Smithfield Funds

Annual Report

for the year ended 31 December 2024

Contents

Company Information

ACD and Registered office

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45 Gresham Street
London EC2V 7BG
Telephone 0207 131 4000
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar

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

Directors of the ACD

Andrew Baddeley
Brian Mclean
Mayank Prakash
Neil Coxhead

Independent Non-Executive Directors of the ACD

Dean Buckley
Linda Robinson
Sally Macdonald
Victoria Muir

Non-Executive Directors of the ACD

Guy Swarbreck

Investment Manager

Alder Investment Management Limited
1 King's Arms Yard, London EC2R 7AF
Authorised and regulated by the Financial Conduct Authority

Depositary

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

Auditor

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

Smithfield Funds

Report of the Authorised Corporate Director ('ACD')

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

Smithfield Funds ('the Company') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 6 July 2006. The Company is incorporated under registration number IC000451. It is a non-UCITS retail scheme ('NURS') complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND'), as published by the Financial Conduct Authority ('FCA'). As the Company is a NURS, the ACD also acts as Alternative Investment Fund Manager ('AIFM') in order to comply with the Alternative Investment Fund Manager's Directive ('AIFMD').

The 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.

Cross holdings

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

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.

Sub-funds

There are three sub-funds available in the Company:

Smithfield Income and Growth Fund

Smithfield Diversified Bond Fund

Smithfield Alternative Investment Fund

The assets of each sub-fund will be invested in accordance with that sub-fund's own investment objective and policy.

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 85.

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

Brian Mclean
Director
Evelyn Partners Fund Solutions Limited
31 March 2025

Statement of the Authorised Corporate Director's responsibilities

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

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for the Financial Statements of UK Authorised Funds ('the SORP') issued by The Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless it either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so;
- such internal control as it determines 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, COLL and FUND.

Assessment of Value - Smithfield Income and Growth 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 Smithfield Income and Growth 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 December 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;

(2) 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 - Smithfield Income and Growth 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 quality of marketing material sent to shareholders and the dealing and settlement arrangements. 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, Alder 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 objective of the sub-fund is to maximize the overall income and capital return through investment in both the UK and international markets.

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 - Smithfield Income and Growth Fund (continued)

2. Performance (continued)

Benchmark (continued)

The benchmark for the sub-fund is a combination of both 50% of the IA UK All Companies sector and 50% of the IA Global 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 30 November 2024 (%)

	Currency	1 year	3 year	5 year
50% IA Global and 50% IA UK All Companies TR in GB	GBP	18.10	14.17	38.93
Smithfield Income and Growth TR in GB	GBX	19.51	1.90	38.33

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 performed in line with its comparator benchmark, 50% of the IA UK All Companies sector and 50% of the IA Global sector.

In line with the objective, there has been consistent income distributions over the recommended holding period.

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 12 months.

Were there any follow up actions?

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

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included 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 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?

Whilst the Investment Manager's fee is a fixed percentage charge, the sub-funds are part of an umbrella structure consisting of three sub-funds with a tiered ACD Fee. As a result, there are further savings that can be realised should the aggregate amount of the three sub-funds increase going forward.

The ancillary charges of the sub-fund represent 4 basis points[1]. 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.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 30 June 2024.

Assessment of Value - Smithfield Income and Growth 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 0.80%[2] was found to have 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 sought to compare the Investment Manager's fee with those of other funds administered by EPFL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The Investment Manager's fee was found to have compared favourably with other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

7. Classes of Shares

What was assessed in this section?

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

What was the outcome of the assessment?

There is only one share class in the 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 Smithfield Income and Growth Fund had provided value to shareholders.

Dean Buckley
Chairman of the Board of Evelyn Partners Fund Solutions Limited
7 March 2025

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.

[2] Figure calculated at interim report, 30 June 2024.

Assessment of Value - Smithfield Diversified Bond 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 Smithfield Diversified Bond 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 December 2024, using the seven criteria set by the FCA is set out below:

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

EPFL has adopted a traffic light system to show how it rated the sub-fund:

- ● (green) On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- ● (amber) On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- ● (red) 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;

(2) 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 - Smithfield Diversified Bond 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, Alder 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 objective of the sub-fund is to focus on income rather than capital growth.

Benchmark

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

2. Performance (continued)

Benchmark (continued)

The benchmarks for the sub-fund are the ICE BofAML 1-10 Year Sterling Non-Gilt Index and the ICE BofAML 1-10 Year UK Gilt Index, which are comparators. 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 benchmarks over various timescales can be found below.

Cumulative Performance as at 30 November 2024 (%)

	Currency	1 year	3 year	5 year
ICE BofA 1-10 Year Sterling Non-Gilt TR in GB	GBP	6.84	-0.92	2.72
ICE BofA 1-10 Year UK Gilt TR in GB	GBP	4.25	-5.29	-4.88
Smithfield Diversified Bond TR in GB	GBX	8.41	3.44	9.76

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 performed ahead of its comparator benchmarks, the ICE BofAML 1-10 Year Sterling Non-Gilt Index and the ICE BofAML 1-10 Year UK Gilt Index. The Board acknowledged that income yields are strong compared to the benchmark income yields throughout the holding period.

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 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 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?

Whilst the Investment Manager's fee is a fixed percentage charge, the sub-funds are part of an umbrella structure consisting of three sub-funds with a tiered ACD Fee. As a result, there are further savings that can be realised should the aggregate amount of the three sub-funds increase going forward.

The ancillary charges of the sub-fund represent 4 basis points[1]. 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.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 30 June 2024.

Assessment of Value - Smithfield Diversified Bond 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 0.48%[2] was found to have compared favourably with those of similar externally managed funds.

Note that there is not a performance fee, and 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 sought to compare 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?

There were no other EPFL administered funds displaying similar characteristics with which to make a meaningful comparison.

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 are multiple share classes shareholders were in the correct share class given the size of their holding.

What was the outcome of the assessment?

There is only one share class in the 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 Smithfield Diversified Bond Fund had provided value to shareholders.

Dean Buckley
Chairman of the Board of Evelyn Partners Fund Solutions Limited
7 March 2025

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.

[2] Figure calculated at interim report, 30 June 2024.

Assessment of Value - Smithfield Alternative Investment 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 Smithfield Alternative Investment 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 December 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;

(2) 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 - Smithfield Alternative Investment 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 quality of marketing material sent to shareholders and the dealing and settlement arrangements. 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, Alder 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 objective of the sub-fund is to generate a balance between income and growth through investment in both UK and international markets.

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 UK Retail Price Index ('RPI'), 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 30 November 2024 (%)

	Currency	1 year	3 year	5 year
UK RPI TR in GB	GBP	3.55	24.31	34.26
Smithfield Alternative Investment TR in GB	GBX	9.54	2.64	21.27

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 underperformed its comparator benchmark, UK RPI. The Board were mindful of the spike in inflation during 2022 and the impact this had on the five-year performance figure but felt that an Amber rating was appropriate.

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 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 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?

Whilst the Investment Manager's fee is a fixed percentage charge, the sub-funds are part of an umbrella structure consisting of three sub-funds with a tiered ACD Fee. As a result, there are further savings that can be realised should the aggregate amount of the three sub-funds increase going forward.

The ancillary charges of the sub-fund represent 3 basis points[1]. 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.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 30 June 2024.

Assessment of Value - Smithfield Alternative Investment 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%[2] was found to have 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 sought to compare 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?

There were no other EPFL administered funds displaying similar characteristics with which to make a meaningful comparison.

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 are multiple share classes, shareholders are 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

Notwithstanding the issue in Section 2, The Board concluded that Smithfield Alternative Investment Fund had provided value to shareholders.

Dean Buckley
Chairman of the Board of Evelyn Partners Fund Solutions Limited
7 March 2025

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.

[2] Figure calculated at interim report, 30 June 2024.

Report of the Depositary to the shareholders of Smithfield 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 Investment Funds sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Depositary must ensure that:

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

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the Regulations and the Scheme documents of the Company, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
31 March 2025

Independent Auditor's report to the shareholders of Smithfield Funds

Opinion

We have audited the financial statements of Smithfield Funds (the 'Company') for the year ended 31 December 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 December 2024 and of the net revenue and the net capital gains of 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 properly prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Rules

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

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

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 6, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to 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
31 March 2025

Accounting policies of Smithfield Funds

for the year ended 31 December 2024

a Basis of accounting

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

The ACD has considered a detailed assessment of each sub-fund's 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-fund's 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 December 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. The ACD has appointed the fair value pricing committee to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset.

c Foreign exchange

The base currency of the 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 Statements 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.

Dividends from unquoted equity shares are recognised when declared.

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.

d Revenue (continued)

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

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

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

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

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

Management fee rebates agreed in respect of holdings in other collective investment schemes are recognised on an accruals basis and are allocated to revenue or capital being determined by the allocation of the expense in the collective investment scheme held.

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 December 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 Statements 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 Statements of total return as capital related items.

h Dilution levy

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

i Distribution policies

i Basis of distribution

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

ii Unclaimed distributions

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

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 of each sub-fund.

Smithfield Income and Growth Fund
Investment Manager's report

Investment objective and policy

The objective of the Smithfield Income and Growth Fund ('the Fund') is to maximise the overall income and capital return through investment in both the UK and international markets. The Fund will invest in transferable securities, bonds, collective investment schemes, warrants, money market instruments, cash and deposits that can best take advantage of economic opportunities worldwide. There is no limit to how much the Fund can invest in any sector.

It is the ACD's intention that derivatives be used for the purposes of Efficient Portfolio Management.

The ACD does not intend to have an interest in any immovable property or tangible movable property.

The Fund will be managed in a manner that maintains eligibility for the stocks and shares component of an individual savings account.

Investment activities*

At the start of 2024 few would have predicted another year like 2023, with US mega cap technology stocks continuing to push global equity markets higher on a seemingly endless supply of optimism regarding Artificial Intelligence ('AI'). Stronger than expected growth in the US, and sticky inflation saw fewer interest rate cuts than initially expected in the year, however this did little to temper the positive outlook for the US. Outside of the US, the outlook has remained less certain, with lower growth and structural headwinds present in the UK, Europe and China leading to further underperformance. The Fund delivered a return of +11.5%, a respectable level given that backdrop.

The seven largest stocks (by market capitalisation) currently account for more than 20% of global equity markets. Referred to as the "Magnificent Seven" ('Mag-7'), Alphabet, Apple, Amazon, Microsoft, Meta, Nvidia, and Tesla delivered another incredible year of performance, rising more than 60% on average. This level of concentration in equity markets currently has not been seen for decades and has created a difficult environment for global investors wishing to pursue a diversified approach. While we do not wish to add to the noise around whether these stocks are in an "AI-driven" bubble, we do see both similarities and differences to the Dot-Com bubble of the early 2000s. As was the case with the internet, AI has driven strong stock performance and increased valuations of those companies at the vanguard of the technology. However, unlike most internet companies 25 years ago, the Mag-7 are incredibly strong businesses, generating record levels of cash and profitability.

The portfolio did benefit from the performance of the Mag-7, largely through a combination of passive holdings. The iShares Core S&P 500 tracks the performance of US large cap stocks, which at year end held circa 33% in the Mag-7, and the SPDR MSCI World ETF held circa 24% in these mega cap tech names. The SPDR ETF, a global market cap weighted ETF, was added to the portfolio in August. We added to the US tracker in the fourth quarter as the outlook for the US continued to improve relative the rest of the world.

The portfolio benefitted materially from the Baillie Gifford American holding, which was up 30.9% in 2024. The fund focuses on US growth companies of all sizes and was driven by large positions in Nvidia, Meta, and Tesla, the latter rallying strongly following the US election in early November. The position in the Polar Capital Technology Trust, which was built up over 9 months of the year, was another beneficiary of the strong performance of Nvidia and Meta, while also counting Microsoft and Apple as top 10 holdings. The strong performance of technology extended to private markets as well, with another of Elon Musk's companies, namely Space-X contributing meaningfully to the bounce in The Schiehallion fund during the fourth quarter, resulting in a +50.2% return over the year.

Fewer interest rate cuts are now expected in 2025 versus earlier in the year. Despite this headwind, funds focused on growth equities performed best in 2024. Outside of the US, performance was led by another Baillie Gifford managed strategy, the Monks Investment Trust (+19.2%). The trust continued to trade on a discount to Net Asset Value ('NAV'), despite holding many of the names which led the market higher, including Amazon, the top position. Exposure to both the Baillie Gifford American and Monks Trust were trimmed into strength as valuations became increasingly stretched versus the broader market and other valuation sensitive strategies.

Our most significant change in positioning during the year was the addition of the Harris US Value fund, a like-for-like swap for M&G North American Value in December. The decision to maintain exposure to a US value manager was driven by both attractive relative valuations, with value stocks looking historically cheap versus growth stocks, as well as the potential for several cyclical sectors to perform well if the US economy continues to grow strongly. The Harris fund was selected as a replacement as it provides us with this exposure, given an overweight to financials (holdings include Charles Schwab, Citigroup, Bank of America, etc.), but also given their strong track record regardless of market leadership.

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Investment Manager's report (continued)

Investment activities* (continued)

In a market that became increasingly bifurcated between US and non-US stocks, the US election result served to entrench the view that US-first policies would be high up on the agenda of the incoming administration. As a result, Emerging Markets struggled to keep up in the fourth quarter and ended the year more than 12% behind developed market peers. Our largest exposure to Emerging Markets (and Asia in particular) is to the Schroders Asian Total Return fund. The Fund was lifted by technology exposure, most notably its largest position TSMC. The decision to sell the Matthews China Smaller Companies fund in the first half of the year proved to be a good call, with the proceeds added to the Schroders fund. A strong recovery in Chinese equities in the second half of the year only arrived following significant selling pressure which was mostly avoided by the Fund.

Changes were also made to our European exposure with Fidelity European and Liontrust European Dynamic replacing the European Opportunities Trust and the iShares MSCI Europe ex. UK ETF in August. In aggregate this added value, although European markets were negative in absolute terms over the year. Manager selection in the UK also contributed positively, led by Edinburgh Investment Trust (+12.9%). Our UK Small Cap exposure had a year of two halves, as it struggled mightily in the second half, as interest rate expectations moved higher. Ultimately this led to it lagging both the broader UK market and the global small cap index, despite the tailwind created by increased mergers and acquisitions ('M&A') activity in the UK Small and Mid-Cap market. Both our European Small Cap and Global Small Cap holdings lagged the broader global equity index as large cap stocks continued to outperform smaller companies which tend to be more interest rate sensitive.

Within our specialist exposure both Healthcare and Environmental funds faced headwinds at the end of the year. The weakness in both sectors does not appear justified given the underlying fundamental performance (i.e. earnings growth), therefore valuations have become increasingly attractive. Attractive valuations were not sufficient to attract investors back into listed private equity. Our top private equity holdings, Pantheon, ICG Enterprise and HG Capital delivered only modest share price returns despite 14% to 24% earnings growth from underlying portfolio companies. Chrysalis Investments, a venture capital fund, struggled in the first half, however better market conditions, and an improved outlook for M&A (which should improve the probability of successful exits) saw a strong recovery in the fourth quarter, pushing its full year performance to +39.0%. Momentum appears to have turned, with private assets on firmer footing heading into 2025. The combination of attractive valuations and strong underlying fundamentals across our private equity and venture capital holdings suggests potentially strong relative performance versus listed equity ahead, although caution is warranted as market pricing can remain disconnected from fundamentals for an extended period of time.

Investment performance*

The Fund delivered a total return of +11.5% over the year to 31 December 2024. This compares to a return of +8.2% from the IA UK All Companies sector and +13.0% from the IA Global sector.

Investment strategy and outlook

The future is always uncertain, yet the market is currently pricing in US exceptionalism, the rise of AI and the death of value investing, small caps and diversification as certainties. This represents an opportunity for investors willing to invest away from the crowd. Valuations outside of US mega cap technology appear reasonable, and in some areas such as UK listed Private Equity, US Value, and Small Caps valuations are relatively attractive. Geopolitical tensions, sticky inflation and desynchronised global growth are all likely to increase volatility in the short term. Again, this should be viewed as a likely source of opportunity, as markets tend to over-react when trying to price new information. This may lead to periods when certain sectors, regions or strategies are overly cheap or expensive relative to the long-term fundamentals, implying exposure can be added or reduced in a profitable way. Ultimately long-term performance is determined by the price we pay for an investment, and its fundamental performance (i.e. earnings growth). Having the patience to wait for appropriate valuations, and then the patience to hold while an investment compounds over time is a strategy that has served us well in the past, and we expect it will do so in the future as well.

Alder Investment Management Limited
20 January 2025

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Portfolio statement

as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 0.00% (0.00%)			
Unrated 0.00% (0.00%)			
Carillion Finance Jersey 2.5% 19/12/2019^	£1,200,000	-	-
Equities - United Kingdom 1.42% (2.75%)			
Equities - incorporated in the United Kingdom 0.50% (1.39%)			
Financials 0.50% (0.46%)			
Molten Ventures	575,000	1,834,250	0.50
Communication Services 0.00% (0.14%)		-	-
Real Estate 0.00% (0.79%)		-	-
Total equities - incorporated in the United Kingdom		1,834,250	0.50
Equities - incorporated outwith the United Kingdom 0.92% (1.36%)			
Financials 0.92% (0.80%)			
Agronomics	4,968,771	191,298	0.05
Chrysalis	2,950,000	3,180,100	0.87
		3,371,398	0.92
Real Estate 0.00% (0.56%)		-	-
Total equities - incorporated outwith the United Kingdom		3,371,398	0.92
Total equities - United Kingdom		5,205,648	1.42
Closed-Ended Funds 43.44% (45.77%)			
Biotech Growth Trust	846,000	7,233,300	1.98
Edinburgh Investment Trust	1,930,000	14,282,000	3.92
Henderson Smaller Companies Investment Trust	980,000	7,928,200	2.18
HgCapital Trust	2,490,000	13,346,400	3.66
ICG Enterprise Trust	1,275,000	16,498,500	4.53
Monks Investment Trust	2,060,000	25,997,200	7.14
Montanaro European Smaller Company Trust	3,150,000	4,362,750	1.20
Pacific Assets Trust	3,700,000	13,690,000	3.76
Pantheon International	4,283,000	13,769,845	3.78
Polar Capital Global Healthcare Trust	4,555,000	15,805,850	4.34
Polar Capital Technology Trust	2,860,000	9,967,100	2.74
Schiehallion Fund	7,044,534	5,906,069	1.62
Worldwide Healthcare Trust	2,990,000	9,418,500	2.59
Total closed-ended funds		158,205,714	43.44

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

^ Carillion Finance Jersey 2.5% 19/12/2019 is valued by the fair value pricing committee at nil due to the company going into liquidation on 15 January 2018 (2023: nil).

Portfolio statement (continued)

as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 55.00% (50.58%)			
UK Authorised Collective Investment Schemes 25.46% (27.42%)			
Baillie Gifford Overseas Growth Funds ICVC - American Fund	965,000	15,131,200	4.15
Fidelity Investment Funds ICVC - European Fund	220,000	5,915,800	1.62
JPMorgan Fund ICVC - JPM Global Equity Income	48,000,000	57,552,000	15.80
Liontrust European Dynamic Fund	1,750,000	6,269,375	1.72
Ninety One Funds Series III - Global Environment Fund	5,000,000	7,900,000	2.17
Total UK authorised collective investment schemes		92,768,375	25.46
Offshore Collective Investment Schemes 29.54% (23.16%)			
Federated Hermes Investment Funds			
- Federated Hermes Global Small Cap Equity	3,810,000	8,409,432	2.31
iShares Core S&P 500 UCITS ETF	415,000	19,543,387	5.37
Natixis International Funds Lux I - Harris Associates US Value Equity Fund	202,000	21,464,516	5.89
Pictet - Global Environmental Opportunities	42,000	13,648,320	3.75
Schroder ISF Asian Total Return	43,000	19,275,464	5.29
SPDR MSCI World UCITS ETF	800,000	25,232,000	6.93
Total offshore collective investment schemes		107,573,119	29.54
Total collective investment schemes		200,341,494	55.00
Warrants 0.00% (0.00%)			
Agronomics 08/12/2024^	1,739,000	-	-
Portfolio of investments		363,752,856	99.86
Other net assets		496,010	0.14
Total net assets		364,248,866	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 December 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.

^ Agronomics 08/12/2024 was priced by an independent source and was deemed nil value due to the prospects of the warrants becoming exercisable.

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, lower risk					Typically higher rewards, higher risk	
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.

* As per the KIID published on 6 February 2025.

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.

Net Income Shares	**2024** **p**	**2023** **p**	**2022** **p**
Change in net assets per share			
Opening net asset value per share	233.91	216.01	266.88
Return before operating charges	28.81	22.27	(45.66)
Operating charges	(1.97)	(1.77)	(2.73)
Return after operating charges *	26.84	20.50	(48.39)
Distributions^	(2.17)	(2.60)	(2.48)
Closing net asset value per share	258.58	233.91	216.01
* after direct transaction costs of:	0.09	0.05	0.24
Performance			
Return after charges	11.47%	9.49%	(18.13%)
Other information			
Closing net asset value (£)	364,248,866	344,183,588	326,318,668
Closing number of shares	140,863,554	147,146,714	151,065,821
Operating charges^^	0.79%	0.80%	1.21%
Direct transaction costs	0.04%	0.02%	0.11%
Published prices			
Highest share price	265.9	235.9	268.6
Lowest share price	227.5	208.1	206.3

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

^ Rounded to 2 decimal places.

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

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 - Smithfield Income and Growth Fund

Statement of total return

for the year ended 31 December 2024

	Notes		2024		2023
		£	£	£	£
Income:					
Net capital gains	2		35,836,603		26,434,628
Revenue	3	4,889,578		5,499,724	
Expenses	4	(1,753,990)		(1,615,792)	
Net revenue before taxation		3,135,588		3,883,932	
Taxation	5	-		-	
Net revenue after taxation			3,135,588		3,883,932
Total return before distributions			38,972,191		30,318,560
Distributions	6		(3,135,087)		(3,884,798)
Change in net assets attributable to shareholders from investment activities			35,837,104		26,433,762

Statement of change in net assets attributable to shareholders

for the year ended 31 December 2024

		2024		2023
	£	£	£	£
Opening net assets attributable to shareholders		344,183,588		326,318,668
Amounts receivable on issue of shares	8,626,260		2,523,026	
Amounts payable on cancellation of shares	(24,398,086)		(11,092,042)	
		(15,771,826)		(8,569,016)
Change in net assets attributable to shareholders from investment activities		35,837,104		26,433,762
Unclaimed distributions		-		174
Closing net assets attributable to shareholders		364,248,866		344,183,588

Balance sheet

as at 31 December 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		363,752,856	341,087,019
Current assets:			
Debtors	7	736,171	825,694
Cash and cash equivalents	8	1,569,920	4,687,482
Total assets		366,058,947	346,600,195
Liabilities:			
Creditors:			
Distribution payable		(1,629,791)	(2,264,588)
Other creditors	9	(180,290)	(152,019)
Total liabilities		(1,810,081)	(2,416,607)
Net assets attributable to shareholders		364,248,866	344,183,588

Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies

The accounting policies are disclosed on pages 23 to 25.

2. Net capital gains

	2024 £	2023 £
Non-derivative securities - realised gains	13,484,590	4,469,360
Non-derivative securities - movement in unrealised gains	22,462,921	21,924,257
Currency losses	(110,638)	(20)
Capital special dividend	-	40,867
Compensation	-	441
Transaction charges	(270)	(277)
Total net capital gains	35,836,603	26,434,628

3. Revenue

	2024 £	2023 £
UK revenue	3,593,874	3,952,170
Unfranked revenue	100,963	448,233
Overseas revenue	981,044	999,104
Bank and deposit interest (including futures interest)	179,901	74,297
Rebates from collective investment schemes	33,796	25,920
Total revenue	4,889,578	5,499,724

4. Expenses

	2024 £	2023 £
Payable to the ACD and associates		
ACD's periodic charge*	184,240	178,150
Investment Manager's fee*	1,443,685	1,321,653
	1,627,925	1,499,803
Payable to the Depositary		
Depositary fees	94,121	86,799
Other expenses:		
Audit fee	8,100	6,939
Non-executive directors' fees	1,417	2,542
Safe custody fees	12,089	12,681
Bank interest (including futures overdraft interest)	6,265	1,316
FCA fee	3,573	2,354
KIID production fee	500	458
Legal fee	-	2,900
	31,944	29,190
Total expenses	1,753,990	1,615,792

5. Taxation

	2024 £	2023 £
a. Analysis of the tax charge for the year		
Total taxation (note 5b)	-	-

* The annual management charge is 0.45% and includes the ACD's periodic charge and the Investment Manager's fee.

Notes to the financial statements (continued)

for the year ended 31 December 2024

5. Taxation (continued)

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	3,135,588	3,883,932
Corporation tax @ 20%	627,118	776,786
Effects of:		
UK revenue	(718,775)	(790,434)
Overseas revenue	(196,209)	(199,820)
Excess management expenses	287,866	213,468
Total taxation (note 5a)	-	-

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 £2,177,364 (2023: £1,889,498).

6. Distributions

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

	2024 £	2023 £
Interim income distribution	1,466,002	1,591,336
Final income distribution	1,629,791	2,264,588
	3,095,793	3,855,924
Equalisation:		
Amounts deducted on cancellation of shares	58,971	36,212
Amounts added on issue of shares	(19,677)	(7,338)
Total net distributions	3,135,087	3,884,798
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	3,135,588	3,883,932
Undistributed revenue brought forward	127	993
Undistributed revenue carried forward	(628)	(127)
Distributions	3,135,087	3,884,798

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

7. Debtors

	2024 £	2023 £
Accrued revenue	704,683	796,856
Prepaid expenses	1,057	541
Recoverable income tax	21,632	21,632
Accrued rebates from collective investment schemes	8,799	6,665
Total debtors	736,171	825,694

Notes to the financial statements (continued)

for the year ended 31 December 2024

8. Cash and cash equivalents

	2024 £	2023 £
Total cash and cash equivalents	1,569,920	4,687,482

9. Other creditors

	2024 £	2023 £
Accrued expenses:		
Payable to the ACD and associates		
ACD's periodic charge	16,597	14,924
Investment Manager's fee	130,174	114,802
	146,771	129,726
Other expenses:		
Depositary fees	8,466	7,525
Safe custody fees	15,233	6,280
Audit fee	8,100	6,936
Non-executive directors' fees	1,537	1,498
Transaction charges	183	54
	33,519	22,293
Total other creditors	180,290	152,019

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:

	Net Income Shares
Opening shares in issue	147,146,714
Total shares issued in the year	3,434,750
Total shares cancelled in the year	(9,717,910)
Closing shares in issue	140,863,554

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 amount due to the ACD and its associates at the balance sheet date is disclosed in note 9.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per net income share has decreased from 258.6p to 248.0p as at 28 March 2025. This movement takes into account routine transactions but also reflects the market movements of recent months.

Notes to the financial statements (continued)

for the year ended 31 December 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:

2024	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Closed-Ended Funds	14,672,493	14,672	0.10%	73,444	0.50%	14,760,609
Collective Investment Schemes	72,339,360	10,477	0.01%	-	-	72,349,837
Total	87,011,853	25,149	0.11%	73,444	0.50%	87,110,446

2023	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Closed-Ended Funds	6,989,038	6,989	0.10%	34,982	0.50%	7,031,009
Collective Investment Schemes	18,940,763	9,205	0.05%	-	-	18,949,968
Total	25,929,801	16,194	0.15%	34,982	0.50%	25,980,977

2024	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities	340,470	(238)	0.07%	(1)	0.00%	340,231
Closed-Ended Funds	28,460,690	(28,461)	0.10%	(19)	0.00%	28,432,210
Collective Investment Schemes	67,368,660	(8,600)	0.01%	-	-	67,360,060
Total	96,169,820	(37,299)	0.18%	(20)	0.00%	96,132,501

2023	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities	8,042,932	(5,630)	0.07%	(12)	0.00%	8,037,290
Closed-Ended Funds	11,798,387	(11,798)	0.10%	(12)	0.00%	11,786,577
Collective Investment Schemes	15,343,840	(900)	0.01%	-	-	15,342,940
Total	35,185,159	(18,328)	0.18%	(24)	0.00%	35,166,807

Capital events amount of £4,245,291 (2023: £1,322,061) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Notes to the financial statements (continued)

for the year ended 31 December 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	62,448	0.02%
Taxes	73,464	0.02%

2023	£	% of average net asset value
Commission	34,522	0.01%
Taxes	35,006	0.01%

b Average portfolio dealing spread

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

The average portfolio dealing spread of the investments at the balance sheet date was 0.42% (2023: 0.36%).

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 December 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 £18,187,643 (2023: £17,054,351).

Notes to the financial statements (continued)

for the year ended 31 December 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:

2024	Financial instruments and cash holdings	Net debtors and creditors £	Total net foreign currency exposure £
US dollar	27,370,585	-	27,370,585
Total foreign currency exposure	27,370,585	-	27,370,585

2023	Financial instruments and cash holdings £	Net debtors and creditors £	Total net foreign currency exposure £
US dollar	3,978,714	107,602	4,086,316
Total foreign currency exposure	3,978,714	107,602	4,086,316

At 31 December 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 £1,368,529 (2023: £204,316).

(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.

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

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

Notes to the financial statements (continued)

for the year ended 31 December 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.

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.

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

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

Basis of valuation	Investment assets 2024 £	Investment liabilities 2024 £
Quoted prices	208,186,749	-
Observable market data	155,566,107	-
Unobservable data*	-	-
	363,752,856	-

Basis of valuation	Investment assets 2023 £	Investment liabilities 2023 £
Quoted prices	205,395,344	-
Observable market data	135,691,675	-
Unobservable data*	-	-
	341,087,019	-

* The following securities are valued in the portfolio of investments using valuation techniques:

Carillion Finance Jersey 2.5% 19/12/2019 is valued by the fair value pricing committee at nil due to the company going into liquidation on 15 January 2018 (2023: nil).

Agronomics 08/12/2024 was priced by an independent source and was deemed nil value due to the prospects of the warrants becoming exercisable.

Agronomics 01/06/2024 was priced by an independent source and was deemed nil value due to the prospects of the warrants becoming exercisable for the year ended 31 December 2023 (2024: no holdings).

Duet Real Estate Finance Fund: For the year ended 31 December 2023 the fair value pricing committee determined that it was appropriate to include the security in the portfolio of investments with no value (2024: no holding) as the security is in liquidation, with little prospect of a distribution to shareholders.

* 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 sub-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.

Notes to the financial statements (continued)

for the year ended 31 December 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 % of the total net asset value	2023 % of the total net asset value
Agronomics 01/06/2024	-	0.00%
Agronomics 08/12/2024	0.00%	0.00%
Carillion Finance Jersey 2.5% 19/12/2019	0.00%	0.00%
Duet Real Estate Finance Fund	-	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 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 December 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 January 2024

Group 2 - Shares purchased 1 January 2024 to 30 June 2024

	Net revenue	Equalisation	Total distribution 31 August 2024	Total distribution 31 August 2023
Net Income Shares				
Group 1	1.015	-	1.015	1.063
Group 2	0.603	0.412	1.015	1.063

Final distribution in pence per share

Group 1 - Shares purchased before 1 July 2024

Group 2 - Shares purchased 1 July 2024 to 31 December 2024

	Net revenue	Equalisation	Total distribution 28 February 2025	Total distribution 28 February 2024
Net Income Shares				
Group 1	1.157	-	1.157	1.539
Group 2	0.454	0.703	1.157	1.539

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.

Smithfield Diversified Bond Fund
Investment Manager's report

Investment objective and policy

The objective of the Smithfield Diversified Bond Fund ('the Fund') is to focus on income rather than capital growth. A minimum of 60% of the Fund will be invested in bonds, which can be corporate or government with no restrictions on country of origin, duration or credit ratings. The Fund may also invest in a diverse portfolio of transferable securities, collective investment schemes (which may include unregulated collective investment schemes), warrants, money market instruments, cash and deposits that best take advantage of economic opportunities worldwide.

It is the ACD's intention that derivatives be used for the purposes of Efficient Portfolio Management.

The ACD does not intend to have an interest in any immovable property or tangible movable property.

The Fund will be managed in a manner that maintains eligibility for the stocks and shares component of an individual savings account.

Investment activities*

2024 saw a complex macroeconomic environment, marked by evolving monetary policies, inflation concerns, and geopolitical developments. The year began with persistent inflationary pressures, delaying central bank rate cuts. However, as inflation gradually receded, the US Federal Reserve, the Bank of England, and the European Central Bank all implemented rate reductions but at notably different rates. Despite easing headline inflation, wage growth and service-sector inflation remained sticky. Markets had initially expected a series of rate cuts but concerns about more persistent inflation led to greater uncertainty towards the end of the year.

Significant political developments influenced market sentiment over the year, including Donald Trump's re-election as the US President and the newly elected Labour government's first budget in the UK. Both were seen as inflationary by markets, given Trump's stance on trade tariffs and immigration, while the UK Budget saw taxes and borrowing both rising significantly. Markets adjusted to the likelihood of fiscal expansion and higher government borrowing, causing higher bond yields. This was particularly true for longer dated bonds, as investors demanded greater compensation (in the form of higher yields) to invest in the more interest rate sensitive part of the fixed income market.

Escalating geopolitical tensions, including Middle East conflicts, Russia's ongoing war in Ukraine and rising tensions with China, all added to market uncertainty. Despite this uncertainty, corporate bonds performed well over 2024, with narrowing credit spreads reflecting low corporate default rates and strong balance sheets. Even during periods of rising bond yields over the year, investment grade corporate bonds provided relatively attractive risk-adjusted returns compared to gilts and therefore outperformed, supported by strong fundamentals and sustained investor demand for income-producing assets.

Key portfolio activity in 2024 included:

- Reducing exposure to Southern Water before the latest Water Services Regulation Authority price review, to reduce our exposure to regulatory risk.

- Investing in new zero dividend preference shares from Aberforth Geared Value & Income Trust that offered an attractive 7% gross redemption yield to maturity in 2031.

- Adding to the short-dated iShares ETF to maintain liquidity for future direct bond opportunities.

Investment performance*

The Fund delivered a healthy total return of +4.9% over 2024, outperforming the ICE BofAML 1-10 Year Sterling Non-Gilt Index (+0.3%) and the ICE BofAML 1-10 Year UK Gilt Index (+3.6%). The Fund's exposure to short-dated, higher-yielding investment grade corporate bonds contributed positively to the overall return in the wider context of central bank rate cuts.

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Investment Manager's report (continued)

Investment strategy and outlook*

The Fund's strategy remains focused on achieving a stable income stream from a well-diversified bond portfolio while managing interest rate risk. The portfolio yield to maturity of 5.8% (before fees) continues to provide an attractive return, with an average duration of 3.6 years, ensuring a balanced exposure to interest rate movements.

Looking ahead to the rest of 2025, the outlook for fixed income markets will be determined by several factors:

- Monetary policy uncertainty: while interest rate cuts have been priced into markets, central banks may adopt a cautious approach depending on inflation data. Rate cut expectations have moderated.

- Geopolitical and fiscal risks: global uncertainties, including potential trade tensions, could lead to higher bond yield volatility.

- Credit market valuations: corporate balance sheets remain robust, but tight credit spreads could widen if macroeconomic conditions deteriorate

- Tactical positioning: the Fund will remain agile in identifying high-quality opportunities while managing credit risk effectively.

Given the current market landscape, the Fund remains well-positioned to capitalise on income-generating investments while maintaining a prudent approach to risk management.

Alder Investment Management Limited
20 January 2025

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Portfolio statement
as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 80.91% (83.21%)			
Aa3 to A1 5.80% (5.46%)			
Danske Bank 4.625% 13/04/2027**	£2,500,000	2,490,625	1.25
Macquarie Group 2.125% 01/10/2031	£2,000,000	1,654,600	0.83
OP Corporate Bank 3.375% 14/01/2026	£2,000,000	1,970,500	0.99
PepsiCo 3.2% 22/07/2029	£1,500,000	1,428,360	0.72
Royal Bank of Canada 3.625% 14/06/2027	£2,000,000	1,942,240	0.97
Wells Fargo & Co 2.125% 24/09/2031	£2,500,000	2,085,225	1.04
		11,571,550	5.80
A2 to A3 21.44% (17.72%)			
Aviva 4% 03/06/2055**	£2,500,000	2,048,175	1.02
BP Capital Markets 4.25% Perpetual**	£3,000,000	2,886,420	1.44
BUPA Finance 1.75% 14/06/2027	£2,500,000	2,320,075	1.16
Credit Agricole 5.75% 29/11/2027**	£2,000,000	2,015,000	1.01
DNB Bank 4% 17/08/2027**	£2,500,000	2,459,375	1.23
GlaxoSmithKline Capital 1.625% 12/05/2035	£1,500,000	1,074,615	0.54
Goldman Sachs Group 3.625% 29/10/2029**	£2,000,000	1,900,100	0.95
KBC Group 5.5% 20/09/2028**	£2,000,000	2,021,100	1.01
Legal & General Group 4.5% 01/11/2050**	£2,000,000	1,861,380	0.93
Legal & General Group 5.375% 27/10/2045**	£2,500,000	2,494,400	1.25
Motability Operations Group 3.625% 10/03/2036	£2,000,000	1,682,320	0.84
Nationwide Building Society 6.178% 07/12/2027**	£2,000,000	2,042,040	1.02
Places For People Treasury 2.5% 26/01/2036	£3,000,000	2,158,410	1.08
Reckitt Benckiser Treasury Services 1.75% 19/05/2032	£1,500,000	1,202,985	0.60
Southern Housing 2.375% 08/10/2036	£1,837,000	1,289,170	0.64
Toronto-Dominion Bank 2.875% 05/04/2027	£2,000,000	1,907,980	0.95
Transport for London 4% 12/09/2033	£2,000,000	1,805,040	0.90
UBS Group 2.125% 15/11/2029**	£2,000,000	1,790,000	0.89
Virgin Money UK 4% 25/09/2026**	£3,000,000	2,970,000	1.49
Volkswagen International Finance 3.375% 16/11/2026	£3,000,000	2,892,120	1.45
Volvo Treasury 6.125% 22/06/2028	£2,000,000	2,072,860	1.04
		42,893,565	21.44
Baa1 to Baa3 38.40% (32.27%)			
3i Group 3.75% 05/06/2040	£2,500,000	1,875,925	0.94
Anglo American Capital 3.375% 11/03/2029	£3,000,000	2,794,410	1.40
Banco Santander 3.125% 06/10/2026**	£1,000,000	983,750	0.49
Barclays 3.25% 17/01/2033	£3,000,000	2,534,280	1.27
BAT International Finance 2.25% 26/06/2028	£1,500,000	1,362,795	0.68
Bunzl Finance 1.5% 30/10/2030	£2,000,000	1,660,340	0.83
Cadent Finance 2.25% 10/10/2035	£2,500,000	1,795,575	0.90
CaixaBank 3.5% 06/04/2028**	£2,000,000	1,932,500	0.97
Cooperatieve Rabobank 5.25% 14/09/2027	£3,000,000	2,994,240	1.50
Coventry Building Society 5.875% 12/03/2030**	£2,000,000	2,033,460	1.02

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

** Variable interest security.

Portfolio statement (continued)
as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* (continued)			
Baa1 to Baa3 (continued)			
CPUK Finance 3.69% 28/08/2028	£3,000,000	2,805,177	1.40
Electricite de France 5.5% 27/03/2037	£2,500,000	2,347,575	1.17
Grainger 3% 03/07/2030	£3,000,000	2,633,100	1.32
Heathrow Funding 2.75% 13/10/2029	£2,500,000	2,243,750	1.12
Hiscox 6.125% 24/11/2045**	£1,000,000	1,002,830	0.50
Hammerson 3.5% 27/10/2025	£1,100,000	1,083,445	0.54
HSBC Holdings 5.75% 20/12/2027	£3,030,000	3,070,087	1.54
InterContinental Hotels Group 3.375% 08/10/2028	£1,000,000	936,900	0.47
InterContinental Hotels Group 3.75% 14/08/2025	£2,000,000	1,978,780	0.99
Investec 1.875% 16/07/2028**	£3,000,000	2,727,570	1.36
Lendlease Europe Finance 3.5% 02/12/2033	£1,500,000	1,094,205	0.55
Logicor Financing Sarl 2.75% 15/01/2030	£2,500,000	2,166,375	1.08
Pearson Funding 3.75% 04/06/2030	£2,000,000	1,869,400	0.94
QBE Insurance Group 2.5% 13/09/2038**	£2,000,000	1,775,200	0.89
Rentokil Initial 5% 27/06/2032	£1,500,000	1,443,645	0.72
Rothesay Life 3.375% 12/07/2026	£2,000,000	1,942,260	0.97
Santander UK Group Holdings 3.625% 14/01/2026	£1,500,000	1,477,455	0.74
Scottish Hydro Electric Transmission 2.125% 24/03/2036	£2,000,000	1,441,260	0.72
Severn Trent Utilities Finance 2.625% 22/02/2033	£2,000,000	1,635,220	0.82
Skipton Building Society 2% 02/10/2026**	£2,500,000	2,438,075	1.22
SSE 3.74% Perpetual**	£1,000,000	976,250	0.49
Swedbank 5.875% 24/05/2029**	£1,000,000	1,022,500	0.51
Swedbank 7.272% 15/11/2032**	£1,000,000	1,043,750	0.52
Tesco Corporate Treasury Services 2.75% 27/04/2030	£1,000,000	889,390	0.44
Tritax Big Box REIT 1.5% 27/11/2033	£3,000,000	2,153,850	1.08
UNITE Group 3.5% 15/10/2028	£2,500,000	2,359,475	1.18
Weir Group 6.875% 14/06/2028	£2,000,000	2,075,860	1.04
Wessex Water Services Finance 1.25% 12/01/2036	£2,000,000	1,255,340	0.63
Westfield America Management 2.125% 30/03/2025	£2,000,000	1,983,600	0.99
Workspace Group 2.25% 11/03/2028	£3,000,000	2,679,510	1.34
WPP Finance 2017 3.75% 19/05/2032	£2,500,000	2,234,175	1.12
		76,753,284	38.40
Sub-investment Grade 2.78% (3.70%)			
Liverpool Victoria Friendly Society 9.44% 22/05/2043**	£770,000	778,586	0.39
Marks & Spencer 4.5% 10/07/2027	£2,000,000	1,927,240	0.96
Petroleos Mexicanos 3.75% 16/11/2025	£1,000,000	958,860	0.48
Pinewood Finance 3.625% 15/11/2027	£2,000,000	1,891,240	0.95
		5,555,926	2.78

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

** Variable interest security.

Portfolio statement (continued)

as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* (continued)			
Unrated 12.49% (24.06%)			
Aberdeen Standard Asia Focus 2.25% 31/05/2025	£3,950,000	3,859,150	1.93
Assura Financing 3% 19/07/2028	£3,000,000	2,783,610	1.39
Berkeley Group 2.5% 11/08/2031	£2,000,000	1,595,060	0.80
Carillion Finance Jersey 2.5% 19/12/2019^	£800,000	-	-
Derwent London 1.875% 17/11/2031	£1,000,000	799,890	0.40
EnQuest 9% 27/10/2027	£1,081,821	1,029,666	0.52
Grosvenor UK Finance 6.5% 29/09/2026	£2,100,000	2,143,869	1.07
IG Group Holdings 3.125% 18/11/2028	£1,500,000	1,328,655	0.66
John Lewis 6.125% 21/01/2025	£3,050,000	3,049,543	1.53
RCB Bonds 4.4% 30/04/2025	£750,000	719,625	0.36
Scottish Mortgage Investment Trust 12% 30/06/2026	£500,000	545,350	0.27
Southern Water Services Finance 2.375% 28/05/2028	£1,500,000	1,217,505	0.61
Travis Perkins 3.75% 17/02/2026	£3,000,000	2,923,980	1.47
Wasps Finance 6.5% 13/05/2022^^	£850,000	-	-
Whitbread Group 3.375% 16/10/2025	£3,000,000	2,951,010	1.48
		24,946,913	12.49
Total debt securities		161,721,238	80.91
Closed-Ended Funds 0.90% (4.42%)			
Aberforth Geared Value & Income Trust	1,767,471	1,802,820	0.90
Balloon Street Holdings^^^	251,556	-	-
Polar Capital Global Healthcare^^^^	3,226,000	-	-
Total closed-ended funds		1,802,820	0.90

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

** Variable interest security.

^ Carillion Finance Jersey 2.5% 19/12/2019 is valued by the fair value pricing committee at nil due to the company going into liquidation on 15 January 2018 (2023: nil).

^^ Wasps Finance 6.5% 13/05/2022: The fair value pricing committee determined a share price of £nil was appropriate for this unquoted security (2023: £0.04).

^^^ Balloon Street Holdings: The fair value pricing committee determined a share price of nil is appropriate reflecting the lack of recent trading activity (2023: nil).

^^^^ Polar Capital Global Healthcare: The fair value pricing committee determined a share price of nil is appropriate reflecting liquidation proceeds received at rate of £1.2299 (2023: £1.16).

Portfolio statement (continued)
as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 15.51% (10.85%)			
UK Authorised Collective Investment Schemes 4.24% (3.87%)			
MI TwentyFour Investment Funds - Dynamic Bond Fund	85,684	8,465,592	4.24
Offshore Collective Investment Schemes 11.27% (6.98%)			
Axiom Lux - Axiom Obligataire Sicav	2,155	2,426,570	1.21
Fidante Partners Liquid Strategies ICAV - Ardea Global Alpha Fund	31,308	3,019,660	1.51
iShares GBP Corp Bond 0-5yr UCITS ETF	70,000	7,090,300	3.55
PIMCO GIS Capital Securities Fund	849,019	10,001,443	5.00
Total offshore collective investment schemes		22,537,973	11.27
Total collective investment schemes		31,003,565	15.51
Portfolio of investments		194,527,623	97.32
Other net assets		5,348,551	2.68
Total net assets		199,876,174	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 December 2023.

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, lower risk — Typically higher rewards, higher risk →

1	2	3	4	5	6	7

The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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.

* As per the KIID published on 6 February 2025.

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.

Gross Income Shares	2024 p	2023 p	2022 p
Change in net assets per share			
Opening net asset value per share	104.09	98.58	113.00
Return before operating charges	5.57	9.85	(10.72)
Operating charges	(0.52)	(0.47)	(0.49)
Return after operating charges *	5.05	9.38	(11.21)
Distributions^	(3.94)	(3.87)	(3.21)
Closing net asset value per share	105.20	104.09	98.58
* after direct transaction costs of:	0.00	0.00	0.00
Performance			
Return after charges	4.85%	9.52%	(9.92%)
Other information			
Closing net asset value (£)	199,876,174	212,198,146	238,891,174
Closing number of shares	189,988,609	203,854,640	242,335,107
Operating charges^^	0.49%	0.47%	0.47%
Direct transaction costs	0.00%	0.00%	0.00%
Published prices			
Highest share price	107.8	106.5	113.1
Lowest share price	103.0	96.44	94.10

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

^ Rounded to 2 decimal places.

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

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 - Smithfield Diversified Bond Fund

Statement of total return

for the year ended 31 December 2024

	Notes	£	2024 £	£	2023 £
Income:					
Net capital gains	2		2,113,183		11,263,718
Revenue	3	8,512,709		9,393,579	
Expenses	4	(826,624)		(903,845)	
Net revenue before taxation		7,686,085		8,489,734	
Taxation	5	-		-	
Net revenue after taxation			7,686,085		8,489,734
Total return before distributions			9,799,268		19,753,452
Distributions	6		(7,686,354)		(8,491,059)
Change in net assets attributable to shareholders from investment activities			2,112,914		11,262,393

Statement of change in net assets attributable to shareholders

for the year ended 31 December 2024

	£	2024 £	£	2023 £
Opening net assets attributable to shareholders		212,198,146		238,891,174
Amounts receivable on issue of shares	5,871,060		6,221,392	
Amounts payable on cancellation of shares	(20,305,946)		(44,176,813)	
		(14,434,886)		(37,955,421)
Change in net assets attributable to shareholders from investment activities		2,112,914		11,262,393
Closing net assets attributable to shareholders		199,876,174		212,198,146

Balance sheet
as at 31 December 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		194,527,623	208,982,857
Current assets:			
Debtors	7	2,665,811	2,847,616
Cash and cash equivalents	8	6,551,711	4,416,493
Total assets		203,745,145	216,246,966
Liabilities:			
Creditors:			
Distribution payable		(3,775,074)	(3,964,973)
Other creditors	9	(93,897)	(83,847)
Total liabilities		(3,868,971)	(4,048,820)
Net assets attributable to shareholders		199,876,174	212,198,146

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

1. Accounting policies
The accounting policies are disclosed on pages 23 to 25.

2. Net capital gains

	2024 £	2023 £
Non-derivative securities - realised gains / (losses)	211,959	(2,358,435)
Non-derivative securities - movement in unrealised gains	1,901,300	13,622,328
Currency losses	-	(235)
Compensation	78	374
Transaction charges	(154)	(314)
Total net capital gains	2,113,183	11,263,718

3. Revenue

	2024 £	2023 £
UK revenue	2,842	-
Unfranked revenue	472,510	478,018
Overseas revenue	844,509	758,859
Interest on debt securities	7,033,799	7,918,168
Bank and deposit interest	159,049	238,534
Total revenue	8,512,709	9,393,579

4. Expenses

	2024 £	2023 £
Payable to the ACD and associates		
ACD's periodic charge*	105,220	119,343
Investment Manager's fee*	618,354	663,414
	723,574	782,757
Payable to the Depositary		
Depositary fees	56,968	60,573
Other expenses:		
Audit fee	8,100	6,939
Non-executive directors' fees	1,417	1,702
Safe custody fees	13,283	13,560
Bank interest	20,492	33,275
FCA fee	2,290	1,681
KIID production fee	500	458
Legal fee	-	2,900
	46,082	60,515
Total expenses	826,624	903,845

* The annual management charge is 0.35% and includes the ACD's periodic charge and the Investment Manager's fee.

Notes to the financial statements (continued)

for the year ended 31 December 2024

5. Taxation

	2024 £	2023 £
a. Analysis of the tax charge for the year		
Total taxation (note 5b)	-	-

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	7,686,085	8,489,734
Corporation tax @ 20%	1,537,217	1,697,948
Effects of:		
Movement in short term timing differences	54	265
Interest distributions	(1,537,271)	(1,698,213)
Total taxation (note 5a)	-	-

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	3,804,678	4,088,677
Final income distribution	3,775,074	3,964,973
	7,579,752	8,053,650
Equalisation:		
Amounts deducted on cancellation of shares	177,928	502,126
Amounts added on issue of shares	(71,326)	(64,717)
Total net distributions	7,686,354	8,491,059
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	7,686,085	8,489,734
Undistributed revenue brought forward	1,080	2,405
Undistributed revenue carried forward	(811)	(1,080)
Distributions	7,686,354	8,491,059

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

7. Debtors

	2024 £	2023 £
Accrued revenue	2,665,130	2,847,204
Prepaid expenses	681	412
Total debtors	2,665,811	2,847,616

Notes to the financial statements (continued)

for the year ended 31 December 2024

8. Cash and cash equivalents	2024 £	2023 £
Total cash and cash equivalents	6,551,711	4,416,493

9. Other creditors	2024 £	2023 £
Accrued expenses:		
Payable to the ACD and associates		
ACD's periodic charge	9,116	9,430
Investment Manager's fee	53,623	54,403
	62,739	63,833
Other expenses:		
Depositary fees	4,946	4,989
Safe custody fees	16,505	6,548
Audit fee	8,100	6,936
Non-executive directors' fees	1,537	1,498
Transaction charges	70	43
	31,158	20,014
Total other creditors	93,897	83,847

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:

	Gross Income Shares
Opening shares in issue	203,854,640
Total shares issued in the year	5,595,568
Total shares cancelled in the year	(19,461,599)
Closing shares in issue	189,988,609

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 amount due to the ACD and its associates at the balance sheet date is disclosed in note 9.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per gross income share has increased from 105.2p to 106.7p as at 28 March 2025. This movement takes into account routine transactions but also reflects the market movements of recent months.

Notes to the financial statements (continued)

for the year ended 31 December 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:

2024	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Bonds*	2,812,350	-	-	-	-	2,812,350
Collective Investment Schemes	7,050,421	1,811	0.03%	305	0.00%	7,052,537
Total	9,862,771	1,811	0.03%	305	0.00%	9,864,887

2023	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Closed-Ended Funds	1,514,996	227	0.01%	-	-	1,515,223
Bonds*	9,532,620	-	-	-	-	9,532,620
Total	11,047,616	227	0.01%	-	-	11,047,843

2024	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Bonds*	18,419,547	-	-	-	-	18,419,547
Total	18,419,547	-	-	-	-	18,419,547

2023	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Bonds*	34,844,674	-	-	-	-	34,844,674
Collective Investment Schemes	7,160,352	(2,864)	0.04%	-	-	7,157,488
Total	42,005,026	(2,864)	0.04%	-	-	42,002,162

Capital events amount of £8,341,924 (2023: £278,691) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 31 December 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	1,811	0.00%
Taxes	305	0.00%

2023	£	% of average net asset value
Commission	3,091	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 0.51% (2023: 0.63%).

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 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 December 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 £1,640,319 (2023: £1,620,595).

Notes to the financial statements (continued)

for the year ended 31 December 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.

The sub-fund had no exposure to foreign currency in the year.

(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 December 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 £1,416,993 (2023: £1,821,010).

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.

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

2024	Variable rate financial assets £	Fixed rate financial assets £	Non-interest bearing financial assets £	Non-interest bearing financial liabilities £	Total £
UK sterling	50,244,797	118,028,152	35,472,196	(3,868,971)	199,876,174
	50,244,797	118,028,152	35,472,196	(3,868,971)	199,876,174

2023	Variable rate financial assets £	Fixed rate financial assets £	Non-interest bearing financial assets £	Non-interest bearing financial liabilities £	Total £
Euro	3	-	-	-	3
UK sterling	54,416,876	126,570,526	35,259,511	(4,048,820)	212,198,093
US dollar	50	-	-	-	50
	54,416,929	126,570,526	35,259,511	(4,048,820)	212,198,146

Notes to the financial statements (continued)

for the year ended 31 December 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 majority of 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.

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.

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

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

Basis of valuation	Investment assets 2024 £	Investment liabilities 2024 £
Quoted prices	8,893,120	-
Observable market data	185,634,503	-
Unobservable data*	-	-
	194,527,623	-

Basis of valuation	Investment assets 2023 £	Investment liabilities 2023 £
Quoted prices	9,382,444	-
Observable market data	199,566,413	-
Unobservable data*	34,000	-
	208,982,857	-

* The following securities are valued in the portfolio of investments using valuation techniques:

Carillion Finance Jersey 2.5% 19/12/2019 is valued by the fair value pricing committee at nil due to the company going into liquidation on 15 January 2018 (2023: nil).

Balloon Street Holdings: The fair value pricing committee determined a share price of nil is appropriate reflecting the lack of recent trading activity (2023: nil).

Wasps Finance 6.5% 13/05/2022: The fair value pricing committee determined a share price of £nil was appropriate for this unquoted security (2023: £0.04).

Polar Capital Global Healthcare: The fair value pricing committee determined a share price of nil is appropriate reflecting liquidation proceeds received at rate of £1.2299 (2023: £1.16).

Duet Real Estate Finance Fund: For the year ended 31 December 2023 the fair value pricing committee determined that it was appropriate to include the security in the portfolio of investments with no value (2024: no holding) as the security is in liquidation, with little prospect of a distribution to shareholders.

* 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 sub-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.

Notes to the financial statements (continued)

for the year ended 31 December 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
Balloon Street Holdings	0.00%	0.00%
Carillion Finance Jersey 2.5% 19/12/2019	0.00%	0.00%
Duet Real Estate Finance Fund	-	0.00%
Polar Capital Global Healthcare	0.00%	-
Wasps Finance 6.5% 13/05/2022	0.00%	0.02%
Total	0.00%	0.02%

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 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 December 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 January 2024
Group 2 - Shares purchased 1 January 2024 to 30 June 2024

	Net revenue	Equalisation	Total distribution 31 August 2024	Total distribution 31 August 2023
Gross Income Shares				
Group 1	1.949	-	1.949	1.927
Group 2	0.689	1.260	1.949	1.927

Final distribution in pence per share

Group 1 - Shares purchased before 1 July 2024
Group 2 - Shares purchased 1 July 2024 to 31 December 2024

	Net revenue	Equalisation	Total distribution 28 February 2025	Total distribution 28 February 2024
Gross Income Shares				
Group 1	1.987	-	1.987	1.945
Group 2	0.844	1.143	1.987	1.945

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.

Smithfield Alternative Investment Fund
Investment Manager's report

Investment objective and policy

The objective of the Smithfield Alternative Investment Fund ('the Fund') is to generate a balance between income and growth through investment in both UK and international markets.

The Fund will target its investment into a range of collective investment schemes and transferable securities that invest into asset classes that seek to have a low correlation to global equity markets and have a more consistent return profile. Typically this will include funds investing into renewable energy projects, infrastructure, absolute return funds and non-investment grade debt strategies. Non-investment grade debt strategies may include high yield, leveraged loans, preference shares and distressed debt. The Fund may also invest into other transferable securities, collective investment schemes (including unregulated collective investment schemes), warrants, money market instruments, cash and deposits that best take advantage of economic opportunities worldwide.

The Fund may potentially invest predominantly in the units or shares of other collective investment schemes.

It is the ACD's intention that derivatives be used for hedging purposes only using Efficient Portfolio Management style techniques.

The ACD does not intend to have an interest in any immovable property or tangible movable property.

The Fund will be managed in a manner that maintains eligibility for the stocks and shares component of an individual savings account.

Investment activities*

2024 was a mixed year for the Fund with plenty of scope for optimism along the way but a disappointing end to the year which left performance below expected levels. The Fund delivered a total return of +3.2%. That disappointment was caused by a change in investor expectations for interest rates and inflation. This change can largely be attributed to the outcome of the US elections and the plans put in place by the new UK government in in its autumn Budget, both considered likely to fuel inflation which has proved more obstinate than expected.

The Fund re-initiated positions in two previous holdings, Foresight Solar and Assura. Foresight was added to increase exposure to renewables at a time when discounts within the sub-sector had widened. Assura, the healthcare property specialist, was added to provide further diversification within the REIT holdings. It has rerated significantly from when the Fund last owned the shares, moving (as with most other REITs) from a premium to a discount, yet it has a very stable core business and an attractive covered yield. There were two other new holdings for the Fund – LondonMetric Property as the result of its all-share acquisition of LXI, and a new zero-dividend preference share issue from Aberforth Geared Value & Income Trust. LondonMetric is a fast-growing REIT focused on long leases with strong counterparties.

Full disposals from the Fund were a mix of selling after strong performances and moving on from troubled holdings. In the first camp were Axiom Obligataire, the specialist financial services bond fund, and a number of individual bond holdings. LXI's acquisition by LondonMetric, as mentioned above, also came after a good value uplift. The disposal of Hipgnosis, the music royalties fund, followed a period of shareholder dissatisfaction leading to governance changes and uncertainty as to how the Fund would proceed. There was a similar loss of shareholder confidence at Digital 9. At Real Estate Credit Investments, niggling concerns that small provisions against a couple of holdings may multiply or grow led us to seek safer returns elsewhere.

2024 was an unusually quiet period for primary issues. Apart from the Aberforth zero dividend preference share issue, we only participated in one issue, a fund-raising by Infratil, the New Zealand infrastructure fund. This was in order to raise money for further investment into CDC, its fast-growing data centre business.

Additions to existing holdings focused mainly on the infrastructure, renewables and real estate holdings. These have operated well but the shares have lagged operational performance for a variety of reasons. Some reductions came through corporate actions as several funds have sought to make returns of capital to shareholders. For instance, Tufton Assets, the ship leasing fund, laid out plans early in the year to wind itself down steadily over the next 5 or 6 years and made a return of capital to shareholders as an early step in that process. Riverstone Credit Opportunities Investments is also in wind-down, albeit in shorter order, and it too made capital returns, as did the NB Distressed Debt funds. Other reductions were from the bond funds and larger real estate holdings.

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Investment Manager's report (continued)

Investment activities (continued)*

The Fund produced a small positive return in changeable markets. The key driver for much of that changeability was expectations for interest rate movements. There had been high optimism at the start of the year for several cuts to base rates, but these remained just out of reach for the first half of the year. The first cut was in early August, in the early days of the new government, and the Fund enjoyed strong price performance over this honeymoon period. There was only one more cut to follow, this in November and overshadowed by the Budget a few days before. As investors digested the Budget measures, concerns rose over a return to inflationary pressures, reducing expectations as to the extent and timing of future cuts. Gilt yields have risen steadily since and this took away much of the shine from the previous positive performance.

2024 saw a continuation of unease in the investment trust sector, with many funds suffering widening discounts despite satisfactory operational performance. Some of that comes from a shrinking pool of buyers as some investors have questioned the attractions of the structure and others have required greater size and liquidity as the asset management industry has consolidated. On the positive side, there have been increasing signs that boards and managements recognise the needs to provide greater value for money, greater transparency and higher levels of shareholder friendliness. For many, this is a recognition that they must change or die. Where boards or managers have appeared not to recognise the need for change, there has been a greater movement by shareholders to engage with reluctant counterparties.

Against that backdrop, the Fund was party to some shareholder activism, calling for change at PRS REIT through the requisitioning of an extraordinary general meeting ('EGM') along with a small group of fellow shareholders. The EGM called for changes in the board and an examination of the existing strategy including the consideration of disposals or a full sale of the fund. The EGM was avoided after concessions from the board to put these moves into place and the business is currently considering a sale process. During the year, the shares delivered a return of +30.8%, with 46.3% in the second half of the year when these events took place.

There were several other strong performances: Infratil (+14.9%) benefited from continuing positive news flow and, as a New Zealand listed fund, it was not held back by some of the baggage of UK investment trusts; Tufton (+35.2%) saw strong performance and gained from a positive reaction to plans to wind down over the medium term; Taylor Maritime (+26.3%) reduced its gearing and completed the acquisition of Grindrod; Cordiant Digital (+24.0%) produced consistent growth and saw a major narrowing of a very wide discount; and M&G Credit (+15.5%) rose as a result of solid operational performance and a reduction in its discount. Bonds were another source of positive performance, both from the bond funds (PIMCO Capital Securities +10.2%, TwentyFour Dynamic Bond Fund +9.1%) and from the individual bond holdings, many of which produced double-digit returns.

The difficult backdrop and rising yield environment left many funds out of favour, especially in the renewables sector, infrastructure and REITs. This was largely the result of widening discounts rather than operational issues, this being largely the case for The Renewables Infrastructure Group (-18.8%) and Tritax Big Box (-17.4%).

Investment performance*

The Fund delivered a total return of +3.2% for the year to 31 December 2024. This compares to UK Retail Price Index ('RPI') which increased by +3.5% over the same period. We have selected RPI as a comparator as the objective of the Fund is to generate returns that represent an increase in real (i.e. inflation-adjusted) values.

Investment strategy and outlook

The investment strategy of the Fund is to invest with a long-term time horizon in a diversified portfolio of externally managed investment funds (including investment trusts, unit trusts and open-ended investment companies), equities and bonds to gain exposure to particular sectors, asset classes or geographical markets that we think are attractive. We intend to achieve a measured return from a portfolio of assets which we believe to be of lower risk relative to wider equity markets. Recent increases in gilt yields initially paint a tricky picture for many of the Fund's holdings, but consensus still sees rate cuts to come, albeit those cuts being delayed and reduced in size. This should provide scope for these holdings to deliver steady returns. Furthermore, as many of these funds are at discounts to their net asset value that are very wide against historical levels, we see scope for capital recovery. This is especially the case as boards and managers become more proactive in seeking efficiencies and in delivering returns, or, if this is not the case, shareholders become more active in seeking change.

Alder Investment Management Limited

20 January 2025

* Source: Bloomberg, total returns calculated net of fees, using mid-to-mid pricing, net income reinvested, excluding any preliminary charges.

Portfolio statement

as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 5.04% (8.63%)			
Baa1 to Baa3 2.06% (3.93%)			
Aviva 6.875% Perpetual**	£1,500,000	1,478,775	0.58
Legal & General Group 5.625% Perpetual**	£2,000,000	1,838,800	0.72
Nationwide Building Society 5.75% Perpetual**	£2,000,000	1,936,660	0.76
		5,254,235	2.06
Sub-investment Grade 0.76% (1.75%)			
Petroleos Mexicanos 3.75% 16/11/2025	£2,000,000	1,917,720	0.76
Unrated 2.22% (2.95%)			
Bruntwood Investments 6% 25/02/2025	£1,500,000	1,488,750	0.59
IG Group Holdings 3.125% 18/11/2028	£1,000,000	885,770	0.35
Rothesay Life 5% Perpetual**	£1,000,000	822,500	0.32
Travis Perkins 3.75% 17/02/2026	£2,500,000	2,436,650	0.96
Wasps Finance 6.5% 13/05/2022^	£1,100,000	-	-
		5,633,670	2.22
Total debt securities		12,805,625	5.04
Equities 8.38% (4.66%)			
Equities - New Zealand 3.53% (2.57%)			
Infratil	1,587,059	8,945,377	3.53
Equities - United States 4.85% (2.09%)			
Brookfield Infrastructure Partners	485,000	12,299,265	4.85
Total equities		21,244,642	8.38
Closed-Ended Funds 71.58% (68.64%)			
3i Infrastructure	4,946,000	15,703,550	6.19
Aberforth Geared Value & Income Trust	2,000,000	2,040,000	0.80
Assura	12,400,000	4,754,160	1.87
BBGI Global Infrastructure	6,200,000	7,725,200	3.04
Cordiant Digital Infrastructure	4,550,000	4,095,000	1.61
Downing Renewables & Infrastructure Trust	7,000,000	5,390,000	2.12
Foresight Solar Fund	8,615,000	6,624,935	2.61

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

** Variable interest security.

^ Wasps Finance 6.5% 13/05/2022: The fair value pricing committee determined a share price of nil was appropriate for this unquoted security (2023: £0.04)

Portfolio statement (continued)
as at 31 December 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Closed-Ended Funds (continued)			
HICL Infrastructure	12,100,000	14,374,800	5.67
International Public Partnerships	13,400,000	16,240,800	6.40
SLF Realisation Fund^^	2,597,815	36,369	0.01
LondonMetric Property	6,300,000	11,340,000	4.47
M&G Credit Income Investment Trust	7,877,039	7,561,957	2.98
NB Distressed Debt Investment Fund GBP	1,746,475	506,478	0.20
NB Distressed Debt Investment Fund USD	1,647,439	855,027	0.34
Picton Property Income	9,568,000	6,123,520	2.41
PRS REIT	19,371,799	20,844,056	8.22
RDL Realisation^^^	125,000	1,250	0.00
Renewables Infrastructure Group	7,900,000	6,778,200	2.67
Riverstone Credit Opportunities Income	5,629,384	3,371,158	1.33
Sequoia Economic Infrastructure Income Fund	12,450,000	9,760,800	3.85
Target Healthcare REIT	20,000,000	16,800,000	6.62
Taylor Maritime Investments	6,398,933	4,863,189	1.92
Tritax Big Box REIT	8,010,000	10,629,270	4.19
Tufton Assets	5,488,003	5,214,567	2.06
Total closed-ended funds		181,634,286	71.58
Collective Investment Schemes 14.80% (17.95%)			
UK Authorised Collective Investment Schemes 10.32% (10.74%)			
MI TwentyFour Investment Funds - Dynamic Bond Fund	264,934	26,175,568	10.32
Offshore Collective Investment Schemes 4.48% (7.21%)			
PIMCO GIS Capital Securities Fund	965,000	11,367,700	4.48
Total collective investment schemes		37,543,268	14.80
Portfolio of investments		253,227,821	99.80
Other net assets		499,660	0.20
Total net assets		253,727,481	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 December 2023.

^^ SLF Realisation Fund: The fair value pricing committee determined a share price of £0.14 was appropriate as this was the last traded price before the security was delisted on 24 December 2024.

^^^ RDL Realisation: The fair value pricing committee determined a share price of £0.01 (2023: £0.01) was appropriate for this unquoted security.

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, lower risk ← → Typically higher rewards, higher risk

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.

* As per the KIID published on 6 February 2025.

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.

Net Income Shares	2024 p	2023 p	2022 p
Change in net assets per share			
Opening net asset value per share	106.91	107.91	122.57
Return before operating charges	3.93	4.61	(8.44)
Operating charges	(0.59)	(0.61)	(1.59)
Return after operating charges *	3.34	4.00	(10.03)
Distributions^	(5.29)	(5.00)	(4.63)
Closing net asset value per share	104.96	106.91	107.91
* after direct transaction costs of:	0.04	0.04	0.05
Performance			
Return after charges	3.12%	3.71%	(8.18%)
Other information			
Closing net asset value (£)	253,727,481	268,163,886	265,310,075
Closing number of shares	241,737,847	250,824,902	245,867,542
Operating charges^^	0.55%	0.58%	1.34%
Direct transaction costs	0.03%	0.04%	0.04%
Published prices			
Highest share price	112.3	113.1	125.3
Lowest share price	102.5	97.51	105.5

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

^ Rounded to 2 decimal places.

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

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 - Smithfield Alternative Investment Fund

Statement of total return

for the year ended 31 December 2024

	Notes		2024		2023
		£	£	£	£
Income:					
Net capital losses	2		(4,834,830)		(2,205,404)
Revenue	3	15,858,830		15,151,609	
Expenses	4	(1,152,186)		(1,146,603)	
Net revenue before taxation		14,706,644		14,005,006	
Taxation	5	(1,766,925)		(1,636,193)	
Net revenue after taxation			12,939,719		12,368,813
Total return before distributions			8,104,889		10,163,409
Distributions	6		(12,940,305)		(12,371,071)
Change in net assets attributable to shareholders from investment activities			(4,835,416)		(2,207,662)

Statement of change in net assets attributable to shareholders

for the year ended 31 December 2024

		2024		2023
	£	£	£	£
Opening net assets attributable to shareholders		268,163,886		265,310,075
Amounts receivable on issue of shares	9,522,601		11,184,078	
Amounts payable on cancellation of shares	(19,123,590)		(6,122,605)	
		(9,600,989)		5,061,473
Change in net assets attributable to shareholders from investment activities		(4,835,416)		(2,207,662)
Closing net assets attributable to shareholders		253,727,481		268,163,886

Balance sheet

as at 31 December 2024

	Notes	2024 £	2023 £
Assets:			
Fixed assets:			
Investments		253,227,821	267,852,005
Current assets:			
Debtors	7	1,446,954	1,313,447
Cash and cash equivalents	8	6,598,666	6,178,863
Total assets		261,273,441	275,344,315
Liabilities:			
Creditors:			
Distribution payable		(6,539,009)	(6,210,425)
Other creditors	9	(1,006,951)	(970,004)
Total liabilities		(7,545,960)	(7,180,429)
Net assets attributable to shareholders		253,727,481	268,163,886

Notes to the financial statements

for the year ended 31 December 2024

1. Accounting policies

The accounting policies are disclosed on pages 23 to 25.

2. Net capital losses	**2024 £**	**2023 £**
Non-derivative securities - realised (losses) / gains	(6,919,385)	1,898,544
Non-derivative securities - movement in unrealised gains / (losses)	2,098,876	(4,128,051)
Currency (losses) / gains	(14,129)	7,129
Capital special dividend	-	17,500
Compensation	116	5
Transaction charges	(308)	(531)
Total net capital losses	(4,834,830)	(2,205,404)

3. Revenue	**2024 £**	**2023 £**
UK revenue	1,260,876	2,007,892
Unfranked revenue	7,210,730	6,731,245
Overseas revenue	5,999,570	4,748,861
Interest on debt securities	1,097,578	1,449,502
Bank and deposit interest	290,076	214,109
Total revenue	15,858,830	15,151,609

4. Expenses	**2024 £**	**2023 £**
Payable to the ACD and associates		
ACD's periodic charge*	134,051	140,411
Investment Manager's fee	919,143	911,456
	1,053,194	1,051,867
Payable to the Depositary		
Depositary fees	70,527	70,000
Other expenses:		
Audit fee	8,100	6,936
Non-executive directors' fees	1,417	1,702
Safe custody fees	8,219	8,074
Bank interest	7,374	2,796
FCA fee	2,855	1,870
KIID production fee	500	458
Legal fee	-	2,900
	28,465	24,736
Total expenses	1,152,186	1,146,603

5. Taxation	**2024 £**	**2023 £**
a. Analysis of the tax charge for the year		
UK corporation tax	1,688,536	1,587,910
Overseas tax withheld	78,389	48,283
Total taxation (note 5b)	1,766,925	1,636,193

* The annual management charge is 0.40% and includes the ACD's periodic charge and the Investment Manager's fee.

Notes to the financial statements (continued)

for the year ended 31 December 2024

5. Taxation (continued)

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	14,706,644	14,005,006
Corporation tax @ 20%	2,941,329	2,801,001
Effects of:		
UK revenue	(252,175)	(401,578)
Overseas revenue	(1,000,618)	(814,183)
Overseas tax withheld	78,389	48,283
Offshore income gains	-	2,670
Total taxation (note 5a)	1,766,925	1,636,193

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	6,330,139	6,235,154
Final income distribution	6,539,009	6,210,425
	12,869,148	12,445,579
Equalisation:		
Amounts deducted on cancellation of shares	229,127	59,302
Amounts added on issue of shares	(157,970)	(133,810)
Total net distributions	12,940,305	12,371,071
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	12,939,719	12,368,813
Undistributed revenue brought forward	1,188	776
Tax effect of offshore income gains in capital	-	2,670
Undistributed revenue carried forward	(602)	(1,188)
Distributions	12,940,305	12,371,071

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

7. Debtors

	2024 £	2023 £
Sales awaiting settlement	7,385	20,959
Accrued revenue	1,403,932	1,292,032
Recoverable overseas withholding tax	1,310	-
Prepaid expenses	847	456
Recoverable income tax	33,480	-
Total debtors	1,446,954	1,313,447

Notes to the financial statements (continued)

for the year ended 31 December 2024

8. Cash and cash equivalents	2024 £	2023 £
Total cash and cash equivalents	6,598,666	6,178,863

9. Other creditors	2024 £	2023 £
Accrued expenses:		
Payable to the ACD and associates		
ACD's periodic charge	11,672	11,899
Investment Manager's fee	80,102	80,087
	91,774	91,986
Other expenses:		
Depositary fees	6,148	6,129
Safe custody fees	10,127	3,961
Audit fee	8,100	6,936
Non-executive directors' fees	1,537	1,498
Transaction charges	151	83
	26,063	18,607
Total accrued expenses	117,837	110,593
Corporation tax payable	889,114	859,410
Deferred tax	-	1
Total other creditors	1,006,951	970,004

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:

	Net Income Shares
Opening shares in issue	250,824,902
Total shares issued in the year	8,932,718
Total shares cancelled in the year	(18,019,773)
Closing shares in issue	241,737,847

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 amount due to the ACD and its associates at the balance sheet date is disclosed in note 9.

Notes to the financial statements (continued)

for the year ended 31 December 2024

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per net income share has increased from 105.0p to 106.5p as at 28 March 2025. 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:

2024	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Equities	12,044,793	8,038	0.07%	25,078	0.21%	12,077,909
Closed-Ended Funds	18,595,911	16,538	0.09%	22,410	0.12%	18,634,859
Total	30,640,704	24,576	0.16%	47,488	0.33%	30,712,768

2023	Purchases before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Purchases after transaction costs £
Equities	1,275,513	638	0.05%	-	-	1,276,151
Closed-Ended Funds	42,060,012	42,059	0.10%	37,218	0.09%	42,139,289
Total	43,335,525	42,697	0.15%	37,218	0.09%	43,415,440

2024	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities	4,390,566	(4,297)	0.10%	(6)	0.00%	4,386,263
Closed-Ended Funds	10,200,944	(9,595)	0.09%	(5)	0.00%	10,191,344
Bonds*	11,470,730	-	-	-	-	11,470,730
Collective Investment Schemes	12,474,347	(3,900)	0.03%	-	-	12,470,447
Total	38,536,587	(17,792)	0.22%	(11)	0.00%	38,518,784

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 31 December 2024

14. Transaction costs (continued)

a Direct transaction costs (continued)

2023	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities	14,194,096	(7,303)	0.05%	(4)	0.00%	14,186,789
Closed-Ended Funds	19,472,481	(17,620)	0.09%	(31)	0.00%	19,454,830
Bonds*	793,440	-	-	-	-	793,440
Collective Investment Schemes*	1,142,662	-	-	-	-	1,142,662
Total	35,602,679	(24,923)	0.14%	(35)	0.00%	35,577,721

Capital events amount of £2,436,660 (2023: £1,311,033) 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	42,368	0.01%
Taxes	47,499	0.02%

2023	£	% of average net asset value
Commission	67,620	0.03%
Taxes	37,253	0.01%

b Average portfolio dealing spread

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

The average portfolio dealing spread of the investments at the balance sheet date was 0.69% (2023: 0.67%).

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.

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

a Market risk (continued)

(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 December 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 £12,021,110 (2023: £12,234,697).

(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:

2024	Financial instruments and cash holdings £	Net debtors and creditors £	Total net foreign currency exposure £
New Zealand dollar	8,945,377	-	8,945,377
US dollar	21,740,017	8,695	21,748,712
Total foreign currency exposure	30,685,394	8,695	30,694,089

2023	Financial instruments and cash holdings £	Net debtors and creditors £	Total net foreign currency exposure £
New Zealand dollar	6,889,138	-	6,889,138
US dollar	15,923,662	89,421	16,013,083
Total foreign currency exposure	22,812,800	89,421	22,902,221

At 31 December 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 £1,534,704 (2023: £1,145,111).

Notes to the financial statements (continued)

for the year ended 31 December 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 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.

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.

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

2024	Variable rate financial assets £	Fixed rate financial assets £	Non-interest bearing financial assets £	Non-interest bearing financial liabilities £	Total £
New Zealand dollar	-	-	8,945,377	-	8,945,377
UK sterling	12,675,401	6,728,890	211,175,061	(7,545,960)	223,033,392
US dollar	-		21,748,712	-	21,748,712
	12,675,401	6,728,890	241,869,150	(7,545,960)	253,727,481

2023	Variable rate financial assets £	Fixed rate financial assets £	Non-interest bearing financial assets £	Non-interest bearing financial liabilities £	Total £
New Zealand dollar	-	-	6,889,138	-	6,889,138
UK sterling	17,416,378	11,920,548	223,105,168	(7,180,429)	245,261,665
US dollar	-	-	16,013,083	-	16,013,083
	17,416,378	11,920,548	246,007,389	(7,180,429)	268,163,886

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 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.

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

b Credit risk (continued)

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.

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

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

Basis of valuation	Investment assets 2024 £	Investment liabilities 2024 £
Quoted prices	202,841,309	-
Observable market data	50,348,893	-
Unobservable data*	37,619	-
	253,227,821	-

Basis of valuation	Investment assets 2023 £	Investment liabilities 2023 £
Quoted prices	196,544,766	-
Observable market data	71,244,223	-
Unobservable data*	63,016	-
	267,852,005	-

* The following securities are valued in the portfolio of investments using valuation techniques:

RDL Realisation: The fair value pricing committee determined a share price of £0.01 was appropriate for this unquoted security (2023: £0.01).

SLF Realisation Fund: The fair value pricing committee determined a share price of £0.14 was appropriate as this was the last traded price before the security was delisted on 24 December 2024.

Wasps Finance 6.5% 13/05/2022: The fair value pricing committee determined a share price of £nil was appropriate for this unquoted security (2023: £0.04).

Alcentra European Floating Rate Income Fund: For the year ended 31 December 2023 the fair value pricing committee determined a share price of £0.03999 was appropriate for this unquoted security (2024: no holding).

* 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 sub-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.

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 % of the total net asset value	**2023 % of the total net asset value**
Alcentra European Floating Rate Income Fund	-	0.01%
RDL Realisation	0.00%	0.00%
SLF Realisation Fund	0.01%	-
Wasps Finance 6.5% 13/05/2022	0.00%	0.02%
Total	0.01%	0.03%

Notes to the financial statements (continued)

for the year ended 31 December 2024

15. Risk management policies (continued)

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 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 December 2024

Interim distribution in pence per share

Group 1 - Shares purchased before 1 January 2024

Group 2 - Shares purchased 1 January 2024 to 30 June 2024

	Net revenue	Equalisation	Total distribution 31 August 2024	Total distribution 31 August 2023
Net Income Shares				
Group 1	2.581	-	2.581	2.520
Group 2	0.918	1.663	2.581	2.520

Final distribution in pence per share

Group 1 - Shares purchased before 1 July 2024

Group 2 - Shares purchased 1 July 2024 to 31 December 2024

	Net revenue	Equalisation	Total distribution 28 February 2025	Total distribution 28 February 2024
Net Income Shares				
Group 1	2.705	-	2.705	2.476
Group 2	0.940	1.765	2.705	2.476

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[1] and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2023.

Remuneration policy

The main principles of the remuneration policy are:

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

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

Remuneration systems

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

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

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

[1] Please note that the data provided for the independent non-executive directors is as at 31 December 2023. The data provided is for independent non-executive directors only.

Remuneration (continued)

Aggregate quantitative information

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

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

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

Investment Manager

The ACD has appointed Alder Investment Management Limited to provide investment management and related advisory services to the ACD. Alder Investment Management Limited is paid a monthly fee out of the scheme property of Smithfield Funds and is calculated on the total value of each sub-fund's portfolio of investments at each valuation point. Alder Investment Management Limited 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 28 February (final) and 31 August (interim). In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	1 January	final
	1 July	interim
Reporting dates:	31 December	annual
	30 June	interim

Buying and selling shares

The property of the sub-funds is valued at 5pm on each business day with the exception of any bank holiday in England and Wales or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and 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 share classes are published on the following website: www.trustnet.com or may be obtained by calling 0141 222 1151.

Benchmarks

Smithfield Income and Growth Fund

Shareholders may compare the performance of the sub-fund against the following benchmark: 50% of the IA UK All Companies sector and 50% of 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.

The ACD has selected this comparator benchmark as the ACD believes it best reflects the asset allocation of the sub-fund. The benchmark is are not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

Smithfield Diversified Bond Fund

Shareholders may compare the performance of the sub-fund against the following benchmarks:

- ICE BofAML 1-10 Year Sterling Non-Gilt Index
- ICE BofAML 1-10 Year UK Gilt Index

The ACD has selected these comparator benchmarks as the ACD believes they best reflect the asset allocation of the sub-fund. The benchmarks are not targets for the sub-fund, nor is the sub-fund constrained by the benchmarks.

Smithfield Alternative Investment Fund

Shareholders may compare the performance of the sub-fund against UK Retail Price Index.

The ACD has selected this comparator benchmark as it reflects the absolute returns above inflation. The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

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