

The Tully Fund

Annual Report

for the year ended 30 June 2025

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The Tully Fund

Report of the Authorised Corporate Director ('ACD')

Tutman Fund Solutions Limited ('TFSL') (previously Evelyn Partners Fund Solutions Limited), as ACD, presents herewith the Annual Report for The Tully Fund for the year ended 30 June 2025.

The Tully Fund ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 5 October 2006. The Company is incorporated under registration number IC000480. It is a non-UCITS retail scheme ('NURS') complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND'), as published by the Financial Conduct Authority ('FCA'). As the Company is a NURS, the ACD also acts as Alternative Investment Fund Manager ('AIFM') in order to comply with the Alternative Investment Fund Manager's Directive ('AIFMD').

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

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

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

The Company has no Directors other than the ACD.

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

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

Investment objective and policy

To provide growth of capital and income from a globally diversified portfolio of transferable securities (including equities and bonds), collective investment schemes, money market instruments and cash. There may be occasions where the focus is on certain geographic areas, sectors or asset types. Where the ACD considers that a defensive strategy is appropriate the portfolio may hold a high proportion of cash.

The Fund may only use derivatives and forward transactions for investment purposes, or for Efficient Portfolio Management, on the giving of 60 days' notice to shareholders. Where notice is given to permit the use of derivatives and forward transactions for Efficient Portfolio Management, this is not intended to increase the risk profile of the Company. The use of derivatives for investment purposes may involve additional risks for shareholders.

Report of the Authorised Corporate Director (continued)

Changes affecting the Company in the year

On 30 June 2025, Thesis Holdings Limited bought Evelyn Partners Fund Solutions Limited. Following the completion of the acquisition of Evelyn Partners Fund Solutions Limited, the Company has been renamed to Tutman Fund Solutions Limited.

Further information in relation to the Company is illustrated on page 35.

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

Neil Coxhead
Director
Tutman Fund Solutions Limited
15 October 2025

Statement of the Authorised Corporate Director's responsibilities

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

In preparing the financial statements the ACD is responsible for:

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

COLL also requires the ACD to carry out an Assessment of Value on the Company previously published within the Annual Report, this assessment can now be found on the ACD's website at:

<https://www.tutman.co.uk/literature>

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

Report of the Depositary to the shareholders of The Tully Fund

Depositary's responsibilities

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

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

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
15 October 2025

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

Opinion

We have audited the financial statements of The Tully Fund (the 'Company') for the year ended 30 June 2025, which comprise the Statement of total return, Statement of change in shareholders' funds, Balance sheet, the related Notes to the financial statements, including significant accounting policies and the Distribution table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Company as at 30 June 2025 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Rules

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

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

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

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 4, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Use of Our Report

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

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL
15 October 2025

Investment Manager's report

Investment performance*

During the reporting period, The Tully Fund Net Accumulation shares had a return of 7.92% on a Net Asset Value ('NAV') to NAV basis, compared to 7.04% for the comparator MSCI PIMFA Balanced Index.

Investment activities**

During the second half of 2024, we made a switch from Vanguard FTSE All-World UCITS ETF into JPMorgan Global Research Enhanced Index Equity Active UCITS ETF. Essentially, this is an index plus strategy which looks to generate incremental alpha (+75 basis points) above the MSCI World Index (which is what Vanguard FTSE All-World UCITS ETF tracks) by taking small overweights/underweights at the stock level but within strict guard rails.

We sold DS Smith, which was trading above the price that International Paper had agreed to bid for the company. The shares were up over 56% over the year, and so we thought prudent to move on prior to the takeover being complete. We reinvested the proceeds into another cyclical company, IMI. IMI is UK listed, but operates as a truly global company, with UK sales accounting for only 5% of its revenues. The company manufactures valves and actuators for various end markets, providing exposure, at an attractive valuation, to several key areas within the industrial sector, namely process and industrial automation, climate control, life sciences, and transport. Lastly, we used a period of volatility in Taiwan Semiconductor Manufacturing share price to begin a position, which is a name we have been waiting for an opportunity to buy for some time. This was funded through trimming existing holdings of Fundsmith Equity Fund and BAE Systems.

With redemptions totalling £500,000 in the final three months of the year, activity in the quarter was predominantly a result of needing to raise cash. Amazon.com, Alphabet 'A' and Shell were trimmed, whilst the holdings in BioPharma Credit and SPDR MSCI World Energy UCITS ETF were sold in their entirety.

During the first half of 2025, there were three full sales. Royal London Global Equity Select Fund was sold to reduce the portfolio's exposure to equities leading up to 'Liberation Day'. Care REIT was trading at a small premium to its takeover price, and so the holding was sold. RWE was also sold – the holding was only a small position size, and we lacked any conviction in the name. Lastly, the holding in the WisdomTree Carbon ETC was reduced.

The proceeds were invested into a new holding in SSE, which is a leading UK-based energy company involved in electricity generation, transmission, distribution, and supply. It is one of the largest renewable energy generators in the UK and Ireland, with growing investments in wind, hydro, and solar power. SSE presents a compelling long-term investment opportunity for those seeking exposure to the clean energy transition, with the added benefit of reliable dividends and defensiveness from regulated assets, all on just a 9x price-to-earnings ratio. The sector has been out of favour for many years but now looks more interesting and we believe a rerating is overdue. We also added to the existing position in Taiwan Semiconductor Manufacturing at the start of April 2025, following the volatility caused by Trump's 'Liberation Day'. Pleasingly, the shares have rallied strongly since the addition.

Investment strategy and outlook

Quarter 1 2025 was a mixed period for global equity markets. European and UK equities outperformed while a sell-off in the largest US technology companies during February weighed on the performance of the global index. Jitters in the US economy drove rate expectations and Treasury yields lower, while gold rallied and equities slipped further in March, following uncertainty around US foreign policy and trade tariffs.

Global equity markets rebounded from an April shock, recovering over quarter 2 2025. The quarter started with a sharp decline in global equities, led by the largest US technology companies, in response to sweeping tariffs announced on President Trump's 'Liberation Day' of 2 April. However, global equities rebounded strongly amid easing trade tensions. Bond markets eked out gains despite being challenged on multiple fronts as investors assessed inflationary pressures from tariffs, lower growth prospects and mounting fiscal concerns. Gold (USD/troy ounce) continued its strong showing amid an increasingly volatile geopolitical backdrop led by heightened conflict in the Middle East.

2025 is proving to be a volatile year, creating both opportunities and risks. A substantial shift in trade policy from President Trump's 'America First' agenda has sparked fears of economic instability, but our forward-looking view is that tailwinds from positive fundamentals should outweigh headwinds from trade policies and geopolitics.

* Source: Morningstar Direct, 2025, mid prices at 12pm.

** Source: Refinitiv, Bloomberg & Evelyn Partners Strategy Team.

Investment Manager's report (continued)

Investment strategy and outlook (continued)

Remaining well-diversified across geographies, sectors and asset classes is the best strategy for navigating this challenging environment. Global stock markets continue to offer selective opportunities, but heightened uncertainty underscores the importance of diversifying into assets such as bonds and gold in multi-asset portfolios.

Evelyn Partners Investment Management LLP

18 July 2025

Accounting policies of The Tully Fund

for the year ended 30 June 2025

a Basis of accounting

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

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

b Valuation of investments

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

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

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

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 30 June 2025.

Structured products are valued at fair value and calculated by an independent source. Structured product holdings in the portfolio statement are valued using valuation models where the inputs are unobservable. The ACD engages a third party to provide valuations for these investments.

Where an observable market price is unreliable or does not exist, investments are valued at the ACD's best estimate of the amount that would be received from an immediate transfer at arm's length. The ACD has appointed the fair value pricing committee to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset.

c Foreign exchange

The base currency of the 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.

Accounting policies of The Tully Fund (continued)

for the year ended 30 June 2025

d Revenue (continued)

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.

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 weekly and 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.

f Taxation

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

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

Deferred taxation is provided in full on timing differences that result in an obligation at 30 June 2025 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

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

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

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

g Efficient Portfolio Management

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

Accounting policies of The Tully Fund (continued)

for the year ended 30 June 2025

h Dilution levy

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

i Distribution policies

i Basis of distribution

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to accumulation shares are re-invested in the Fund class on behalf of the shareholders.

ii Revenue

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

iii 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.

Portfolio changes

for the year ended 30 June 2025

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

	Cost £
Purchases:	
JPMorgan Global Research Enhanced Index Equity Active UCITS ETF	258,755
Neuberger Berman Event Driven Fund	202,575
IMI	107,456
SSE	100,034
Taiwan Semiconductor Manufacturing	96,076
	Proceeds £
Sales:	
Vanguard FTSE All-World UCITS ETF	257,875
Fundsmith Equity Fund	251,199
Royal London Global Equity Select Fund	240,795
International Personal Finance 9.75% 12/11/2025	209,214
DS Smith	201,354
BioPharma Credit	185,302
Care REIT	162,976
SPDR MSCI World Energy UCITS ETF	159,163
BAE Systems	101,059
Amazon.com	100,854
Heineken	86,237
WisdomTree Carbon ETC	78,945
RWE	76,985
Alphabet 'A'	59,335
Neuberger Berman Event Driven Fund	57,150
Shell	25,301

Portfolio statement
as at 30 June 2025

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt Securities* 6.05% (8.07%)			
Baa1 to Baa2 2.96% (2.50%)			
BP Capital Markets 4.25% Perpetual**	£200,000	196,000	2.96
Baa3 and below 3.09% (5.57%)			
Co-Operative Group 11% 22/12/2025	£200,000	204,510	3.09
Total debt securities		400,510	6.05
Core Capital Deferred Shares 2.97% (2.58%)			
Nationwide Building Society 10.25% Perpetual**	£1,500	196,313	2.97
Equities 41.26% (40.98%)			
Equities - United Kingdom 18.10% (18.00%)			
Energy 2.70% (2.98%)			
Shell	7,000	178,745	2.70
Materials 0.00% (2.66%)		-	-
Industrials 4.57% (3.04%)			
BAE Systems	9,750	183,885	2.78
IMI	5,650	118,311	1.79
		302,196	4.57
Consumer Staples 2.43% (1.61%)			
Tesco	40,000	160,480	2.43
Health Care 1.68% (1.79%)			
AstraZeneca	1,100	111,320	1.68
Financials 5.14% (4.22%)			
Molten Ventures	46,000	147,016	2.22
Phoenix Group Holdings	29,333	192,864	2.92
		339,880	5.14
Utilities 1.58% (0.00%)			
SSE	5,700	104,339	1.58
Real Estate 0.00% (1.70%)		-	-
Total equities - United Kingdom		1,196,960	18.10

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

** Variable interest security.

Portfolio statement (continued)

as at 30 June 2025

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - Europe 2.28% (4.16%)			
Equities - Germany 0.00% (1.14%)		-	-
Equities - Ireland 2.28% (1.76%)			
CRH	2,250	150,662	2.28
Equities - Netherlands 0.00% (1.26%)		-	-
Total equities - Europe		150,662	2.28
Equities - United States 17.43% (17.03%)			
Alphabet 'A'	1,300	167,145	2.53
Amazon.com	1,000	160,076	2.42
Booking Holdings	26	109,641	1.66
Goldman Sachs Group	375	193,590	2.93
Microsoft	650	235,804	3.57
TJX	1,700	153,159	2.32
UnitedHealth Group	285	64,849	0.98
Zoetis	595	67,682	1.02
Total equities - United States		1,151,946	17.43
Equities - Australia 1.58% (1.79%)			
BHP Group	6,000	104,760	1.58
Equities - Taiwan 1.87% (0.00%)			
Taiwan Semiconductor Manufacturing	750	123,883	1.87
Total equities		2,728,211	41.26
Closed-Ended Funds - United Kingdom 17.15% (15.91%)			
Closed-Ended Funds - incorporated in the United Kingdom 12.36% (11.80%)			
Aberforth Smaller Companies Trust	13,000	199,680	3.02
Fidelity China Special Situations	90,000	225,000	3.40
Mercantile Investment Trust	75,000	191,625	2.90
Pantheon Infrastructure	200,000	201,000	3.04
Total closed-ended funds - incorporated in the United Kingdom		817,305	12.36
Closed-Ended Funds - incorporated outwith the United Kingdom 4.79% (4.11%)			
HarbourVest Global Private Equity	6,500	162,175	2.45
Highbridge Tactical Credit Fund [^]	125,000	-	-
Sequoia Economic Infrastructure Income Fund	190,000	154,660	2.34
Total closed-ended funds - incorporated outwith the United Kingdom		316,835	4.79
Total closed-ended funds - United Kingdom		1,134,140	17.15

[^] Highbridge Tactical Credit Fund: The fair value pricing committee determined a share price of nil (2024: nil) was appropriate based upon ongoing liquidation payments.

Portfolio statement (continued)

as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 20.19% (22.95%)			
UK Authorised Collective Investment Schemes 10.09% (11.55%)			
BlackRock European Dynamic Fund	80,000	250,433	3.79
Fidelity Investment Funds - Asia Fund	12,500	211,625	3.20
JPMorgan Fund ICVC - Japan Fund	50,000	205,200	3.10
Total UK authorised collective investment schemes		<u>667,258</u>	<u>10.09</u>
Offshore Collective Investment Schemes 10.10% (11.40%)			
Federated Hermes US SMID Equity Fund	80,000	127,648	1.93
JPMorgan Global Research Enhanced Index Equity Active UCITS ETF	6,830	272,244	4.12
Neuberger Berman Event Driven Fund	13,500	163,215	2.47
Vanguard Investment Series - US Government Bond Index Fund	1,200	104,655	1.58
Total offshore collective investment schemes		<u>667,762</u>	<u>10.10</u>
Total collective investment schemes		<u>1,335,020</u>	<u>20.19</u>
Exchange Traded Commodities 5.22% (4.43%)			
WisdomTree Carbon ETC	4,000	75,720	1.15
Xtrackers IE Physical Gold GBP Hedged ETC Securities	7,000	269,080	4.07
Total exchange traded commodities		<u>344,800</u>	<u>5.22</u>
Structured Products 4.11% (3.16%)			
Société Générale - Mapleis Series 403 Preference shares 08/10/2026	150,000	<u>271,725</u>	<u>4.11</u>
Portfolio of investments		6,410,719	96.95
Other net assets		201,784	3.05
Total net assets		<u>6,612,503</u>	<u>100.00</u>

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

The comparative figures in brackets are as at 30 June 2024.

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

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Risk and reward profile*

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

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

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

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

During the year, the risk and reward indicator changed from 5 to 4.

* As per the KIID published on 11 July 2025.

Comparative table

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

	2025	2024	2023
Net Accumulation	p	p	p
Change in net assets per share			
Opening net asset value per share	1,860.94	1,617.29	1,579.39
Return before operating charges	179.21	269.15	64.31
Operating charges	(28.74)	(25.50)	(26.41)
Return after operating charges *	150.47	243.65	37.90
Distributions [^]	(26.24)	(35.96)	(34.58)
Retained distributions on accumulation shares [^]	26.24	35.96	34.58
Closing net asset value per share	2,011.41	1,860.94	1,617.29
 * after direct transaction costs of:	 0.34	 0.48	 0.26
Performance			
Return after charges	8.09%	15.07%	2.40%
Other information			
Closing net asset value (£)	6,612,503	7,597,371	7,930,381
Closing number of shares	328,750	408,255	490,350
Operating charges ^{^^}	1.49%	1.48%	1.63%
Direct transaction costs	0.02%	0.03%	0.01%
Published prices			
Highest share price	2,017	1,869	1,697
Lowest share price	1,856	1,614	1,488

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

[^] Rounded to 2 decimal places.

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

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

Financial statements - The Tully Fund

Statement of total return for the year ended 30 June 2025

	Notes	2025	2024
		£	£
Income:			
Net capital gains	2	443,535	882,146
Revenue	3	191,741	251,631
Expenses	4	<u>(93,995)</u>	<u>(94,329)</u>
Net revenue before taxation		97,746	157,302
Taxation	5	<u>(2,061)</u>	<u>(2,130)</u>
Net revenue after taxation		<u>95,685</u>	<u>155,172</u>
Total return before distributions		539,220	1,037,318
Distributions	6	(95,683)	(156,418)
Change in shareholders' funds from investment activities		<u>443,537</u>	<u>880,900</u>

Statement of change in shareholders' funds for the year ended 30 June 2025

	2025	2024
	£	£
Opening net assets	7,597,371	7,930,381
Amounts payable on cancellation of shares	(1,519,222)	(1,363,722)
Change in shareholders' funds from investment activities	443,537	880,900
Retained distributions on accumulation shares	90,817	149,812
Closing net assets	<u>6,612,503</u>	<u>7,597,371</u>

Balance sheet
as at 30 June 2025

	Notes	2025 £	2024 £
Assets:			
Fixed assets:			
Investments		6,410,719	7,451,638
Current assets:			
Debtors	7	22,845	33,270
Cash and cash equivalents	8	187,860	124,404
Total assets		<u>6,621,424</u>	<u>7,609,312</u>
Liabilities:			
Creditors:			
Other creditors	9	(8,921)	(11,941)
Total liabilities		<u>(8,921)</u>	<u>(11,941)</u>
Net assets		<u>6,612,503</u>	<u>7,597,371</u>
Shareholders' funds		<u>6,612,503</u>	<u>7,597,371</u>

Notes to the financial statements

for the year ended 30 June 2025

1. Accounting policies

The accounting policies are disclosed on pages 9 to 11.

2. Net capital gains

	2025	2024
	£	£
Non-derivative securities - realised gains	262,563	79,130
Non-derivative securities - movement in unrealised gains	151,307	753,696
Derivative contracts - realised gains	-	17,850
Derivative contracts - movement in unrealised gains	31,875	36,574
Currency losses	(380)	(2,347)
Transaction charges	(1,830)	(2,757)
Total net capital gains	<u>443,535</u>	<u>882,146</u>

3. Revenue

	2025	2024
	£	£
UK revenue	70,906	86,381
Unfranked revenue	19,682	33,264
Overseas revenue	44,872	55,377
Interest on debt securities	55,906	74,440
Bank and deposit interest	375	2,169
Total revenue	<u>191,741</u>	<u>251,631</u>

4. Expenses

	2025	2024
	£	£
Payable to the ACD and associates		
Annual management charge*	<u>70,925</u>	<u>75,163</u>
Payable to the Depositary		
Depositary fees	<u>8,988</u>	<u>9,012</u>
Other expenses:		
Audit fee	8,700	8,700
Non-executive directors' fees	946	1,641
Safe custody fees	340	375
Bank interest	7	4
FCA fee	107	56
KIID production fee	314	296
Listing fee	3,668	2,352
Administration fee	-	(3,270)
	<u>14,082</u>	<u>10,154</u>
Total expenses	<u>93,995</u>	<u>94,329</u>

* The annual management charge is 1.00% and includes the ACD's periodic charge and the Investment Manager's fee (2024: 1.00%).

Notes to the financial statements (continued)

for the year ended 30 June 2025

5. Taxation

	2025	2024
	£	£
<i>a. Analysis of the tax charge for the year</i>		
Overseas tax withheld	2,061	2,130
Total taxation (note 5b)	<u>2,061</u>	<u>2,130</u>

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2024: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2024: 20%). The differences are explained below:

	2025	2024
	£	£
Net revenue before taxation	<u>97,746</u>	<u>157,302</u>
Corporation tax @ 20%	19,549	31,460
Effects of:		
UK revenue	(14,181)	(17,277)
Overseas revenue	(8,224)	(10,407)
Overseas tax withheld	2,061	2,130
Utilisation of excess management expenses	(12,474)	(10,501)
Offshore income gains	-	1,245
Unrealised gains on non reporting offshore funds	15,330	5,480
Total taxation (note 5a)	<u>2,061</u>	<u>2,130</u>

c. Provision for deferred taxation

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £11,964 (2024: £24,438).

6. Distributions

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

	2025	2024
	£	£
Interim accumulation distribution	42,708	80,343
Final accumulation distribution	<u>48,109</u>	<u>69,469</u>
	90,817	149,812
Equalisation:		
Amounts deducted on cancellation of shares	<u>4,866</u>	<u>6,606</u>
Total net distributions	<u>95,683</u>	<u>156,418</u>
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	95,685	155,172
Undistributed revenue brought forward	2	2
Marginal tax relief	-	1,246
Undistributed revenue carried forward	<u>(4)</u>	<u>(2)</u>
Distributions	<u>95,683</u>	<u>156,418</u>

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

Notes to the financial statements (continued)

for the year ended 30 June 2025

7. Debtors	2025	2024
	£	£
Accrued revenue	22,845	33,156
Prepaid expenses	-	114
Total debtors	<u>22,845</u>	<u>33,270</u>
8. Cash and cash equivalents	2025	2024
	£	£
Total cash and cash equivalents	<u>187,860</u>	<u>124,404</u>
9. Other creditors	2025	2024
	£	£
Accrued expenses:		
Payable to the ACD and associates		
Annual management charge	-	417
Other expenses:		
Depository fees	-	49
Safe custody fees	122	42
Audit fee	8,700	8,700
Non-executive directors' fees	-	689
FCA fee	27	18
Listing fee	-	2,000
Transaction charges	72	26
	<u>8,921</u>	<u>11,524</u>
Total other creditors	<u>8,921</u>	<u>11,941</u>

10. Commitments and contingent liabilities

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

11. Share classes

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

	Net Accumulation
Opening shares in issue	408,255
Total shares cancelled in the year	(79,505)
Closing shares in issue	<u>328,750</u>

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

12. Related party transactions

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

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

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

The Investment Manager, Evelyn Partners Investment Management Limited was a related party to the ACD as they were within the same corporate body up until the sale of Evelyn Partners Fund Solutions Limited to Thesis Holdings Limited on 30 June 2025.

Notes to the financial statements (continued)

for the year ended 30 June 2025

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per Net Accumulation share has increased from 2,011p to 2,174p as at 30 September 2025. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a Direct transaction costs

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

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

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

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

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
	£	£	%	£	%	£
2025						
Equities	302,483	546	0.18%	537	0.18%	303,566
Collective Investment Schemes*	461,330	-	-	-	-	461,330
Total	763,813	546	0.18%	537	0.18%	764,896

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
	£	£	%	£	%	£
2024						
Equities	657,555	280	0.04%	493	0.07%	658,328
Closed-Ended Funds	199,583	-	-	1,000	0.50%	200,583
Bonds*	711,544	-	-	-	-	711,544
Total	1,568,682	280	0.04%	1,493	0.57%	1,570,455

	Sales before transaction costs	Commission		Taxes		Sales after transaction costs
	£	£	%	£	%	£
2025						
Equities	651,294	(166)	0.03%	(3)	0.00%	651,125
Closed-Ended Funds	427,226	-	-	(3)	0.00%	427,223
Bonds*	209,214	-	-	-	-	209,214
Collective Investment Schemes*	966,182	-	-	-	-	966,182
Total	2,253,916	(166)	0.03%	(6)	0.00%	2,253,744

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 30 June 2025

14. Transaction costs (continued)

a Direct transaction costs (continued)

	Sales before transaction costs	Commission		Taxes		Sales after transaction costs
	£	£	%	£	%	£
2024						
Equities	1,518,483	(237)	0.02%	(9)	0.00%	1,518,237
Closed-Ended Funds	333,862	(59)	0.02%	(4)	0.00%	333,799
Bonds*	370,000	-	-	-	-	370,000
Collective Investment Schemes*	369,267	-	-	-	-	369,267
Exchange Traded Commodities*	162,288	-	-	-	-	162,288
Structured Products*	187,850	-	-	-	-	187,850
Total	2,941,750	(296)	0.04%	(13)	0.00%	2,941,441

Capital events amount of £535 (2024: £nil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Summary of direct transaction costs

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

	£	% of average net asset value
2025		
Commission	712	0.01%
Taxes	543	0.01%
2024		
Commission	576	0.01%
Taxes	1,506	0.02%

b Average portfolio dealing spread

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

The average portfolio dealing spread of the investments at the balance sheet date was 0.24% (2024: 0.25%).

15. Risk management policies

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

a Market risk

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

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 30 June 2025

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, collective investment schemes, closed-ended funds and exchange traded commodities.

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

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

At 30 June 2025, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £277,109 (2024: £320,171).

(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
2025	£	£	£
Euro	8	-	8
US dollar	1,426,491	340	1,426,831
Total foreign currency exposure	1,426,499	340	1,426,839

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	394,285	13,044	407,329
US dollar	1,612,150	-	1,612,150
Total foreign currency exposure	2,006,435	13,044	2,019,479

At 30 June 2025, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the closing net assets of the Fund would increase or decrease by approximately £71,342 (2024: £100,794).

Notes to the financial statements (continued)

for the year ended 30 June 2025

15. Risk management policies (continued)

a Market risk (continued)

(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:

	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2025	£	£	£	£	£
Euro	8	-	-	-	8
UK sterling	580,165	204,510	4,409,910	(8,921)	5,185,664
US dollar	-	-	1,426,831	-	1,426,831
	<u>580,173</u>	<u>204,510</u>	<u>5,836,741</u>	<u>(8,921)</u>	<u>6,612,503</u>

	Variable rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2024	£	£	£	£	£
Euro	7	211,832	195,490	-	407,329
UK sterling	510,085	210,842	4,868,906	(11,941)	5,577,892
US dollar	-	-	1,612,150	-	1,612,150
	<u>510,092</u>	<u>422,674</u>	<u>6,676,546</u>	<u>(11,941)</u>	<u>7,597,371</u>

b Credit risk

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

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

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

Notes to the financial statements (continued)

for the year ended 30 June 2025

15. Risk management policies (continued)

b Credit risk (continued)

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

c Liquidity risk

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

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

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

All of the financial liabilities are payable on demand.

d Fair value of financial assets and financial liabilities

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

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

Notes to the financial statements (continued)

for the year ended 30 June 2025

15. Risk management policies (continued)

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

	Investment assets	Investment liabilities
	2025	2025
	£	£
Basis of valuation		
Quoted prices	4,675,708	-
Observable market data	1,463,286	-
Unobservable data*	271,725	-
	<u>6,410,719</u>	<u>-</u>
	Investment assets	Investment liabilities
	2024	2024
	£	£
Basis of valuation		
Quoted prices	5,076,478	-
Observable market data	2,135,310	-
Unobservable data*	239,850	-
	<u>7,451,638</u>	<u>-</u>

Structured product holdings in the portfolio statement are valued using valuation models where the inputs are unobservable. The ACD engages a third party to provide valuations for these investments.

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

Highbridge Tactical Credit Fund: The fair value committee determined a share price of £nil (2024: £nil) based upon ongoing liquidation payments.

Unobservable data

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

e Assets subject to special arrangements arising from their illiquid nature

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

	2025	2024
	% of the total net asset value	% of the total net asset value
Highbridge Tactical Credit Fund	0.00%	0.00%
Total	<u>0.00%</u>	<u>0.00%</u>

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.

Notes to the financial statements (continued)

for the year ended 30 June 2025

15. Risk management policies (continued)

f Derivatives (continued)

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

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

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

In the year, the Fund held structured products with embedded derivatives. Exposure created by underlying derivatives is monitored by the ACD as well as the rating of the issuer of the structured product. A third party is used to verify the prices of the structured products.

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

(i) Counterparties

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

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

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

(ii) Leverage

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

As at the balance sheet date, the leverage was 4.11%.

(iii) Global exposure

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

At the balance sheet date the global exposure is as follows:

	Gross exposure value £	% of the total net asset value
Investment		
Structured Products		
Société Générale - Mapleis Series 403 Preference shares 08/10/2026	271,725	4.11%

There have been no collateral arrangements in the year.

Distribution table

for the year ended 30 June 2025

Interim distribution in pence per share

Group 1 - Shares purchased before 1 July 2024

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

	Net revenue	Equalisation	Total distribution 28 February 2025	Total distribution 29 February 2024
Net Accumulation				
Group 1	11.602	-	11.602	18.940
Group 2	11.602	-	11.602	18.940

Final distribution in pence per share

Group 1 - Shares purchased before 1 January 2025

Group 2 - Shares purchased 1 January 2025 to 30 June 2025

	Net revenue	Equalisation	Total distribution 31 August 2025	Total distribution 31 August 2024
Net Accumulation				
Group 1	14.634	-	14.634	17.016
Group 2	14.634	-	14.634	17.016

Accumulation distributions

Holders of accumulation shares should add the distributions received thereon to the cost of the shares for capital gains tax purposes.

Remuneration

Remuneration code disclosure

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

Remuneration committee

The remuneration committee report contained in the Group Report and Financial Statements for the year ended 31 December 2024 includes details on the remuneration policy. The remuneration committee comprises three independent non-executive directors¹ and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met seven times during 2024.

Remuneration policy

The main principles of the remuneration policy are:

- aligns the interests of employees with those of our clients/customers and investors;
- is compliant with relevant regulation and considers market best practice;
- is pragmatic, flexible, economic, and considers the commercial objectives of the business;
- is competitive and helps the Group attract and retain talented people;
- encourages behaviours consistent with the Group's values, ambitions, strategy, and risk appetite (including environmental, social and governance risk factors);
- supports the delivery of fair outcomes for our clients; and
- is clear, fair, free from bias and based on objective criteria that avoids discrimination (including gender).

Remuneration systems

Fixed pay is determined by considering an employee's role and responsibilities, external market information, and internal budgets/affordability. The remuneration committee considers all of these factors when determining appropriate salary/fixed profit share budgets as part of the annual pay review, and by exception any increases outside of the annual pay review.

Evelyn Partners operates Discretionary Incentive Plans (DIP) – these are discretionary bonus schemes that enable employees to be recognised for their hard work and commitment, through linking reward to the performance and outcomes, including client outcomes, of both the business and the individual employee.

Bonus awards under a DIP are made in cash and/or equity awards and are driven by the following factors:

- The financial performance (primarily EBITDA performance) of the business;
- An employee's individual performance in relation to the Group's key performance indicators and financial outcomes;
- An employee's individual performance in relation to behaviours which are in line with the Group's values, which includes client outcomes and regulatory compliance; and
- A risk and control review, which includes client outcomes.

¹ Please note that the data provided for the independent non-executive directors is as at 31 December 2024. 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 70 employees is £3.58 million of which £3.19 million is fixed remuneration. This is based on the salary and benefits for those identified as working in EPFL as at 31 December 2024. Any variable remuneration is awarded for the year ended 31 December 2024. This information excludes any senior management or other Material Risk Takers (MRTs) whose remuneration information is detailed below.

Evelyn Partners Group Limited reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Group. It is difficult to apportion remuneration for these individuals in respect of their duties to EPFL. For this reason, the aggregate total remuneration awarded for the year 31 December 2024 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 2024 to 31 December 2024			
	Fixed	Variable Cash	Variable Equity	Total	No. MRTs
	£'000	£'000	£'000	£'000	
Senior Management	3,448	2,470	-	5,918	15
Other MRTs	477	338	-	815	5
Total	3,925	2,808	-	6,733	20

Investment Manager

The ACD delegates the management of the Company's portfolio of assets to Evelyn Partners Investment Management LLP ('EPIM') and pays to EPIM, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at the month end. EPIM are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed semi-annually on 31 August (final) and the last business day in February (interim). In the event of a distribution, shareholders will receive a tax voucher.

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

Buying and selling shares

The property of the Fund is valued at 12pm on the 15th day where this is a business day and the last business day of the month except where the 15th is not a business day when it shall be the business day prior to this date, with the exception of Christmas Eve and New Year's Eve or a bank holiday in England and Wales, or the last business day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary and the prices of shares are calculated at that time. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

Prices of shares and the estimated yield of the Fund are published on the following website: www.trustnet.com or may be obtained by calling 0141 483 9701.

Benchmark

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

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

Appointments

ACD and Registered office

Tutman Fund Solutions Limited (previously Evelyn Partners Fund Solutions Limited)
Exchange Building
St John's Street
Chichester
West Sussex PO19 1UP
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar

Tutman Fund Solutions Limited (previously Evelyn Partners Fund Solutions Limited)
177 Bothwell Street
Glasgow G2 7ER
Telephone 0141 483 9700 (Dealing)
0141 483 9701 (Enquiries)
Authorised and regulated by the Financial Conduct Authority

Directors of the ACD

Andrew Baddeley - resigned 31 March 2025
Brian McLean - resigned 30 June 2025
Mayank Prakash - resigned 30 April 2025
Neil Coxhead
Stephen Mugford - appointed 1 July 2025
Nicola Palios - appointed 1 July 2025

Independent Non-Executive Directors of the ACD

Dean Buckley - resigned 30 June 2025
Linda Robinson
Victoria Muir - resigned 30 June 2025
Sally Macdonald
Carol Lawson - appointed 30 June 2025
Caroline Willson - appointed 30 June 2025

Non-Executive Directors of the ACD

Guy Swarbreck - resigned 31 March 2025

Investment Manager

Evelyn Partners Investment Management LLP
45 Gresham Street
London EC2V 7BG
Authorised and regulated by the Financial Conduct Authority

Depositary

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

Auditor

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