



CERNO CAPITAL

WS Mellifera OEIC

(Formerly TB Mellifera OEIC)

Annual Report and Financial Statements
for the year ended 30 June 2024



AUTHORISED CORPORATE DIRECTOR ('ACD') AND ALTERNATIVE INVESTMENT FUND MANAGER (AIFM)

WAYSTONE MANAGEMENT (UK) LIMITED

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the Financial Conduct Authority)

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

* Non-Executive Directors of the ACD.

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CERNO CAPITAL PARTNERS LLP

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DEPOSITARY

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and regulated by the Financial Conduct Authority
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REGISTRAR

LINK FUND ADMINISTRATORS LIMITED

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INDEPENDENT AUDITOR

COOPER PARRY GROUP LIMITED

Sky View
Argosy Road
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of Chartered Accountants in England and Wales)

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ACD'S REPORT

for the year ended 30 June 2024

Authorised Status

The WS Mellifera OEIC ('the Company') is an investment company with variable capital, incorporated in England and Wales, whose effective date of authorisation was 19 September 2012. Its registration number is IC000948.

The Company is a Non-UCITS scheme and the base currency of the Company and its sub-fund is pounds sterling.

Shareholders in the Company are not liable for the debts of the Company.

The ACD is the sole director of the Company.

The AIFM is the legal person appointed on behalf of the Company and which (through this appointment) is responsible for managing the Company in accordance with the AIFM Directive and The Alternative Investment Fund Managers Regulations 2013. This role is performed by the ACD and references to the ACD in this Annual Report and Financial Statements include the AIFM as applicable.

ACD's Statement

Economic Uncertainty

Whilst the outbreak of COVID-19 in March 2020 now seems a distant memory, Russia's incursion into Ukraine in February 2022 remains an unresolved conflict that has led to inflationary pressures globally. Add to this the Israel-Hamas conflict that commenced in October 2023, and we are faced with consequences in both the domestic and global economy. Significant increases in the prices of energy and commodities have reverberated around the world, leading to many countries experiencing inflation at levels not seen for many years. To curb the increase in inflation, many nations' central banks have been progressively increasing interest rates. In light of most economies heading in a downward trajectory, central banks have recently ended their aggressive monetary tightening and have projected loosening their monetary policies in the second half of 2024. Although the consequences of the geopolitical events remain unclear, economic data since June gave hope that a 'soft-landing' is attainable despite some political uncertainty in Europe with snap elections in the UK and France, which eventually had a moderate impact on financial markets. Global economies have shown better resilience to the high-interest rate environment than expected with improving or steady manufacturing and services activity. The US job market started cooling and retail sales slowed more than forecasted but US inflation continued to ease and at a faster pace than expected, providing another dose of confidence for the US Federal Reserve officials that they can cut interest rates soon.

ACD'S REPORT continued

Important Information

On 1 October 2023, the following changes took place:

- The ACD, Registrar and Fund Accountant changed its name from T. Bailey Fund Services Limited to Waystone Fund Services (UK) Limited;
- The name of the Company changed from TB Mellifera OEIC to WS Mellifera OEIC; and
- The name of the Fund changed from TB Mellifera Managed Fund to WS Mellifera Managed Fund.

On 14 November 2023, the Investment Adviser changed from Alvarium Investment Managers (UK) LLP to Cerno Capital Partners LLP.

On 5 February 2024, the Fund Accountant changed from Waystone Fund Services (UK) Limited to The Bank of New York Mellon (International) Limited.

On 11 March 2024, the following changes took place:

- The ACD changed from Waystone Fund Services (UK) Limited to Waystone Management (UK) Limited;
- The Depositary changed from NatWest Trustee & Depositary Services Limited to The Bank of New York Mellon (International) Limited;
- The Custodian changed from The Northern Trust Company to The Bank of New York Mellon (International) Limited; and
- The Registrar changed from Waystone Fund Services (UK) Limited to Link Fund Administrators Limited.

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

Remuneration Policy

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

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

WMUK delegates portfolio management for the funds to various investment management firms. The portfolio managers' fees and expenses for providing investment management services are paid by the ACD out of its own remuneration under the ACD agreement. The investment management firms may make information

ACD’S REPORT continued

Remuneration Policy continued

on remuneration publicly available in accordance with the disclosure requirements applicable to them. This disclosure is in respect of WMUK activities (including activities performed by its sister company Link Fund Administrators Limited (LFAL) or by employees of that entity), and excludes activities undertaken by third party investment management firms. WMUK staff do not perform duties solely for particular funds, nor are they remunerated by reference to the performance of any individual fund. Accordingly, the information below is for WMUK as a whole. No attempt has been made to attribute remuneration to the Company itself.

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

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

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

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

Further details can be found at: <https://www.fundsolutions.net/media/jyu1n3/wmuk-explanation-of-compliance-with-remuneration-code.pdf>.

ACD'S REPORT continued

Remuneration Policy continued

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

Securities Financing Transactions

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

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

In accordance with current Financial Conduct Authority rules, the ACD is required to publish its own TCFD report and that of each fund. The report can be found at TCFD Reporting (fundsolutions.net/tcfd-reporting) and the report of the sub-fund of the Company can be found at <https://www.fundsolutions.net/uk/cerno-capital/ws-mellifera-oeic/tcfd-reporting/>.

Prior to accessing the report of the sub-fund of the Company there is a link to the 'TCFD Reporting Guide' which provides an explanation of the TCFD report.

Value Assessment

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

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Mellifera OEIC

26 September 2024

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook, as applicable, as issued and amended by the Financial Conduct Authority together with the relevant provisions of the Alternative Investment Fund Manager's Directive and modified by a direction given by the Financial Conduct Authority where the ACD has opted to provide a NURS KII Document, a Key Investor Information Document for Non-UCITS Retail Schemes.

K.J. MIDL

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Mellifera OEIC

26 September 2024

STATEMENT OF ACD'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook published by the Financial Conduct Authority ('the COLL Sourcebook') and the Investment Funds Sourcebook (the 'FUND Sourcebook'), as applicable, requires the ACD to prepare financial statements for each annual accounting year which give a true and fair view of the financial position of the Company, comprising its sub-fund and of the net revenue/expense and net capital gains/losses on the property of the Company's sub-fund 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 UK Authorised Funds issued by the Investment Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to wind up the Company or its sub-fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

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

STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook and, from 22 July 2014, the Investment Funds Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), 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 summarised 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 income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ('the AIFM'), are carried out (unless they conflict with the Regulations).

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

REPORT OF THE DEPOSITARY

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income 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.

THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED

Depositary of WS Mellifera OEIC
26 September 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS MELLIFERA OEIC

Report on the Audit of the Financial Statements

Opinion

In our opinion the financial statements of the WS Mellifera OEIC ('the Company'):

- give a true and fair view of the financial position of the Company as at 30 June 2024 and of the net revenue and the net capital profit/losses on the property of the Company for the year ended 30 June 2024; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds', the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the related notes 1 to 16; and
- the distribution tables.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor'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 Financial Reporting Council's ('the FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS MELLIFERA OEIC continued

Conclusions Relating to Going Concern

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

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

Our responsibilities and the responsibilities of the ACD 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 ACD is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Depositary and ACD

As explained more fully in the Statement of Depositary's responsibilities and the Statement of the ACD's Responsibilities, the Depositary is responsible for the safeguarding of the property of the Company and the ACD 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 ACD 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 ACD 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 ACD either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS MELLIFERA OEIC continued

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS MELLIFERA OEIC continued

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

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

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

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

Report on Other Legal and Regulatory Requirements

Opinion on Other Matters Prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the Company have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the ACD's report for the year ended 30 June 2024 is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WS MELLIFERA OEIC continued

Use of Our Report

This report is made solely to the Company's members, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

COOPER PARRY GROUP LIMITED

Statutory Auditor
Sky View
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DE74 2SA
26 September 2024

WS MELLIFERA MANAGED FUND ACD'S REPORT

for the year ended 30 June 2024

Important Information

Refer to the 'Important Information' section on page 4.

Investment Objective and Policy

The WS Mellifera Managed Fund's ('the Fund') aim is to achieve capital growth in excess of the Consumer Price Index plus 3% per annum, after deduction of fees, over rolling 5 year periods.

Although the Fund aims to outperform the Consumer Price Index over rolling 5 year periods, capital invested is, in fact, at risk and there is no guarantee that a positive return will be generated over that time period or any other time period.

By investing at least 80% of the Fund in a range of actively managed open and closed-ended funds, the Fund will be indirectly exposed to a broad range of asset classes including equities, fixed interest securities (government and corporate bonds) as well as alternative asset classes, such as infrastructure, commodities (including precious metals, such as gold) property and private equity.

The Funds selected for investment, such as unit trusts, OEICs, ETFs as well as investment trusts and REITs, may include those managed by the ACD and the Investment Adviser, and their respective associates.

The Fund may also invest directly in, equities, fixed interest securities, exchange-traded commodities ('ETCs'), money market instruments, deposits, cash and near cash. It is intended that at least 50% of the Fund will have an exposure at any time to equities.

The Fund, which is actively managed, will typically hold between 20 and 40 holdings. Through these holdings, the Fund will be diversified by reference to various factors such as industry, geography or asset class. Although there are no restrictions on allocations between these different factors the Investment Adviser will, in selecting the holdings for the Fund, take a thematic multi-asset approach to asset allocation, identifying long term structural trends which it considers offer the best potential returns for the Fund. The Investment Adviser expects the managers of the funds in which it invests to consider ESG factors and good stewardship principles when investing, including engaging with companies and voting on corporate actions to deliver the best outcomes for their investors; whilst the underlying funds are expected to consider ESG factors, their managers have full discretion over the stocks they select regardless of any ESG considerations.

Derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management"). It is intended that the use of derivatives will be limited.

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

Benchmarks

The Fund's target benchmark is the Consumer Price Index +3%.

The Consumer Price Index +3% is a measure of UK inflation, and so is considered an appropriate measure of what constitutes a return in real terms.

The Fund's comparator benchmark is the IA Mixed Investment 40%-85% Shares Sector ('the Sector').

Shareholders may wish to compare the Fund's performance against other funds within the Sector as that will give investors an indication of how the Fund is performing compared with others investing in a similar but not identical investment universe. As the Sector aligns with the Fund's asset allocation, it is considered that this is an appropriate comparator.

WAYSTONE MANAGEMENT (UK) LIMITED

ACD of WS Mellifera Managed Fund

26 September 2024

WS MELLIFERA MANAGED FUND ACD'S REPORT continued INVESTMENT ADVISER'S REPORT for the year ended 30 June 2024

Market and Performance Review

The second half of 2023 saw continuation of the volatility characterising equity markets since the beginning of the year and during 2022. Much of this was driven by inflationary fears and associated expectations for Central Bank interest rate setting – principally by the Federal Reserve in the U.S. This search for the 'pivot point' seemed to subside in the third quarter of the year as hopes of an end to tighter fiscal policy stalled and the prospect of higher interest rates for longer shook equity markets in the U.S. and Europe. However, by the fourth quarter the picture had shifted again and equity markets ultimately rallied into the end of the year posting some strong gains.

This momentum continued into the first half of 2024, with global stock markets continuing to advance, fuelled by corporate earnings in the U.S. and continued enthusiasm for the technology sector. Notably, Japanese equities experienced a strong rally and Asian stock markets continued to perform well into the second quarter of the year. At the same time, weaker data from the U.S. suggested that a slowdown could be due at some point over the year. The timing of interest rates cuts by Central Banks also continued to cause speculation. The Eurozone was impacted by elections in France, whilst the FTSE 100 posted all-time highs in the UK.

The Fund ended July 2024 ahead of its 2022 lows and returned 13.0% for the year. The main positive contributors over this period included HG Capital, Aberforth Smaller Companies, Polar Capital Technology, Chikara Japan Income and Growth and Biotech Growth. Conversely, detractors over the 12 months were US Solar Fund, VH Global Sustainable Energy, BlackRock World Mining and GuardCap Emerging Markets.

Over a one-year period to the end of June 2024, performance of the Fund was ahead of the peer group (IA Mixed Investment 40-85% Shares) which returned 11.8% and ahead of the target benchmark returns of 5%.

The Fund continues to use open-ended and closed-ended investment vehicles and fixed income investments, cash or cash equivalents. The Fund also invests in gold.

Investment Activity and Outlook

Cash in the Fund was 6.66% at the end of the June 2024, with public equities at 54.35% and listed private equity and venture capital at 27.41%. Over the second half of 2023 some equity risk was reduced and the sector specific and Japan allocations trimmed, but otherwise the portfolio was largely unchanged.

WS MELLIFERA MANAGED FUND
ACD'S REPORT continued
INVESTMENT ADVISER'S REPORT continued

Despite a more positive start to 2024, we believe market volatility is likely to remain for the medium term. Continuing speculation around fiscal policy and inflation, ongoing conflicts around the globe and a shifting political landscape as U.S. and U.K. elections take place may all play a part. This serves to underline the importance of a diversified investment approach from an allocation perspective as well as inclusion of defensive assets, such as government bonds and gold, with a conservative allocation to cash.

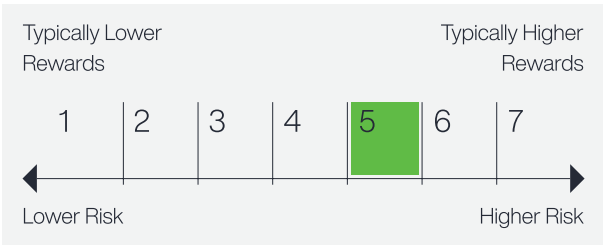
JAMES CAVE
CERNO CAPITAL PARTNERS LLP

Investment Adviser

12 August 2024

WS MELLIFERA MANAGED FUND
ACD’S REPORT continued
FUND INFORMATION

Risk and Reward Profile



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

The Fund is in the above category because it invests in a variety of asset classes.

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

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

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

The Fund invests in global shares, with some regions being regarded as more risky. The movements of exchange rates may lead to further changes in the value of investments and the income from them.

Whilst the intention for using derivatives is to reduce risk or to generate positive returns without increasing risk, this outcome is not guaranteed and derivatives involve additional risk which could lead to significant losses.

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

For more information about the Fund’s risks please see the Risk Factors section of the Prospectus which is available at www.waystone.com.

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables

Where the Fund has significant investment in collective investment schemes, exchange-traded funds and similar products, the operating charges figure takes account of the ongoing charges incurred in the underlying schemes, calculated as the expense value of such holdings at the year end weighted against the net asset value of the share class at that date. Since the previous year end of the Fund, the Investment Association guidance relating to the calculation of the operating charges figure has been revised to remove the requirement to include the underlying costs of any investments in closed end funds.

A INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.06.24 pence per share	30.06.23 pence per share	30.06.22 pence per share
Opening net asset value per share	154.72	156.56	174.38
Return before operating charges*	20.69	2.43	(14.61)
Operating charges	(2.14)	(1.65)	(1.79)
Return after operating charges	18.55	0.78	(16.40)
Distributions	(2.73)	(2.62)	(1.42)
Closing net asset value per share	170.54	154.72	156.56
* after direct transaction costs of:	0.01	0.02	0.03

PERFORMANCE

Return after charges	11.99%	0.50%	(9.40)%
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OTHER INFORMATION

Closing net asset value (£'000)	3	3	3
Closing number of shares	2,065	2,065	2,065
Operating charges	1.29% ¹	2.02%	1.85%
Direct transaction costs	–	0.01%	0.02%

PRICES

Highest share price	172.64	169.40	186.47
Lowest share price	148.14	151.87	156.09

¹ 0.69% is excluded from the current period operating charges figure in relation to closed end funds and Exchange Traded Commodities.

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

A ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.06.24 pence per share	30.06.23 pence per share	30.06.22 ¹ pence per share
Opening net asset value per share	158.86	158.12	178.83
Return before operating charges*	20.88	2.39	(18.99)
Operating charges	(2.02)	(1.65)	(1.72)
Return after operating charges	18.86	0.74	(20.71)
Distributions	(2.62)	(1.56)	(1.63)
Retained distributions on accumulation shares	2.62	1.56	1.63
Closing net asset value per share	177.72	158.86	158.12
* after direct transaction costs of:	0.01	0.02	0.03

PERFORMANCE

Return after charges	11.87%	0.47%	(11.58)%
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OTHER INFORMATION

Closing net asset value (£'000)	1	1	19
Closing number of shares	559	559	12,099
Operating charges	1.18% ³	2.02%	1.85% ²
Direct transaction costs	–	0.01%	0.02%

PRICES

Highest share price	178.33	171.01	187.09
Lowest share price	151.99	153.34	156.68

¹ A Accumulation shares launched on 23 August 2021.

² Annualised figure due to share class launched less than 1 year.

³ 0.69% is excluded from the current period operating charges figure in relation to closed end funds and Exchange Traded Commodities.

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

B INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.06.24 pence per share	30.06.23 pence per share	30.06.22 pence per share
Opening net asset value per share	155.27	157.11	175.02
Return before operating charges*	20.68	2.37	(14.66)
Operating charges	(1.92)	(1.39)	(1.53)
Return after operating charges	18.76	0.98	(16.19)
Distributions	(2.90)	(2.82)	(1.72)
Closing net asset value per share	171.13	155.27	157.11
* after direct transaction costs of:	0.01	0.02	0.03

PERFORMANCE

Return after charges	12.08%	0.63%	(9.25)%
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OTHER INFORMATION

Closing net asset value (£'000)	34,132	31,644	32,811
Closing number of shares	19,945,450	20,380,366	20,883,493
Operating charges	1.15% ¹	1.87%	1.70%
Direct transaction costs	–	0.01%	0.02%

PRICES

Highest share price	173.29	170.00	187.11
Lowest share price	148.69	152.44	156.73

¹ 0.69% is excluded from the current period operating charges figure in relation to closed end funds and Exchange Traded Commodities.

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

FUND INFORMATION continued

Comparative Tables continued

B ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.06.24 pence per share	30.06.23 pence per share	30.06.22 ¹ pence per share
Opening net asset value per share	159.76	158.78	179.48
Return before operating charges*	21.39	2.37	(19.50)
Operating charges	(1.99)	(1.39)	(1.20)
Return after operating charges	19.40	0.98	(20.70)
Distributions	(3.00)	(2.89)	(1.72)
Retained distributions on accumulation shares	3.00	2.89	1.72
Closing net asset value per share	179.16	159.76	158.78
* after direct transaction costs of:	0.01	0.02	0.03

PERFORMANCE

Return after charges	12.14%	0.62%	(11.53)%
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OTHER INFORMATION

Closing net asset value (£'000)	119	119	65
Closing number of shares	66,200	74,257	40,752
Operating charges	1.15% ³	1.87%	1.70% ²
Direct transaction costs	–	0.01%	0.02%

PRICES

Highest share price	179.75	171.75	187.74
Lowest share price	153.01	154.06	157.32

¹ B Accumulation shares launched on 23 August 2021.

² Annualised figure due to share class launched less than 1 year.

³ 0.69% is excluded from the current period operating charges figure in relation to closed end funds and Exchange Traded Commodities.

WS MELLIFERA MANAGED FUND
ACD’S REPORT continued
FUND INFORMATION continued

Fund Performance to 30 June 2024 – Cumulative (%)

	1 year	3 years	5 years
WS Mellifera Managed Fund	13.00	1.69	27.07
Target benchmark ¹	5.02	31.61	44.01
IA Mixed Investment 40-85% Shares Sector ¹	11.79	7.20	25.97

¹ Source: Morningstar Direct.

The performance of the Fund is based on the published price per A Income share with income reinvested.

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

Details of the distributions per share for the year are shown in the Distribution Table on pages 45 and 46.

RISK WARNING

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

WS MELLIFERA MANAGED FUND

ACD'S REPORT continued

PORTFOLIO STATEMENT

as at 30 June 2024

Holding	Portfolio of Investments	Value £'000	30.06.24 %
	UNITED KINGDOM – EQUITIES – 6.19% (30.06.23 – 6.30%)		
65,360	Aberforth Smaller Companies Trust	986	2.88
135,450	Finsbury Growth and Income	1,136	3.31
	TOTAL UNITED KINGDOM – EQUITIES	2,122	6.19
	EUROPE – EQUITIES – 4.33% (30.06.23 – 3.39%)		
68,532	Investor AB ¹	1,484	4.33
	NORTH AMERICA – EQUITIES – 4.67% (30.06.23 – 3.85%)		
160,423	JPMorgan American Investment Trust	1,598	4.67
	FAR EAST & EMERGING MARKETS – EQUITIES – 7.18% (30.06.23 – 7.18%)		
84,256	GuardCap Emerging Markets Equity ²	822	2.40
971	Veritas Asian ²	815	2.38
165,775	VinaCapital Vietnam Opportunity	820	2.40
	TOTAL FAR EAST & EMERGING MARKETS – EQUITIES	2,457	7.18
	JAPAN – EQUITIES – 2.93% (30.06.23 – 3.91%)		
33,087	Chikara Japan Income and Growth ²	1,004	2.93
	SECTOR SPECIFIC – EQUITIES – 12.45% (30.06.23 – 12.32%)		
143,600	BlackRock World Mining	816	2.38
531,136	Lazard Global Listed Infrastructure Equity ²	976	2.85
45,977	Polar Capital Technology Trust	1,515	4.42
97,902	The Biotech Growth Trust	957	2.80
	TOTAL SECTOR SPECIFIC – EQUITIES	4,264	12.45

WS MELLIFERA MANAGED FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 30 June 2024

Holding	Portfolio of Investments	Value £'000	30.06.24 %
	GLOBAL – EQUITIES – 17.08% (30.06.23 – 16.66%)		
142,987	Baillie Gifford Global Income Growth ²	1,566	4.57
255,464	Fundsmith Equity ²	1,651	4.82
50,858	GuardCap Global Equity ²	1,587	4.63
68,045	Wellington Global Impact ²	1,049	3.06
	TOTAL GLOBAL – EQUITIES	5,853	17.08
	PRIVATE EQUITY – SPECIALIST – 10.47% (30.06.23 – 9.36%)		
837,774	Augmentum Fintech	993	2.90
51,805	HarbourVest Global Private Equity	1,277	3.73
272,810	HgCapital Trust	1,317	3.84
	TOTAL PRIVATE EQUITY – SPECIALIST	3,587	10.47
	REAL ASSETS – SPECIALIST – 11.90% (30.06.23 – 12.41%)		
375,009	LondonMetric Property ³	725	2.12
862,967	US Solar	311	0.90
900,000	VH Global Sustainable Energy Opportunities	680	1.99
698,390	Warehouse REIT ³	566	1.65
10,423	WisdomTree Physical Gold ⁴	1,795	5.24
	TOTAL REAL ASSETS – SPECIALIST	4,077	11.90
	ACTIVIST – SPECIALIST – 0.00% (30.06.23 – 3.29%)	–	–
	ABSOLUTE RETURN – SPECIALIST – 5.14% (30.06.23 – 5.67%)		
157,140	Highbridge Multi Strategy ⁵	–	–
42,361	RIT Capital Partners	771	2.25
306,560	WS Ruffer Total Return ^{2,6}	991	2.89
	TOTAL ABSOLUTE RETURN – SPECIALIST	1,762	5.14

WS MELLIFERA MANAGED FUND
ACD'S REPORT continued
PORTFOLIO STATEMENT continued
as at 30 June 2024

Holding	Portfolio of Investments	Value £'000	30.06.24 %
	SPECIALITY FINANCE – FIXED INTEREST – 2.53% (30.06.23 – 2.89%)		
1,302,888	BioPharma Credit	866	2.53
	UNCONSTRAINED – FIXED INTEREST – 3.75% (30.06.23 – 3.64%)		
803,266	TwentyFour Select Monthly Income	671	1.96
6,592	Vontobel TwentyFour Strategic Income ²	613	1.79
	TOTAL UNCONSTRAINED – FIXED INTEREST	1,284	3.75
	ASSET BACKED – FIXED INTEREST – 5.44% (30.06.23 – 5.70%)		
142,841	iShares \$ Treasury Bond 3-7 year ⁷	648	1.89
1,176,599	TwentyFour Income	1,214	3.55
	TOTAL ASSET BACKED – FIXED INTEREST	1,862	5.44
	Portfolio of investments	32,220	94.06
	Net other assets	2,035	5.94
	Net assets	34,255	100.00

The investments have been valued in accordance with note 1(F) and are closed end funds unless stated otherwise.

¹ Ordinary share.

² Collective investment scheme.

³ Real Estate Investment Trust.

⁴ Exchange traded commodity.

⁵ In liquidation.

⁶ Related party holding (see note 11).

⁷ Exchange traded fund.

WS MELLIFERA MANAGED FUND
ACD'S REPORT continued
SUMMARY OF MATERIAL PORTFOLIO CHANGES
for the year ended 30 June 2024

There were no purchases made during the year.

Total sales for the year £'000 (note 15)	1,614
Sales	Proceeds £'000
Third Point Offshore	866
Comgest Growth Japan	437
Polar Capital Technology Trust	268
US Solar	43

The summary of material portfolio changes represents all of the sales during the year.

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS
STATEMENT OF TOTAL RETURN
for the year ended 30 June 2024

	Notes	£'000	30.06.24 £'000	£'000	30.06.23 £'000
Income:					
Net capital gains/(losses)	3		3,130		(373)
Revenue	4	899		893	
Expenses	5	(277)		(288)	
Net revenue before taxation		622		605	
Taxation	6	(43)		(20)	
Net revenue after taxation			579		585
Total return before distributions			3,709		212
Distributions	7		(579)		(585)
Change in net assets					
attributable to shareholders					
from investment activities			3,130		(373)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 30 June 2024

	£'000	30.06.24 £'000	£'000	30.06.23 £'000
Opening net assets attributable to shareholders		31,767		32,898
Amounts receivable on issue of shares	1,486		246	
Amounts payable on redemption of shares	(2,131)		(1,006)	
		(645)		(760)
Change in net assets attributable to shareholders from investment activities		3,130		(373)
Retained distributions on Accumulation shares		3		2
Closing net assets attributable to shareholders		34,255		31,767

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
BALANCE SHEET
as at 30 June 2024

	Notes	30.06.24 £'000	30.06.23 £'000
ASSETS			
Fixed assets			
Investments		32,220	30,682
Current assets			
Debtors	8	280	62
Cash and cash equivalents	9	2,189	1,404
Total assets		34,689	32,148
LIABILITIES			
Creditors			
Distribution payable	10	(318)	(324)
Other creditors	10	(116)	(57)
Total liabilities		(434)	(381)
Net assets attributable to shareholders		34,255	31,767

WS MELLIFERA MANAGED FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2024

1. Accounting Policies

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

(A) BASIS OF ACCOUNTING

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

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

(B) RECOGNITION OF REVENUE

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

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment in the scheme and does not form part of the distributable revenue.

Reportable income from funds with 'reporting fund' status for UK tax purposes is recognised when the information is made available by the reporting fund.

Revenue from unquoted equity investments is recognised when the dividend is declared.

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

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

(C) TREATMENT OF EXPENSES

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

WS MELLIFERA MANAGED FUND

FINANCIAL STATEMENTS continued

NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 30 June 2024

(D) ALLOCATION OF REVENUE AND EXPENSES TO MULTIPLE SHARE CLASSES

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

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

(E) TAXATION

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

Offshore income gains, from funds without reporting status, are liable to corporation tax at 20% and any resulting charge is deducted from capital.

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

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

(F) BASIS OF VALUATION OF INVESTMENTS

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

Quoted investments are valued at fair value which generally is the bid price.

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

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

(G) EXCHANGE RATES

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

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

(H) DILUTION LEVY

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

(I) PORTFOLIO TRANSACTION COSTS

Direct transaction costs may consist of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Indirect transaction costs may be incurred on transactions in underlying schemes but these do not form part of the direct transaction costs disclosures. Direct transaction costs do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. The average portfolio dealing spread disclosed is the difference between the bid and offer prices of investments at the balance sheet date, including the effect of foreign exchange, expressed as a percentage of the value determined by reference to the offer price.

2. Distribution Policies

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

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

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

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

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

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

3. Net Capital Gains/(Losses)

The net capital gains/(losses) during the year comprise:

	30.06.24 £'000	30.06.23 £'000
Non-derivative securities	3,094	(172)
Transaction charges	(1)	-
Currency gains/(losses)	37	(201)
Net capital gains/(losses)	3,130	(373)

The net capital gains figure includes realised gains of £31,000 and unrealised gains of £5,799,000 (30.06.23: includes realised losses of £3,072,000 and unrealised gains of £2,699,000). The realised gains on investments in the current year include amounts previously recognised as unrealised gains in the prior year.

Where realised gains/losses include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised gains/losses.

4. Revenue

	30.06.24 £'000	30.06.23 ¹ £'000
Non-taxable dividends	413	380
Taxable dividends	177	156
UK property income distributions	107	88
Interest distributions on CIS holdings	131	226
Bank interest	71	43
Total revenue	899	893

¹ Following the change in ACD, the comparative figures for the year ended 30.06.23 have been restated.

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

5. Expenses

	30.06.24 £'000	30.06.23 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	193	199
Administration fees	60	61
Legal and professional fees	1	–
Registration fees	1	1
	255	261
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	13	14
Safe custody and other bank charges	2	1
	15	15
Other expenses:		
Audit fees	5	8
Tax collection fees	2	4
	7	12
Total expenses	277	288

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

6. Taxation

	30.06.24 £'000	30.06.23 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	42	19
Overseas tax	1	1
Current tax charge	43	20
Deferred tax – origination and reversal of timing differences (note 6c)	–	–
Total taxation (note 6b)	43	20

WS MELLIFERA MANAGED FUND**FINANCIAL STATEMENTS** continued**NOTES TO THE FINANCIAL STATEMENTS** continued

for the year ended 30 June 2024

b) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (30.06.23: 20%). The difference is explained below:

	30.06.24 £'000	30.06.23 £'000
Net revenue before taxation	622	605
Corporation tax at 20%	125	121
Effects of:		
Non-taxable dividends	(83)	(76)
Utilisation of excess management expenses	–	(26)
Corporation tax charge	42	19
Overseas tax	1	1
Total tax charge (note 6a)	43	20

c) Deferred tax

As at 30 June 2024 the Fund had no surplus management expenses (30.06.23: nil).

7. Distributions

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

	30.06.24 £'000	30.06.23 £'000
Interim	259	256
Final	319	325
	578	581
Add: Revenue deducted on redemption of shares	10	4
Deduct: Revenue received on issue of shares	(9)	–
Net distributions for the year	579	585

Details of the distributions per share are set out in the table on pages 45 and 46.

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

8. Debtors

	30.06.24 £'000	30.06.23 £'000
Amounts receivable for issue of shares	245	–
Accrued revenue:		
Non-taxable dividends	26	62
Taxable dividends	4	–
Taxation recoverable:		
Overseas withholding tax	5	–
Total debtors	280	62

9. Cash and Cash Equivalents

	30.06.24 £'000	30.06.23 £'000
Bank balances	2,189	1,404
Total cash and cash equivalents	2,189	1,404

10. Creditors

	30.06.24 £'000	30.06.23 £'000
Distribution payable	318	324
Other Creditors		
Amounts payable for redemption of shares	24	3
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	33	16
Administration fees	5	5
	38	21

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

	30.06.24 £'000	30.06.23 £'000
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	4	1
Safe custody and other bank charges	-	1
	4	2
Other expenses:		
Audit fees	8	8
Tax fees	-	4
	8	12
Taxation payable:		
Corporation tax	42	19
Total other creditors	116	57

11. Related Party Transactions

The Annual Management Charge, administration fees and legal and professional fees payable to Waystone Management (UK) Limited (WMUK) ('the ACD') and registration fees payable to Link Fund Administrators Limited (an associate of the ACD) are disclosed in note 5 and amounts due at the year end are disclosed in note 10.

The aggregate monies received by the ACD through the issue of shares and paid on redemption of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 30 and amounts due at the year end are disclosed in notes 8 and 10.

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

Allfunds Nominee Limited	72.31% (30.06.23: 71.70%)
Clearstream Banking	27.34% (30.06.23: 26.80%)

WS MELLIFERA MANAGED FUND
FINANCIAL STATEMENTS continued
NOTES TO THE FINANCIAL STATEMENTS continued
for the year ended 30 June 2024

As part of the investment strategy, the Fund may from time to time hold shares in other collective investment schemes managed by the same Investment Adviser or for which WMUK is also the ACD. At the balance sheet date the value of the holdings was as follows:

	30.06.24 £'000	30.06.23 £'000
ACD in common	991	-

12. Contingent Liabilities and Commitments

There are no contingent liabilities or unrecorded outstanding commitments (30.06.23: none).

13. Shares in Issue

	A Income	A Accumulation	B Income	B Accumulation
Annual Management Charge	0.18% ¹	0.18% ¹	0.18% ¹	0.18% ¹
Opening shares in issue	2,065	559	20,380,366	74,257
Issues	-	-	884,356	1,548
Redemptions	-	-	(1,319,272)	(9,605)
Closing shares in issue	2,065	559	19,945,450	66,200

14. Risk Management Policies

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

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

The ACD has in place a Risk Management Policy and Procedures Document ('RMPPD') that sets out the risks that may impact a fund and how the ACD seeks, where appropriate, to manage, monitor and mitigate those risks, and in particular those risks associated with the use of derivatives. The RMPPD sets out both

¹ First £50m = 0.18%
Next £100m = 0.15%
Thereafter = 0.10%
Subject to a minimum fee of £25,000 per annum.

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for the year ended 30 June 2024

the framework and the risk mitigations operated by the ACD in managing the identified risks of the Fund. The ACD requires that the appointed Investment Adviser to the Fund has in place its own governance structure, policies and procedures that are commensurate with its regulatory obligations and the risks posed by the fund managed.

(A) CREDIT RISK

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

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

(B) INTEREST RATE RISK

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in interest rates, either globally or locally. Changes in the rate of return in one asset class may influence the valuation basis of other classes. The amount of revenue receivable from floating rate investments and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. Investment in collective investment schemes may expose the Fund to indirect interest rate risk to the extent that they may invest in interest bearing securities, the returns from which will be affected by fluctuations in interest rates.

The Fund invests in collective investment schemes and as such does not have any significant direct exposure to interest rate risk. The Fund may indirectly be exposed to interest rate risk through its investment in collective investment schemes. As the Fund has no direct exposure to interest rate risk, no interest rate risk table or sensitivity analysis has been presented.

(C) FOREIGN CURRENCY RISK

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

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

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for the year ended 30 June 2024

The table below shows the direct foreign currency risk profile:

	30.06.24 £'000	30.06.23 £'000
Currency:		
Swedish krona	1,489	1,078
US dollars	2,665	3,442
	4,154	4,520
Pounds sterling	30,101	27,247
Net assets	34,255	31,767

A 5% change in the pounds Sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £208,000 on the net assets of the Fund (30.06.23: £226,000).

(D) LEVERAGE

The ACD is required to calculate and monitor the level of leverage of the Fund, expressed as a ratio between the exposure of the Fund and its Net Asset Value, under both the gross and commitment methods (in accordance with articles 7 and 8 of The Alternative Investment Fund Managers Regulations 2013). For a fund with no borrowing or derivative usage the leverage ratio would be 1:1 under the commitment method. The gross method calculation excludes cash and cash equivalents which are highly liquid.

As at 30 June 2024, leverage under the gross method was 0.94:1 and leverage under the commitment method was 1:1 (30.06.23: 0.96:1 and 1:1 respectively).

(E) LIQUIDITY RISK

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

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

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

Based on this analysis 89.57% of the portfolio can be liquidated within 5 days and 95.81% within 21 working days. Given this and the ACD’s understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

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

(F) MARKET PRICE RISK

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

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

A 5% increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £1,611,000 (30.06.23: £1,534,000). A 5% decrease would have an equal and opposite effect.

(G) DERIVATIVES

The Fund held no derivatives in the current or prior year.

15. Portfolio Transaction Costs

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
30.06.24				
Purchases total	–	–	–	–
Transaction cost % of purchases total		–	–	
Transaction cost % of average NAV		–	–	
Collective investment schemes	1,615	(1)	–	1,614
Sales total	1,615	(1)	–	1,614
Transaction cost % of sales total		0.06%	–	
Transaction cost % of average NAV		–	–	

Average portfolio dealing spread at 30.06.24 is 0.30% (30.06.23: 0.27%).

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for the year ended 30 June 2024

	Purchases/ sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
30.06.23				
Ordinary shares	271	2	–	273
Collective investment schemes	942	–	–	942
Purchases total	<u>1,213</u>	<u>2</u>	<u>–</u>	<u>1,215</u>
Transaction cost % of purchases total		0.20%	–	
Transaction cost % of average NAV		0.01%	–	
Ordinary shares	205	–	–	205
Collective investment schemes	1,439	(1)	–	1,438
Sales total	<u>1,644</u>	<u>(1)</u>	<u>–</u>	<u>1,643</u>
Transaction cost % of sales total		0.09%	–	
Transaction cost % of average NAV		–	–	

16. Fair Value Hierarchy

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

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

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

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

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30.06.24				
Investment assets	<u>21,146</u>	<u>11,074</u>	<u>–</u>	<u>32,220</u>
30.06.23				
Investment assets	<u>20,014</u>	<u>10,666</u>	<u>2</u>	<u>30,682</u>

WS MELLIFERA MANAGED FUND

FINANCIAL STATEMENTS continued

DISTRIBUTION TABLE

for the year ended 30 June 2024 – in pence per share

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares – the applicable distribution periods for each distribution are shown below). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

Group 2	Interim	Final
From	01.07.23	01.01.24
To	31.12.23	30.06.24

A INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 29.02.24	Paid 28.02.23
Group 1	1.2156	–	1.2156	1.1401
Group 2	1.2156	0.0000	1.2156	1.1401

Final	Net Revenue	Equalisation	Payable 31.08.24	Paid 31.08.23
Group 1	1.5106	–	1.5106	1.4849
Group 2	1.5106	0.0000	1.5106	1.4849

A ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 29.02.24	Allocated 28.02.23
Group 1	1.1534	–	1.1534	1.1413
Group 2	1.1534	0.0000	1.1534	1.1413

Final	Net Revenue	Equalisation	Allocation 31.08.24	Allocated 31.08.23
Group 1	1.4681	–	1.4681	0.4184
Group 2	1.4681	0.0000	1.4681	0.4184

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DISTRIBUTION TABLE continued

B INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 29.02.24	Paid 28.02.23
Group 1	1.3030	–	1.3030	1.2321
Group 2	0.9812	0.3218	1.3030	1.2321
Final	Net Revenue	Equalisation	Payable 31.08.24	Paid 31.08.23
Group 1	1.5947	–	1.5947	1.5910
Group 2	0.5011	1.0936	1.5947	1.5910

B ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 29.02.24	Allocated 28.02.23
Group 1	1.3417	–	1.3417	1.2719
Group 2	0.8373	0.5044	1.3417	1.2719
Final	Net Revenue	Equalisation	Allocation 31.08.24	Allocated 31.08.23
Group 1	1.6536	–	1.6536	1.6226
Group 2	1.6536	0.0000	1.6536	1.6226

GENERAL INFORMATION

Share Capital

The maximum share capital of the Company is currently £10,000,000,000 and the minimum is £1,000,000.

Structure of the Company

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new sub-fund or class, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund.

The sub-fund which is currently available is:

WS Mellifera Managed Fund

In the future there may be other sub-funds of the Company.

Classes of Shares

More than one class of share may be issued in respect of each sub-fund.

Holders of income shares of a sub-fund are entitled to be paid the income of that sub-fund which is attributed to such shares on the relevant allocation date(s). Holders of accumulation shares are not entitled to be paid the income attributed to such shares, but that income is automatically added (and retained as part of) the capital assets of the relevant sub-fund on the relevant allocation date(s).

Valuation Point

The current valuation point of the Fund is 12.00 noon (London time) on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

Buying and Selling Shares

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm (London time). Instructions to buy or sell shares may be either in writing to: PO Box 389, Darlington DL1 9UF or by telephone on 0345 922 0044.

Prices

The prices of all shares are published on every dealing day on the ACD's website www.waystone.com and may also be obtained by calling 0345 922 0044 during the ACD's normal business hours.

GENERAL INFORMATION continued

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Documents and the most recent interim and annual reports may be inspected at, and obtained from, the ACD at 3rd Floor, Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL during normal business hours on any business day, in addition to being available at www.waystone.com.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Information about the Financial Ombudsman can be found on its website at www.financial-ombudsman.org.uk.

Data Protection Act

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

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