Evelyn Partners Investment Funds ICVC

Annual Report

for the year ended 5 April 2023

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Report of the Authorised Corporate Director ('ACD')

Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited), as ACD, presents herewith the Annual Report for Evelyn Partners Investment Funds ICVC for the year ended 5 April 2023.

Evelyn Partners Investment Funds ICVC ('the Company') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 10 November 2003. The Company is incorporated under registration number IC000264. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the Financial Conduct Authority ('FCA').

The Company has been set up as an umbrella company. Provision exists for an unlimited number of sub-funds to be included within the umbrella and additional sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. The sub-funds represent segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other sub-fund and shall not be available for any such purpose.

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

On 24 February 2022, Russian troops started invading Ukraine. In response, multiple jurisdictions have imposed economic sanctions on Russia and Belarus. In addition, a growing number of public and private companies have announced voluntary actions to curtail business activities with Russia and Belarus. As ACD we continue to monitor the events as they unfold. In particular, Evelyn Partners Investment Funds ICVC does not have direct exposure to the Russian and Belarusian markets.

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

The Company has no Directors other than the ACD.

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

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

Sub-funds
There currently is one sub-fund in the Company, Evelyn MM Endurance Balanced Fund (previously Smith & Williamson MM Endurance Balanced Fund) ('the sub-fund').

Investment objective and policy - Evelyn MM Endurance Balanced Fund
The objective of the sub-fund is to achieve a balance between capital growth and income, over the long term (over 4 to 7 years).

The sub-fund is actively managed and in normal market conditions invests at least 70% of its assets in UK and European domiciled collective investment schemes ('CIS').

The CIS in which the sub-fund invests will themselves invest in their own portfolio of assets, e.g., such assets may include shares of companies anywhere in the world, bonds and hedge fund strategies. Exposure to shares will be in the region of 40-85%. The sub-fund's asset allocation will be actively managed and so will provide exposure to a range of asset classes and geographies, rather than investing in one region or sector.

The sub-fund may also invest directly in transferable securities and closed ended Investment Companies whose shares are listed on recognised investment exchanges globally, money market instruments, deposits and warrants. The Investment Companies in which the sub-fund invests will themselves invest in their own portfolio of assets, e.g., shares of companies, property, private equity, fixed income, infrastructure and hedge fund strategies. The warrants/subscription shares held by the sub-fund may be received as a result of a corporate action or initial public offer of an issuer. The sub-fund may increase its exposure to warrants as part of its investment policy up to a maximum of 5%. The sub-fund will not invest in contingent convertible bonds.

The sub-fund may use derivatives solely for the purposes of efficient portfolio management.

Report of the Authorised Corporate Director (continued)

Changes affecting the Company in the year

Tilney and Smith & Williamson merged in September 2020 and the name of the combined business changed to Evelyn Partners on 14 June 2022. As part of the re-brand, Smith & Williamson Fund Administration Limited changed name to Evelyn Partners Fund Solutions Limited on 10 June 2022 and Smith & Williamson Investment Management LLP changed name to Evelyn Partners Investment Management LLP on 14 June 2022.

Further information in relation to the Company is illustrated on page 37.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook, we hereby certify the Annual Report on behalf of the ACD, Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited).

Neil Coxhead
Director
Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)
28 July 2023

Statement of the Authorised Corporate Director's responsibilities

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

In preparing the financial statements the ACD is responsible for:

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

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

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

Assessment of Value - Evelyn MM Endurance Balanced Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Evelyn Partners Fund Solutions Limited ('EPFL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for Evelyn MM Endurance Balanced Fund ('the sub-fund'). Furthermore, the rules require that EPFL publishes these assessments.

A high-level summary of the outcome of EPFL's rigorous review of the sub-fund, at share class level, for the year ended 5 April 2023, using the seven criteria set by the FCA is set out below:

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

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

- On balance, the Board believes the sub-fund has delivered value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund has delivered value to shareholders, but may require some action.
- On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

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

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

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

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

The seven criteria are:

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

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

(3) ACD costs – the fairness and value of the sub-fund's costs, including entry and exit fees, early redemption fees, administration charges;

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

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

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

(7) Classes of shares – the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - Evelyn MM Endurance Balanced Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

EPFL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; the calculation of income and distribution payments; the maintenance of accounting and other records; the preparation of annual audited and half-yearly Report & Accounts; the review of tax provisions and submission of tax computations to HMRC; the maintenance of the register of shareholders; and the dealing and settlement arrangements. EPFL delegates the Investment Management of the sub-fund to a delegated Investment Management firm.

The Board reviewed information provided by EPFL's control functions on the adequacy of its internal services, including governance, operations and monitoring. Elements important to the investor experience such as the timely payment of settlement and distribution monies were also reviewed. Over the past year, EPFL has been audited by internal and external auditors, the sub-fund's Depositary and various EPFL delegated Investment Managers.

External Factors

The Board assessed the delegate's skills, processes and experience. Also considered were any results from service review meetings as well as the annual due diligence performed by EPFL on the delegated investment manager, Evelyn Partners Investment Management LLP (EPIM) (previously Smith & Williamson Investment Management LLP), where consideration was given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary services, custodians, as well as services provided with regard to both audit and legal functions.

What was the outcome of the assessment?

Internal Factors

The Board recognised that all distribution and settlement monies were paid in a timely manner and that there were no significant findings as a result of the various audits performed on EPFL during the year. In addition, EPFL has performed its own independent analysis, using automated systems, of the sub-fund's liquidity. The Board concluded that EPFL had carried out its duties diligently.

External Factors

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

Were there any follow up actions?

There were no follow-up actions required.

2. Performance

What was assessed in this section?

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

Investment Objective

The objective of the sub-fund is to achieve a balance between capital growth and income, over the long term (over 4 to 7 years).

Benchmark

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

The benchmarks for the sub-fund are the MSCI PIMFA Balanced Index and the IA Mixed Investment 40-85% Shares Sector, which are both comparators. A 'comparator' benchmark is an index or similar factor against which an investment manager invites investors to compare a fund's performance. Details of how the sub-fund has performed against its comparator benchmarks over various timescales can be found on the next page.

Assessment of Value - Evelyn MM Endurance Balanced Fund (continued)

2. Performance (continued)

Cumulative Performance as at 31 March 2023 (%)

	Currency	1 year	3 years	4 years	5 years	7 years
IA Mixed Investment 40-85% Shares TR	GBP	-4.54%	27.01%	19.79%	21.88%	49.96%
MSCI PIMFA Balanced TR	GBP	-3.23%	27.32%	20.35%	25.10%	55.80%
Evelyn MM Endurance Balanced Fund B Inc TR	GBX	-3.97%	35.87%	21.32%	22.99%	49.56%

Data provided by FE fundinfo. Care has been taken to ensure that the information is correct but it neither warrants, represents nor guarantees the contents of the information, nor does it accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.
Performance is calculated net of fees. Past performance is not a guide to future performance.

What was the outcome of the assessment?

The Board assessed the performance of the sub-fund over its recommended holding period of four to seven years and observed that it had beaten both its comparator benchmarks, the IA Mixed Investment 40-85% and the MSCI PIMFA Balanced over a four-year period. However, over the seven-year period the sub-fund underperformed both benchmarks, albeit only marginally behind the IA Mixed Investment 40-85%.

On balance, the Board were of the opinion that the sub-fund's returns against both benchmarks across the extended period under review warranted a Green rating.

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

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

Were there any follow up actions?

There were no follow-up actions required.

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included the annual management charge ('AMC'), Depositary/Custodian fees and audit fees.

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

What was the outcome of the assessment?

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

Were there any follow up actions?

There were no follow-up actions required.

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

The Board noted that the AMC was a fixed percentage charge with an embedded ACD tier within it, meaning that if the sub-fund was to grow the proportion of the ACD's fee within the AMC would fall. In the event of that, the delegated Investment Manager would receive a greater proportion of the sub-fund's AMC. This mechanism prevents investors from participating in any possible savings that could be achieved if the sub-fund were to grow in the future. As a result, an Amber rated was given.

The ancillary charges of the sub-fund represent 17 basis points[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

EPFL are currently in discussion with EPIM with a view to establishing a more satisfactory outcome for investors and a resolution is expected soon.

[1] One basis point is equal to 1/100th of 1%, or 0.01%. Figure calculated at interim report, 5 October 2022.

5. Comparable Market Rates

What was assessed in this section?

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

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

What was the outcome of the assessment?

The OCF of 1.58%[2] was found to be more expensive than those of similar externally managed funds.

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

Were there any follow up actions?

There was no further action as the Board were of the opinion that no element within the OCF gave any cause for concern.

6. Comparable Services

What was assessed in this section?

The Board compared the Investment Management fee with those of other funds administered by EPFL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The Investment Management fee was found to have compared favourably with the Investment Management fee of other EPFL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

7. Classes of Shares

What was assessed in this section?

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

What was the outcome of the assessment?

There is only one share class in the sub-fund, therefore this part of the assessment does not apply.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the issues raised in section 4 and 5, the Board concluded that the Evelyn MM Endurance Balanced Fund had provided value to shareholders.

Dean Buckley
Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

22 May 2023

Consumer Feedback

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:

https://www.evelyn.com/services/fund-solutions/assessment-of-value/

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

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

[2] Figure calculated at interim report, 5 October 2022.

Report of the Depositary to the shareholders of Evelyn Partners Investment Funds ICVC

Depositary's responsibilities

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

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

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

The Depositary must ensure that:

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

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

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

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

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

NatWest Trustee and Depositary Services Limited
28 July 2023

Independent Auditor's report to the shareholders of Evelyn Partners Investment Funds ICVC

Opinion

We have audited the financial statements of Evelyn Partners Investment Funds ICVC (the 'Company') for the year ended 5 April 2023 which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, 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 Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company at 5 April 2023 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended; and

- have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook 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 described further in the Auditor's 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 12 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.

Independent Auditor's report to the shareholders of Evelyn Partners Investment Funds ICVC (continued)

Opinions on Other Matters Prescribed by the COLL Regulations

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

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

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 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 liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Extent to which the audit is 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 specific procedures for this engagement and the extent to which these 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, focusing on provisions of those laws and regulations 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 Collective Investment Schemes sourcebook; and
- the Company's Prospectus.

Independent Auditor's report to the shareholders of Evelyn Partners Investment Funds ICVC (continued)

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

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

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 any relevant correspondence with regulatory bodies and the Company's breaches register.

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

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

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

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

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

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('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 shareholders 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
28 July 2023

Accounting policies of Evelyn Partners Investment Funds ICVC
for the year ended 5 April 2023

a *Basis of accounting*

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

The ACD has considered a detailed assessment of the sub-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 sub-fund continues to be open for trading and the ACD is satisfied the sub-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 purchase and sale of investments are included up to close of business on 5 April 2023.

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

The quoted investments of the sub-fund have been valued at the global closing bid-market prices ruling on the principal markets on which the stocks are quoted on the last business day of the accounting period.

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 5 April 2023.

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

c *Foreign exchange*

The base currency of the sub-fund is UK sterling which is taken to be the sub-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.

Dividends from unquoted equity shares are recognised when declared.

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

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

e *Expenses*

All expenses, other than those relating to the purchase and sale of investments, which are charged to the capital property of the sub-fund, are charged to revenue on an accruals basis then 50% of the annual management charge is reallocated to capital.

Bank interest paid is charged to revenue.

f *Taxation*

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

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

Deferred taxation is provided in full on timing differences that result in an obligation at 5 April 2023 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

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

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

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

g *Efficient Portfolio Management*

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

h *Dilution levy*

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

i *Distribution policies*

i *Basis of distribution*

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

ii *Unclaimed distributions*

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

iii *Revenue*

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

iv *Expenses*

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

v *Equalisation*

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

Evelyn MM Endurance Balanced Fund

Investment Manager's report

Investment performance*

Over the twelve-month period the sub-fund's Net Asset Value ('NAV') (as measured by the 'B' income share class) fell by 3.45%. The sub-fund outperformed the MSCI PIMFA Private Investor Balanced Index, which produced a performance of -3.78%.

Over the past three years the sub-fund's NAV has risen by 36.75%. The sub-fund outperformed the MSCI PIMFA Private Investor Balanced Index, which produced a performance of 30.22%.

Over the past five years, the sub-fund's NAV has risen by 22.24%. The sub-fund underperformed the MSCI PIMFA Private Investor Balanced Index, which produced a performance of 23.94%.

*Source: Morningstar Direct 2023, NAV-NAV performance

Investment activities

Over the review period, the Evelyn MM Endurance Balanced Fund continued to favour equities (64.6%) over bonds (16.3%), although activity over the year saw a notable increase in the latter. The remainder of the sub-fund's assets are invested in infrastructure (3.8%), private equity (3.5%), hedge funds (3.3%), gold (4.2%) and property (4.5%). As we have discussed in our previous reports, we seek to be diversified in terms of our asset class exposure so that the portfolio's performance is not driven solely by the wider directional moves in bond or equity markets. Overall, turnover within the portfolio over the twelve months was relatively low with just six trades executed and all bar one within the equity component.

For the first time in years areas of both the corporate and government bond markets became attractively priced following a savage sell-off in 2022. We took the opportunity to initiate positions in both Vontobel Fund - TwentyFour Absolute Return Credit Fund and Vanguard Investment Series - US Government Bond Index Fund. Vontobel Fund - TwentyFour Absolute Return Credit Fund seeks to take advantage of opportunities in short dated corporate bonds whilst the passive Vanguard position should provide an element of portfolio insurance should economic fundamentals deteriorate. We have also invested in the hedged share class of the Vanguard US Equity Index Fund meaning our position will not be subject to swings in the sterling/dollar exchange rate.

The allocation to US equities was also reduced as performance was flattered by the strength of the dollar against sterling, most notably after the 'mini-budget' in September. Both Artemis UK Select Fund and Robeco BP US Large Cap Equities were trimmed and Artemis UK Select Fund was latterly sold in its entirety and a new position in the passive Vanguard US Equity Index Fund was initiated. This new holding comes at a very attractive cost with an OCF of just 0.06%.

The UK equity allocation saw a small overall reduction. The key trades here were the reduction in Ninety One Funds Series I - UK Alpha Fund and exit from Man GLG UK ICVC - Undervalued Assets Fund. We did however use some of the Man GLG UK ICVC - Undervalued Assets Fund proceeds to give greater conviction to the existing position in Artemis UK Select Fund.

Our conviction to Japan weakened towards the end of the year and having added to Nippon Active Value Fund on weakness during the middle of 2022 we trimmed it following a strong period of performance. Nippon Active Value Fund is focused on Japanese smaller companies and seeks to take sizeable stakes in businesses and push for corporate governance change that will lead to improved shareholder returns. Despite our reduction we believe this story has some way to run and that the holding has good diversification benefits as its performance is quite stock specific and is generally not driven by the moves in broader global markets.

In our 'Alternative Asset' sectors we retained exposure to a wide range of areas including hedge funds, private equity, property and infrastructure, as we believe these can offer important diversification benefits. Our only trade within the hedge fund allocation was to take some profits from BH Macro. This listed hedge fund has historically thrived in times of market volatility and this year has proved no exception. However, with the position approaching a 5% weighting and with the shares up almost 30%, a lightening of our holding made sense. We also added to Cordiant Digital Infrastructure having seen it get caught up in the sell-off post the UK's Autumn mini-budget. Finally, within the private equity allocation the small position in Syncona was exited as our conviction remained limited.

Investment Manager's report (continued)

Investment strategy and outlook

As has been the case for much of the past 18 months, a key focus of markets has been on the path of inflation and interest rates, particularly in the US. The narrative here has been changeable to say the least. With inflation falling, investors had been anticipating interest rates to peak soon before the start of gradual cuts towards the end of the year. However, comments from the Federal Reserve ('Fed') Chair, Jerome Powell at the beginning of March, citing strong recent economic numbers, suggested otherwise. The possibility of higher interest rates for longer was reflected in markets just weeks before rumblings in the US banking sector. The rapid collapse of Silicon Valley Bank ('SVB') was an unwelcome reminder of the 2008 banking crisis and resulted in markets falling sharply in March. In response the Fed only raised interest rates by 0.25% in March and the market once again expects the central bank to pause on this policy soon. Powell's comments are likely to have had the desired effect and are expected to impact banking lending and lead to slowing economic growth.

Other themes that had help drive investor optimism earlier in the year either ran out of steam or paused as the focus shifted elsewhere. The Chinese government's rapid policy change on Covid-19 going into 2023 initially helped drive the performance of the region's stock markets. However, as the first quarter progressed investors took some profits following the strong rebound in stock markets. The economic data for the first two months of the year was robust, but not strong. Expectations for China's reopening were high, and volatility is therefore likely to continue as we get more economic news. Government policy should provide greater access to capital which has accompanied previous recovery phases and help support the stock market.

In Europe, the outlook for the area improved as it avoided an energy crisis over the winter. This, along with encouraging economic and company earnings data helped improve investor sentiment. However, problems initially at Credit Suisse followed by concerns over Deutsche Bank have weighed on the prospects for the region.

The UK market was a standout performer in 2022 as its low valuations, exposure to cyclical and value companies had helped drive performance[1]. But relative performance drifted in the first quarter of 2023 as investors expected US interest rate rises to pause and therefore shifted focus to growth stocks and away from the UK. Concerns over the banking sector also affected the UK market, although no major UK bank has been directly impacted. The UK has a bias towards to cyclical companies, including banks, and is therefore exposed to the performance of that sector. As the banking sector weighed on the economic outlook the oil price fell, which in turn led to some profit taking in the oil and gas sector, another significant area of the UK market.

SVB, the 16th largest US bank by assets, and the smaller Signature Bank both collapsed in March. The failure of these deposit-taking institutions is not entirely unusual: there have been 563 such failures in the US since 2001[2] However, in the current uncertain financial environment, the US Federal Deposit Insurance Corporation ('FDIC') took no chances and stepped in to protect all bank deposits at SVB and Signature Bank, including those previously uninsured. The US authorities hope that this unprecedented move is enough to shore-up public confidence in the overall banking system. Arguably, the collapse of SVB was driven by the bank's mismanagement of liquidity and is not a systemic risk.

Nevertheless, the financial vulnerability of some US regional banks has been exposed by the biggest Fed interest rate hiking cycle for decades. One issue is that banks have been reluctant to raise the interest paid on bank accounts as it negatively impacts their profits. As a result, customers have switched their savings into money market funds, whose interest rates are in line with higher central bank rates. To meet customer demand for cash, some banks were forced to sell their holdings of "safe assets" like treasury bonds to raise this cash. Given that bonds have fallen in value as the Fed has been increasing interest rates, these banks realised losses on the sale of these bonds. This eroded their capital position and in the case of SVB led to its insolvency. To try and mitigate any further fallout, the Fed announced that it would provide additional funding to eligible banks to help them meet customers' deposit demands. This new 'Bank Term Funding Program' ('BTFP') offers loans to banks who will pledge treasuries and other assets against the loan. In other words, the Fed will lend money to commercial banks based on collateral that if held to maturity will be worth more than it is today. Essentially, this buys time for the value of banks' fixed income portfolios to recover. Banks can also borrow money directly from the Fed and have been doing so through emergency lending facilities.

[1] Refinitiv, Evelyn Partners

[2] Chart of the Day, Jim Reid, Deutsche Bank, 13 March 2023

Investment Manager's report (continued)

Investment strategy and outlook (continued)

Credit Suisse was founded in 1856 and is listed as one of 30 Global Systemically Important Banks by the Financial Stability Board. The failure of Credit Suisse is a concern for markets since its weakness could threaten the integrity of the wider financial system. The problems at Credit Suisse are complex. In its delayed annual report, which was released in March, auditor PwC identified 'material weakness' in internal financial controls at the group[2]. The investment bank has been the subject of a series of scandals and poor management, particularly in its investment banking division, which a series of restructuring attempts have failed to address. To add to the firm's woes, Saudi National Bank, its largest shareholder, undermined market confidence by saying it would not commit more capital to the troubled bank. These events eventually led to Union Bank of Switzerland ('UBS'), another major Swiss bank, taking over Credit Suisse after being offered extensive government guarantees and liquidity provisions from the Swiss authorities.

On balance, these developments probably change the thinking of central bankers about raising interest rates; they are also a reminder that problems for individual banks and companies can quickly spread around the world. If the commercial banking sector becomes less inclined or able to lend money, there is a knock-on effect of reducing growth in the real economy, and possibly by more than central bank forecasts. Ironically, in their quest to raise interest rates to tackle high inflation, central banks (and governments) could ultimately end up having to provide more funding to the banking system in the event of a bailout than would otherwise be the case.

The bottom line is that central banks are coming to the end of the tightening cycle. Annual headline Consumer Price Index ('CPI') inflation is down from the respective peaks in major economies. For instance, US inflation is down to 6.0% from a peak of 9.4% in June[1]. There is also some initial evidence of labour market softening, reducing the risk of wage inflation becoming ingrained in economies. Although there is a fine balance between addressing elevated inflation and managing financial sector risks, the need to raise interest rates much further has lessened. Assuming this is the case, then government bonds look increasingly attractive at current yields. Easing interest rate headwinds are also an opportunity for equities if the global economy can avoid a recession, and the risks in the banking sector are brought under control.

In summary the recovery of the global economy, and along with it the performance of global stock markets, will continue on its bumpy path. We appear to be moving away from a 'hard landing' but there is still the possibility of a global recession in 2023 which could temper sentiment and impact performance of different asset classes through the year. The issues in the banking sector are reminder of how quickly things can change and markets never recover in a straight line.

Evelyn Partners Investment Management LLP (previously Smith & Williamson Investment Management LLP)
25 April 2023

[1] Refinitiv, Evelyn Partners

[2] Credit Suisse finds 'material weaknesses' in financial reporting controls | Financial Times (ft.com)

Portfolio changes

for the year ended 5 April 2023

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

Purchases:	Cost £
Vanguard US Equity Index Fund	1,197,329
Vanguard Investment Series - US Government Bond Index Fund	725,447
Vontobel Fund - TwentyFour Absolute Return Credit Fund	498,594
Artemis UK Select Fund	124,564
Nippon Active Value Fund	69,032
Cordiant Digital Infrastructure	60,226

Sales:	Proceeds £
Artemis US Extended Alpha Fund	2,332,541
Man GLG UK ICVC - Undervalued Assets Fund	823,491
Ninety One Funds Series I - UK Alpha Fund	352,327
BH Macro	280,433
Robeco BP US Large Cap Equities	246,004
Nippon Active Value Fund	182,676
Syncona	127,679
BH Macro	79,837
Trojan Investment Funds - Trojan Income Fund	70,624
Xtrackers IE Physical Gold GBP Hedged ETC Securities	59,155
BlackRock Strategic Funds - Emerging Markets Equity Strategies Fund	57,217

Portfolio statement

as at 5 April 2023

Investment	Nominal value or holding	Market value £	% of total net assets
Equities - United Kingdom 4.50% (4.98%)			
Equities - incorporated in the United Kingdom 3.30% (2.89%)			
Real Estate 3.30% (2.89%)			
Empiric Student Property	859,999	762,819	3.30
Equities - incorporated outwith the United Kingdom 1.20% (2.09%)			
Phoenix Spree Deutschland	147,000	276,360	1.20
Total equities - United Kingdom		1,039,179	4.50
Closed Ended Funds 17.73% (19.11%)			
Closed-Ended Funds - United Kingdom 16.09% (17.46%)			
Closed-Ended Funds - incorporated in the United Kingdom 3.64% (3.36%)			
Gabelli Value Plus + Trust*	535,000	-	-
Nippon Active Value Fund	296,300	408,894	1.77
Utilico Emerging Markets Trust	204,667	431,847	1.87
Total closed-ended funds - incorporated in the United Kingdom		840,741	3.64
Closed-Ended Funds - incorporated outwith the United Kingdom 12.45% (14.10%)			
BH Macro	178,400	754,632	3.26
Cordiant Digital Infrastructure	594,200	493,186	2.13
Fair Oaks Income	695,903	268,268	1.16
NB Private Equity Partners	39,500	557,740	2.41
Riverstone Energy	44,667	246,562	1.07
Sequoia Economic Infrastructure Income Fund	692,000	560,520	2.42
Total closed-ended funds - incorporated outwith the United Kingdom		2,880,908	12.45
Total closed-ended funds - United Kingdom		3,721,649	16.09
Closed-Ended Funds - Luxembourg 1.64% (1.65%)			
BBGI SICAV	252,000	380,016	1.64
Invista European Real Estate Trust SICAF**	1,110,000	-	-
Total closed-ended funds - Luxembourg		380,016	1.64
Total closed-ended funds		4,101,665	17.73

* Gabelli Value Plus + Trust is in liquidation, the ACD's fair value pricing committee have agreed that this should be treated as a zero price asset.

** Invista European Real Estate Trust SICAF has been suspended from trading and the fair value pricing committee have priced this at nil.

Portfolio statement (continued)

as at 5 April 2023

Investment	Nominal value or holding	Market value £	% of total net assets
Collective Investment Schemes 73.68% (71.16%)			
UK Authorised Collective Investment Schemes 46.42% (50.34%)			
Artemis Corporate Bond Fund	1,067,333	959,959	4.15
Artemis UK Select Fund	125,000	807,700	3.49
BlackRock European Dynamic Fund	279,167	712,575	3.08
Janus Henderson European Focus Fund	257,000	826,513	3.58
JPMorgan Fund ICVC - Japan Fund	148,167	454,873	1.97
Ninety One Funds Series II - Asia Pacific Franchise Fund	358,167	386,247	1.67
Ninety One Funds Series I - UK Alpha Fund	1,384,565	1,593,773	6.89
Premier Miton UK Multi Cap Income Fund	581,667	1,055,726	4.57
TM Redwheel UK Equity Income Fund	1,500,000	1,549,500	6.70
Trojan Investment Funds - Trojan Income Fund	1,267,007	1,169,954	5.06
Vanguard US Equity Index Fund	4,650	1,216,778	5.26
Total UK authorised collective investment schemes		10,733,598	46.42
Offshore Collective Investment Schemes 27.26% (20.82%)			
BlackRock Strategic Funds - Emerging Markets Equity Strategies Fund	4,550	599,918	2.59
GQG Partners US Equity Fund	158,000	1,873,880	8.11
Robeco BP US Large Cap Equities	3,637	992,124	4.29
Schroder ISF Asian Total Return	2,093	845,942	3.66
Vanguard Investment Series - US Government Bond Index Fund	8,250	751,563	3.25
Vontobel Fund - TwentyFour Absolute Return Credit Fund	5,200	495,352	2.14
Xtrackers II Global Inflation-Linked Bond UCITS ETF	30,000	740,550	3.22
Total offshore collective investment schemes		6,299,329	27.26
Total collective investment schemes		17,032,927	73.68
Exchange Traded Commodities 4.25% (3.83%)			
Xtrackers IE Physical Gold GBP Hedged ETC Securities	40,500	983,138	4.25
Portfolio of investments		23,156,909	100.16
Other net liabilities		(37,813)	(0.16)
Total net assets		23,119,096	100.00

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

The comparative figures in brackets are as at 5 April 2022.

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

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

Risk and reward profile

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

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

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

For full details on risk factors for the sub-fund, please refer to the Prospectus.

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

Comparative table

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

	B income shares		
	2023	2022	2021
	p	p	p
Change in net assets per share			
Opening net asset value per share	164.85	155.13	117.82
Return before operating charges	(3.58)	14.64	41.30
Operating charges	(2.49)	(2.58)	(2.27)
Return after operating charges *	(6.07)	12.06	39.03
Distributions^	(3.24)	(2.34)	(1.72)
Closing net asset value per share	155.54	164.85	155.13
* after direct transaction costs of:	0.00	0.02	0.00
Performance			
Return after charges	(3.68%)	7.77%	33.13%
Other information			
Closing net asset value (£)	23,119,096	26,623,068	19,981,623
Closing number of shares	14,863,475	16,150,316	12,880,734
Operating charges^^	1.57%	1.57%	1.61%
Direct transaction costs	0.00%	0.01%	0.00%
Published prices			
Highest share price (p)	165.2	170.7	157.1
Lowest share price (p)	148.5	155.9	119.0

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 in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

Financial statements - Evelyn MM Endurance Balanced Fund

Statement of total return
for the year ended 5 April 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Income:					
Net capital (losses) / gains	2		(1,408,150)		1,529,998
Revenue	3	635,177		512,661	
Expenses	4	(201,861)		(212,326)	
Net revenue before taxation		433,316		300,335	
Taxation	5	-		-	
Net revenue after taxation			433,316		300,335
Total return before distributions			(974,834)		1,830,333
Distributions	6		(508,432)		(394,118)
Change in net assets attributable to shareholders from investment activities			(1,483,266)		1,436,215

Statement of change in net assets attributable to shareholders
for the year ended 5 April 2023

	2023 £	2023 £	2022 £	2022 £
Opening net assets attributable to shareholders		26,623,068		19,981,623
Scheme of Arrangement*	-		7,304,310	
Amounts receivable on issue of shares	1,095,486		479,059	
Amounts payable on cancellation of shares	(3,116,192)		(2,578,139)	
		(2,020,706)		5,205,230
Change in net assets attributable to shareholders from investment activities		(1,483,266)		1,436,215
Closing net assets attributable to shareholders		23,119,096		26,623,068

* On 28 May 2021 as part of a Scheme of Arrangement, S&W Deucalion Fund merged with Evelyn MM Endurance Balanced Fund.

Balance sheet
as at 5 April 2023

	Notes	2023	2022
		£	£
Assets:			
Fixed assets:			
Investments		23,156,909	26,377,540
Current assets:			
Debtors	7	69,346	70,606
Cash and bank balances	8	430,595	585,180
Total assets		23,656,850	27,033,326
Liabilities:			
Creditors:			
Distribution payable		(481,131)	(378,402)
Other creditors	9	(56,623)	(31,856)
Total liabilities		(537,754)	(410,258)
Net assets attributable to shareholders		23,119,096	26,623,068

Notes to the financial statements
for the year ended 5 April 2023

1. Accounting policies

   The accounting policies are disclosed on pages 13 to 14.

2. Net capital (losses) / gains

	2023	2022
	£	£
Non-derivative securities - realised gains	1,589,858	1,082,619
Non-derivative securities - movement in unrealised (losses) / gains	(2,997,243)	448,232
Currency gains / (losses)	4,364	(156)
Forward currency contracts losses	(4,681)	-
Compensation	5	-
Transaction charges	(453)	(697)
Total net capital (losses) / gains	(1,408,150)	1,529,998

3. Revenue

	2023	2022
	£	£
UK revenue	318,008	258,241
Unfranked revenue	61,645	60,115
Overseas revenue	247,723	194,305
Bank and deposit interest	7,801	-
Total revenue	635,177	512,661

4. Expenses

	2023	2022
	£	£
Payable to the ACD and associates		
Annual management charge^	175,298	187,568
Registration fees	1,250	1,251
	176,548	188,819
Payable to the Depositary		
Depositary fees	9,000	9,186
Other expenses:		
Audit fee	7,224	10,236
Non-executive directors' fees	1,565	1,235
Safe custody fees	376	610
FCA fee	270	424
KIID production fee	145	145
Listing fee	1,933	1,671
Legal fee	4,800	-
	16,313	14,321
Total expenses	201,861	212,326

^ For the year ended 5 April 2023, the annual management charge is 0.70%. The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 5 April 2023

5. Taxation

	2023	2022
	£	£
a. Analysis of the tax charge for the year		
Total taxation (note 5b)	-	-

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2022: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2022: 20%). The differences are explained below:

	2023	2022
	£	£
Net revenue before taxation	433,316	300,335
Corporation tax @ 20%	86,663	60,067
Effects of:		
UK revenue	(63,602)	(51,648)
Overseas revenue	(28,060)	(28,192)
Excess management expenses	447	11,302
Offshore income gains	468	-
Unrealised gains on non reporting offshore funds	4,084	8,471
Total taxation (note 5a)	-	-

c. Provision for deferred taxation

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £907,684 (2022: £907,237).

6. Distributions

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

	2023	2022
	£	£
Final income distribution	481,131	378,402
Equalisation:		
Amounts deducted on cancellation of shares	42,969	23,700
Amounts added on issue of shares	(15,668)	(7,984)
Total net distributions	508,432	394,118

Reconciliation between net revenue and distributions:

	2023	2022
Net revenue after taxation per Statement of total return	433,316	300,335
Undistributed revenue brought forward	86	85
Expenses paid from capital	87,649	93,784
Marginal tax relief	(12,530)	-
Undistributed revenue carried forward	(89)	(86)
Distributions	508,432	394,118

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

Notes to the financial statements (continued)

for the year ended 5 April 2023

7. Debtors

	2023	2022
	£	£
Amounts receivable on issue of shares	74	3,074
Accrued revenue	69,272	67,532
Total debtors	69,346	70,606

8. Cash and bank balances

	2023	2022
	£	£
Total cash and bank balances	430,595	585,180

9. Other creditors

	2023	2022
	£	£
Amounts payable on cancellation of shares	26,832	5
Accrued expenses:		
Payable to the ACD and associates		
Annual management charge	16,798	18,301
Registration fees	18	122
	16,816	18,423
Other expenses:		
Depositary fees	888	888
Safe custody fees	47	101
Audit fee	7,560	10,236
Non-executive directors' fees	1,175	871
FCA fee	-	6
KIID production fee	38	38
Listing fee	3,214	1,281
Transaction charges	53	7
	12,975	13,428
Total accrued expenses	29,791	31,851
Total other creditors	56,623	31,856

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:

	B income
Opening shares in issue	16,150,316
Total shares issued in the year	703,699
Total shares cancelled in the year	(1,990,540)
Closing shares in issue	14,863,475

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

Notes to the financial statements (continued)
for the year ended 5 April 2023

12. Related party transactions

Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited), as ACD is a related party due to its ability to act in respect of the operations of the sub-fund.

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

The Investment Manager, Evelyn Partners Investment Management LLP (previously Smith & Williamson Investment Management LLP) is a related party to the ACD as they are within the same corporate body.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per B income share has increased from 155.5p to 157.5p as at 26 July 2023. 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:

2023	Purchases before transaction costs £	Taxes £	Taxes %	Purchases after transaction costs £
Equities	128,913	345	0.27%	129,258
Collective Investment Schemes*	2,545,934	-	-	2,545,934
Total	2,674,847	345	0.27%	2,675,192

2022	Purchases before transaction costs £	Taxes £	Taxes %	Purchases after transaction costs £
Equities	3,360,900	3,278	0.10%	3,364,178
Collective Investment Schemes*	8,765,542	-	-	8,765,542
Total	12,126,442	3,278	0.10%	12,129,720

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 5 April 2023

14. Transaction costs (continued)

a Direct transaction costs (continued)

2023	Sales before transaction costs £	Taxes £	%	Sales after transaction costs £
Equities	729,789	(9)	0.00%	729,780
Collective Investment Schemes*	3,882,204	-	-	3,882,204
Total	4,611,993	(9)	0.00%	4,611,984

2022	Sales before transaction costs £	Taxes £	%	Sales after transaction costs £
Equities	1,277,297	(4)	0.00%	1,277,293
Collective Investment Schemes*	4,646,564	-	-	4,646,564
Total	5,923,861	(4)	0.00%	5,923,857

* No direct transaction costs were incurred in these transactions.

Summary of direct transaction costs

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

2023	£	% of average net asset value
Taxes	354	0.00%

2022	£	% of average net asset value
Taxes	3,282	0.01%

b Average portfolio dealing spread

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

The average portfolio dealing spread of the investments at the balance sheet date was 0.24% (2022: 0.29%).

15. Risk management policies

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

15. Risk management policies (continued)

a Market risk

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

(i) Other price risk

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

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

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

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

At 5 April 2023, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £1,157,845 (2022: £1,318,877).

(ii) Currency risk

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

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

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

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2023	£	£	£
US dollar	1,260,392	-	1,260,392
Total foreign currency exposure	1,260,392	-	1,260,392

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2022	£	£	£
US dollar	1,562,143	-	1,562,143
Total foreign currency exposure	1,562,143	-	1,562,143

At 5 April 2023, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £63,020 (2022: £78,107).

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally. In the event of a change in interest rates, there would be no material impact upon the net assets of the sub-fund. The sub-fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

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

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

b Credit risk

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

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

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

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

c Liquidity risk

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

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

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

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

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

All of the financial liabilities are payable on demand.

Notes to the financial statements (continued)

for the year ended 5 April 2023

15. Risk management policies (continued)

d Fair value of financial assets and financial liabilities

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

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

Basis of valuation	Investment assets 2023 £	Investment liabilities 2023 £
Quoted prices	6,864,532	-
Observable market data	16,292,377	-
Unobservable data*	-	-
	23,156,909	-

Basis of valuation	Investment assets 2022 £	Investment liabilities 2022 £
Quoted prices	8,279,345	-
Observable market data	18,098,195	-
Unobservable data*	-	-
	26,377,540	-

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

Gabelli Value Plus + Trust : The fair value pricing committee agreed that it is appropriate to include the security within the portfolio of investments with no value as the Company is in liquidation.

Invista European Real Estate Trust SICAF : The fair value pricing committee determined that it is appropriate to include the security in the portfolio of investments with no value as the security has been suspended from trading.

*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:

	2023 % of the total net asset value	2022 % of the total net asset value
Invista European Real Estate Trust SICAF	0.00%	0.00%
Gabelli Value Plus + Trust	0.00%	0.00%
Total	0.00%	0.00%

15. Risk management policies (continued)

f Derivatives

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

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

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

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

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

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

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

(ii) Leverage

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

There have been no leveraging arrangements in the year.

(iii) Global exposure

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

At the balance sheet date there is no global exposure to derivatives.

There have been no collateral arrangements in the year.

Distribution table

for the year ended 5 April 2023

Distributions on B income shares in pence per share

Payment date	Share type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
05.08.23	group 1	final	3.237	-	3.237	2.343
05.08.23	group 2	final	0.965	2.272	3.237	2.343

Equalisation

Equalisation applies only to group 2 shares. It is the average amount of revenue included in the purchase price of group 2 shares and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax in the hands of the shareholder but must be deducted from the cost of shares for capital gains tax purposes.

Final distribution:

Group 1	Shares purchased before 6 April 2022
Group 2	Shares purchased 6 April 2022 to 5 April 2023

Remuneration

Remuneration code disclosure

The remuneration committee is responsible for setting remuneration policy for all partners, directors and employees within Evelyn Partners Group Limited 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 Evelyn Partners Group Limited Report and Financial Statements for the year ended 31 December 2022 includes details on the remuneration policy. The remuneration committee comprises four non-executive directors[1] and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met ten times during 2022.

Remuneration policy

The main principles of the remuneration policy are:

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

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

Remuneration systems

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

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

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

[1] Please note that the data provided for the independent non-executive directors is as at 31 December 2022. 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 61 employees is £2.9million of which £2.7 million is fixed remuneration. This is based on the annualised salary and benefits for those identified as working in EPFL as at 31 December 2022. Any variable remuneration is awarded for the year ended 31 December 2022. 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 Evelyn Partners 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 2022 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 2022 to 31 December 2022				
		Variable			
	Fixed £'000	Cash £'000	Equity £'000	Total £'000	No. MRTs
Senior Management	3,505	1,202	-	4,707	18
Other MRTs	592	465	144	1,201	5
Total	4,097	1,667	144	5,908	23

Investment Manager

The ACD delegates the management of the Company's portfolio of assets to Evelyn Partners Investment Management LLP (previously Smith & Williamson Investment Management LLP) and pays the Investment Manager out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at each valuation point. The Investment Manager is compliant with the Capital Requirements Directive regarding remuneration and their staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates - Evelyn MM Endurance Balanced Fund

Where net revenue is available it will be distributed annually on 5 August. In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	6 April	final
Reporting dates:	5 April	annual
	5 October	interim

Buying and selling shares - Evelyn MM Endurance Balanced Fund

The property of the sub-fund is valued at 12 noon on every business day, with the exception of any bank holiday in England and Wales or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary; and prices of shares are calculated as at that time. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

	Minimum initial investment*	Minimum subsequent investment	Minimum value of holdings
Evelyn MM Endurance Balanced Fund B income	£250,000	£5,000	£250,000

* The minimum initial investment may be waived at the discretion of the ACD.

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

Benchmark - Evelyn MM Endurance Balanced Fund

Shareholders may compare the performance of the sub-fund against the MSCI PIMFA Balanced Index and the IA Mixed Investment 40-85% Shares sector. Comparison of the sub-fund's performance against the IA Mixed Investment 40-85% Shares sector will give shareholders an indication of how the sub-fund is performing against other similar funds in this peer group sector. The ACD has selected the MSCI PIMFA Balanced Index as a comparator benchmark as the ACD believes it best reflects the asset allocation of the sub-fund.

These benchmarks are not targets for the sub-fund, nor is the sub-fund constrained by these benchmarks.

Appointments

ACD and Registered office
Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)
45 Gresham Street
London EC2V 7BG
Telephone 0207 131 4000
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar
Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)
177 Bothwell Street
Glasgow G2 7ER
Telephone: 0141 222 1151 (Registration)
0141 222 1150 (Dealing)
Authorised and regulated by the Financial Conduct Authority

Directors of the ACD
Brian McLean
James Gordon - resigned 29 July 2022
Andrew Baddeley
Mayank Prakash
Neil Coxhead - appointed 12 July 2022

Independent Non-Executive Directors of the ACD
Dean Buckley
Linda Robinson
Victoria Muir
Sally Macdonald - appointed 1 June 2022

Non-Executive Directors of the ACD
Paul Wyse - resigned 11 July 2023

Investment Manager
Evelyn Partners Investment Management LLP (previously Smith & Williamson 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