Ourax Unit Trust

Annual Report

for the year ended 25 January 2024

Contents

Ourax Unit Trust

Report of the Manager

Evelyn Partners Fund Solutions Limited, as Manager, presents herewith the Annual Report for Ourax Unit Trust for the year ended 25 January 2024.

Ourax Unit Trust ('the Trust' or 'the Fund') is an authorised unit trust scheme further to an authorisation order dated 30 April 2010 and 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 Fund is a NURS, the Manager also acts as Alternative Investment Fund Manager ('AIFM') in order to comply with the Alternative Investment Fund Manager's Directive ('AIFMD').

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

The Trust Deed can be inspected at the offices of the Manager.

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

Investment objective and policy

To achieve a combination of income and long term capital growth. The Trust will invest globally, predominantly in equities and bonds (both directly and through regulated collective investment schemes) with the remaining investments comprising warrants, money market instruments, cash and deposits. The Investment Manager will at times hold a high degree of fixed interest securities within the Trust if it is believed that worldwide stock market conditions are not appropriate for longer term investment. There will be no emphasis based on any particular economic or industrial sectors. The Investment Manager will not be restricted in his choice of investment by industry, size of company or by geographical location.

It is the Manager’s intention that derivatives and forward transactions will only be used for Efficient Portfolio Management. The Trust may use derivatives and forward transactions for investment purposes on the giving of 60 days’ notice to unitholders. The use of derivatives for investment purposes may alter the risk profile of the Trust.

Please be aware that there is no guarantee that capital will be preserved.

Changes affecting the Fund in the year

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

Further information in relation to the Fund is illustrated on page 40.

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 Manager, Evelyn Partners Fund Solutions Limited.

Brian McLean　　　　Neil Coxhead
Directors
Evelyn Partners Fund Solutions Limited
16 May 2024

Statement of the Manager's responsibilities

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

In preparing the financial statements the Manager is responsible for:

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

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

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

Assessment of Value - Ourax Unit Trust

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

A high-level summary of the outcome of EPFL's rigorous review of the Trust for the year ended 25 January 2024 using the seven criteria set by the FCA is set out below:

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

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

- Green: On balance, the Board believes the Trust has delivered value to unitholders, with no material issues noted.
- Amber: On balance, the Board believes the Trust has delivered value to unitholders, but may require some action.
- Red: On balance, the Board believes the Trust has not delivered value to unitholders and significant remedial action is now planned by the Board.

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

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

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

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

The seven criteria are:

(1) Quality of service – the quality of every aspect of the service provided, including, for example, accounting, administration, customer services and communications;

(2) Performance – how the Trust performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;

(3) AFM costs – the fairness and value of the Trust's costs, including entry and exit fees, early redemption fees, administration charges;

(4) Economies of scale – how costs have been or can be reduced as a result of increased assets-under-management ('AUM'), and whether or not those savings have been passed on to investors;

(5) Comparable market rates – how the costs of the Trust compare with others in the marketplace;

(6) Comparable services – how the charges applied to the Trust compare with those of other funds administered by EPFL;

(7) Classes of units – the appropriateness of the classes of units in the Trust for investors.

Assessment of Value - Ourax Unit Trust(continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

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

External Factors

The Board assessed the delegate's skills, processes and experience. Also considered were any results from service review meetings as well as the annual due diligence performed by EPFL on the delegated Investment Manager, Rathbones Investment Management Limited, where consideration was given to, amongst other things, the delegate's controls around the Trust's liquidity management.

The Board also considered the nature, extent and quality of administrative and unitholders services performed under separate agreements covering trustee 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 Trust's liquidity. The Board concluded that EPFL had carried out its duties diligently.

External Factors

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

Were there any follow up actions?

There were no follow-up actions.

2. Performance

What was assessed in this section?

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

Investment Objective

To achieve a combination of income and long term capital growth.

Benchmark

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

2. Performance (continued)

Benchmark (continued)

The benchmark for the Trust is the MSCI PIMFA Balanced Index, which is a comparator. A 'comparator' benchmark is an index or similar factor against which an investment manager invites investors to compare a fund's performance. Details of how the Trust had performed against its comparator benchmark over various timescales can be found below.

Cumulative Performance as at 31 December 2023

	Currency	1 year	3 year	5 year
MSCI PIMFA Balanced Index	GBP	10.11%	13.89%	34.92%
Ourax Unit Trust	GBX	6.37%	12.61%	39.20%

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

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

What was the outcome of the assessment?

The Board assessed the performance of the Trust over its minimum recommended holding period of five years and observed that it has outperformed its comparator benchmark, the MSCI PIMFA Balanced Index.

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

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

Were there any follow up actions?

There were no follow-up actions required.

3. AFM Costs

What was assessed in this section?

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

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

What was the outcome of the assessment?

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

Were there any follow up actions?

There were no follow-up actions required.

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

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

The ancillary charges of the Trust represent 8 basis points[1]. Some of these costs are fixed and as the Trust grows in size may result in a small reduction in the basis point cost of these services.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 25 July 2023.

4. Economies of Scale (continued)

Were there any follow up actions?
There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?
The Board reviewed the ongoing charges figure ('OCF') of the Trust, and how those charges affect the returns of the Trust.

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

What was the outcome of the assessment?
The OCF of 1.12%[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 Trust.

Were there any follow up actions?
There were no follow-up actions required.

6. Comparable Services

What was assessed in this section?
The Board compared the 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 be in line with other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?
There were no follow-up actions required.

7. Classes of Units

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

What was the outcome of the assessment?
There is only one unit class in the Trust, therefore this part of the assessment does not apply.

Were there any follow up actions?
There were no follow-up actions required.

Overall Assessment of Value

The Board concluded that the Fund had provided value to unitholders.

Dean Buckley
Chairman of the Board of Evelyn Partners Fund Solutions Limited
18 March 2024

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:
https://www.evelyn.com/services/fund-solutions/assessment-of-value/

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

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

[2] At the interim reporting period 25 July 2023.

Report of the Trustee to the unitholders of Ourax Unit Trust

Trustee's responsibilities

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

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

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

The Trustee must ensure that:

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

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

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

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

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

NatWest Trustee and Depositary Services Limited
16 May 2024

Independent Auditor's report to the unitholders of Ourax Unit Trust

Opinion

We have audited the financial statements of Ourax Unit Trust (the 'Trust') for the year ended 25 January 2024 which comprise the Statement of total return, Statement of change in net assets attributable to unitholders, Balance sheet, the related Notes to the financial statements, including significant accounting policies and the Distribution Table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Trust as at 25 January 2024 and of the net revenue and the net capital gains on the scheme property of the Trust for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been 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 Trust Deed.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Rules

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

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

Responsibilities of the Manager

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

We assessed the susceptibility of the Trust'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 Manager was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Manager oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- management override of controls; and
- the completeness and classification of special dividends between revenue and capital.

Independent Auditor's report to the unitholders of Ourax Unit Trust (continued)

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

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

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

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

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

Use of Our Report

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

Johnston Carmichael LLP

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

Accounting policies of Ourax Unit Trust

for the year ended 25 January 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, the requirements of the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND').

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

b *Valuation of investments*

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

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

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

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 25 January 2024.

c *Foreign exchange*

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

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

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

d *Revenue*

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

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

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

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

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

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

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.

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

e *Expenses*
All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accrual basis then reallocated to capital, net of any tax effect.

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

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

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

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

h *Distribution policies*

i *Basis of distribution*
The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income units are paid to unitholders.

ii *Unclaimed distributions*
Distributions to unitholders outstanding after 6 years are taken to the capital property of the Fund.

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

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

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

Investment Manager's report

Investment performance*

During the review period, the capital value of the units (on a bid-to-bid basis) increased by 2.09p per unit over the 12 months moving from 186.41p to 188.50p per unit, as measured by the Fund's bid price, and this represents an increase in the capital value of 1.11%.

In addition to the capital return, dividends totalling 4.88p have been paid during the review period. This compares to 5.04p in the previous year. The total return of the Fund based on unit bid prices and the dividends paid over the 12-months review period is a rise of 3.74%.

Notwithstanding the positive return, the Fund has modestly underperformed relative to its multi-asset benchmark index, MSCI PIMFA Balanced Index, which returned +5.6% during the same 12-month period.

The United States stood out as a frontrunner throughout the period, with market dynamics reflecting a distinct dominance propelled by a select cohort of companies. These companies were largely fuelled by the excitement surrounding Artificial Intelligence ('AI'), which played a pivotal role in driving market enthusiasm. Moreover, the economy's resilience provided an additional pillar of strength, elevating market sentiment to levels that outpaced those of its developed counterparts and, indeed, the Fund. Under-allocation to the select cohort of companies contributed to the modest underperformance during the period.

Meanwhile, in Japan, a resurgence reminiscent of the late 80s took hold as the market experienced robust performance. This renaissance was underpinned by significant shifts in corporate culture suggesting the rally might be sustained as were near historic highs.

European markets, while not devoid of fluctuations, maintained a sturdy posture throughout the reporting period. Similar to the United States, large companies played a pivotal role in underpinning overall market firmness, contributing to sustained positive momentum across the region. The United Kingdom's market performance lagged behind its global counterparts, emerging as one of the weaker performers. Returns were largely flat amidst prevailing economic conditions with the Fund outperforming. Despite our efforts to minimise 'home bias', we perceived an opportunity in the UK based on valuation analysis. However, this strategy failed to yield dividends throughout the period, and our overweight allocation in the UK proved to be a drag on performance.

The past year proved to be turbulent for fixed income assets, marked by continual adjustments in interest rate expectations. Central banks, buoyed by a resilient economy, intensified their focus on price stability, a mandate they consistently reaffirmed. Initial success in combating inflation spurred a bond rally towards the end of the calendar year. However, concerns lingered over a potential resurgence in inflation, fuelled by robust employment figures and sustained consumer spending habits. Consequently, the reporting period concluded with a sell-off in bonds, resulting in a marginal decline overall for the year within this asset class.

Interest rate policies significantly influenced currency market movements during the reporting period. Initially, the US dollar depreciated as the United States appeared poised to be the first developed economy to lower interest rates. However, a notable shift occurred in the third quarter, with the dollar rallying amidst robust economic growth, suggesting the potential necessity for further rate hikes to address inflation concerns. This momentum tapered off towards the end of the period as the US Federal Reserve ('Fed') signalled possible rate cuts, albeit at a slower pace than initially anticipated. Following period of notable selling during Liz Truss's brief tenure as prime minister, the British pound appreciated against most currency pairs overall during the reporting period. Conversely, the Japanese yen continued its significant depreciation trend throughout 2023 driven by widening interest rate differentials and muted inflationary pressures.

Investment activities

During the year, we took steps to increase our position in Microsoft and initiate a position in JP Morgan Chase. Microsoft has been a cornerstone holding for the Fund, known for its consistent innovation and leadership in the technology space. Notably, the company's successful transition from its core Office 365 offering to cloud services, now comprising nearly half of all sales, underscores its adaptability and forward-thinking approach. Moreover, Microsoft's strategic partnership with OpenAI reflects management's commitment to staying at the forefront of emerging technologies, including AI.

* Source: Thomson Reuters and Evelyn Partners Fund Solutions Limited.

Investment activities (continued)

JP Morgan Chase boasts a well-diversified business model that we believe positions it to gain market share amidst the current rate hiking cycle. Its consumer banking segment, the largest by sales, has proven resilient despite sharp declines in investment banking fees over the past year. In contrast, a larger proportion of Citigroup's revenues are derived from its institutional client segment, which we perceive as a more cyclical revenue stream vulnerable to interest rate rises. Despite Citigroup's efforts to expand its wealth offering, we foresee near-term headwinds from a slowdown in corporate activity, prompting us to divest our position in April of last year.

During the year, we've increased the duration of our government bond exposure, seeking to mitigate reinvestment risk and capitalise on the recent uptick in yields. With central banks initiating discussions on the twilight of rate hikes, buying yields at these levels appears prudent in our estimation. Mindful of the evolving landscape, we maintain a measured underweighting relative to the Fund's benchmark in terms of duration as we continuously assess the potential ramifications should the present disinflationary momentum falter.

Furthermore, we increased the Fund's stake in corporate bonds, initiating positions in the BlueBay Global Investment Grade Corporate Bond Fund and BlackRock Corporate Bond Fund. In our risk-weighted assessment, corporate bond valuations present an attractive proposition vis-à-vis equities, underscored by the compelling interplay between earnings yield and corporate bond yields. This analysis suggests that corporate bonds presently offer a more enticing prospect than has been the case for the lion's share of the past two decades.

During the year, we divested our position in Kellogg, redirecting the proceeds into Mondelez International, a move predicated on our assessment of Kellogg's impending split into two entities—one concentrating on snacks and the other on cereals. Concerns linger regarding the execution of this demerger and the potential burden of stranded overhead costs, particularly given the intertwined distribution channels for cereals and snacks. Conversely, Mondelez International, having undergone a successful split from Kraft Foods in 2012, stands as a beacon of reliability in the sector. Bolstered by disciplined management and a track record of gaining market share across diverse brands and geographies, Mondelez International emerged as our preferred choice.

We also opted to divest from Lloyds Banking Group and Sandoz Group. While the UK banking sector has experienced notable improvements propelled by higher interest rates enhancing net interest margins, Lloyds Banking Group faced unique challenges. Margin pressures stemmed from its exposure to swiftly repricing mortgage portfolios, compounded by elevated risks in the unsecured loan market, particularly worrisome in light of potential economic downturns. On the other hand, Sandoz Group, having been spun out of Novartis, operates within the generics pharmaceutical sector, which faces ongoing pricing headwinds. With Sandoz Group operating at approximately half the margins of Novartis and encountering a similar degree of regulatory risks, we opted to maintain our position in Novartis while divesting from Sandoz Group to manage our exposure more prudently.

Throughout the year, Croda International underwent a reduction and was subsequently entirely divested from our holdings. The company's issuance of a profit warning in June, attributing customer destocking as the primary issue which was further exacerbated by supply chain disruptions during the pandemic, underscored significant challenges. Despite a temporary setback in share price following the warning, we remain sceptical of the valuation's justification given the prevailing headwinds in the foreseeable future.

Similarly, IQE faced repercussions from the global semiconductor industry's slowdown and subsequent inventory corrections. Its position within the supply chain, coupled with a relatively concentrated customer base, dampened its bargaining power and contributed to negative sentiment. Recognising the headwinds, we opted to sell our position in IQE.

Additionally, GCP Infrastructure Investments was divested amidst escalating concerns stemming from a rapid rise in interest rates and inflation. While historically esteemed for its stable cash flows derived from infrastructure assets, uncertainties regarding the strategy's resilience across economic cycles surfaced against the backdrop of a weakened UK economy.

Moreover, modest trimming of positions in Assa Abloy, B&M European Value Retail, Ferguson, HgCapital Trust, Investor, Polar Capital Technology Trust, and North American Income Trust occurred throughout the year, serving as a source of liquidity for strategic manoeuvring.

Investment strategy and outlook*

Investors found reason for optimism as the year concluded. After a challenging October that wiped out most of the year's gains, global equities staged a robust rally. Throughout the year, returns have been narrowly distributed, with a majority of companies trailing behind key benchmark indices while major technology leaders thrived. As 2023 drew to a close, we witnessed a broader market upturn, led by significant movements in longer-dated bonds and smaller-cap companies.

This optimism stems from various factors, but in our analysis, the most significant has been the perceived shift in the trajectory of interest rates heading into 2024. Considering our global outlook and the pivotal role of the US in global markets, the actions of the Fed hold paramount importance, particularly in an election year where fiscal restraint by the incumbent government is anticipated to be lacking. This suggests a probable widening of the US budget deficit, with the Fed monetary policy playing a crucial enabling role.

One of the primary risks looming over markets in 2024 pertains to the timing and speed at which central banks, notably the Fed, might pivot and decrease interest rates. Presently, the market is factoring in substantial rate cuts in the US, expected to commence in quarter 2 this year. Any deviation from this anticipated trajectory could have ramifications on asset prices. Consequently, our discussions are framed around potential scenarios.

We envision three scenarios where interest rates could align with expectations. The first revolves around the 2% inflation target. Should inflation meet and drop below this mark, it is likely the Fed would cut interest rates in line with market expectations. This would support the 'soft landing' hypothesis, a prospect that appeared improbable after the expansive monetary and fiscal policies post-pandemic, which fuelled a 2022 surge in inflation. Such a scenario would strongly benefit equities and 'growth' assets.

The second scenario focuses on the US budget deficit and potential funding crises. Given the election year context, the Fed would be cautious about risking failed auctions and further fiscal instability. Hence, it is plausible the central bank might pivot and decrease interest rates largely for this reason alone. This move would send negative signals to markets as it questions the Fed's and it would likely weigh negatively on the US dollar, potentially fuelling higher commodity prices and inflation.

The third scenario anticipates a downward trajectory in interest rates if the US enters a recession, necessitating Fed intervention to stimulate growth. This scenario is worrisome, considering the elevated level of US government debt, leaving minimal room for fiscal support.

A final scenario involves the Fed either not pivoting or doing so at a much slower pace than anticipated. This would disappoint investors and likely impede the rally witnessed at the year's end. Longer-dated bond yields could rise, while equities could experience a decline. In isolation, this move might seem rational based on the robustness observed in the economy, labour market, and broader financial markets, however, its potential negative impact on sentiment, especially in an election year, makes it a bold course of action.

We lean toward scenario 2 as the most probable outcome. Nevertheless, considering the complexity of variables shaping the upcoming year, we refrain from heavily favouring any specific scenario. Hence, while maintaining a defensive stance throughout 2023, we approach 2024 with a sense of cautious optimism. Given a fundamentally weak profit environment, another one or two large dips wouldn't be surprising, but inflation, that huge source of uncertainty for investors last year, is much improved. With many attractively priced opportunities out there, there's much to look forward to.

In assessing the risks ahead, one area we anticipate may receive undue attention this year is the UK general election. Our analysis suggests that elections seldom alter pre-existing market trends, typically shaped by factors beyond a government's immediate control. Barring the implementation of a radically different economic model, a scenario we don't foresee in major economies next year, election outcomes tend to have limited market impact. Nevertheless, the global political landscape could command significant attention, potentially influencing investor sentiment should leadership changes occur, thus shaping policy trajectories. Indeed, 2024 marks a historic election year, with over 50 countries, including the United States, India, Mexico, and South Africa, heading to the polls, alongside the UK and European Union.

* Source: Thomson Reuters.

Investment strategy and outlook (continued)

In the prevailing market environment, we identify compelling opportunities across various sectors, particularly among smaller and mid-market companies. Our focus lies on scrutinising investments primed to flourish amidst a more predictable inflationary environment. While inflation uncertainty has subsided compared to last year, a clearer outlook for corporate profits remains elusive, despite the rally in indices driven by select companies. Our strategy continues to prioritise companies operating in less cyclical sectors, boasting robust returns on investment and higher profit margins. We believe such companies possess the resilience necessary to navigate through the diverse range of scenarios we have detailed.

In conclusion, despite recognising the persistent challenges, we maintain an optimistic outlook regarding the opportunities that may unfold in the forthcoming year. Amidst a period of narrow market leadership and exuberance, it is essential to retain a clear focus on asset pricing and fundamentals. This disciplined approach is crucial for navigating through market uncertainties and ensuring sound decision-making in the face of fluctuating conditions.

Rathbones Investment Management Limited
14 March 2024

Portfolio changes

for the year ended 25 January 2024

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

Purchases:	Cost £
United Kingdom Gilt 4.25% 07/06/2032	1,348,030
BlueBay Global Investment Grade Corporate Bond Fund	588,796
United Kingdom Gilt 4.25% 07/12/2027	568,864
BlackRock Corporate Bond Fund	564,783
United Kingdom Inflation-Linked Gilt 0.125% 22/03/2029	426,388
Marsh & McLennan	305,226
Mondelez International	260,336
JPMorgan Chase	224,855
Microsoft	98,664

Sales:	Proceeds £
United States Treasury Inflation Indexed Bonds 2.375% 15/01/2025	952,696
M&G Investment Funds 4 - Global Macro Bond Fund	839,670
GCP Infrastructure Investments	429,493
Lloyds Banking Group	399,957
HgCapital Trust	302,275
Citigroup	292,886
United Kingdom Inflation-Linked Gilt 1.25% 22/11/2027	292,589
Croda International	284,020
Kellogg	273,077
Findlay Park American Fund	202,593
Ferguson	162,571
Polar Capital Technology Trust	124,098
IQE	105,942
Rio Tinto	63,460
North American Income Trust	57,420
Assa Abloy	53,724
Investor	50,030
B&M European Value Retail	39,083
Sandoz Group	24,024

Portfolio statement
as at 25 January 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 11.76% (7.96%)			
Aaa to Aa2 3.67% (6.97%)			
United States Treasury Inflation Indexed Bonds 3.625% 15/04/2028**	$670,000	1,070,676	3.67
Aa3 to A1 8.09% (0.99%)			
United Kingdom Gilt 4.25% 07/06/2032	£1,300,000	1,334,580	4.57
United Kingdom Gilt 4.25% 07/12/2027	£580,000	587,482	2.01
United Kingdom Inflation-Linked Gilt 0.125% 22/03/2029**	£280,000	439,374	1.51
		2,361,436	8.09
Total debt securities		3,432,112	11.76
Equities 51.86% (54.36%)			
Equities - United Kingdom 19.48% (24.95%)			
Equities - incorporated in the United Kingdom 16.88% (22.29%)			
Energy 4.59% (4.43%)			
Shell	56,100	1,341,351	4.59
Materials 1.69% (3.31%)			
Rio Tinto	9,000	493,200	1.69
Consumer Staples 3.62% (4.21%)			
Diageo	15,000	406,425	1.39
Reckitt Benckiser Group	5,000	276,300	0.95
Unilever	10,000	372,750	1.28
		1,055,475	3.62
Health Care 2.51% (2.56%)			
AstraZeneca	7,000	731,360	2.51
Financials 1.60% (3.41%)			
Admiral Group	12,000	301,200	1.03
Prudential	20,000	166,840	0.57
		468,040	1.60
Information Technology 0.00% (0.79%)		-	-
Communication Services 2.10% (2.81%)			
Vodafone Group	900,000	613,080	2.10

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

** Variable interest security.

Portfolio statement (continued)
as at 25 January 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - United Kingdom (continued)			
Equities - incorporated in the United Kingdom (continued)			
Real Estate 0.77% (0.77%)			
LondonMetric Property	120,000	223,920	0.77
Total equities - incorporated in the United Kingdom		4,926,426	16.88
Equities - incorporated outwith the United Kingdom 2.60% (2.66%)			
Industrials 2.60% (2.66%)			
Experian	12,000	388,920	1.33
Ferguson	2,500	371,750	1.27
Total equities - incorporated outwith the United Kingdom		760,670	2.60
Total equities - United Kingdom		5,687,096	19.48
Equities - Europe 12.96% (11.92%)			
Equities - Germany 1.66% (1.45%)			
Siemens	3,400	484,936	1.66
Equities - Ireland 3.24% (2.54%)			
Accenture	1,600	468,782	1.61
Linde	1,500	475,441	1.63
Total equities - Ireland		944,223	3.24
Equities - Luxembourg 0.82% (0.77%)			
B&M European Value Retail	45,000	238,860	0.82
Equities - Sweden 1.84% (1.97%)			
Assa Abloy	11,000	237,598	0.81
Investor	16,500	300,997	1.03
Total equities - Sweden		538,595	1.84
Equities - Switzerland 5.40% (5.19%)			
Givaudan	160	521,383	1.79
Nestlé	5,000	436,315	1.49
Novartis	4,500	378,640	1.30
SGS	3,500	238,329	0.82
Total equities - Switzerland		1,574,667	5.40
Total equities - Europe		3,781,281	12.96

Portfolio statement (continued)
as at 25 January 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - United States 19.42% (17.49%)			
Abbott Laboratories	3,700	327,714	1.12
Apple	8,000	1,223,069	4.20
Coca-Cola	8,600	400,595	1.37
Dollar General	2,000	209,252	0.72
Estee Lauder	1,620	164,098	0.56
General Mills	8,500	431,408	1.48
Johnson & Johnson	3,000	376,969	1.29
JPMorgan Chase	2,000	272,399	0.93
Marsh & McLennan	2,000	301,043	1.03
McDonald's	1,750	409,608	1.40
Microsoft	2,300	733,544	2.52
Mondelez International	5,000	293,296	1.00
Visa	2,450	526,169	1.80
Total equities - United States		5,669,164	19.42
Total equities		15,137,541	51.86
Closed-Ended Funds - United Kingdom 16.13% (17.23%)			
Closed-Ended Funds - incorporated in the United Kingdom 16.13% (15.26%)			
HgCapital Trust	220,000	942,700	3.23
Invesco Asia Trust	100,000	297,000	1.02
Mercantile Investment Trust	350,000	736,750	2.52
North American Income Trust	100,000	287,000	0.98
Polar Capital Technology Trust	65,000	1,761,500	6.04
Worldwide Healthcare Trust	220,000	682,000	2.34
Total closed-ended funds - incorporated in the United Kingdom		4,706,950	16.13
Closed-Ended Funds - incorporated outwith the United Kingdom 0.00% (1.97%)		-	-
Collective Investment Schemes 19.45% (18.66%)			
UK Authorised Collective Investment Schemes 7.34% (8.43%)			
BlackRock Corporate Bond Fund	600,000	587,511	2.01
First Sentier Investors ICVC			
- Stewart Investors Asia Pac Leaders Sustainability	160,000	1,556,160	5.33
Total UK authorised collective investment schemes		2,143,671	7.34

Portfolio statement (continued)

as at 25 January 2024

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes (continued)			
Offshore Collective Investment Schemes 12.11% (10.23%)			
BlueBay Global Investment Grade Corporate Bond Fund	6,700	597,372	2.05
Findlay Park American Fund	10,250	1,616,531	5.55
Franklin Templeton Investment Funds - Templeton Global Bond Fund	57,000	503,310	1.72
Polar Capital Funds - Global Convertible Fund	125,000	815,000	2.79
Total offshore collective investment schemes		3,532,213	12.11
Total collective investment schemes		5,675,884	19.45
Portfolio of investments		28,952,487	99.20
Other net assets		232,485	0.80
Total net assets		29,184,972	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 25 January 2023.

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

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

Risk and reward profile

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

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

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

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

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

* As per the KIID published on 26 March 2023.

Comparative table

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

	2024	2023	2022
Net income units	p	p	p
Change in net assets per unit			
Opening net asset value per unit	186.41	188.88	184.45
Return before operating charges	8.71	4.69	10.82
Operating charges	(1.74)	(2.12)	(2.08)
Return after operating charges *	6.97	2.57	8.74
Distributions^	(4.88)	(5.04)	(4.31)
Closing net asset value per unit	188.50	186.41	188.88
* after direct transaction costs of:	-	0.02	0.03
Performance			
Return after charges	3.74%	1.36%	4.74%
Other information			
Closing net asset value (£)	29,184,972	29,524,930	29,949,011
Closing number of units	15,483,068	15,838,447	15,856,096
Operating charges^^	0.94%	1.12%	1.10%
Direct transaction costs	0.00%	0.01%	0.02%
Published prices			
Highest offer unit price	201.6	206.4	213.8
Lowest bid unit price	176.9	182.0	177.9

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 Manager's periodic charge and the Investment Manager's fee, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

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

Financial statements - Ourax Unit Trust

Statement of total return

for the year ended 25 January 2024

	Notes	2024		2023	
		£	£	£	£
Income:					
Net capital gains / (losses)	2		486,278		(217,984)
Revenue	3	834,607		892,609	
Expenses	4	(226,266)		(232,348)	
Net revenue before taxation		608,341		660,261	
Taxation	5	(17,095)		(34,855)	
Net revenue after taxation			591,246		625,406
Total return before distributions			1,077,524		407,422
Distributions	6		(765,405)		(797,949)
Change in net assets attributable to unitholders from investment activities			312,119		(390,527)

Statement of change in net assets attributable to unitholders

for the year ended 25 January 2024

	2024		2023	
	£	£	£	£
Opening net assets attributable to unitholders		29,524,930		29,949,011
Amounts receivable on issue of units	-		14,624	
Amounts payable on cancellation of units	(652,077)		(48,178)	
		(652,077)		(33,554)
Change in net assets attributable to unitholders from investment activities		312,119		(390,527)
Closing net assets attributable to unitholders		29,184,972		29,524,930

Balance sheet
as at 25 January 2024

	Notes	2024	2023
		£	£
Assets:			
Fixed assets:			
Investments		28,952,487	28,995,507
Current assets:			
Debtors	7	101,427	85,288
Cash and cash equivalents	8	321,403	637,499
Total assets		29,375,317	29,718,294
Liabilities:			
Creditors:			
Distribution payable		(163,501)	(166,779)
Other creditors	9	(26,844)	(26,585)
Total liabilities		(190,345)	(193,364)
Net assets attributable to unitholders		29,184,972	29,524,930

Notes to the financial statements
for the year ended 25 January 2024

1. Accounting policies

   The accounting policies are disclosed on pages 12 and 13.

2. Net capital gains / (losses)

	2024	2023
	£	£
Non-derivative securities - realised gains	364,726	340,613
Non-derivative securities - movement in unrealised gains / (losses)	134,716	(586,503)
Currency (losses) / gains	(10,588)	19,568
Capital special dividend	-	10,920
Transaction charges	(2,576)	(2,582)
Total net capital gains / (losses)	486,278	(217,984)

3. Revenue

	2024	2023
	£	£
UK revenue	346,962	347,281
Unfranked revenue	44,655	31,723
Overseas revenue	325,591	320,869
Interest on debt securities	108,950	189,607
Bank and deposit interest	8,449	3,129
Total revenue	834,607	892,609

4. Expenses

	2024	2023
	£	£
Payable to the Manager and associates		
Manager's periodic charge*	43,419	44,938
Investment Manager's fees*	159,202	164,771
	202,621	209,709
Payable to the Trustee		
Trustee fees	9,552	9,886
Other expenses:		
Audit fee	7,632	7,273
Non-executive directors' fees	1,712	1,502
Safe custody fees	1,407	1,400
Bank interest	8	6
FCA fee	412	129
KIID production fee	458	495
Listing fee	2,464	1,948
	14,093	12,753
Total expenses	226,266	232,348

* For the year ended 25 January 2024, the annual management charge was 0.70%. The annual management charge includes the Manager's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 25 January 2024

5. Taxation

	2024	2023
	£	£
a. Analysis of the tax charge for the year		
Overseas tax withheld	17,095	34,855
Total taxation (note 5b)	17,095	34,855

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	608,341	660,261
Corporation tax @ 20%	121,668	132,052
Effects of:		
UK revenue	(69,392)	(69,456)
Overseas revenue	(45,472)	(49,211)
Overseas tax withheld	17,095	34,855
Utilisation of excess management expenses	(6,804)	(13,385)
Total taxation (note 5a)	17,095	34,855

c. Provision for deferred taxation

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £149,948 (2023: £156,752).

6. Distributions

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

	2024	2023
	£	£
Quarter 1 income distribution	248,088	228,993
Interim income distribution	176,365	212,195
Quarter 3 income distribution	173,650	189,991
Final income distribution	163,501	166,779
	761,604	797,958
Equalisation:		
Amounts deducted on cancellation of units	3,801	23
Amounts added on issue of units	-	(32)
Total net distributions	765,405	797,949

Reconciliation between net revenue and distributions:

	2024	2023
Net revenue after taxation per Statement of total return	591,246	625,406
Undistributed revenue brought forward	103	150
Expenses paid from capital	226,258	232,343
Marginal tax relief	(52,056)	(59,847)
Undistributed revenue carried forward	(146)	(103)
Distributions	765,405	797,949

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

Notes to the financial statements (continued)
for the year ended 25 January 2024

7. Debtors

	2024	2023
	£	£
Accrued revenue	98,629	83,853
Recoverable overseas withholding tax	2,755	1,185
Prepaid expenses	43	250
Total debtors	101,427	85,288

8. Cash and cash equivalents

	2024	2023
	£	£
Total cash and cash equivalents	321,403	637,499

9. Other creditors

	2024	2023
	£	£
Accrued expenses:		
Payable to the Manager and associates		
Manager's periodic charge	3,287	3,124
Investment management fees	12,053	11,455
	15,340	14,579
Other expenses:		
Trustee fees	723	687
Safe custody fees	450	224
Audit fee	7,632	7,273
Non-executive directors' fees	1,600	933
KIID production fee	-	34
Listing fee	1,055	2,855
Transaction charges	44	-
	11,504	12,006
Total other creditors	26,844	26,585

10. Commitments and contingent liabilities

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

11. Unit classes

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

	Net income units
Opening units in issue	15,838,447
Total units cancelled in the year	(355,379)
Closing units in issue	15,483,068

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

12. Related party transactions

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

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

Amounts payable to the Manager and its associates are disclosed in note 4. The amount due to the Manager 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 income unit has increased from 188.5p to 194.3p as at 30 April 2024. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a Direct transaction costs

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

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

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

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

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
2024	£	£	%	£	%	£
Equities*	889,081	-	-	-	-	889,081
Bonds*	2,343,282	-	-	-	-	2,343,282
Collective Investment Schemes*	1,153,579	-	-	-	-	1,153,579
Total	4,385,942	-	-	-	-	4,385,942

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
2023	£	£	%	£	%	£
Closed-Ended Funds	705,134	1,143	0.16%	2,383	0.34%	708,660

* No direct transaction costs were incurred in these transactions.

14. Transaction costs (continued)

a Direct transaction costs (continued)

2024	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities*	1,748,774	-	-	-	-	1,748,774
Closed-Ended Funds*	913,286	-	-	-	-	913,286
Bonds*	1,245,285	-	-	-	-	1,245,285
Collective Investment Schemes*	1,042,263	-	-	-	-	1,042,263
Total	4,949,608	-	-	-	-	4,949,608

2023	Sales before transaction costs £	Commission £	Commission %	Taxes £	Taxes %	Sales after transaction costs £
Equities*	354,263	-	-	-	-	354,263

Capital events amount of £nil (2023: £170,001) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Summary of direct transaction costs

No direct transaction costs were incurred in the purchase and sale of investments in the current year.

2023	£	% of average net asset value
Commission	1,143	0.00%
Taxes	2,383	0.01%

b Average portfolio dealing spread

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

The average portfolio dealing spread of the investments at the balance sheet date was 0.10% (2023: 0.11%).

15. Risk management policies

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

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

* No direct transaction costs were incurred in these transactions.

15. Risk management policies (continued)

a Market risk (continued)

(i) Other price risk

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

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

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

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

At 25 January 2024, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders of the Fund would increase or decrease by approximately £1,276,019 (2023: £1,332,212).

(ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	960,377	932	961,309
Swedish krona	538,595	1,570	540,165
Swiss franc	1,574,667	-	1,574,667
US dollar	8,825,162	19,074	8,844,236
Total foreign currency exposure	11,898,801	21,576	11,920,377

15. Risk management policies (continued)
a Market risk (continued)
(ii) Currency risk (continued)

2023	Financial instruments and cash holdings £	Net debtors and creditors £	Total net foreign currency exposure £
Euro	825,239	35,756	860,995
Swedish krona	582,396	-	582,396
Swiss franc	1,530,341	-	1,530,341
US dollar	9,396,842	8,708	9,405,550
Total foreign currency exposure	12,334,818	44,464	12,379,282

At 25 January 2024, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to unitholders of the Fund would increase or decrease by approximately £596,019 (2023: £618,964).

(iii) Interest rate risk

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

During the year the Fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities. The Fund also has indirect exposure to interest rate risk as it invests in bond funds. The 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 Fund.

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

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

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

2024	Variable rate financial assets £	Fixed rate financial assets £	Non-interest bearing financial assets £	Non-interest bearing financial liabilities £	Total £
Euro	-	-	961,309	-	961,309
Swedish krona	-	-	540,165	-	540,165
Swiss franc	-	-	1,574,667	-	1,574,667
UK sterling	760,768	1,922,062	14,772,110	(190,345)	17,264,595
US dollar	1,070,685	-	7,773,551	-	8,844,236
	1,831,453	1,922,062	25,621,802	(190,345)	29,184,972

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk (continued)

2023	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
	£	£	£	£	£
Euro	-	-	860,995	-	860,995
Swedish krona	-	-	582,396	-	582,396
Swiss franc	-	-	1,530,341	-	1,530,341
UK sterling	676,956	-	16,662,056	(193,364)	17,145,648
US dollar	2,311,818	-	7,093,732	-	9,405,550
	2,988,774	-	26,729,520	(193,364)	29,524,930

b Credit risk

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

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

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

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

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

c Liquidity risk

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

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

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

15. Risk management policies (continued)

c Liquidity risk (continued)

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

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

All of the financial liabilities are payable on demand.

d Fair value of financial assets and financial liabilities

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

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

Basis of valuation	Investment assets 2024	Investment liabilities 2024
	£	£
Quoted prices	23,276,603	-
Observable market data	5,675,884	-
Unobservable data	-	-
	28,952,487	-

Basis of valuation	Investment assets 2023	Investment liabilities 2023
	£	£
Quoted prices	23,481,671	-
Observable market data	5,513,836	-
Unobservable data	-	-
	28,995,507	-

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

e Assets subject to special arrangements arising from their illiquid nature

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

f Derivatives

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

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

15. Risk management policies (continued)

f Derivatives (continued)

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

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

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

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

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

(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 25 January 2024

Quarter 1 distribution in pence per unit

Group 1 - Units purchased before 26 January 2023

Group 2 - Units purchased 26 January 2023 to 25 April 2023

	Net revenue	Equalisation	Total distribution 25 July 2023	Total distribution 25 July 2022
Net income units				
Group 1	1.577	-	1.577	1.445
Group 2	1.577	-	1.577	1.445

Interim distribution in pence per unit

Group 1 - Units purchased before 26 April 2023

Group 2 - Units purchased 26 April 2023 to 25 July 2023

	Net revenue	Equalisation	Total distribution 25 October 2023	Total distribution 25 October 2022
Net income units				
Group 1	1.127	-	1.127	1.339
Group 2	1.127	-	1.127	1.339

Quarter 3 distribution in pence per unit

Group 1 - Units purchased before 26 July 2023

Group 2 - Units purchased 26 July 2023 to 25 October 2023

	Net revenue	Equalisation	Total distribution 25 January 2024	Total distribution 25 January 2023
Net income units				
Group 1	1.118	-	1.118	1.200
Group 2	1.118	-	1.118	1.200

Final distribution in pence per unit

Group 1 - Units purchased before 26 October 2023

Group 2 - Units purchased 26 October 2023 to 25 January 2024

	Net revenue	Equalisation	Total distribution 25 April 2024	Total distribution 25 April 2023
Net income units				
Group 1	1.056	-	1.056	1.053
Group 2	0.128	0.928	1.056	1.053

Equalisation

Equalisation applies only to group 2 units. It is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholder but must be deducted from the cost of units 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 the Evelyn Partners Group Limited ('the Group'), including individuals designated as Material Risk Takers 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 and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2023[1].

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 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 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 financial year 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	Cash	Equity	Total	No. MRTs
	£'000	£'000	£'000	£'000	
Senior Management	3,518	1,662	-	5,180	18
Other MRTs	919	848	-	1,767	5
Total	4,437	2,510	-	6,947	23

Investment Manager

The Manager has appointed Rathbones Investment Management Limited ('Rathbones') to provide investment management and related advisory services to the Manager. Rathbones are paid a monthly fee out of the scheme property of Ourax Unit Trust which is calculated on the total value of the portfolio of investments at the month end. Rathbones are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed quarterly on 25 April (final), 25 July (quarter 1), 25 October (interim) and 25 January (quarter 3). In the event of a distribution, unitholders will receive a tax voucher.

XD dates:	26 January	final
	26 April	quarter 1
	26 July	interim
	26 October	quarter 3
Reporting dates:	25 January	annual
	25 July	interim

Buying and selling units

The property of the Fund is valued at 12 noon on the 14th day of the month and the last business day of the month, except where the 14th day of the month is not a business day it shall be the next business day thereafter; with the exception of any bank holiday in England and Wales or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the Manager and the Trustee; the price of units are calculated as at those times. Unit dealing is on a forward basis i.e. investors can buy and sell units at the next valuation point following receipt of the order.

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

Benchmark

Unitholders may compare the performance of the Trust against the MSCI PIMFA Balanced Index.

The Manager has selected this comparator benchmark as it believes this benchmark best reflects the Trust's asset allocation.

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

Appointments

Manager and Registered office

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

Administrator and Registrar

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

Directors of the Manager

Andrew Baddeley
Brian McLean
Mayank Prakash
Neil Coxhead

Independent Non-Executive Directors of the Manager

Dean Buckley
Linda Robinson
Victoria Muir
Sally Macdonald

Non-Executive Directors of the Manager

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

Investment Manager

Rathbones Investment Management Limited
Port of Liverpool Building
Pier Head
Liverpool L3 1NW
Authorised and regulated by the Financial Conduct Authority

Trustee

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

Auditor

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