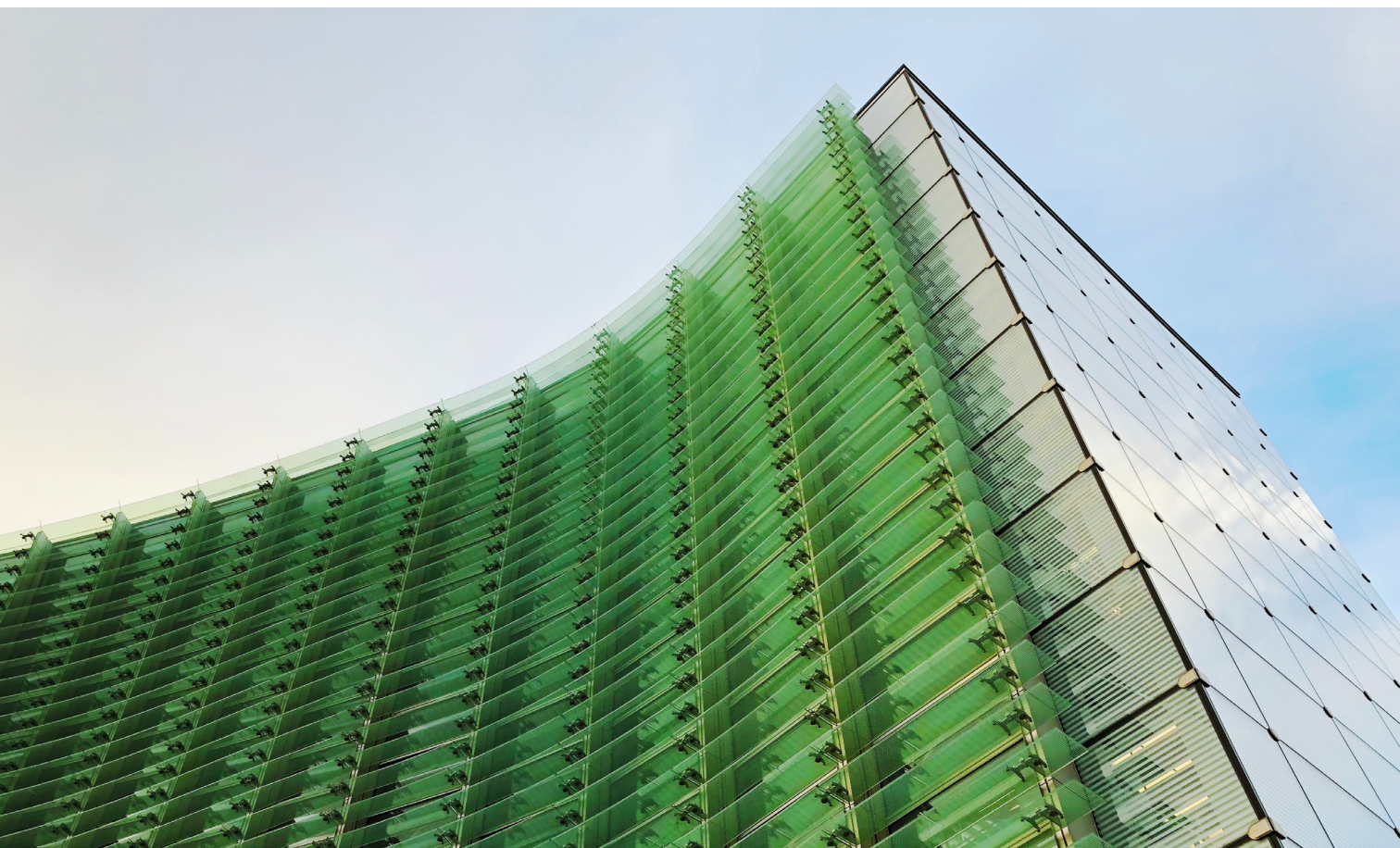




# WS T. Bailey UK Responsibly Invested Equity Fund

(Formerly T. Bailey UK Responsibly Invested Equity Fund)

Annual Report and Financial Statements  
for the year ended 31 March 2024



## MANAGER

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### WAYSTONE MANAGEMENT (UK) LIMITED

Registered Office:  
3rd Floor  
Central Square  
29 Wellington Street  
Leeds  
United Kingdom  
LS1 4DL  
Telephone: 0345 922 0044  
Email: [wtas-investorservices@waystone.com](mailto:wtas-investorservices@waystone.com)  
(Authorised and regulated by  
the Financial Conduct Authority)

## DIRECTORS OF THE MANAGER

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A.M. Berry  
V. Karalekas (appointed 14 July 2023)  
T.K. Madigan\*  
K.J. Midl (appointed 9 October 2023)  
E.E. Tracey (appointed 9 October 2023)\*  
R.E. Wheeler  
S.P. White\*

## INVESTMENT MANAGER

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### T. BAILEY ASSET MANAGEMENT LIMITED

Toll Bar House  
Landmere Lane  
Edwalton  
Nottingham NG12 4DG  
(Authorised and regulated by  
the Financial Conduct Authority)

## TRUSTEE

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### THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED

160 Queen Victoria Street  
London EC4V 4LA  
(Authorised by the Prudential Regulation Authority  
and regulated by the Financial Conduct Authority  
and Prudential Regulation Authority)

## REGISTRAR

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### LINK FUND ADMINISTRATORS LIMITED

Customer Service Centre:  
Central Square  
29 Wellington Street  
Leeds LS1 4DL  
Telephone: 0345 922 0044  
Fax: 0113 224 6001  
(Authorised and regulated by  
the Financial Conduct Authority)

## INDEPENDENT AUDITOR

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### COOPER PARRY GROUP LIMITED

Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby DE74 2SA  
(Registered to carry out audit work by the Institute  
of Chartered Accountants in England and Wales)

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\* Non-Executive Directors of the Manager.

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## MANAGER'S REPORT

for the year ended 31 March 2024

### Authorised Status

WS T. Bailey UK Responsibly Invested Equity Fund ('the Trust') is governed by a Trust Deed made between the Manager and the Trustee dated 28 January 2022 as amended by supplemental trust deeds made between the same parties dated 2 October 2023 and 11 March 2024.

The Trust is an authorised unit trust scheme and is a UK UCITS as defined in the Glossary of the Financial Conduct Authority ('FCA') Handbook, and the effective date of the authorisation order made by the FCA was 28 January 2022.

The unitholders of the Trust are not liable for the debts of the Scheme.

The base currency of the Trust is Pounds Sterling.

### Manager's Statement

#### Economic Uncertainty

Whilst the outbreak of COVID-19 in March 2020 now seems a distant memory, Russia's incursion into Ukraine in February 2022 remains an unresolved conflict that has led to inflationary pressures globally. Add to this the Israel-Hamas conflict that commenced in October 2023, and we are faced with consequences in both the domestic and global economy. Significant increases in the prices of energy and commodities have reverberated around the world, leading to many countries experiencing inflation at levels not seen for many years. To curb the increase in inflation, many nations' central banks have been progressively increasing interest rates. In light of most economies heading in a downward trajectory, central banks have recently ended their aggressive monetary tightening and have projected loosening their monetary policies in the second half of 2024. However, US core inflation has been creeping up since the beginning of the year, with market participants tempering their bets on how many interest rate cuts the US Federal Reserve will deliver this year, and it is not clear at this time whether the consequences of the geopolitical events will culminate in local, or even a global, recession or whether a 'soft-landing' is attainable.

### Important Information

With effect from 1 October 2023, the following changes occurred:

- The Manager, Registrar and Fund Accountant of the Trust changed its name from T. Bailey Fund Services Limited to Waystone Fund Services (UK) Limited.
- The Trust changed its name from T. Bailey UK Responsibly Invested Equity Fund to the WS T. Bailey UK Responsibly Invested Equity Fund.

## MANAGER'S REPORT continued

### Important Information continued

With effect from 11 March 2024, the following changes occurred:

- The Manager of the Trust changed from Waystone Fund Services (UK) Limited to Waystone Management (UK) Limited ('WMUK').
- The Trustee of the Trust changed from NatWest Trustee & Depositary Services Limited to The Bank of New York Mellon (International) Limited.
- The Custodian of the Trust changed from The Northern Trust Company to The Bank of New York Mellon (International) Limited.
- The Registrar of the Trust changed from Waystone Fund Services (UK) Limited to Link Fund Administrators Limited.
- The Fund Accountant of the Trust changed from Waystone Fund Services (UK) Limited to The Bank of New York Mellon (International) Limited.

With effect from 28 June 2024, the registered office of the Manager has changed to 3rd Floor, Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL.

### Investment Objective and Policy

The Trust aims to achieve capital growth in excess of the Investment Association's ('IA') UK All Companies Sector average over rolling periods of 5 years (after charges), through a portfolio of responsibly screened UK listed companies.

The Trust will invest at least 80% of its net asset value in a concentrated portfolio of equity or equity-related securities of UK companies listed on the London Stock Exchange (LSE) diversified by sector, industry and market capitalisation. UK companies are those incorporated or domiciled in the UK.

Starting with all such companies listed on the LSE, the Trust's investible universe will be determined by removing:

- companies that, in the view of the Investment Manager, are not considered sufficiently financially robust based on valuation and quality criteria;
- companies identified by reference to their industry sector including those directly involved in: alcohol; gambling; weapons; pornography; tobacco; industries that involve large-scale extraction practices. The pre-determined list of excluded sectors is set out in section 14 of the Prospectus but is subject to change from time to time.

## MANAGER'S REPORT continued

### Investment Objective and Policy continued

Within this resulting universe, the Investment Manager conducts its own assessment and research (supplemented by 3rd party specialist research where necessary) and measures the companies' ability and measures taken to be accountable to society, to address their environmental impact and to meet appropriate corporate governance requirements (the "Responsible Factors"). The Investment Manager will rank and apply an assessment process focussed on these Responsible Factors, selecting those companies that satisfy the Investment Manager's investment criteria.

The Trust will be concentrated, typically comprising of between 25 and 35 holdings, although the number of holdings may from time to time fall outside of this range.

The Investment Manager will monitor the investments held and will, using its discretion and acting in the best interests of investors, seek, at the timing of its choice, to dispose of those holdings where the company no longer meets the Investment Manager's criteria for the investment universe and/or its responsible investment criteria.

The Trust will be actively managed.

Up to 20% of the Trust may be invested in shares of responsibly screened non-UK companies listed on the LSE. Accordingly, up to 100% of the Trust's net asset value could be invested in responsibly screened companies (both UK and non-UK). To the extent that the Trust is not fully invested, investments may also be made in cash-like instruments, such as money market instruments, deposits, cash and near cash. Such investments are not intended to be more than 20% in aggregate of the value of the Trust.

Derivatives may be used for efficient portfolio management purposes to reduce risk or cost or to generate additional capital or income. The use of derivatives is expected to be limited.

### Benchmark

The Trust is managed to achieve returns in excess of the IA UK All Companies Sector average over rolling 5-year periods. Although the IA UK All Companies Sector average is not a responsibly screened benchmark, it has been chosen as a target benchmark as it represents the performance of a broad peer group of UK-based companies available to UK based investors, the outcomes of which are representative of the opportunity set for UK equities.

Please note the Trust is not constrained by or managed to the IA UK All Companies Sector and there is no guarantee that the target will be met.

The IA UK All Companies Sector average is a Target Benchmark of the Trust.

## MANAGER'S REPORT continued

### Remuneration Policy

Waystone Management (UK) Limited ('WMUK') is committed to ensuring that its remuneration policies and practices are consistent with, and promote, sound and effective risk management. WMUK's remuneration policy is designed to ensure that excessive risk taking is not encouraged by or within WMUK including in respect of the risk profile of the funds it operates, to manage the potential for conflicts of interest in relation to remuneration (having regard, inter alia, to its formal conflicts of interest policy) and to enable WMUK to achieve and maintain a sound capital base.

None of WMUK's staff receives remuneration based on the performance of any individual fund. WMUK acts as the operator of both UK UCITS funds and Alternative Investment Funds ('AIFs').

WMUK delegates portfolio management for the funds to various investment management firms. The portfolio managers' fees and expenses for providing investment management services are paid by the Manager out of its own remuneration under the Manager agreement. The investment management firms may make information on remuneration publicly available in accordance with the disclosure requirements applicable to them. This disclosure is in respect of WMUK activities (including activities performed by its sister company Link Fund Administrators Limited (LFAL) or by employees of that entity), and excludes activities undertaken by third party investment management firms. WMUK staff do not perform duties solely for particular funds, nor are they remunerated by reference to the performance of any individual fund. Accordingly, the information below is for WMUK as a whole. No attempt has been made to attribute remuneration to the Trust itself.

Information on WMUK's remuneration arrangements is collated annually, as part of its statutory accounts preparation processes. Accordingly, the information disclosed relates to the year ended 31 December 2023, being the most recent accounting period for which accounts have been prepared by WMUK prior to the production of these accounts. As at 31 December 2023, WMUK operated 83 UK UCITS and 119 AIFs, whose respective assets under management ('AuM') were £36,868 million and £52,751 million.

MANAGER’S REPORT continued

Remuneration Policy continued

The disclosure below represents that required under FUND 3.3.5R (5) and (6) for funds subject to AIFMD obligations.

2023	Number of beneficiaries	Fixed £'000	Variable £'000	Total £'000
Total amount of remuneration paid by WMUK for the financial year to 31 December 2023	166	3,223	324	3,547
Total amount of remuneration paid to members of staff whose activities have a material impact on the risk profile of the funds for the financial year to 31 December 2023				
Senior management (incl all Board members)	7	390	104	494
Staff engaged in control functions	11	411	86	497
Risk takers and other identified staff	17	461	50	511
Any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	-	-	-	-

WMUK’s remuneration arrangement includes fixed salaries, contributory pension arrangements and certain other benefits, and the potential for discretionary bonuses. The amount available for payment of discretionary bonuses is dependent on satisfactory performance by WMUK, and the Waystone Group as a whole, rather than the performance of any individual fund. Bonuses may then be paid to staff to reflect their contribution to WMUK’s success. The precise metrics used vary by function, but consideration is given to both qualitative and quantitative measures.

Further details can be found at: <https://www.fundsolutions.net/media/jyujy1n3/wmuk-explanation-of-compliance-with-remuneration-code.pdf>.

On 11 March 2024 the Manager of the Trust changed from Waystone Fund Services (UK) Limited (WFSL) to Waystone Management (UK) Limited. The disclosure above relates to WMUK only and so does not include the remuneration amounts paid to WFSL staff for the financial year to 31 December 2023.

Securities Financing Transactions

The Trust has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions). No such transactions have been undertaken in the period covered by this report.

## MANAGER'S REPORT continued

### Task Force on Climate-related Financial Disclosures ('TCFD')

In accordance with current Financial Conduct Authority rules, the Manager is required to publish its own TCFD report and that of each fund. The report can be found at TCFD Reporting ([fundsolutions.net/tcfd-reporting](https://fundsolutions.net/tcfd-reporting)) and the report of the Trust can be found at <https://www.fundsolutions.net/uk/t-bailey/ws-t-bailey-funds/tcfd-reporting-ws-t-bailey-uk-responsibly-invested-equity-fund/>.

Prior to accessing the report of the Trust there is a link to the 'TCFD Reporting Guide' which provides an explanation of the TCFD report.

### Value Assessment

In accordance with current Financial Conduct Authority rules, the Manager is required to carry out an annual assessment on whether the Trust provides value to investors. The outcome of the latest assessment is available on the Manager's website.

### WAYSTONE MANAGEMENT (UK) LIMITED

Manager of WS T. Bailey UK Responsibly Invested Equity Fund  
25 July 2024

## MANAGER'S REPORT continued

### INVESTMENT MANAGER'S REPORT

#### for the year ended 31 March 2024

#### Investment Review

The past twelve months are split almost but not quite evenly, by two distinct periods. The first period from April to October was a tough environment for financial markets and their investors to counter on the back of how far interest rates would need to rise to curb inflation in the US, UK and Europe having been too low through most of the previous year in the hope that rising inflation was a temporary phenomenon.

In Japan, signs of inflation were good news for an economy mired in deflation for many years. China's post-lockdown demand surge failed to materialise. Some large US companies related to the development of artificial intelligence performed strongly having fallen precipitously during 2022. These companies led stock market performance returns into the start of 2024, led by Nvidia. Other than these so called 'Magnificent Seven' companies, equities struggled not least due to the impact of rising bond yields reflecting rising official interest rate, on valuations.

On October 7th 2023, Israel came under sustained attack from Iranian-sponsored Hamas. Already fragile markets were undermined by this new and unexpected event. However, November began with a more optimistic backdrop as the Middle East situation hadn't yet spread and importantly for oversold markets, signs that inflation was moderating and the peak in interest rates was in sight after numerous official interest rate increases in the US, UK and Europe. The resultant risk asset rally was given further fuel by US Federal Reserve ('the Fed') Chair, Jay Powell in a dovish speech after the Fed's December meeting. At one point, futures markets were predicting seven 0.25% rate cuts in the US in 2024. Similar yet fewer rate cuts were predicted in the UK and EU.

Despite futures markets becoming over-optimistic and having to scale back the magnitude of rate cuts in 2024, the equity rally continued and broadened to mid and smaller companies in the US, UK and EU. Inflation has fallen in those three regions but remains above central banks' two per cent targets. The UK economy has fared better than expected of late, helping UK sentiment. Recession was briefly and technically recorded in the UK before economic activity improved. The prediction of a recession in the US by many economic strategists, failed to materialise.

Bond markets have found the tapering of official rate cut estimates and stickier than expected inflation, coupled with still tight labour markets, a challenge. While corporate bond spreads have remained tight, the instruments to which they are valued, government bonds, have found the investment landscape tough with rising yields delivering a negative return over the past six months.

Commodity prices have been a positive story overall, led by gold's increased popularity in an uncertain world, leading to central bank buying. Copper has been another highlight with broad and increasing demand from multiple themes met with tight to declining supply. Understandably, oil although volatile, improved over the period reviewed.

The strength of the rally in UK and global equities over the November 2023 to March 2024 propelled the Trust to positive outcomes for the year to end March 2024.

## MANAGER'S REPORT continued

## INVESTMENT MANAGER'S REPORT continued

### Fund Activity – 1 April 2023 to 31 March 2024

The Trust returned 5.93% over the review period, underperforming its target benchmark, the IA UK All Companies, which returned 7.61%.

Changes to the holdings in this Trust revolve around its quantitative approach to investing in financially robust companies that pass stringent financial metrics before being subject to a proprietary qualitative analysis, 'CleanScreen', that ensures the Trust is exposed to responsibly aware companies in line with the Trust's title. There are also changes that occur when a portfolio company's valuation becomes too stretched, increasing the risk of a lower share price to the detriment of the Trust so a sale is initiated. During the course of the past year, the number of holdings was reduced to the minimum of twenty-five before increasing to twenty-eight at the end of the period as new opportunities arose.

### Outlook

Entering the second quarter of 2024, financial markets will continue to be preoccupied with progress to lower inflation in the US and UK and whether that allows room for interest rate cuts beyond what is already priced into markets. Lower interest rates would appear to be on the cards in the EU after European Central Bank President, Christine Lagarde's recent comments.

After a five month rally in global equities, earnings need to validate current valuations for those larger, artificial intelligence related companies that have been in vogue for the past year. Elsewhere in global equities, valuations look less challenging overall with better value in the UK's small and mid-sized companies plus Japan where, despite setting a new record high for the Nikkei 225 earlier this year, that market still looks attractive on a relative and absolute basis. Within themes, energy transition looks to have the best prospects based on valuation, interest rate outlook and governmental support in a number of jurisdictions.

Bonds may be approaching reasonably attractive yield levels in the US and UK, especially if inflation continues to fall.

However, the overriding concern for financial markets as April and the new accounting year gets underway is potential conflict escalation in the Middle East. While that concern remains, gold and oil will remain supported. Copper remains a commodity with restricted supply and long-term demand.

### T. BAILEY ASSET MANAGEMENT LIMITED

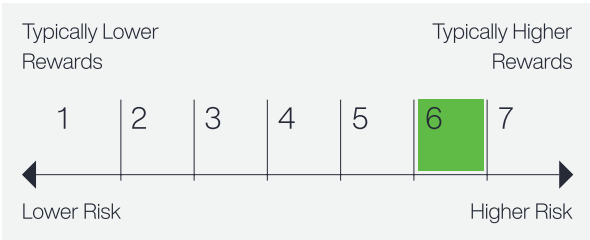
Investment Manager

15 April 2024

MANAGER’S REPORT continued

TRUST INFORMATION

Risk and Reward Profile



The Risk and Reward Indicator table demonstrates where the Trust 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 Trust. The shaded area in the table above shows the Trust’s ranking on the Risk and Reward Indicator.

As the Trust launched on 14 February 2022, the indicator has been calculated based in part on the volatility of the Investment Association UK All Companies Sector (GBP) average over the last five years (in total return and GBP terms).

The Trust is in the above risk category because it invests in units.

A limited number of investments may be held which has the potential to increase the volatile performance over shorter time periods.

The lowest category does not mean a trust is a risk free investment.

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Trust will meet its stated objectives.

Whilst the intention of using derivatives is to reduce risk, this outcome is not guaranteed and derivatives involve additional risks which could lead to losses.

There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Trust.

For more information about the Trust’s risks please see the Risk Factors section of the Prospectus which is available at [www.waystone.com](http://www.waystone.com).

## MANAGER'S REPORT continued

### TRUST INFORMATION continued

#### Comparative Tables

##### I ACCUMULATION UNITS

CHANGE IN NET ASSETS PER UNIT	31.03.24 pence per unit	31.03.23 <sup>1</sup> pence per unit
Opening net asset value per unit	86.78	100.00
Return before operating charges*	6.14	(12.53)
Operating charges	(0.58)	(0.69)
Return after operating charges	5.56	(13.22)
Distributions	(2.53)	(1.79)
Retained distributions on accumulation units	2.53	1.79
Closing net asset value per unit	92.34	86.78
* after direct transaction costs of:	0.23	0.79

##### PERFORMANCE

Return after charges	6.41%	(13.22)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	23,557	21,476
Closing number of units	25,510,516	24,748,685
Operating charges	0.63%	0.71% <sup>2</sup>
Direct transaction costs	0.25%	0.80% <sup>2</sup>

##### PRICES

Highest unit price	92.47	100.00
Lowest unit price	91.04	78.38

<sup>1</sup> The Trust launched on 14 February 2022.

<sup>2</sup> Annualised figure due to unit class launched more than 1 year.

## MANAGER'S REPORT continued

### TRUST INFORMATION continued

#### Comparative Tables continued

##### F ACCUMULATION UNITS

CHANGE IN NET ASSETS PER UNIT	31.03.24 pence per unit	31.03.23 <sup>1</sup> pence per unit
Opening net asset value per unit	86.62	100.00
Return before operating charges*	6.12	(12.54)
Operating charges	(0.71)	(0.84)
Return after operating charges	5.41	(13.38)
Distributions	(2.38)	(1.65)
Retained distributions on accumulation units	2.38	1.65
Closing net asset value per unit	92.03	86.62
* after direct transaction costs of:	0.23	0.79

##### PERFORMANCE

Return after charges	6.25%	(13.38)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	9	9
Closing number of units	10,056	10,000
Operating charges	0.78%	0.86% <sup>2</sup>
Direct transaction costs	0.25%	0.80% <sup>2</sup>

##### PRICES

Highest unit price	92.15	100.00
Lowest unit price	90.74	78.29

<sup>1</sup> The Trust launched on 14 February 2022.

<sup>2</sup> Annualised figure due to unit class launched more than 1 year.

## MANAGER'S REPORT continued

### TRUST INFORMATION continued

#### Comparative Tables continued

##### S ACCUMULATION UNITS

CHANGE IN NET ASSETS PER UNIT	31.03.24 pence per unit	31.03.23 <sup>1</sup> pence per unit
Opening net asset value per unit	86.48	100.00
Return before operating charges*	6.13	(12.53)
Operating charges	(0.85)	(0.99)
Return after operating charges	5.28	(13.52)
Distributions	(2.26)	(1.52)
Retained distributions on accumulation units	2.26	1.52
Closing net asset value per unit	91.76	86.48
* after direct transaction costs of:	0.23	0.79

##### PERFORMANCE

Return after charges	6.11%	(13.52)%
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##### OTHER INFORMATION

Closing net asset value (£'000)	307	92
Closing number of units	334,183	105,877
Operating charges	0.93%	1.01% <sup>2</sup>
Direct transaction costs	0.25%	0.80% <sup>2</sup>

##### PRICES

Highest unit price	91.89	100.00
Lowest unit price	90.48	78.22

<sup>1</sup> The Trust launched on 14 February 2022.

<sup>2</sup> Annualised figure due to unit class launched more than 1 year.

MANAGER’S REPORT continued  
TRUST INFORMATION continued

Trust Performance to 31 March 2024 (%)

	1 year	Since launch <sup>1</sup>
WS T. Bailey UK Responsibly Invested Equity Fund	5.93	(8.11)
IA UK All Companies <sup>2</sup>	7.61	3.94

<sup>1</sup> Trust launched on 14 February 2022.

<sup>2</sup> Source: Morningstar Direct.

The performance of the Trust is based on the published price per S Accumulation unit which includes reinvested income.

The performance of the Trust disclosed in the above table may differ from the ‘Return after charges’ disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the year end, rather than the year end return after operating charges.

Details of the distributions per unit for the year are shown in the Distribution Table on page 43.

RISK WARNING

An investment in a unit trust should be regarded as a medium to long term investment. Investors should be aware that the price of units and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not necessarily a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**MANAGER'S REPORT** continued  
**PORTFOLIO STATEMENT**  
as at 31 March 2024

Holding	Portfolio of Investments	Value £'000	31.03.24 %
	UK EQUITIES – 81.70% (31.03.23 – 88.10%)		
258,000	AJ Bell	780	3.27
11,190	AstraZeneca	1,195	5.00
132,635	Beazley UK	883	3.70
32,190	Bellway	858	3.59
20,897	Clarkson	837	3.51
27,876	Computacenter	751	3.15
35,269	Halma	833	3.49
47,177	Hikma Pharmaceuticals	905	3.79
49,526	IMI	899	3.76
23,273	Intertek	1,159	4.85
7,834	Judges Scientific	791	3.31
231,036	Marshalls	633	2.65
67,636	Mondi	943	3.95
282,429	Morgan Advanced	805	3.37
39,130	Morgan Sindall	908	3.80
416,922	NCC	518	2.17
62,497	Next Fifteen Communications	577	2.42
28,790	Oxford Instruments	610	2.56
253,309	Pets at Home	680	2.85
184,040	Ricardo	836	3.50
26,505	Savills	283	1.19
79,387	Smith & Nephew	787	3.30
23,883	Spectris	790	3.31
289,490	Tyman	838	3.51
176,000	XPS Pensions	405	1.70
	TOTAL UK EQUITIES	19,504	81.70
	IRELAND EQUITIES – 3.64% (31.03.23 – 6.80%)		
338,794	Origin Enterprises	869	3.64

MANAGER’S REPORT continued  
PORTFOLIO STATEMENT continued  
as at 31 March 2024

Holding	Portfolio of Investments	Value £'000	31.03.24 %
	JERSEY EQUITIES – 8.56% (31.03.23 – 0.00%)		
29,000	Experian	1,002	4.20
390,000	Man	1,041	4.36
	TOTAL JERSEY EQUITIES	2,043	8.56
	Portfolio of investments	22,416	93.90
	Net other assets	1,457	6.10
	Net assets	23,873	100.00

The investments have been valued in accordance with note 1(F) of the Accounting Policies and are ordinary shares listed on a regulated market.

MANAGER’S REPORT continued  
SUMMARY OF MATERIAL PORTFOLIO CHANGES  
for the year ended 31 March 2024

Total purchases for the year £'000 (note 16)	14,317	Total sales for the year £'000 (note 16)	13,066
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Mondi	2,893	Mondi	1,928
AstraZeneca	1,204	Hill & Smith	1,076
Ricardo	1,070	Bytes Technology	1,005
Spirent Communications	1,053	CVS Group	831
Experian	973	Diploma	769
Man	929	Smurfit Kappa	724
Pets at Home	917	Mattioli Woods	708
AJ Bell	782	FDM	686
Oxford Instruments	632	Spirent Communications	669
Next Fifteen Communications	623	Polar Capital	660

The summary of material portfolio changes represents the 10 largest purchases and sales during the year.

## MANAGER'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook, as issued and amended by the Financial Conduct Authority.

K.J. MIDL

A.M. BERRY

### WAYSTONE MANAGEMENT (UK) LIMITED

Manager of WS T. Bailey UK Responsibly Invested Equity Fund  
25 July 2024

## STATEMENT OF MANAGER'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook published by the Financial Conduct Authority ('the COLL Sourcebook') requires the Manager to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Trust and of the net revenue/expense and net capital gains/losses 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 UK Authorised Funds issued by the Investment Association in May 2014;
- 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 wind up 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; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

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

## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee of WS T. Bailey UK Responsibly Invested Equity Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the 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 Trust and its investors.

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

The Trustee must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in 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 Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Manager which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

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

## REPORT OF THE TRUSTEE

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

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

### THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED

Trustee of WS T. Bailey UK Responsibly Invested Equity Fund

25 July 2024

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF WS T. BAILEY UK RESPONSIBLY INVESTED EQUITY FUND

### Report on the Audit of the Financial Statements

#### Opinion

In our opinion the financial statements of WS T. Bailey UK Responsibly Invested Equity Fund ('the Trust'):

- give a true and fair view of the financial position of the Trust as at 31 March 2024 and of the net revenue and the net capital profit/losses on the property of the Trust for the period ended 31 March 2024; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds', the rules in the Collective Investment Schemes Sourcebook and the Trust Deed.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the related notes 1 to 17; and
- the distribution tables.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: 'Financial Statements of UK Authorised Funds' issued by the Investment Association in May 2014, as amended in June 2017, the Collective Investment Schemes Sourcebook 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's responsibilities for the audit of the financial statements section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF WS T. BAILEY UK RESPONSIBLY INVESTED EQUITY FUND continued

### Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Authorised Fund Manager's ('Manager') 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.

### Responsibilities of the Trustee and Manager

As explained more fully in the Statement of Trustee's Responsibilities and the Statement of the Manager's Responsibilities, the Trustee is responsible for the safeguarding of the property of the Trust and 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 liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF WS T. BAILEY UK RESPONSIBLY INVESTED EQUITY FUND continued

### 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.

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.

Our assessment focused on key laws and regulations the Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included, but were not limited to, compliance with the Collective Investment Schemes sourcebook of the Financial Conduct Authority ('COLL'), the relevant trust deed, the statement of Recommended Practice: 'Financial Statements of Authorised Funds' issued by the Investment Management Association in May 2014 ('the SORP'), United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Trust to assess compliance with provisions of relevant laws and regulations. This included ensuring compliance with the Collective Investment Schemes Sourcebook.
- obtaining an understanding of the Trust's policies and procedures and how the Trust has complied with these, through discussions and process walkthroughs.
- obtaining an understanding of the Trust's risk assessment process, including the risk of fraud, designing our audit procedures to respond to our risk assessment. This included performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- enquiring of management concerning actual and potential litigation and claims and understanding whether there have been instances of non-compliance with laws and regulations; and
- reviewing minutes of those charged with governance and reviewing correspondence with the FCA.

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF WS T. BAILEY UK RESPONSIBLY INVESTED EQUITY FUND continued

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

### Report on Other Legal and Regulatory Requirements

#### Opinion on Other Matters Prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the Trust have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the Manager's report for the period ended 31 March 2024 is consistent with the financial statements.

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF WS T. BAILEY UK RESPONSIBLY INVESTED EQUITY FUND continued

### Use of Our Report

This report is made solely to the Trust's unitholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. 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.

### COOPER PARRY GROUP LIMITED

Statutory Auditor  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
25 July 2024

## FINANCIAL STATEMENTS

### STATEMENT OF TOTAL RETURN

for the year ended 31 March 2024

	Notes	£'000	31.03.24 £'000	£'000	14.02.22 to 31.03.23 £'000
Income:					
Net capital gains/(losses)	3		777		(644)
Revenue	4	792		339	
Expenses	5	(142)		(99)	
Interest payable and similar charges	7	—		(1)	
Net revenue before taxation		650		239	
Taxation	6	—		—	
Net revenue after taxation			650		239
<b>Total return before distributions</b>			1,427		(405)
Distributions	8		(650)		(239)
<b>Change in net assets attributable to unitholders from investment activities</b>			777		(644)

FINANCIAL STATEMENTS continued

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the year ended 31 March 2024

	Notes	£'000	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Opening net assets attributable to unitholders			21,577	–
Amounts receivable on issue of units		892		21,748
Amounts payable on redemption of units		<u>(32)</u>		<u>(10)</u>
			860	21,738
Dilution levy	1(H)		6	39
Change in net assets attributable to unitholders from investment activities			777	(644)
Retained distributions on Accumulation units	8		<u>653</u>	<u>444</u>
Closing net assets attributable to unitholders			<u>23,873</u>	<u>21,577</u>

FINANCIAL STATEMENTS continued  
BALANCE SHEET  
as at 31 March 2024

	Notes	31.03.24 £'000	31.03.23 £'000
ASSETS			
Fixed assets			
Investments		22,416	20,485
Current assets			
Debtors	9	81	43
Cash and bank balances	10	1,392	1,070
Total assets		23,889	21,598
LIABILITIES			
Creditors			
Other creditors	11	(16)	(21)
Total liabilities		(16)	(21)
Net assets attributable to unitholders		23,873	21,577

## FINANCIAL STATEMENTS continued

### NOTES TO THE FINANCIAL STATEMENTS

#### for the year ended 31 March 2024

#### 1. Accounting Policies

The principal accounting policies, which have been applied in both the current year and prior period, are set out below.

##### (A) BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The Manager has made an assessment of the Trust's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The Manager also considered the Trust's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

##### (B) RECOGNITION OF REVENUE

Dividends on quoted equities are recognised when the securities are quoted ex-dividend.

Interest on bank and other cash deposits is recognised on an accruals basis.

Revenue is recognised gross of any withholding taxes but excludes attributable tax credits.

##### (C) TREATMENT OF EXPENSES

All expenses, except for those relating to the purchase and sale of investments, are charged against revenue.

##### (D) ALLOCATION OF REVENUE AND EXPENSES TO MULTIPLE UNIT CLASSES AND TRUST

Any revenue or expense not directly attributable to a particular unit class or Trust will normally be allocated pro-rata to the net assets of the relevant unit classes and Trust, unless a different allocation method is deemed more appropriate by the Manager.

All unit classes are ranked pari passu and have no particular rights or terms attached, including rights on winding up.

##### (E) TAXATION

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

## FINANCIAL STATEMENTS continued

### NOTES TO THE FINANCIAL STATEMENTS continued

#### for the year ended 31 March 2024

Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against the corporation tax payable by way of double tax relief and where this is the case the offset is reflected in the tax charge.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

#### (F) BASIS OF VALUATION OF INVESTMENTS

All investments are valued at their fair value as at close of business on the last business day of the financial year.

Quoted investments are valued at fair value which generally is the bid price, excluding any accrued interest in the case of debt securities. Accrued interest on debt securities is included in revenue.

Collective investment schemes are valued at published bid prices for dual priced funds and at published prices for single priced funds.

Structured products for which a price can only be obtained from the issuer are valued at the fair value per the issuer and the value is confirmed by an independent price provider by reference to the terms as defined in the term sheet of the structured product.

For investments for which there is no quoted price or for which the quoted price is unreliable, fair value is determined by the Manager, taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance, maturity of the company and other relevant factors.

#### (G) EXCHANGE RATES

The base and functional currency of the Trust is pounds sterling. Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the exchange rate prevailing at close of business on the last business day of the financial year.

#### (H) DILUTION LEVY

The Manager may require a dilution levy on the purchase and redemption of units if, in its opinion, the existing unitholders (for purchases) or remaining unitholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property of a Trust is in continual decline; on a Trust experiencing large levels of net purchases relative to its size; on 'large deals' (typically being a purchase or redemption of units to a size exceeding 5% of the Net Asset Value of the relevant Trust); in any case where the Manager is of the opinion that the interests of existing or remaining unitholders require the imposition of a dilution levy.

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued**for the year ended 31 March 2024****(I) PORTFOLIO TRANSACTION COSTS**

Direct transaction costs may consist of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Debt security investments have no separately identifiable transaction costs as they form part of the dealing spread. Indirect transaction costs may be incurred on transactions in underlying schemes but these do not form part of the direct transaction costs disclosures. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The average portfolio dealing spread disclosed is the difference between the bid and offer prices of investments at the balance sheet date, including the effect of foreign exchange, expressed as a percentage of the value determined by reference to the offer price.

**2. Distribution Policies**

Surplus revenue after expenses and taxation, as disclosed in the financial statements, after adjustment for items of a capital nature charged against revenue, is distributable to unitholders. Any deficit of revenue is deducted from capital.

Interim distributions may be made at the Manager's discretion. Final distributions are made in accordance with the COLL Sourcebook.

Distributions which have remained unclaimed by unitholders for more than six years are credited to the capital property of the Trust.

The ordinary element of stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue of the Trust. In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of any distribution.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. Amounts recognised as capital are deducted from the cost of the investment. The tax accounting treatment follows the treatment of the principal amount.

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 31 March 2024

**3. Net Capital Gains/(Losses)**

The net capital gains/(losses) during the current year and prior period comprise:

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Non-derivative securities	805	(642)
Transaction charges	(1)	(2)
Currency losses	(27)	–
Net capital gains/(losses)	777	(644)

**4. Revenue**

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Non-taxable dividends	740	319
Bank interest	52	20
Total revenue	792	339

**5. Expenses**

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual Management Charge	103	65
Administration fees	10	11
Registration fees	4	4
	117	80

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 31 March 2024

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	9	8
Safe custody and other bank charges	1	–
	10	8
Other expenses:		
Audit fees	10	8
Tax compliance fees	5	3
	15	11
Total expenses	142	99

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services are paid by the Manager out of its remuneration.

**6. Taxation**

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
a) Analysis of charge for the year/period		
Corporation tax at 20%	–	–
Current tax charge	–	–
Deferred tax – origination and reversal of timing differences (note 6c)	–	–
Total taxation (note 6b)	–	–

## b) Factors affecting the tax charge for the year/period

The tax assessed for the year/period differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (31.03.23: 20%). The difference is explained below:

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Net revenue before taxation	650	239
Corporation tax at 20%	130	48

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 31 March 2024

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Effects of:		
Non-taxable dividends	(148)	(64)
Unutilised excess management expenses	18	16
Corporation tax charge	—	—
Total tax charge (note 6a)	—	—

## c) Deferred tax

At the year end there is a potential deferred tax asset of £34,000 (31.03.23: £16,000) due to tax losses of £169,000 (31.03.23: £80,000). It is unlikely that the Trust will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised in the current year or prior period.

**7. Interest Payable and Similar Charges**

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Interest payable	—	1
Total interest payable and similar charges	—	1

**8. Distributions**

The distributions take account of revenue received on the issue of units and revenue deducted on redemption of units, and comprise:

	31.03.24 £'000	14.02.22 to 31.03.23 £'000
Final	653	444
	653	444
Deduct: Revenue received on issue of units	(3)	(205)
Net distributions for the year/period	650	239

Details of the distributions per unit are set out in the table on page 43.

**FINANCIAL STATEMENTS** continued  
**NOTES TO THE FINANCIAL STATEMENTS** continued  
for the year ended 31 March 2024

## 9. Debtors

	31.03.24 £'000	31.03.23 £'000
Amounts receivable for issue of units	–	3
Accrued revenue:		
Non-taxable dividends	58	33
Taxation recoverable:		
Overseas withholding tax	23	7
Total debtors	81	43

## 10. Cash and Bank Balances

	31.03.24 £'000	31.03.23 £'000
Bank balances	1,392	1,070
Total cash and bank balances	1,392	1,070

## 11. Other Creditors

	31.03.24 £'000	31.03.23 £'000
Accrued expenses:		
Amounts payable to the Manager, associates of the Manager and agents of either of them:		
Annual Management Charge	6	8
Administration fees	1	1
	7	9
Amounts payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	1	1
Other expenses	8	11
Total other creditors	16	21

**FINANCIAL STATEMENTS** continued  
**NOTES TO THE FINANCIAL STATEMENTS** continued  
for the year ended 31 March 2024

**12. Related Party Transactions**

The Annual Management Charge and administration fees payable to Waystone Management (UK) Limited ('WMUK') ('the Manager') and registration fees payable to Link Fund Administrators Limited (an associate of the Manager) are disclosed in note 5 and amounts due at the year end are disclosed in note 11.

The aggregate monies received by the Manager through the issue of units and paid on redemption of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders on page 28. There were no amounts due at the year end.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 92,535 of the Trust's units at the balance sheet date. T. Bailey Asset Management Limited held 30,000 of the Trust's units at the balance sheet date.

A unitholder may be able to exercise significant influence over the financial and operating policies of the Trust and as such is deemed to be a related party. At the balance sheet date the following unitholder held in excess of 20% of the units in issue of the Trust:

Harbour Investments 89.95% (31.03.23: 93.50%)

**13. Contingent Liabilities and Commitments**

There are no contingent liabilities or unrecorded outstanding commitments (31.03.23: none).

**14. Units in Issue**

	I Accumulation	F Accumulation	S Accumulation
Annual Management Charge	0.45%	0.60%	0.75%
Opening units in issue	24,748,685	10,000	105,877
Issues	761,836	56	264,810
Redemptions	(5)	–	(36,504)
Closing units in issue	25,510,516	10,056	334,183

**15. Risk Management Policies**

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for Efficient Portfolio Management (including hedging) purposes.

## FINANCIAL STATEMENTS continued

### NOTES TO THE FINANCIAL STATEMENTS continued

#### for the year ended 31 March 2024

The main risks from the Trust's holding of financial instruments, together with the Manager's policy for managing these risks, are set out below:

The Manager has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a trust and how the Manager seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both the framework and the risk mitigations operated by the Manager in managing the identified risks of the Trust. The Manager requires that the appointed Investment Manager to the Trust has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the trust managed.

#### (A) CREDIT RISK

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Trust has fulfilled its obligations. As part of its due diligence process, the Manager undertakes a review of the controls operated over counterparties by the Investment Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the Manager has policies in place which set out the minimum credit quality expected of a market counterparty or deposit taker at the outset of the transaction.

#### (B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Trust's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate securities and on bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

As the Trust seeks to obtain its return from investing in equities and has no significant exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

#### (C) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the Sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than Sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the Sterling equivalent value.

Where the Trust invests in non-Sterling assets, the Investment Manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

FINANCIAL STATEMENTS continued  
NOTES TO THE FINANCIAL STATEMENTS continued  
for the year ended 31 March 2024

The table below shows the direct foreign currency risk profile:

	31.03.24 £'000	31.03.23 £'000
Currency:		
Euros	893	740
US dollars	<u>32</u>	<u>17</u>
	925	757
Pounds sterling	<u>22,948</u>	<u>20,820</u>
Net assets	<u>23,873</u>	<u>21,577</u>

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £46,000 on the net assets of the Trust (31.03.23: £38,000).

(D) LEVERAGE

The Trust did not employ any significant leverage in the current year or prior period.

(E) LIQUIDITY RISK

The main liability of the Trust is the redemption of any units that investors want to sell. Investments may have to be sold to fund such redemptions should insufficient cash be held at the bank to meet this obligation. The Manager monitors the liquidity profile of the Trust daily.

In assessing the liquidity profile of the Trust, the Manager assesses how much of the Trust can be realised in one and five days, under normal and stressed market conditions, and the impact this would have on the overall subsequent liquidity profile.

In assessing the liquidity of a company’s shares, the Manager utilises the lower of the 5 and 20 day average market volume of that company’s shares. An in depth review takes place by assessing the liquidity profile of the Trust against a 25% market participation of the average daily volume.

Based on this analysis 94.20% of the portfolio can be liquidated within 5 days and 96.55% within 21 working days. Given this and the Manager’s understanding of the investor base, it is considered that the liquidity profile of the Trust is appropriate.

All financial liabilities are payable in one year or less, or on demand.

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 31 March 2024

**(F) MARKET PRICE RISK**

Market price risk is the risk that the value of the Trust's financial instruments will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises primarily from uncertainty about the future prices of financial instruments that the Trust holds.

Market price risk represents the potential loss the Trust may suffer through holding market positions in the face of price movements. The Trust's investment portfolio is exposed to price fluctuations, which are monitored by the Manager in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 5% increase in the value of the Trust's portfolio would have the effect of increasing the return and net assets by £1,121,000 (31.03.23: £1,024,000). A 5% decrease would have an equal and opposite effect.

**(G) DERIVATIVES**

The Trust held no derivatives during the current year or prior period.

**16. Portfolio Transaction Costs**

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
<b>31.03.24</b>				
Ordinary shares	14,266	44	7	14,317
Purchases total	14,266	44	7	14,317
Transaction cost % of purchases total		0.31%	0.05%	
Transaction cost % of average NAV		0.19%	0.03%	
Ordinary shares	13,071	(6)	–	13,066
Sales total	13,071	(6)	–	13,066
Transaction cost % of sales total		0.05%	–	
Transaction cost % of average NAV		0.03%	–	

Average portfolio dealing spread at 31.03.24 is 0.50% (31.03.23: 0.74%).

**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 31 March 2024

31.03.23	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	25,763	113	–	25,876
Purchases total	25,763	113	–	25,876
Transaction cost % of purchases total		0.44 %	–	
Transaction cost % of average NAV		0.90 %	–	
Ordinary shares	4,754	(2)	–	4,752
Sales total	4,754	(2)	–	4,752
Transaction cost % of sales total		0.04 %	–	
Transaction cost % of average NAV		0.02 %	–	

**17. Fair Value Hierarchy**

Investments are categorised into the following levels based on their fair value measurement:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within Level 1;

Level 3: Valuation techniques using unobservable inputs (see note 1(F) of the Accounting Policies).

All investments held in the current period are ordinary shares categorised as Level 1.

FINANCIAL STATEMENTS continued  
NOTES TO THE FINANCIAL STATEMENTS continued  
for the year ended 31 March 2024

18. Subsequent Events

As at 18 July 2024, the price of each of the Trust’s unit classes, compared to that at the balance sheet date, has moved as follows:

Unit class	Balance sheet date	18.07.24	Movement
I Accumulation	92.47	102.94	11.33%
F Accumulation	92.15	102.54	11.27%
S Accumulation	91.89	101.20	11.22%

The increase is primarily due to the favourable market conditions. These accounts were approved on 25 July 2024.

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 31 March 2024 – in pence per unit

EQUALISATION

Equalisation applies only to units purchased during the distribution period (Group 2 units – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the units. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the units for Capital Gains Tax purposes. Where there is no distribution at interim, the final distribution is deemed to run for the whole year.

Group 2	Final
From	01.04.23
To	31.03.24

I ACCUMULATION UNITS

Final	Net Revenue	Equalisation	Allocation 31.05.24	Allocated 31.05.23
Group 1	2.5280	–	2.5280	1.7857
Group 2	2.5280	0.0000	2.5280	1.7857

F ACCUMULATION UNITS

Final	Net Revenue	Equalisation	Allocation 31.05.24	Allocated 31.05.23
Group 1	2.3844	–	2.3844	1.6527
Group 2	1.7773	0.6071	2.3844	1.6527

S ACCUMULATION UNITS

Final	Net Revenue	Equalisation	Allocation 31.05.24	Allocated 31.05.23
Group 1	2.2560	–	2.2560	1.5218
Group 2	1.2542	1.0018	2.2560	1.5218

## GENERAL INFORMATION

### Classes of Units

The Trust may issue income and accumulation units. Only accumulation units are in issue.

Holders of income units are entitled to be paid the distributable income attributed to such units on any relevant interim and annual allocation dates.

Holders of accumulation units are not entitled to be paid the income attributed to such units, but that income is automatically transferred to (and retained as part of) the capital assets of the Trust on the relevant interim and/or annual accounting dates. This is reflected in the price of an accumulation unit.

### Valuation Point

The current valuation point of the Trust is 12 noon (London time) on every business day, or if such valuation point falls on United Kingdom (UK) public holiday, on the next business day.

### Buying and Selling Units

The Manager will accept orders to buy or sell units on normal business days between 8.30am and 5.30pm (London time) and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell units may be either in writing to: PO Box 389, Darlington DL1 9UF or by telephone on 0345 922 0044.

### Prices

The prices of all units will be published on every dealing day on the Manager's website [www.waystone.com](http://www.waystone.com).

The prices of units may also be obtained by calling 0345 922 0044 during the Manager's normal business hours.

### Other Information

The Trust Deed, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at, and obtained from, the Manager at 3rd Floor, Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL during normal business hours on any business day, in addition to being available at [www.waystone.com](http://www.waystone.com).

Unitholders who have any complaints about the operation of the Trust should contact the Manager or the Trustee in the first instance. In the event that a unitholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Information about the Financial Ombudsman can be found on its website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## GENERAL INFORMATION continued

### Data Protection Act

Unitholders' names will be added to a mailing list which may be used by the Manager, its associates or third parties to inform investors of other products by sending details of such products. Unitholders who do not want to receive such details should write to the Manager requesting their removal from any such mailing list.

## Waystone

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