Fund and Edgewood L Select - US Select Growth returning +19.3% and +19.4% respectively in sterling terms. These US equity funds benefitted from a continued recovery in valuations following the broad market sell off in 2022, as well as thematic exposure to hardware technology stocks (for example NVIDIA, Arista Networks and KLA) which are benefitting from a huge capex cycle as businesses and indeed countries look to build out new infrastructure to support Al computing.

The Fund's allocation to consumer defensives was a headwind for performance over the reporting year, particularly from a stock selection point of view. Direct holdings Nestlé, PepsiCo and Diageo failed to impress on organic revenue growth and were notable detractors within the portfolio. We believe the setback is cyclical rather than structural and that these companies are well placed to benefit from growing revenues, a broader customer base and streamlined portfolios of their best performing brands. Earnings results from most portfolio companies continued to be strong and forward guidance from management provided confirmation of growing market share, earnings growth and reinvestment opportunities. The exception to this was NIKE where sales disappointed and competition from worthy competitors increased. NIKE has also been contending with a disappointing build out of their direct to consumer capabilities which has not resulted in the margin expansion which was anticipated.

## Investment activities

The vast majority of transactions over the last year were managing position sizes and raising funds to meet investor withdrawals; over half the transactions occurred over a three day period.

The only full sales from the Fund over the period were sales of Walt Disney, Candoris ICAV - Coho ESG US Large Cap Equity Fund and Smithson Investment Trust. Candoris ICAV - Coho ESG US Large Cap Equity Fund was initially bought for the Fund in order to provide diversified and defensive equity exposure. We exited the position in June of this year, believing that the Beech Fund's other investment in Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund similarly fulfils this role, whilst maintaining more traction in upward markets. The proceeds from the sale were reallocated to Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund. Smithson Investment Trust was sold owing to an extended period of underperformance. Having reviewed the Fund and the composition of the Fund's portfolio, we exited the position believing the expected returns were not commensurate with the risk of the holding.

<sup>\*</sup>Source: Morningstar (based on mid priced at 5pm on 30 August 2024).

# Investment Manager's report (continued)

## Investment strategy and outlook

The investment strategy for the Fund has not changed and the Fund's objective remains to deliver strong capital growth for the investors, by investing in financially strong companies with enduring competitive advantages and large addressable markets. We believe that this will insulate the portfolio from any potential recession, particularly in the US and Europe, as the portfolio is less exposed (albeit not immune) to the more cyclical parts of the economy such as banks, real estate and materials. We continue to take advantage of attractive yields in the shorter dated part of the credit market, complementing the equity focus of the rest of the Fund. We believe the Fund's underlying exposure to financially strong companies diversified by geography, sector and end markets provide the shareholders of the Beech Fund with an attractive outlook for long-term capital growth with measured risk, despite the evident macroeconomic headwinds present in today's markets.

Whitley Asset Management Limited 9 September 2024

33,644

# Summary of portfolio changes for the year ended 31 August 2024

Mastercard

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

	Cost
Purchases:	£
UK Treasury Gilt 0.25% 31/01/2025	1,336,021
Heriot Global Fund	704,268
Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund	563,414
Automatic Data Processing	170,394
	Proceeds
Sales:	£
Brown Advisory US Sustainable Growth Fund	680,220
Smithson Investment Trust	629,284
Alphabet 'C'	583,969
Polen Capital Investment Funds - Focus US Growth	554,945
Candoris ICAV - Coho ESG US Large Cap Equity Fund	540,804
Edgewood L Select - US Select Growth	477,000
Apple	367,765
Fundsmith Equity Fund	323,220
Scottish Mortgage Investment Trust	311,657
Magna Umbrella Fund - Fiera Atlas Global Companies Fund	239,193
GuardCap UCITS Funds - GuardCap Global Equity Fund	214,638
UK Treasury Gilt 0.25% 31/01/2025	159,423
Heriot Global Fund	159,231
Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund	140,093
Walt Disney	119,284
Microsoft	67,861
Veritas Funds - Asian Fund	67,030
Adobe	36,818
Stryker	36,056

# Portfolio statement

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 4.97% (0.00%) Aa3 to A1 4.97% (0.00%) UK Treasury Gilt 0.25% 31/01/2025	£1,234,109 _	1,214,597	4.97
Equities 16.02% (19.07%) Equities - United Kingdom 0.58% (0.82%) Consumer Staples 0.58% (0.82%) Diageo	5,740	141,922	0.58
bidgeo	5,740	141,722	0.30
Total equities - United Kingdom	- -	141,922	0.58
Equities - Europe 2.62% (3.18%) Equities - France 1.91% (2.29%)			
L'Oréal	708	236,487	0.97
LVMH Moët Hennessy Louis Vuitton	406	230,569	0.94
Total equities - France	-	467,056	1.91
Equities - Switzerland 0.71% (0.89%)			
Nestlé	2,123	173,290	0.71
Total equities - Europe	- -	640,346	2.62
Equities - United States 12.82% (15.07%)			
Adobe	644	281,321	1.15
Alphabet 'C'	2,562	321,612	1.32
Amazon.com	1,339	181,841	0.74
Apple	3,612	628,984	2.57
Automatic Data Processing	748	156,982	0.64
Mastercard	736	270,555	1.11
Microsoft	1,495	474,168	1.94
NIKE	1,472	93,310	0.38
PepsiCo	1,500	197,234	0.81
Stryker	1,055	289,251	1.18
Thermo Fisher Scientific	513	239,932	0.98
Total equities - United States	-	3,135,190	12.82
Total equities	- -	3,917,458	16.02
Closed-Ended Funds 4.68% (7.14%)			
Scottish Mortgage Investment Trust	138,293	1,144,789	4.68

 $<sup>\</sup>ensuremath{^*}$  Grouped by credit rating - source: Interactive Data and Bloomberg.

# Portfolio statement (continued)

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 68.83% (65.61%)			
UK Authorised Collective Investment Schemes 21.00% (17.23%)			
Fundsmith Equity Fund	392,982	2,499,878	10.22
Heriot Global Fund	369,416	1,208,176	4.94
IFSL Evenlode Global Income	801,241	1,429,173	5.84
Total UK authorised collective investment schemes	·	5,137,227	21.00
Offshore Collective Investment Schemes 47.83% (48.38%)			
Brown Advisory US Sustainable Growth Fund	94,349	1,861,507	7.61
Edgewood L Select - US Select Growth	3,506	1,224,193	5.00
GuardCap UCITS Funds - GuardCap Global Equity Fund	52,550	1,662,742	6.80
Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund	9,418	1,051,290	4.30
Heptagon Fund ICAV - WCM Global Equity Fund	13,778	1,783,196	7.29
Magna Umbrella Fund - Fiera Atlas Global Companies Fund	1,417,716	1,816,095	7.43
Polen Capital Investment Funds - Focus US Growth	53,658	1,802,964	7.37
Veritas Funds - Asian Fund	584	495,388	2.03
Total offshore collective investment schemes		11,697,375	47.83
Total collective investment schemes		16,834,602	68.83
Portfolio of investments		23,111,446	94.50
Other net assets		1,344,367	5.50
Total net assets		24,455,813	100.00

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

The comparative figures in brackets are as at 31 August 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 sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

Typically lower rewards,			Typically higher rewards			ewards,
←	lower risk		higher risk —			<b>→</b>
1	2	3	4	5	6	7

The sub-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 sub-fund, please refer to the Prospectus.

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

<sup>\*</sup> As per the KIID published on 13 February 2024.

## Comparative table

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

	2024	2023	2022
Income	р	р	р
Change in net assets per share			
Opening net asset value per share	1,503.64	1,468.73	1,848.50
Return before operating charges	177.26	54.34	(357.04)
Operating charges	(21.03)	(19.43)	(22.73)
Return after operating charges *	156.23	34.91	(379.77)
Closing net asset value per share	1,659.87	1,503.64	1,468.73
* after direct transaction costs of:	0.19	0.47	1.27
Performance			
Return after charges	10.39%	2.38%	(20.54%)
Other information			
Closing net asset value (£)	24,455,813	25,592,765	25,268,883
Closing number of shares	1,473,353	1,702,053	1,720,454
Operating charges <sup>^</sup>	1.32%	1.35%	1.37%
Direct transaction costs	0.01%	0.03%	0.08%
Published prices			
Highest share price	1,694	1,519	1,916
Lowest share price	1,433	1,357	1,348

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

<sup>^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment 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.

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

# Financial statements - Beech Fund

# Statement of total return

for the year ended 31 August 2024

	Notes	202	2024		2023	
Income:		£	£	£	£	
Net capital gains	2		2,682,117		657,487	
Revenue	3	176,072		112,035		
Expenses	4	(198,126)		(181,419)		
Net expense before taxation		(22,054)		(69,384)		
Taxation	5	(9,078)		779		
Net expense after taxation		_	(31,132)		(68,605)	
Total return before distributions			2,650,985		588,882	
Distributions	6		-		-	
Change in net assets attributable to shareholders from investment activities	;	- -	2,650,985		588,882	

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

	2024		2023	
	£	£	£	£
Opening net assets attributable to shareholders		25,592,765		25,268,883
Amounts receivable on issue of shares	261,928		-	
Amounts payable on cancellation of shares	(4,050,540)	_	(265,000)	
		(3,788,612)		(265,000)
Change in net assets attributable to shareholders				
from investment activities		2,650,985		588,882
Unclaimed distributions		675		-
Closing net assets attributable to shareholders		24,455,813		25,592,765

# Balance sheet as at 31 August 2024

	Notes	2024 £	2023 £
Assets:		<b></b>	~
Fixed assets:			
Investments		23,111,446	23,500,240
Current assets:			
Debtors	7	287,369	14,963
Cash and bank balances	8	1,067,171	2,086,636
Total assets		24,465,986	25,601,839
Liabilities:			
Creditors:			
Other creditors	9	(10,173)	(9,074)
Total liabilities		(10,173)	(9,074)
Net assets attributable to shareholders		24,455,813	25,592,765

# Notes to the financial statements

for the year ended 31 August 2024

# 1. Accounting policies

The accounting policies are disclosed on pages 26 to 28.

2.	Net capital gains	2024	2023
		£	£
	Non-derivative securities - realised gains / (losses)	697,795	(710,241)
	Non-derivative securities - movement in unrealised gains	2,001,131	1,424,360
	Currency losses	(15,259)	(55,219)
	Forward currency contracts gains	2,690	-
	Compensation	-	2,360
	Transaction charges	(4,240)	(3,773)
	Total net capital gains	2,682,117	657,487
3.	Revenue	2024	2023
		£	£
	UK revenue	59,853	44,253
	Unfranked revenue	1,114	534
	Overseas revenue	56,812	48,770
	Interest on debt securities	38,433	-
	Bank and deposit interest	19,860	18,478
	Total revenue	176,072	112,035
4.	Expenses	2024	2023
		£	£
	Payable to the ACD and associates		
	Annual management charge*	187,110	172,425
	Annual management charge rebate*	(12,337)	(9,264)
		174,773	163,161
	Payable to the Depositary		
	Depositary fees	9,143	9,000
	Other expenses:		
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,456	2,057
	Safe custody fees	1,034	897
	Bank interest	3,220	14
	FCA fee	214	163
	KIID production fee	186	191
	Set up fee	-	(1,000)
	·	14,210	9,258
	Total expenses	198,126	181,419

<sup>\*</sup> The annual management charge is 0.70% and includes the ACD's periodic charge and the Investment Manager's fee. Where the ACD's periodic charge and the Investment Manager's fee are cumulatively lower than the annual management charge a rebate may occur. For the year ended 31 August 2024, the annual management charge after rebates is 0.65%.

for the year ended 31 August 2024

5. Taxation	2024	2023
	£	£
a. Analysis of the tax charge for the year		
Overseas tax withheld	9,078	(779)
Total taxation (note 5b)	9,078	(779)

## 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 expense before taxation	(22,054)	(69,384)
Corporation tax @ 20%	(4,411)	(13,877)
Effects of:		
UK revenue	(11,971)	(8,850)
Overseas revenue	(11,362)	(9,754)
Overseas tax withheld	9,078	(779)
Excess management expenses	27,744	32,481
Total taxation (note 5a)	9,078	(779)

## 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 £252,065 (2023: £224,321).

## 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
	£	£
Total net distributions		
Reconciliation between net expense and distributions:		
Net expense after taxation per Statement of total return	(31,132)	(68,605)
Revenue shortfall to be transferred from capital	31,132	68,605
Distributions	-	
7. Debtors	2024	2023
	£	£
Sales awaiting settlement	280,849	-
Accrued revenue	3,736	8,321
Recoverable overseas withholding tax	1,750	5,334
Prepaid expenses	82	206
Recoverable income tax	223	107
	286,640	13,968
Payable from the ACD and associates		
Annual management charge rebate	729	995
Total debtors	287,369	14,963

for the year ended 31 August 2024

8. Cash and bank balances	2024	2023
	£	£
Total cash and bank balances	1,067,171	2,086,636
9. Other creditors	2024	2023
	£	£
Accrued expenses:		
Payable to the ACD and associates		
Annual management charge	468	
Other expenses:		
Depositary fees	25	-
Safe custody fees	192	86
Audit fee	8,100	6,936
Non-executive directors' fees	1,077	2,043
FCA fee	68	9
Transaction charges	243	-
	9,705	9,074
Total other creditors	10,173	9,074

## 10. Commitments and contingent liabilities

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

## 11. Share classes

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

	Income
Opening shares in issue	1,702,053
Total shares issued in the year	15,855
Total shares cancelled in the year	(244,555)
Closing shares in issue	1,473,353

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

## 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 sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-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 sub-fund.

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

## 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 1,660p to 1,782p as at 11 December 2024. This movement takes into account routine transactions but also reflects the market movements of recent months.

for the year ended 31 August 2024

## 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	Comm	ission	Taxe	es	Purchases after transaction costs
2024	£	£	%	£	%	£
Equities	170,266	128	0.08%	_	-	170,394
Bonds	1,335,019	1,001	0.07%	_	_	1,336,020
Collective Investment Schemes*	1,267,683	-	-	-	-	1,267,683
Total	2,772,968	1,129	0.15%	-	-	2,774,097
	Purchases					Purchases
	before					after
	transaction	C = 1==1==	::	Taur		transaction
0000	costs	Comm		Taxe		costs
2023	£	£	%	£	%	£
Equities	237,960	635	0.26%	1,191	0.50%	239,786
Collective Investment Schemes Total	3,467,545	1,905	0.06%	-		3,469,450
ioldi	3,705,505	2,540	0.32%	1,191	0.50%	3,709,236
	Sales before transaction					Sales after transaction
	costs	Comm	ission	Taxe	es	costs
2024	£	£	%	£	%	£
Equities	1,462,356	(1,141)	0.08%	(29)	0.00%	1,461,186
Closed-Ended Funds	941,651	(707)	0.08%	(2)	0.00%	940,942
Bonds	159,543	(120)	0.08%	-	-	159,423
Collective Investment Schemes*	3,396,374	-	-	-	-	3,396,374
Total	5,959,924	(1,968)	0.24%	(31)	0.00%	5,957,925
	Sales					Sales
	before					after
	transaction costs	Comm	ission	Taxe	20	transaction
0000						costs
2023	£	£	% 0.097	£	%	£
Equities Classed Ended Funds	247,626	(188)	0.08%	-	-	247,438
Closed-Ended Funds Collective Investment Schemes	483,566 3,716,900	(900) (3,204)	0.18% 0.09%	-	-	482,666 3,713,696
Total	4,448,092	(4,292)	0.07%			4,443,800
	4,440,072	(4,272)	0.33/6	-		4,443,000

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

## 14. Transaction costs (continued)

## a Direct transaction costs (continued)

Summary of direct transaction costs

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

2024	£	% of average net asset value
Commission	3,097	0.01%
Taxes	31	0.00%
2023	£	% of average net asset value
Commission	6,832	0.03%
Taxes	1,191	0.00%

#### 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 0.01% (2023: 0.01%).

## 15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

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

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 August 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £1,094,842 (2023: £1,175,012).

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- a Market risk (continued)

#### (ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	467,101	1,750	468,851
Swiss franc	173,290	-	173,290
US dollar	6,340,389	284,326	6,624,715
Total foreign currency exposure	6,980,780	286,076	7,266,856
	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
Euro	586,300	5,334	591,634
Swiss franc	228,163	-	228,163
US dollar	7,893,471	2,214	7,895,685
Total foreign currency exposure			

At 31 August 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 sub-fund would increase or decrease by approximately £363,343 (2023: £435,774).

#### (iii) Interest rate risk

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

During the year the sub-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. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund.

The sub-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.

There is no significant exposure to interest bearing securities at the balance sheet date.

for the year ended 31 August 2024

## 15. Risk management policies (continued)

#### 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 sub-fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the sub-fund. The sub-fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

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

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

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

#### c Liquidity risk

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

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- d Fair value of financial assets and financial liabilities (continued)

	Investment	Investment
	assets	liabilities
Basis of valuation	2024	2024
	£	£
Quoted prices	6,276,844	-
Observable market data	16,834,602	-
Unobservable data		
	23,111,446	_
	·	
	Investment	Investment
	assets	liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	6,707,543	-
Observable market data	16,792,697	-
Unobservable data		
	23,500,240	-

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

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 sub-fund may employ derivatives with the aim of reducing the sub-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 sub-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 sub-fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the sub-fund at any given time and may not exceed 100% of the net asset value of the property of the sub-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.

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- f Derivatives (continued)

## (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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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.

## Acacia Fund

## Investment Manager's report

## Investment objective and policy

The investment objective of Acacia Fund is to provide a combination of capital and income growth through investment across equity and bond markets of the world and collective investment schemes, money market instruments, deposits and derivatives (for hedging and efficient portfolio management).

## Investment performance\*

Our last report covered the 6 months to 29 February 2024 and at that stage the share price had increased by 9.3%, against an increase of 6.4% for the IA Flexible Sector.

This report covers the 12 months to 31 August 2024 with the share price recording an overall return of 13.4%, against an increase of 11.9% for the IA Flexible Sector.

#### Investment activities\*

A stellar November and December meant that global stock markets ended 2023 firmly higher. The rally was largely based on a growing expectation of a significant reduction in interest rates in 2024 as central banks look to change tack in the belief that they had done enough in the fight against inflation. Classified as an 'everything rally' the move in equity markets was also supported by strong gains in bond markets.

The US stock market was the standout performer, boosted by a handful of large technology companies at the forefront of Artificial Intelligence ('Al'). The performance of Alphabet 'A' (formerly Google), Amazon.com, Apple, Meta Platforms (formerly Facebook), Microsoft, NVIDIA and Tesla underpinned not only US benchmark returns, but also global indices due to their large weighting to the US (approximately 60%). The aforementioned so-called "magnificent seven" technology companies were responsible for roughly half the return which left 72% of stocks underperforming the benchmark. These firms have a collective weighting of around a sixth of the MSCI All Country World Index, a larger proportion than the cumulative weighting for all UK, French, Japanese and Chinese stocks.

Over the first few months of 2024, interest rate markets pared back forecasts for cuts as measures of inflation showed little change overall, heading into 2024 there were high hopes for a substantial lowering of key central bank base rates this year, but these forecasts were walked back somewhat. The European Central Bank acted first lowering its base rate by 25 basis points in early June, whilst the UK cut its interest rate by 25 basis points in August. The US Federal Reserve ('Fed') is expected to begin cutting in September. Inflation has normalised, the Fed's preferred gauge — Core Personal Consumer Expenditures Price Index — came in below expectations in August at 0.1%. The annual figure of 2.2% is the lowest reading since February 2021 and only just higher than the Fed's 2.0% long-term inflation target. With normalised inflation, interest rate cuts expectation and economic growth continuing to be resilient, global markets appear close to a soft landing.

It was a relatively benign summer where equities and bonds were marginally positive despite some volatility in early August as fears of a US recession rose, and markets questioned technology company valuations which led to a 'risk-off' move. This turmoil proved to be remarkably brief following stronger US data and fresh China stimulus led to a market recovery.

Against this market backdrop, we carried through several changes as we continued to adapt to the market environment. Within equities, exposure to emerging markets was increased through the purchase of Templeton Emerging Markets Investment Trust. Emerging Markets, particularly China, trade at historically cheap multiples. Domestically, Darktrace and DS Smith were both subject to successful takeover bids. After the reporting period we booked useful profits here.

## Investment strategy and outlook

In terms of outlook, economic data continues to paint a mixed picture, leaving UK central bankers more reluctant than their US and European peers to loosen monetary policy than was widely assumed at the start of the year. Although inflation is back at far more palatable levels in year-on-year terms, rate setters remain concerned that a significant reduction in interest rates could cause another push higher in price pressures. Domestically, the short-term focus is now set on the Autumn budget, although the lack of fiscal headroom reduces the probability that the outcome is as big a market mover as we may have seen in previous years although, locally, policies such as the imposition of Value Added Tax ('VAT') on school fees are clearly of concern. In the US, early indications are that the economy is strong enough to support a 'soft landing', whilst weak enough to afford two further interest rate cuts before year end, supportive for both equity and fixed interest investors.

<sup>\*</sup> Source: Financial Express

## Investment Manager's report (continued)

Investment strategy and outlook (continued)

The US election next month poses a bigger risk to global markets, particularly regarding the treatment of the burgeoning US budget deficit. The American political divide has become increasingly fractured in recent years making the outcome hard to call, with a narrow victory most likely to cause short term instability. The assassination attempts on Donald Trump and the late injection of Kamala Harris as the Democratic candidate, for now, leave the outcome far more in the balance. Both sides, though, are equally suspicious of Chinese intentions.

We believe that the portfolio remains suitability resilient to withstand a reasonable level of capital volatility over the medium to long term but cannot exclude the challenges of maintaining real values in the short term, especially when considering the added geo-political complications of the ongoing war in Ukraine and widening instability across the Middle East. Markets do eventually appear to absorb these challenges, but not before shorter term volatility, as witnessed both by events in Ukraine and the second Gulf War in 2003. Overall, aside from the many macro and climatic challenges, we remain positive for the long-term prospects of the current investment strategy.

Quilter Cheviot Limited 15 October 2024

# Portfolio changes

for the year ended 31 August 2024

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

Purchases:	Cost £
iShares Core MSCI Japan IMI UCITS ETF	1,060,194
Templeton Emerging Markets Investment Trust	936,276
Canadian Pacific Kansas City	409,135
United Rentals	395,056
JPMorgan Emerging Markets Investment Trust	284,944
NVIDIA	239,510
Salan	Proceeds

Sales:	£
Baillie Gifford Overseas Growth Funds ICVC - Japanese Fund	1,053,600
UK Treasury Gilt 2.25% 07/09/2023	800,000
UK Treasury Gilt 1% 22/04/2024	800,000
UK Treasury Gilt 0.125% 31/01/2024	800,000
Union Pacific	398,757
Grainger	187,975
DS Smith	82,259
Kenvue	59,521
Mandatum	24,669

# Portfolio statement

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities 0.00% (6.04%)		-	-
Equities 75.49% (72.38%) Equities - United Kingdom 19.15% (20.31%) Equities - incorporated in the United Kingdom 18.26% (18.31%) Energy 1.00% (0.99%) Shell	16,000	428,960	1.00
Materials 1.69% (1.99%) Anglo American DS Smith Rio Tinto	7,000 20,000 10,000	154,595 93,600 476,950 725,145	0.36 0.22 1.11 1.69
Industrials 1.23% (1.40%)			
Ashtead Group	8,500	458,660	1.06
Melrose Industries	15,000	72,285 530,945	1.23
Consumer Discretionary 1.88% (1.90%)			
Compass Group	19,115	458,378	1.06
Dowlais Group	15,000	9,735	0.02
Persimmon	7,500	123,263	0.29
Quixant	50,000	49,000	0.11
Whitbread	6,000	173,100	0.40
	•	813,476	1.88
Consumer Staples 2.92% (2.97%)			
Diageo	12,500	309,063	0.72
Tesco	94,736	334,987	0.78
Unilever	12,500	613,125	1.42
		1,257,175	2.92
Health Care 2.10% (1.86%)			
Allergy Therapeutics	250,000	10,250	0.02
AstraZeneca	6,750	895,860	2.08
		906,110	2.10
Financials 2.58% (2.53%)			
Intermediate Capital Group	19,047	404,939	0.94
Legal & General Group	120,000	268,560	0.62
M&G	145,000	310,880	0.72
Prudential	20,000	130,400	0.30
		1,114,779	2.58

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)  Equities - United Kingdom (continued)  Equities - incorporated in the United Kingdom (continued)			
Information Technology 2.00% (1.37%)	00.000	477,000	1.00
Darktrace Koveyords Studios	80,000 16,250	466,880 394,225	1.08 0.92
Keywords Studios	16,230	861,105	2.00
		001,103	2.00
Utilities 1.31% (1.17%)			
National Grid	41,386	413,115	0.96
Severn Trent	5,800	149,060	0.35
	•	562,175	1.31
Real Estate 1.55% (2.13%)			
Aberdeen Standard European Logistics	312,500	190,625	0.44
Segro	25,000	217,800	0.51
Supermarket Income REIT	350,000	259,350	0.60
		667,775	1.55
Total aquities in corporated in the United Kingdom	,	70/7/45	10.0/
Total equities - incorporated in the United Kingdom		7,867,645	18.26
Equities - incorporated outwith the United Kingdom 0.89% (2.00%) Industrials 0.89% (2.00%)			
Experian	10,000	368,400	0.86
Invinity Energy Systems	55,509	11,379	0.03
Total equities - incorporated outwith the United Kingdom		379,779	0.89
Total equities - United Kingdom		8,247,424	19.15
Equities - Europe 14.38% (14.07%) Equities - Denmark 2.09% (1.60%)			
Novo Nordisk	8,500	901,991	2.09
Equities - Finland 0.59% (0.67%)			
Sampo 'A'	7,500	254,937	0.59
		_	
Equities - France 3.04% (3.84%)			
BNP Paribas	10,000	526,888	1.22
LVMH Moët Hennessy Louis Vuitton	900	511,113	1.19
Pernod Ricard	2,500	270,771	0.63
Total equities - France		1,308,772	3.04

	Nominal value or	Market value	% of total net assets
Investment	holding	£	
Equities (continued) Equities - Europe(continued) Equities - Germany 1.60% (1.49%)			
Allianz	1,800	425,839	0.99
Siemens Healthineers	6,000	264,589	0.61
Total equities - Germany		690,428	1.60
Equities - Ireland 1.36% (1.16%)			
Eaton	2,500	584,040	1.36
Equities - Italy 0.44% (0.44%) Enel	32,500	187,689	0.44
Equities - Netherlands 1.43% (1.20%)			
ASML Holding	900	615,337	1.43
Equities - Switzerland 3.83% (3.67%)			
Cie Financiere Richemont	2,700	324,092	0.75
Givaudan	9,750	758,783	1.76
Nestlé	5,000	408,125	0.95
Roche Holding	5,000	160,510	0.37
Total equities - Switzerland		1,651,510	3.83
Total equities - Europe		6,194,704	14.38
Equities - North America 39.04% (35.63%) Equities - Canada 0.88% (0.00%)			
Canadian Pacific Kansas City	6,000	378,604	0.88
Equities - Curacao 0.23% (0.36%)			
Schlumberger	3,000	100,392	0.23
Equities - United States 37.93% (35.27%)			
AbbVie	952	142,157	0.33
Advanced Micro Devices	4,900	553,885	1.29
Alphabet 'A'	5,000	621,229	1.44
Amazon.com	5,000	679,018	1.58
Apple	4,800	835,859	1.94
Ares Management	5,000	556,858	1.29
Bank of America	12,500	387,483	0.90
Chevron	5,000	562,640	1.31
ConocoPhillips	3,500	302,983	0.70
Electronic Arts	2,500	288,663	0.67
Emerson Electric	3,500	280,666	0.65

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - North America (continued)			
Equities - United States (continued)			
Equinix	500	317,177	0.74
Ferguson Enterprises	3,750	581,250	1.35
Gilead Sciences	2,500	150,238	0.35
Honeywell International	1,750	276,631	0.64
Intuit	1,000	479,133	1.11
Johnson & Johnson	1,536	193,763	0.45
JPMorgan Chase	4,000	684,101	1.59
Marsh & McLennan	2,700	467,274	1.08
Merck	4,750	427,672	0.99
Microsoft	3,250	1,030,799	2.39
Mondelez International	9,500	518,786	1.20
NextEra Energy	4,500	275,667	0.64
NIKE	3,000	190,169	0.44
NVIDIA	2,500	227,050	0.53
Palo Alto Networks	2,250	620,533	1.44
PepsiCo	3,300	433,915	1.01
Rockwell Automation	1,500	310,500	0.72
Stryker	3,000	822,515	1.91
Thermo Fisher Scientific	1,400	654,786	1.52
T-Mobile US	3,500	529,055	1.23
United Rentals	700	394,381	0.92
Visa	4,325	908,899	2.11
Walt Disney	4,150	285,235	0.66
Zoetis	2,500	348,887	0.81
Total equities - United States		16,339,857	37.93
Total equities - North America		16,818,853	39.04
Equities - Australia 0.42% (0.51%)			
Seeing Machines	3,500,000	181,300	0.42
Equities - Taiwan 1.76% (1.10%)			
Taiwan Semiconductor Manufacturing ADR	5800	757,431	1.76
Equition South Korog 0.74% (0.74%)			
Equities - South Korea 0.74% (0.76%) Samsung Electronics	300	317,520	0.74
Total equities		32,517,232	75.49

	Nominal value or	Market value	% of total net assets
Investment	holding	£	1101 033013
Closed-Ended Funds - United Kingdom 15.13% (12.16%)			
Closed-Ended Funds - incorporated in the United Kingdom 12.98% (9.80%)			
Fidelity China Special Situations	75,000	135,450	0.31
Henderson Smaller Companies Investment Trust	46,500	413,850	0.96
Impax Environmental Markets	112,000	436,800	1.01
JPMorgan Emerging Markets Investment Trust	535,000	576,730	1.34
JPMorgan European Smaller Companies Trust	69,750	318,060	0.74
MIGO Opportunities Trust	100,000	356,000	0.83
Pantheon International	250,000	798,750	1.85
Polar Capital Technology Trust	25,000	740,000	1.72
Schroder AsiaPacific Fund	100,000	527,000	1.22
Templeton Emerging Markets Investment Trust	800,000	1,292,800	3.00
Total closed-ended funds - incorporated in the United Kingdom		5,595,440	12.98
Closed-Ended Funds - incorporated outwith the United Kingdom 2.15% (2.36%)			
JPMorgan Global Core Real Assets	400,000	290,400	0.67
NB Private Equity Partners	40,000	636,800	1.48
Total closed-ended funds - incorporated outwith the United Kingdom		927,200	2.15
Total closed-ended funds - United Kingdom		6,522,640	15.13
Collective Investment Schemes 5.15% (5.32%)			
UK Authorised Collective Investment Schemes 0.00% (2.69%)		-	-
Offshore Collective Investment Schemes 5.15% (2.63%)			
iShares Core MSCI Japan IMI UCITS ETF	27,500	1,196,800	2.78
iShares USD Treasury Bond 7-10yr UCITS ETF	7,500	1,016,925	2.37
Total offshore collective investment schemes		2,213,725	5.15
Total collective investment schemes		2,213,725	5.15

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Warrants 0.00% (0.00%) Invinity Energy Systems Warrants 16/12/2024 <sup>^</sup>	1,224	-	-
Portfolio of investments		41,253,597	95.77
Other net assets		1,821,913	4.23
Total net assets		43,075,510	100.00

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

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

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

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

<sup>^</sup>Invinity Energy Systems Warrants 16/12/2024 are included in the portfolio of investments with no value as the exercise price is greater than the ordinary security price.

# Risk and reward profile\*

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

Typically lower rewards,			ewards,	Typically higher rewards			ewards,
	←	lower risk		higher risk -			<b>→</b>
	1	2	3	4	5	6	7

The sub-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 sub-fund, please refer to the Prospectus.

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

<sup>\*</sup> As per the KIID published on 13 February 2024.

# Comparative table

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

	2024	2023	2022
Income	р	р	р
Change in net assets per share			
Opening net asset value per share	2,946.19	2,898.01	3,221.61
Return before operating charges	410.36	118.19	(259.54)
Operating charges	(15.75)	(18.48)	(19.41)
Return after operating charges *	394.61	99.71	(278.95)
Distributions <sup>^</sup>	(50.57)	(51.53)	(44.65)
Closing net asset value per share	3,290.23	2,946.19	2,898.01
* after direct transaction costs of:	0.51	0.58	1.13
Performance			
Return after charges	13.39%	3.44%	(8.66%)
Other information			
Closing net asset value $(\pounds)$	43,075,510	39,095,830	38,401,410
Closing number of shares	1,309,196	1,326,995	1,325,096
Operating charges <sup>^^</sup>	0.50%	0.63%	0.63%
Direct transaction costs	0.02%	0.02%	0.04%
Published prices			
Highest share price	3,366	3,047	3,357
Lowest share price	2,867	2,763	2,752

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

 $<sup>^{\</sup>wedge}$  Rounded to 2 decimal places.

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment 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.

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

# Financial statements - Acacia Fund

# Statement of total return

for the year ended 31 August 2024

	Notes	202	24	202	3
In a succession		£	£	£	£
Income:					
Net capital gains	2		4,555,990		638,601
Revenue	3	917,380		917,537	
Expenses	4	(192,479)		(180,204)	
Net revenue before taxation		724,901		737,333	
Taxation	5	(57,562)		(53,956)	
Net revenue after taxation		<del>-</del>	667,339	_	683,377
Total return before distributions			5,223,329		1,321,978
Distributions	6		(667,336)		(683,378)
Change in net assets attributable to shareholders from investment activities		-	4,555,993	_	638,600

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

	202	2024		23
	£	£	£	£
Opening net assets attributable to shareholders		39,095,830		38,401,410
Amounts receivable on issue of shares	100,783		80,870	
Amounts payable on cancellation of shares	(677,096)		(25,050)	
		(576,313)		55,820
Change in net assets attributable to shareholders				
from investment activities		4,555,993		638,600
Closing net assets attributable to shareholders	<u>-</u>	43,075,510		39,095,830

# Balance sheet

	Notes	2024	2023
		£	£
Assets:			
Fixed assets:			
Investments		41,253,597	37,488,209
Current assets:			
Debtors	7	121,074	130,349
Cash and bank balances	8	2,230,645	1,933,122
Total assets		42 /05 21 /	20 551 700
loidi asseis		43,605,316	39,551,680
Liabilities:			
Creditors:			
Distribution payable		(418,969)	(446,680)
Other creditors	9	(110,837)	(9,170)
Total liabilities		(529,806)	(455,850)
Net assets attributable to shareholders		43,075,510	39,095,830
ivel assets attributable to stidle floiders		45,075,510	37,073,030

# Notes to the financial statements

for the year ended 31 August 2024

# 1. Accounting policies

The accounting policies are disclosed on pages 26 to 28.

2.	Net capital gains	2024	2023
		£	£
	Non-derivative securities - realised gains  Non-derivative securities	863,216	546,028
	- movement in unrealised gains / (losses)	3,699,434	(31,550)
	Currency (losses) / gains	(3,878)	121,517
	Capital special dividend	=	5,220
	Compensation	3	-
	Transaction charges	(2,785)	(2,614)
	Total net capital gains	4,555,990	638,601
3.	Revenue	2024	2023
		£	£
	UK revenue	345,206	333,359
	Unfranked revenue	27,735	26,001
	Overseas revenue	489,179	458,730
	Interest on debt securities	30,612	82,167
	Bank and deposit interest	24,648	17,280
	Total revenue	917,380	917,537
4.	Expenses	2024	2023
		£	£
	Payable to the ACD and associates		
	Annual management charge*	220,737	206,127
	Annual management charge rebate*	(54,142)	(50,559)
		166,595	155,568
	Payable to the Depositary		
	Depositary fees	13,744	12,834
	Other expenses:		
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,456	2,057
	Safe custody fees	2,128	1,869
	Bank interest	56	447
	FCA fee	214	302
	KIID production fee	186	191
		12,140	11,802
	Total expenses	192,479	180,204
		<u> </u>	

<sup>\*</sup> The annual management charge is 0.53% and includes the ACD's periodic charge and the Investment Manager's fees. Where the ACD's periodic charge and the Investment Manager's fee are cumulatively lower than the annual management charge a rebate may occur. For the year ended 31 August 2024, the annual management charge after rebates is 0.40%.

for the year ended 31 August 2024

5. Taxation	2024	2023
	£	£
a. Analysis of the tax charge for the year		
Overseas tax withheld	57,562	53,956
Total taxation (note 5b)	57,562	53,956

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

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

	2024	2023
	£	£
Net revenue before taxation	724,901	737,333
Corporation tax @ 20%	144,980	147,466
Effects of:		
UK revenue	(69,041)	(66,672)
Overseas revenue	(89,567)	(86,164)
Overseas tax withheld	57,562	53,956
Excess management expenses	13,628	5,370
Total taxation (note 5a)	57,562	53,956

### 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 £316,426 (2023: £302,798).

### 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	244,457	236,956
Final income distribution	418,969	446,680
	663,426	683,636
Equalisation:		
Amounts deducted on cancellation of shares	4,007	206
Amounts added on issue of shares	(97)	(464)
Total net distributions	667,336	683,378
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	667,339	683,377
Undistributed revenue brought forward	3	4
Undistributed revenue carried forward	(6)	(3)
Distributions	667,336	683,378
		-

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

for the year ended 31 August 2024

7.	Debtors	2024	2023
		£	£
	Accrued revenue	83,995	97,330
	Recoverable overseas withholding tax	32,169	28,402
	Prepaid expenses	82	206
		116,246	125,938
	Payable from the ACD and associates		
	Annual management charge rebate	4,828	4,411
	Total debtors	121,074	130,349
8.	Cash and bank balances	2024	2023
٥.	Cash and Sank Salahoos	£	£
	Total cash and bank balances	2,230,645	1,933,122
	Total Cash and Bank Balances	2,200,040	1,700,122
9.	Other creditors	2024	2023
		£	£
	Amounts payable on cancellation of shares	100,522	- -
		. 55,622	
	Accrued expenses:		
	Annual management charge	630	-
	Other expenses:	20	
	Depositary fees	39	-
	Safe custody fees	395	176
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,077	2,043
	FCA fee	68	9
	Transaction charges	6	6
		9,685	9,170
	Takel are award a warness	10.215	0.170
	Total accrued expenses	10,315	9,170
	Teled allows are althous	110.007	0.170
	Total other creditors	110,837	9,170
10	Commitments and contingent liabilities		
10.	At the balance sheet date there are no commitments or contir	naent liabilities	
	7 in the search too shoot date more die no committee of c	igorii iidoiiiiioo.	
11.	Share classes		
	The following reflects the change in shares in issue in the year:		
			Income
	Opening shares in issue		1,326,995
	Total shares issued in the year		3,163
	Total shares cancelled in the year		(20,962)
	Closing shares in issue		1,309,196
	Closhing strates in 19900		1,507,170

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

for the year ended 31 August 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 sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-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 sub-fund.

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

#### 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 3,290p to 3,378p as at 11 December 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	Comm	nission	Tax	es	Purchases after transaction costs
2024	£	£	%	£	%	£
Equities	1,043,284	417	0.04%	-	-	1,043,701
Closed-Ended Funds	1,215,141		-	6,079	0.50%	1,221,220
Collective Investment Schemes*	1,060,194	-	-	-	-	1,060,194
Total	3,318,619	417	0.04%	6,079	0.50%	3,325,115

	Purchases before transaction costs	Comm	ission	Tax	es	Purchases after transaction costs
2023	£	£	%	£	%	£
Equities	3,198,874	1,084	0.10%	3,217	0.10%	3,203,175
Closed-Ended Funds	592,672	-	-	2,963	0.50%	595,635
Bonds*	2,342,992	-	-	-	-	2,342,992
Total	6,134,538	1,084	0.10%	6,180	0.60%	6,141,802

Capital events amount of £60,275 (2023: £16,890) is excluded from the total purchases as there were no direct transaction costs charged in these transactions.

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

- 14. Transaction costs (continued)
- a Direct transaction costs (continued)

	Sales before transaction costs	Comm	ission	Taxe	<del>o</del> s	Sales after transaction costs
2024	£	£	%	£	%	£
Equities	753,387	(204)	0.03%	(2)	0.00%	753,181
Bonds*	2,400,000	-	-	-	-	2,400,000
Collective Investment Schemes*	1,053,600	-	-	-	-	1,053,600
Total	4,206,987	(204)	0.03%	(2)	0.00%	4,206,781

	Sales before transaction costs	Commi	ission	Taxe	es	Sales after transaction costs
2023	£	£	%	£	%	£
Equities	1,792,394	(367)	0.02%	(5)	0.00%	1,792,022
Closed-Ended Funds*	196,639	-	-	-	-	196,639
Bonds*	1,600,000	-	-	-	-	1,600,000
Total	3,589,033	(367)	0.02%	(5)	0.00%	3,588,661

Capital events amount of £588 (2023: £22) 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 sub-fund's average net asset value in the year:

2024	£	% of average net asset value
Commission	621	0.00%
Taxes	6,081	0.02%
2023	£	% of average net asset value
Commission	1,451	0.00%
Taxes	6,185	0.02%

### 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 0.11% (2023: 0.10%).

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

### 15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

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

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 August 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £2,062,680 (2023: £1,756,262).

### (ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Danish krone	901,991	2,445	904,436
Euro	3,057,163	29,725	3,086,888
Swiss franc	732,217	-	732,217
US dollar	18,817,410	48,388	18,865,798
Total foreign currency exposure	23,508,781	80,558	23,589,339

for the year ended 31 August 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	625,668	2,740	628,408
Euro	2,986,809	23,231	3,010,040
Norwegian krone	-	2,431	2,431
Swiss franc	778,221	-	778,221
US dollar	15,764,740	31,670	15,796,410
Total foreign currency exposure	20,155,438	60,072	20,215,510

At 31 August 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 sub-fund would increase or decrease by approximately £1,179,467 (2023: £1,010,776).

### (iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. 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. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund.

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

There is no exposure to interest bearing securities at the balance sheet date.

The interest rate risk profile of financial assets and liabilities at the balance sheet date 2023 is as follows:

	Variable rate financial assets	Fixed rate	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2023	£	£	£	£	£
Danish krone	-	-	628,408	-	628,408
Euro	-	-	3,010,040	-	3,010,040
Norwegian krone	-	-	2,431	-	2,431
Swiss franc	-	-	778,221	-	778,221
UK sterling	1,933,122	2,362,960	15,040,088	(455,850)	18,880,320
US dollar		-	15,796,410	-	15,796,410
	1,933,122	2,362,960	35,255,598	(455,850)	39,095,830

for the year ended 31 August 2024

15. Risk management policies (continued)

## 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.

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

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

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

#### c Liquidity risk

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

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

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-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.

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- 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 sub-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	41,253,597	-
Observable market data	-	-
Unobservable data*	-	-
	41,253,597	
	Investment assets	Investment liabilities
Basis of valuation	2023	2023
Basis of Valuation	2023 £	2023 £
		T.
Quoted prices	36,438,209	-
Observable market data	1,050,000	-
Unobservable data*	-	-
	37,488,209	-

<sup>\*</sup>The following securities are valued in the portfolio of investments using valuation techniques:

Invinity Energy Systems 16/12/2024 is included in the portfolio of investments with no value as the exercise price is greater than the ordinary security price.

Invinity Energy Systems 16/12/2023 is included in the portfolio of investments with no value as the exercise price is greater than the ordinary security price (not held at the reporting date 31 August 2024).

### Unobservable data

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

for the year ended 31 August 2024

## 15. Risk management policies (continued)

e Assets subject to special arrangements arising from their illiquid nature

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

	2024	2023
	% of the total net asset value	% of the total net asset value
Invinity Energy Systems Warrants 16/12/2023	n/a	0.00%
Invinity Energy Systems Warrants 16/12/2024	0.00%	0.00%
Total	0.00%	0.00%

## f Derivatives

> The sub-fund may employ derivatives with the aim of reducing the sub-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 sub-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.

> 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.

During the year there were no derivative transactions.

### (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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 31 August 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 September 2023

Group 2 - Shares purchased 1 September 2023 to 29 February 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	30 April 2024	30 April 2023
Income				
Group 1	18.570	-	18.570	17.864
Group 2	17.270	1.300	18.570	17.864

## Final distribution in pence per share

Group 1 - Shares purchased before 1 March 2024

Group 2 - Shares purchased 1 March 2024 to 31 August 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	31 October 2024	31 October 2023
Income				
Group 1	32.002	-	32.002	33.661
Group 2	29.100	2.902	32.002	33.661

### 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.

# Samphire Fund

# Investment Manager's report

### Investment objective and policy

The investment objective of Samphire Fund ('the Fund') is to achieve long term (ten years plus) capital growth and income.

The Fund will pursue its investment objective by gaining exposure predominantly to a portfolio of equities, bonds (including but not limited to government and investment grade bonds) and cash and near cash, either through direct investment or through investment in other collective investment schemes (this may include collective investment schemes managed by the ACD). The Fund may, at the Investment Manager's discretion, also invest in other transferable securities, money market instruments, deposits and warrants. There may be times where the Fund is invested mainly in collective investment schemes.

There are no geographical restrictions on the countries of investment.

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

The Fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the Fund.

The Fund will not maintain an interest in immovable property or tangible movable property.

### Investment performance\*

On 31 August 2024 the Fund was valued at £26,248,336

Total return for the period 1 September 2023 to 31 August 2024 13.22%

Comparator Benchmark - MSCI PIMFA Balanced Index:

Total return for the period 1 September 2023 to 31 August 2024 14.60%

### Contribution Analysis

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

WisdomTree Physical Gold Intermediate Capital Group

Meta Platforms 'A'

Polar Capital Funds - Global Technology Fund

Allianz Technology Trust

Novo Nordisk

AstraZeneca

JPMorgan Chase

Microsoft Shell

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

Yum China Holdings LVMH Moët Hennessy Louis Vuitton
Ceres Power Holdings Gore Street Energy Storage Fund

Diageo BF

Schroder Global Energy Transition Fund ASML Holdings
Diversified Energy Alphabet 'A'

## Market commentary\*\*

Developed market equities have extended last year's gains into 2024, though they suffered a brief setback in early August amid concerns about weakening in US economic activity. In 2024, gains have broadened out from the tech giants that dominated performance in 2023, reaching across more sectors and into smaller and mid-sized companies.

# US slowing but not reversing

The US economy appears to be entering a period of slower growth after a strong expansion. Although there's a risk of recession, we believe it's not the most likely outcome. The labour market has weakened but looking at the unemployment rate alone gives an overly pessimistic outlook. Other measures of economic activity suggest there has been no broader deterioration in conditions.

<sup>\*</sup>Source: Rathbones Investment Management Limited investment desk, closing price on 31 August 2024.

<sup>\*\*</sup>Source: Rathbones Investment Management Limited in-house market commentary team, 2024.

# Investment Manager's report (continued)

### Market commentary\* (continued)

# A similar story in Europe

The pace of growth across the euro area also appears to have slowed, with measures of activity painting a less positive picture than earlier in the year. Yet the recovery in lending has continued and consumer credit standards are no longer tightening. Again, a recession is not the most likely outcome, even if slower growth means the probability of one is perhaps slightly higher than in the US.

### China's outlook is gloomy

Most measures show the deep downturn in the property sector is leading to sharp falls in house prices, with significant negative wealth effects for consumers. Credit growth is still weak and recent company earnings results have been underwhelming. The government's efforts at policy stimulus have so far failed to turn the tide and there are few signs of improvement.

### UK: a brighter spot

So far this year Britain's economy has been a positive news story. Growth surpassed the expectations of most forecasters in the first half of 2024, hitting 1.5% over that period. The question now is whether the good times will continue. The new Labour government plans to present its first Budget on 30 October, which will probably bring tax rises that could curtail growth if they go too far.

### Fading inflation

Across the developed world, the annual rate of inflation has continued to fall back towards the 2% target favoured by most central banks. Although some inflationary risks remain, policymakers are likely to be able to cut interest rates. The Bank of England and European Central Bank had already started, and the US Federal Reserve followed suit at its September meeting.

### A good environment for bonds

The cooling of the US economy and stalling of the recovery in the euro area suggest a reasonably cautious investment stance is still justified – which makes safe government bonds attractive for diversified portfolios. However, markets are already anticipating significant interest rate cuts. So, it may no longer make sense to tilt towards longer-dated government bonds, which would be particularly sensitive to any disappointment on this front.

# Cautiously optimistic on the economy

Global stock markets have been particularly sensitive to economic data this year and conditions have been volatile. Worries about the US economy have centred around the labour market. However, the overall picture is one of continued gradual loosening in the labour market, but not a big deterioration. Meanwhile, overall company profits continue to grow, and we remain cautiously optimistic for continued gains for equities and other so-called 'risk assets'.

Rathbones Investment Management Limited 18 September 2024

<sup>\*</sup>Source: Rathbones Investment Management Limited in-house market commentary team, 2024.

# Summary of portfolio changes for the year ended 31 August 2024

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

	Cost
Purchases:	£
Atlantic House Defined Returns Fund	989,200
US Treasury Note/Bond 3.875% 15/08/2033	939,525
UK Treasury Gilt 4.25% 07/06/2032	469,706
UK Treasury Gilt 3.25% 31/01/2033	460,845
Meta Platforms 'A'	335,504
Amazon.com	334,811
Alphabet 'A'	332,417
S&P Global	300,013
Plus500	289,925
Danaher	261,243
Canadian Pacific Kansas City	259,018
ASML Holding	251,699
London Stock Exchange Group	249,948
CME Group	239,340
Linde	236,171
Procter & Gamble	233,502
PepsiCo	233,373
3i Group 5.75% 03/12/2032	226,820
Schneider Electric	211,246
Taiwan Semiconductor Manufacturing ADR	210,838
	Proceeds
Sales:	Proceeds £.
Sales: SPDR S&P US Dividend Aristocrats UCITS ETF	£
SPDR S&P US Dividend Aristocrats UCITS ETF	£ 474,092
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025	£ 474,092 461,426
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP	£ 474,092 461,426 450,146
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029	£ 474,092 461,426 450,146 436,921
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup	£ 474,092 461,426 450,146 436,921 355,286
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture	£ 474,092 461,426 450,146 436,921 355,286 355,067
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International JP Morgan Chase	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181 235,332
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International JP Morgan Chase National Grid Electricity Distribution South West 5.875% 25/03/2027	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181 235,332 234,140
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International JP Morgan Chase National Grid Electricity Distribution South West 5.875% 25/03/2027 Johnson & Johnson	£ 474,092 461,426 450,146 436,921 3555,286 3555,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181 235,332 234,140 227,429
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International JP Morgan Chase National Grid Electricity Distribution South West 5.875% 25/03/2027 Johnson & Johnson US Treasury Note 0.625% 31/12/2027	£ 474,092 461,426 450,146 436,921 355,286 355,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181 235,332 234,140 227,429 220,580
SPDR S&P US Dividend Aristocrats UCITS ETF UK Treasury Gilt 5% 07/03/2025 BP US Treasury Inflation Indexed Bonds 0.25% 15/07/2029 Citigroup Accenture UK Treasury Gilt 0.125% 10/08/2031 Schroder Global Energy Transition Fund Standard Chartered Schroder Asian Income Fund GSK Baker Hughes Berkshire Hathaway Honeywell International JP Morgan Chase National Grid Electricity Distribution South West 5.875% 25/03/2027 Johnson & Johnson	£ 474,092 461,426 450,146 436,921 3555,286 3555,067 353,495 341,823 332,027 296,891 271,284 258,911 251,379 248,181 235,332 234,140 227,429

# Portfolio statement

	Nominal	Market	% of total
	value or	value	net assets
Investment	holding	£	
Debt Securities* 13.75% (13.82%)			
Aaa to Aa2 3.56% (2.72%)			
US Treasury Note/Bond 3.875% 15/08/2033	\$1,230,000	933,994	3.56
Aa3 to A1 4.95% (4.31%)			
Coca-Cola 2.25% 05/01/2032	\$540,000	359,187	1.37
UK Treasury Gilt 3.25% 31/01/2033	£490,000	466,000	1.78
UK Treasury Gilt 4.25% 07/06/2032	£460,000	472,153	1.80
	_	1,297,340	4.95
A2 to A3 3.46% (2.64%)			
Bank of America 4.271% 23/07/2029**	\$460,000	346,127	1.32
Diageo Finance 2.375% 08/06/2028	£400,000	371,672	1.42
Goldman Sachs Group 3.625% 29/10/2029**	£200,000	190,208	0.72
		908,007	3.46
Baa1 to Baa2 1.78% (0.97%)			
3i Group 5.75% 03/12/2032	£220,000	228,767	0.87
Severn Trent Utilities Finance 2.75% 05/12/2031	£280,000	237,443	0.91
		466,210	1.78
Baa3 and below 0.00% (3.18%)		-	-
Total debt securities	- -	3,605,551	13.75
F 111 F0 700 (5 ( 000)			
Equities 58.72% (56.29%)			
Equities - United Kingdom 21.65% (28.89%)			
Equities - incorporated in the United Kingdom 17.19% (24.61%)			
Energy 5.01% (8.86%) BP	75,000	300 050	1 02
	75,000	322,050	1.23
Shell	37,000	991,970 1,314,020	3.78
		1,314,020	5.01
Materials 1.42% (1.61%)			
Rio Tinto	7,800	372,021	1.42
	-		
Industrials 2.84% (2.80%)			
Ceres Power Holdings	49,000	91,287	0.35
Elixirr International	42,000	264,600	1.01
RELX	11,000	389,290	1.48
	_	745,177	2.84
Consumer Discretionary 0.00% (0.95%)		-	-
Consumer Staples 0.82% (1.51%)	0.700	015 100	0.00
Diageo	8,700	215,108	0.82

<sup>\*</sup> Grouped by credit rating - source: Interactive Data and Bloomberg.

<sup>\*\*</sup> Variable interest security.

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - United Kingdom (continued)			
Equities - incorporated in the United Kingdom (continued)			
Health Care 3.29% (4.17%) AstraZeneca	5,900	783,048	2.98
PureTech Health	49,803	763,0 <del>4</del> 6 81,179	0.31
Totelectrification	47,003	864,227	3.29
		004,227	5.27
Financials 2.71% (3.63%)			
Intermediate Capital Group	20,000	425,200	1.62
London Stock Exchange Group	2,800	286,720	1.09
		711,920	2.71
Real Estate 1.10% (1.08%)			
LondonMetric Property	141,085	287,813	1.10
Londoniwonie i Topony	141,000	207,010	1.10
Total equities - incorporated in the United Kingdom	- -	4,510,286	17.19
Equities - incorporated outwith the United Kingdom 4.46% (4.28%) Materials 1.68% (2.14%)			
Glencore	110,000	440,880	1.68
Industrials 1.26% (1.05%)			
Experian	9,000	331,560	1.26
	-		
Financials 1.52% (1.09%)			
JTC	37,000	398,860	1.52
Total equities - incorporated outwith the United Kingdom	-	1,171,300	4.46
	-		
Total equities - United Kingdom	-	5,681,586	21.65
Equities - Europe 7.38% (6.73%)			
Equities - Denmark 2.26% (1.74%)			
Novo Nordisk	5,600	594,253	2.26
	· -	<u> </u>	
Equities - France 1.98% (1.44%)			
LVMH Moët Hennessy Louis Vuitton	510	289,631	1.10
Schneider Electric	1,200	231,792	0.88
Total equities - France	_	521,423	1.98
Equities - Germany 0.00% (0.95%)		-	-
Equities - Ireland 2.31% (2.60%)			
CRH	5,100	343,944	1.31
Linde	720	261,813	1.00
Total equities - Ireland	-	605,757	2.31
	-		

	Nominal value or	Market value	% of total net assets
Investment	holding	£	
Equities (continued)			
Equities - Europe (continued)			
Equities - Netherlands 0.83% (0.00%)			
ASML Holding	320	218,786	0.83
Total equities - Netherlands		218,786	0.83
Total equities - Europe		1,940,219	7.38
Equities - North America 27.85% (20.67%)			
Equities - Canada 1.03% (0.00%)			
Canadian Pacific Kansas City	4,300	271,333	1.03
Equities - United States 26.82% (20.67%)			
Abbott Laboratories	4,100	353,331	1.35
Adobe	760	331,994	1.26
Alphabet 'A'	2,400	298,190	1.14
Amazon.com	3,200	434,572	1.66
Berkshire Hathaway	1,200	434,346	1.65
CME Group	1,500	246,038	0.94
Danaher	1,300	266,202	1.01
JPMorgan Chase	2,700	461,768	1.76
Marvell Technology	6,300	365,800	1.39
Merck	3,900	351,141	1.34
Meta Platforms 'A'	1,800	713,796	2.72
Microsoft	2,800	888,075	3.38
Palo Alto Networks	1,300	358,530	1.37
PepsiCo	1,700	223,532	0.85
Procter & Gamble	2,000	261,016	0.99
S&P Global	860	335,696	1.28
Uber Technologies			
Visa	3,600 1,800	200,072 378,271	0.76
Yum China Holdings	5,400	138,878	1.44 0.53
Total equities - United States	3,400		26.82
Total equilles - Utiliea States		7,041,248	20.02
Total equities - North America		7,312,581	27.85
Equities - Taiwan 0.75% (0.00%)			
Taiwan Semiconductor Manufacturing ADR	1,500	195,887	0.75
Equities - Israel 1.09% (0.00%)			
Plus500	11,000	285,120	1.09
Total equities		15,415,393	58.72

as at 31 August 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Closed-Ended Funds 4.09% (5.33%)			
Allianz Technology Trust	220,000	762,300	2.90
Greencoat UK Wind	220,000	311,740	1.19
Total closed-ended funds		1,074,040	4.09
Collective Investment Schemes 17.20% (19.65%) UK Authorised Collective Investment Schemes 8.33% (12.59%)			
First Sentier Investors ICVC - FSSA Greater China Growth Fund	24,000	252,444	0.96
First Sentier Investors ICVC - Stewart Investors Asia Pac Leaders Sustainability	32,000	345,706	1.32
Jupiter Japan Income Fund	440,000	532,488	2.03
M&G Investment Funds 4 - M&G Global Macro Bond Fund	430,000	343,656	1.31
M&G Investment Funds 1 - Japan Fund	400,000	579,960	2.21
Schroder Asian Income Fund	170,000	131,937	0.50
Total UK authorised collective investment schemes		2,186,191	8.33
Offshore Collective Investment Schemes 8.87% (7.06%)			
Atlantic House Defined Returns Fund	500,000	1,036,800	3.95
Polar Capital Funds - Global Technology Fund	9,700	792,684	3.02
Sanlam Global Artificial Intelligence	150,000	499,635	1.90
Total offshore collective investment schemes		2,329,119	8.87
Total collective investment schemes		4,515,310	17.20
Exchange Traded Commodities 6.31% (5.10%)			
WisdomTree Physical Gold	9,300	1,656,557	6.31
Portfolio of investments		26,266,851	100.07
Other net liabilities		(18,515)	(0.07)
Total net assets		26,248,336	100.00

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

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

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

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

# Risk and reward profile\*

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

Typically lower rewards,			Typicall	y higher re	ewards,		
✓ lower risk				higher risk	<b>→</b>		
	1	2	3	4	5	6	7

The sub-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 sub-fund, please refer to the Prospectus.

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

<sup>\*</sup> As per the KIID published on 13 February 2024.

# Comparative table

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

	2024	2023	2022
Income	р	р	р
Change in net assets per share			
Opening net asset value per share	117.99	122.28	136.47
Return before operating charges	16.53	(0.86)	(11.88)
Operating charges	(0.93)	(0.98)	(1.11)
Return after operating charges *	15.60	(1.84)	(12.99)
Distributions <sup>^</sup>	(2.00)	(2.45)	(1.20)
Closing net asset value per share	131.59	117.99	122.28
* after direct transaction costs of:	0.03	0.09	0.05
Performance			
Return after charges	13.22%	(1.50%)	(9.52%)
Other information			
Closing net asset value (£)	26,248,336	23,656,346	24,406,500
Closing number of shares	19,947,817	20,048,817	19,958,817
Operating charges <sup>^^</sup>	0.74%	0.81%	0.86%
Direct transaction costs	0.02%	0.08%	0.03%
Published prices			
Highest share price	134.6	126.1	139.1
Lowest share price	116.2	116.3	115.9

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

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

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment 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.

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

# Financial statements - Samphire Fund

# Statement of total return

for the year ended 31 August 2024

	Notes	202	2024		3
ln comp.		£	£	£	£
Income:					
Net capital gains / (losses)	2		2,705,497		(861,654)
Revenue	3	565,421		662,149	
Expenses	4	(151,186)		(146,866)	
Net revenue before taxation		414,235		515,283	
Taxation	5	(16,281)		(23,485)	
Net revenue after taxation		-	397,954		491,798
Total return before distributions			3,103,451		(369,856)
Distributions	6		(398,064)		(491,688)
Change in net assets attributable to shareholders from investment activities		-	2,705,387	_ =	(861,544)

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

	2024		20:	23
	£	£	£	£
Opening net assets attributable to shareholders		23,656,346		24,406,500
Amounts receivable on issue of shares	295,299		207,520	
Amounts payable on cancellation of shares	(408,696)		(96,130)	
		(113,397)		111,390
Change in net assets attributable to shareholders				
from investment activities		2,705,387		(861,544)
Closing net assets attributable to shareholders	<u>-</u>	26,248,336	-	23,656,346

# Balance sheet

	Notes	2024	2023
		£	£
Assets:			
Fixed exacts			
Fixed assets:		0.4.0.44.051	00 700 007
Investments		26,266,851	23,702,007
Current assets:			
Debtors	7	107,173	163,455
Cash and bank balances	8	112,599	126,180
Total assets		26,486,623	23,991,642
1.5 - 1-50.45			
Liabilities:			
Creditors:			
Distribution payable		(226,009)	(323,989)
Other creditors	9	(12,278)	(11,307)
Total liabilities		(238,287)	(335,296)
Net assets attributable to shareholders		26,248,336	23,656,346

# Notes to the financial statements

for the year ended 31 August 2024

1. Accounting policies

The accounting policies are disclosed on pages 26 to 28.

2.	Net capital gains / (losses)	2024	2023
		£	£
	Non-derivative securities - realised (losses) / gains	(54,039)	830,619
	Non-derivative securities	0.7/1.105	(1, (51,005)
	- movement in unrealised gains / (losses)	2,761,135	(1,651,895)
	Currency gains / (losses)	1,052	(37,947)
	Compensation	11	172
	Transaction charges	(2,662)	(2,603)
	Total net capital gains / (losses)	2,705,497	(861,654)
3.	Revenue	2024	2023
		£	£
	UK revenue	233,453	287,954
	Unfranked revenue	31,839	40,903
	Overseas revenue	122,424	213,466
	Interest on debt securities	176,108	114,426
	Bank and deposit interest	1,597	5,400
	Total revenue	565,421	662,149
4.	Expenses	2024	2023
٦,	EXPONSOS	£	£
	Payable to the ACD and associates	d.	at.
	Annual management charge*	171,052	164,183
	Annual management charge rebate*	(42,971)	(39,677)
	7 Thourmanagement charge repaire	128,081	124,506
	Payable to the Depositary		
	Depositary fees	9,000	9,000
	Other expenses:		
	Audit fee	8,100	6,936
	Non-executive directors' fees	1,299	2,057
	Safe custody fees	1,255	1,086
	Bank interest	647	767
	FCA fee	165	203
	KIID production fee	186	191
	Listing fee	2,453	2,120
		14,105	13,360
	Total expenses	151,186	146,866

<sup>\*</sup> The annual management charge is 0.68% and includes the ACD's periodic charge and the Investment Manager's fee. Where the ACD's periodic charge and the Investment Manager's fee are cumulatively lower than the annual management charge a rebate may occur. For the year ended 31 August 2024, the annual management charge after rebates is 0.51%.

for the year ended 31 August 2024

5. Taxation	2024	2023
	£	£
a. Analysis of the tax charge for the year		
Overseas tax withheld	16,281	23,485
Total taxation (note 5b)	16,281	23,485

# b. Factors affecting the tax charge for the year

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

2024	2023
£	£
414,235	515,283
82,847	103,056
(46,691)	(57,591)
(24,484)	(42,693)
16,281	23,485
(11,672)	(2,772)
16,281	23,485
	£ 414,235  82,847  (46,691) (24,484) 16,281 (11,672)

### 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 £52,685 (2023: £64,357).

### 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	171,727	167,809
Final income distribution	226,009	323,989
	397,736	491,798
Equalisation:		
Amounts deducted on cancellation of shares	1,094	110
Amounts added on issue of shares	(766)	(220)
Total net distributions	398,064	491,688
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	397,954	491,798
Undistributed revenue brought forward	160	50
Undistributed revenue carried forward	(50)	(160)
Distributions	398,064	491,688

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

for the year ended 31 August 2024

7.	Debtors	2024	2023
		£	£
	Accrued revenue	97,506	157,644
	Recoverable overseas withholding tax	5,609	2,208
	Prepaid expenses	82	147
		103,197	159,999
	Payable from the ACD and associates		
	Annual management charge rebate	3,976	3,456
	Total debtors	107,173	163,455
8.	Cash and bank balances	2024	2023
		£	£
	Total cash and bank balances	112,599	126,180
9.	Other creditors	2024	2023
		£	£
	Accrued expenses:		
	Payable to the ACD and associates		
	Annual management charge	492	<del>-</del>
	Other expenses:		
	Depositary fees	17	-
	Safe custody fees	236	105
	Audit fee	8,100	6,936
	Non-executive directors' fees	919	2,043
	FCA fee	69	-
	Listing fee	2,380	2,165
	Transaction charges	65	58
		11,786	11,307
	Total other creditors	12,278	11,307

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

## 11. Share classes

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

	Income shares
Opening shares in issue	20,048,817
Total shares issued in the year	231,000
Total shares cancelled in the year	(332,000)
Closing shares in issue	19,947,817

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

for the year ended 31 August 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 sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-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 sub-fund.

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

### 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 131.6p to 137.3p as at 11 December 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	Comm	ission	Tax	es	Finano transacti		Purchases after transaction costs
2024	£	£	%	£	%	£	%	£
Equities	4,449,050	2,516	0.06%	1,244	0.03%	-	-	4,452,810
Closed-Ended Funds*	128,155	-	-	-	-	-	-	128,155
Bonds*	2,420,004	-	-	-	-	-	-	2,420,004
Collective Investment Schemes*	989,200	-	-	-	-	-	-	989,200
Total	7,986,409	2,516	0.06%	1,244	0.03%	-	-	7,990,169

	Purchases before transaction costs	Comm	ission	Tax	es	Finan transact		Purchases after transaction costs
2023	£	£	%	£	%	£	%	£
Equities	5,616,854	1,903	0.03%	12,956	0.23%	1,048	0.02%	5,632,761
Bonds*	7,643,900	-	-	-	-	-	-	7,643,900
Collective Investment Schemes	2,399,920	379	0.02%	-	-	-	-	2,400,299
Exchange Traded Commodities*	1,936,915	-	-	-	-	-	-	1,936,915
Total	17,597,589	2,282	0.05%	12,956	0.23%	1,048	0.02%	17,613,875
<del>-</del>								

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

- 14. Transaction costs (continued)
- a Direct transaction costs (continued)

	Sales before transaction costs	Commi	ission	Taxe	⊖s	Finano transacti		Sales after transaction costs
2024	£	£	%	£	%	£	%	£
Equities	4,048,253	(1,303)	0.03%	(6)	0.00%	-	-	4,046,944
Closed-Ended Funds	359,953	(150)	0.04%	(2)	0.00%	-	-	359,801
Bonds*	2,170,309	-	-	-	-	-	-	2,170,309
Collective Investment Schemes	1,566,462	(95)	0.01%	(1)	0.00%	-	-	1,566,366
Total	8,144,977	(1,548)	0.08%	(9)	0.00%	-	-	8,143,420

	Sales before transaction costs	Commi	ssion	Taxe	es	Financ transactic		Sales after transaction costs
2023	£	£	%	£	%	£	%	£
Equities	3,552,530	(1,270)	0.04%	(99)	0.00%	-	-	3,551,161
Closed-Ended Funds	379,589	(121)	0.03%	-	-	-	-	379,468
Bonds*	5,304,643	-	-	-	-	-	-	5,304,643
Collective Investment Schemes	2,508,917	(148)	0.01%	-	-	-	-	2,508,769
Exchange Traded Commodities	2,532,628	(808)	0.02%	-	-	-	-	2,532,020
Total	14,278,307	(2,147)	0.10%	(99)	0.00%	_	-	14,276,061

Capital events amount of £27,878 (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 sub-fund's average net asset value in the year:

2024	£	% of average net asset value
Commission	4,064	0.02%
Taxes	1,253	0.00%
		% of average
2023	£	% of average net asset value
2023 Commission	£ 4,429	•
		net asset value

# 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 0.12% (2023: 0.14%).

<sup>\*</sup> No direct transaction costs were incurred in these transactions.

for the year ended 31 August 2024

# 15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

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

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 31 August 2024, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £1,133,065 (2023: £1,021,654).

### (ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Danish krone	594,253	711	594,964
Euro	740,209	3,340	743,549
US dollar	11,066,146	52,238	11,118,384
Total foreign currency exposure	12,400,608	56,289	12,456,897

for the year ended 31 August 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	412,205	232	412,437
Euro	798,697	1,976	800,673
US dollar	8,283,949	63,736	8,347,685
Total foreign currency exposure	9,494,851	65,944	9,560,795

At 31 August 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 sub-fund would increase or decrease by approximately £622,845 (2023: £478,040).

## (iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from floating rate securities and 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 31 August 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 sub-fund would increase or decrease by approximately £54,855 (2023: £36,129).

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

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

	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2024	£	£	£	£	£
Danish krone	-	-	594,964	-	594,964
Euro	-	-	743,549	-	743,549
UK sterling	302,807	1,776,035	11,950,884	(238,287)	13,791,439
US dollar	346,127	1,293,181	9,479,076	-	11,118,384
	648,934	3,069,216	22,768,473	(238,287)	26,248,336

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- a Market risk (continued)
- (iii) Interest rate risk (continued)

	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2023	£	£	£	£	£
Danish krone	-	-	412,437	-	412,437
Euro	71	-	800,602	-	800,673
UK sterling	650,475	1,442,926	12,337,446	(335,296)	14,095,551
US dollar	642,266	659,363	7,046,056	-	8,347,685
	1,292,812	2,102,289	20,596,541	(335,296)	23,656,346

### 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 sub-fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the sub-fund. The sub-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 sub-fund holds cash and cash deposits with financial institutions which potentially exposes the sub-fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the sub-fund of default.

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

### c Liquidity risk

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

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

for the year ended 31 August 2024

- 15. Risk management policies (continued)
- c Liquidity risk (continued)

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-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 sub-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	20,018,137	-
Observable market data	6,248,714	-
Unobservable data		
	26,266,851	_
	Investment	Investment
	assets	liabilities
Basis of valuation	2023	2023
	£	£
Quoted prices	17,737,049	-
Observable market data	5,964,958	-
Unobservable data		
	23,702,007	_

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

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 sub-fund may employ derivatives with the aim of reducing the sub-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 sub-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.

for the year ended 31 August 2024

15. Risk management policies (continued)

### f Derivatives (continued)

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.

During the year there were no derivative transactions.

### (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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 31 August 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 September 2023

Group 2 - Shares purchased 1 September 2023 to 29 February 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	30 April 2024	30 April 2023
Income shares				
Group 1	0.864	-	0.864	0.837
Group 2	0.393	0.471	0.864	0.837

# Final distribution in pence per share

Group 1 - Shares purchased before 1 March 2024

Group 2 - Shares purchased 1 March 2024 to 31 August 2024

	Net		Total distribution	Total distribution
	revenue	Equalisation	31 October 2024	31 October 2023
Income shares				
Group 1	1.133	-	1.133	1.616
Group 2	0.869	0.264	1.133	1.616

## 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 directors<sup>1</sup> and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2023.

### Remuneration policy

The main principles of the remuneration policy are:

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

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

### Remuneration systems

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

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

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

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

# Remuneration (continued)

### Aggregate quantitative information

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

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

Table to show the aggregate remuneration split by	For the period 1 January 2023 to 31 December 2023				
Senior Management and other MRTs for EPFL					
		Variable	Variable		
	Fixed	Cash	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 delegates the management of the Company's portfolio of assets to Quilter Cheviot Limited, Whitley Asset Management Limited and Rathbones Investment Management Limited ('Investment Managers') and pays to the Investment Managers, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at the month end. The Investment Managers are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

### Further information

### Distributions and reporting dates

Where net revenue is available it will be distributed semi-annually on 31 October (final) and 30 April (interim). In the event of a distribution, shareholders will receive a tax voucher in respect of each sub-fund.

XD dates: 1 September final

1 March interim

Reporting dates: 31 August annual

Last day of February interim

# Buying and selling shares

The property of the sub-funds is valued at 5pm on every Wednesday and the last business day of each month with the exception of Christmas Eve and New Year's Eve or a 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 the Depositary; and the 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 sub-funds are published on the following website: www.trustnet.com or may be obtained by calling 0141 222 1151.

#### Benchmark

### Bay Fund and Acacia Fund

Shareholders may compare the performance of the sub-fund against the IA Flexible sector.

Comparison of the sub-fund's performance against this benchmark will give shareholders an indication of how the sub-fund 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 sub-fund.

The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

### Beech Fund

Shareholders may compare the performance of the sub-fund against the IA Global sector.

Comparison of the sub-fund's performance against this benchmark will give shareholders an indication of how the sub-fund 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 sub-fund.

The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

### Samphire Fund

Shareholders may compare the performance of the sub-fund against the MSCI PIMFA Balanced Index. The ACD has selected this comparator benchmark as it believes this benchmark best reflects the sub-fund's asset allocation.

The benchmark is not a target for the sub-fund, nor is the sub-fund 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 Independent Non-Executive Directors of the ACD

Andrew Baddeley

Brian McLean

Mayank Prakash

Neil Coxhead

Dean Buckley

Linda Robinson

Sally Macdonald

Victoria Muir

Non-Executive Directors of the ACD

Guy Swarbreck

Investment Managers
Acacia Fund and Bay Fund
Quilter Cheviot Limited
Senator House
85 Queen Victoria Street

oo Queen viciona sileer

London EC4V 4AB

Authorised and regulated by the Financial Conduct Authority

Beech Fund

Whitley Asset Management Limited

1 London Wall Place

London EC2Y 5AU

Authorised and regulated by the Financial Conduct Authority

Samphire Fund

Rathbones Investment Management Limited

Port of Liverpool Building

Pier Head

Liverpool L3 1NW

Authorised and regulated by the Financial Conduct Authority

# Appointments (continued)

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

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