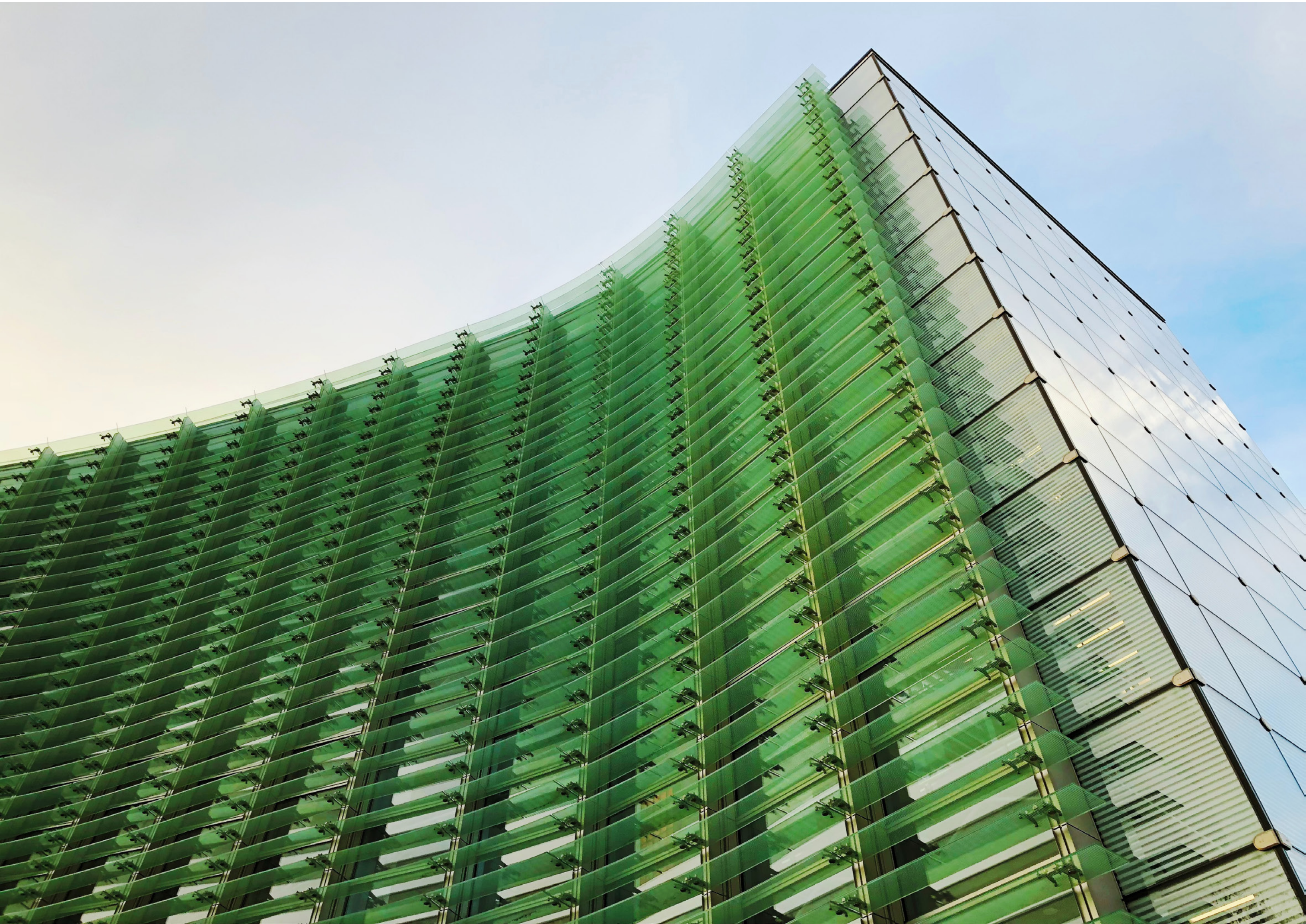
WS Lindsell Train North American Equity Fund

(Formerly LF Lindsell Train North American Equity Fund)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024



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

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the Financial Conduct Authority)

DIRECTORS OF THE ACD

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.

PORTFOLIO MANAGER

LINDSELL TRAIN LIMITED
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DEPOSITARY

NORTHERN TRUST INVESTOR SERVICES LIMITED
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INDEPENDENT AUDITOR

ERNST & YOUNG LLP
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CONTENTS

waystone

ACD'S REPORT

for the year ended 31 March 2024

Authorised Status

WS Lindsell Train North American Equity Fund ('the Fund') is an investment company with variable capital incorporated in England and Wales under registered number IC025682 and authorised by the Financial Conduct Authority with effect from 18 March 2020. The Fund has an unlimited duration.

The Fund is a Non-UCITS retail scheme and the base currency is pounds sterling.

Shareholders are not liable for the debts of the Fund. Shareholders are not liable to make any further payment to the Fund after they have paid the price on purchase of the shares.

The Alternative Investment Fund Manager ('AIFM') is the legal person appointed on behalf of the Fund and which (through this appointment) is responsible for managing the Fund 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. However, US core inflation has been creeping up since the beginning of the year, with market participants tempering their bets on how many interest rate cuts the US Federal Reserve will deliver this year, and it is not clear at this time whether the consequences of the geopolitical events will culminate in local, or even a global, recession or whether a 'soft-landing' is attainable.

Important Information

With effect from 9 October 2023, the following changes took place:

- The Authorised Corporate Director of the Fund changed from Link Fund Solutions Limited ('LFSL') to Waystone Management (UK) Limited ('WMUK');
- The Fund name was changed to WS Lindsell Train North American Equity Fund;
- The head office and registered office of the Fund changed to 2nd floor, 20-22 Bedford Row, Holborn, London WC1R 4EB; and
- The website for the publication of prices and obtaining documents of the Fund changed to www.waystone.com.

ACD'S REPORT *continued*
for the year ended 31 March 2024

Important Information *continued*
With effect from 8 February 2024, the valuation point of the Fund changed from 12:00pm to 10:30pm on each dealing day.

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

Investment Objective and Policy
The investment objective of the Fund is to achieve capital and income growth and provide a total return in excess of the MSCI North American Index (GBP), over any five-year period, after all costs and charges have been taken.

Capital invested is at risk and there is no guarantee that the objective will be achieved over any time period.

The investment policy of the Fund is to invest at least 80% of its assets directly in the shares of North American companies. These are companies that are (i) listed or traded in the United States of America, Canada and Mexico and (ii) incorporated or domiciled in these countries. The Fund's portfolio is likely to comprise of 20 to 30 securities.

The Fund may invest up to 20% of its assets in non-North American equities from countries worldwide (including emerging markets), cash, deposits and money market instruments.

The Fund does not have any restriction on the industry sectors or size of companies that it can invest in but will seek to invest in high quality, large market capitalisation, internationally orientated companies listed in the United States.

Although the Fund will be focused on investing in North American companies listed in the United States, it may also invest in North American companies listed in Canada and Mexico.

The minimum investment amount and ranges referenced above will not apply under extraordinary market conditions, in which circumstances the Fund may invest in asset classes other than those in which it normally invests in order to mitigate its exposure to market risk. Examples of extraordinary market conditions include economic or political unrest or instability, world events leading to market instability, closure of a relevant market(s), or any events which give rise to high potential for investments to suffer a decline in value. During such periods, the Fund may temporarily invest up to 100% of its total assets in cash, deposits, treasury bills, government bonds or short-term money market instruments, or have substantial holdings in cash and cash equivalents.

Benchmark
The Fund's target benchmark is the MSCI North American Index (GBP).

The MSCI North American Index (GBP) has been selected as the Fund's target benchmark as it represents the broad scope of North American quoted companies that the Fund will seek to invest in.

The Fund is not constrained by the target benchmark and can take positions in individual stocks and industry sectors, countries and geographic areas that differ significantly from the MSCI North American Index (GBP) with the aim of achieving a return (the money made or lost on an investment) in excess of that target benchmark.

ACD'S REPORT *continued*

for the year ended 31 March 2024

Remuneration Disclosure

On 9 October 2023, the ACD of the Fund changed. These report and accounts are being produced by the Fund's current ACD and the disclosures below relate to the most recent period for which audited information in respect of the current ACD is available, being the year ended 31 December 2022.

Investors' attention is drawn to the following:

- The remuneration arising in respect of the accounting period for which this report and accounts is being prepared related to the Fund's previous ACD. We understand that the previous ACD discloses information in respect of that remuneration on its website.
- The change of ACD was part of a wider corporate transaction whereby substantially all the previous ACD's Funds were transferred to the current ACD. As a result circa £83 billion of funds under management were transferred to the current ACD. The effects of this transaction in terms of remuneration will be reported to investors in due course once more recent audited accounts for the current ACD are available.

Remuneration

The ACD is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the Directive.

The fixed remuneration paid by the ACD to its staff in respect of all funds that it manages in the year ended 31 December 2022 was £823,929 and was shared amongst 12 members of staff (2021: £751,344; 12 members of staff). The fixed remuneration paid by the ACD to the Remuneration Code Staff for the year ended 31 December 2022 was £292,500, shared amongst 3 employees. All 12 ACD staff members were fully or partially involved in the activities of the Fund. The ACD did not pay any variable remuneration. The ACD staff remuneration is established with reference to the market remuneration of each equivalent position and is not linked to the performance of the Fund or any other alternative investment fund the ACD is the AIFM of. None of the ACD's staff actions had a material impact on the risk profile of the Fund.

Securities Financing Transactions

The Fund 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 https://www.fundsolutions.net/tcfd-reporting/ and the report of the Fund can be found at https://www.fundsolutions.net/uk/lindsell-train-limited/ws-lindsell-train-north-american-equity-fund/tcfd-reporting/.

Prior to accessing the report of the Fund there is link to the 'TCFD Reporting guide' which provides an explanation of the TCFD report.

ACD'S REPORT *continued*
for the year ended 31 March 2024

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

WAYSTONE MANAGEMENT (UK) LIMITED
ACD of WS Lindsell Train North American Equity Fund
28 June 2024

ACD'S REPORT *continued*
PORTFOLIO MANAGER'S REPORT
for the year ended 31 March 2024

Your Fund returned 13.5% over the year, not a terrible absolute showing but well behind the MSCI North American Index (GBP) ('the Index') thumping 26.3%. The top contributors to performance were FICO, Alphabet and American Express and the top detractors were Estee Lauder, Nike and Hershey.

An initial explanation for the shortfall in relative performance could be the absence of six of the seven 'magnificent' mega-cap stocks that collectively represent a quarter of the Index and, as a whole, have appreciated considerably over the period. We're happy holders of Alphabet, but why not the others? Some, we've come close. Microsoft and Apple sit in our investment universe, epitomising scaled, recurring revenue, capital-light business models, easily qualifying them for consideration. Yet quaint as it may sound, their attachment to hardware and the accompanying risk of commoditisation has so far given us pause. To date these fears have proven misplaced, and both stocks can be considered misses. But given the portfolio isn't exhaustive and is concentrated on 26 stocks, missing at least some of the best performers is inevitable. A strategy looking to own every top performer in any calendar year is destined to fail, with a fear of missing out setting all sorts of dangerous behavioural traps. Still, when one of these misses has a market cap bigger than the entire Russell 2000 and almost doubles in less than a year, the error is more keenly felt.

So, what to do from here? Performance concentration now makes it difficult for both passive and active investors to diversify risk, but in our view a differentiated approach to quality, emphasising durable long-term growth, can still add active value. Certainly, history suggests that when a small number of stocks have driven performance, arriving late to the party is risky. Like the pandemic-induced shift to digital in 2021, AI was the 2023 engine of optimism for many of these companies, but barely a year ago was feared as a 'Google-killer'. As longer-term investors, we wonder whether it really was, or is, possible to know AI's eventual impact, evolution, and regulation. And yet, technology whether digital, AI, or otherwise, will deliver efficiencies, creating wealth across markets. It would be foolish to pretend otherwise and it's important we ask ourselves whether our holdings can credibly share in these benefits. As a general theme, we view ownership of differentiated IP and data as one of the more predictable ways to profit from its increased use. Fund holdings Alphabet, Adobe, Intuit, Verisk, S&P Global, CME, Visa, Equifax, Amex, and PayPal all possess unique, industry leading datasets serving important and growing end markets. So too, to a subtler degree do our content and consumer franchises.

Whilst not owning the bulk of these seven companies helps rationalise relative underperformance, we don't consider it the root cause. Even the highest-quality compounding companies will suffer fallow periods when near-term challenges conspire against them. In a concentrated portfolio these struggles can seemingly 'gang up' on our holdings, with weaker overall performance the likely result. However, we expect the underlying compounding to win out, as Lindsell Train's other strategies' longer track records hopefully attest. Notably, the portfolio's underlying returns to equity remain high at a weighted average of 24%. And we have encouraging successes to point to, some of which have handily outpaced even the M7. We'll continue to focus our energies on what we own, looking to test both their prospects and the potential risks. With a Fund nearly unchanged in over three years, our view on both these fronts is one of considerable optimism and this is reflected in our review below of some key portfolio names.

ACD'S REPORT *continued*
PORTFOLIO MANAGER'S REPORT *continued*
for the year ended 31 March 2024

Intuit is one of the best-positioned candidates within our portfolio to benefit from AI. The company has built up category leadership across multiple industries, including tax filing services and solutions; accounting, payroll and marketing software; and credit card and personal loan solutions, accumulating vast amounts of data on 90 million consumers and 10 million small businesses along the way. Its platform already handles 810 million AI-driven customer interactions per year and makes 65 billion machine learning predictions per day, so it seems highly credible that the company will continue to find new, accretive use cases, and draw their users deeper into the QuickBooks, TurboTax and Credit Karma ecosystems. In any case, accounting and tax filing were already fantastically dependable, attractive categories even before all of these new AI-enabled innovations, largely because the underlying software is extremely 'sticky' and/or plumbed in, plus both activities are legally mandated. This makes Intuit exactly the kind of 'boring' software company we're interested in.

FICO has powered to new all-time highs as the company's robust business model continues to shine through. Strong pricing increases have been more than able to offset the recent weakness in mortgage origination volumes, demonstrating just how much untapped pricing power remains in the company's core credit scoring franchise after keeping prices flat for multiple preceding decades. The company continues to allocate its capital almost exclusively towards buybacks, rightly pointing out that there are essentially no other companies out there that enjoy the same exceptional economics that they do. As a reminder, the Scores business consistently posts 85%+ operating margins, and has grown its revenues at a 18% CAGR over the last five years. Such are the financial characteristics of a capital-light data licensing business, selling an essential credit score used in 90% of US consumer credit lending decisions. All in all, it's strange to reflect that only two years ago, around when we first began building our position, there were concerns that AI and regulatory change would disrupt credit scoring forever. We continue to believe the opposite, and it appears that consensus is starting to agree.

Disney marked its 100th anniversary in 2023, a remarkable achievement – especially for a company in the notably dynamic media sector. A key reason behind Disney's longevity is its unusually powerful and resonant family orientated content, and we're starting to see this IP help the company's share price so far in 2024 as investors look ahead to costs slowing and revenues accelerating. However, despite the recent significant uplift in share price performance, Disney, not unlike most other media companies, is still yet to fully rationalise the advent of internet-enabled D2C streaming services, and the longer-term implications for their super-profitable 'legacy' businesses, most notably cable. In this regard, the Disney+ streaming service continues to lose money in the race to sign up new subscribers, though is forecasted to turn profitable later this fiscal year, which could yet give a further boost to its shares. Elsewhere in the business, several questions and challenges still overhang – namely, who will succeed veteran Disney CEO Bob Iger; the logistics of buying the final stake in Hulu; how to ensure ESPN's long-term success in a world of escalating sports rights; which legacy assets to pare and at what prices, and more. However, we view these challenges as short term, and, most importantly, unlike its competitors, we believe Disney's content is of notably higher quality. Owning Star Wars, Marvel, and the panoply of characters behind so many people's childhoods will stand it in better stead over the long term.

ACD'S REPORT *continued*
PORTFOLIO MANAGER'S REPORT *continued*
for the year ended 31 March 2024

PepsiCo has now increased its dividend for more than 50 consecutive years, which therefore anoints it a Dividend King, one step above the more widely-known Dividend Aristocrat title (which requires a mere 25 years). This extraordinary track record has been underwritten by the world's largest snacks (Frito-Lay) and second-largest soft drinks (Pepsi) businesses, which collectively feature more than 20 billion dollar+ brands including Pepsi, Doritos, Gatorade, Cheetos, Mountain Dew and more. PepsiCo remains the biggest food and drinks company in the US, and is often the most important supplier to retailers, giving it an important edge over its competitors during negotiations. The company's robust performance over the last few inflationary years was slightly overshadowed in 2023 by the perceived threat from anti-obesity drugs, but thus far we remain confident that the company is doing enough to increase the relative healthiness of its products, and that private label and inferior alternatives will be far more adversely affected. Meanwhile, under CEO Ramon Laguarta, the company has notably increased its spending on advertising, digital capabilities and increased manufacturing capacity, which should ably support the company's mid-term growth aspirations.

Mondelez is the longstanding market leader in biscuits, with a global market share larger than its next seven competitors combined, and a close #2 in Chocolate, where it is gunning for Mars. We're encouraged by the company's portfolio management in recent years, namely the divestiture of the gum business, and promising acquisitions in the Cakes & Pastries and Snack Bars verticals. We also note its attractive 40% exposure to the Emerging Markets, where per capita snacking spend is still incredibly low. Ultimately this is a company that should continue to deliver on its steady growth algorithm year in and year out as consumers tend not to cut back small branded indulgences regardless of the economic backdrop.

S&P Global is more than two years into its integration with IHS Markit. As a brief recap, in late 2019, management conducted a strategic review into its operations and competitive positioning, the conclusion of which was to pursue a combination with IHS Markit. Following a period of due diligence, a merger was announced in November 2020, and the all-share transaction was then closed in February 2022. The acquisition is the largest in S&P's history, and there were understandable concerns that a deal of this size might bring considerable execution risk to an already high margin and established player in the information services space. We have been and remain supporters of the deal, although as with any kind of transformational M&A, we had some concerns that diversification might dilute the quality of the given business. With S&P, this concern was particularly acute, given the indisputable quality of its four legacy businesses: Ratings, Indices, Market Intelligence and Commodity Insights. That said, progress with the integration has been solid so far, and 2023 results marked the 50th consecutive year of dividend increases for the company, thereby ennobling itself with 'Dividend King' status alongside PepsiCo. Consistent with management's previous track record on delivery, it has surpassed the cost synergy targets of $600m, which were set out at the outset of the merger. S&P is also getting traction on revenue synergies, with $152m of run-rate revenue synergies already generated from its target of $350m by 2026. Post-merger, there are clear signs of the strength of the combined business. Legacy S&P's four divisions already had unmatched foundational data brands and assets, but plugging in IHS Markit's unique datasets and software tools has enhanced their scale and competitive position, particularly in the Market Intelligence and Commodity Insights divisions. Whilst small in relative revenue terms, IHS has also brought complementary assets to the Indices division, which will help diversify exposure away from equities and create new opportunities in the credit and multi-asset space. For the company as a whole, S&P is now less reliant on the ratings division which was c.50% of revenue pre-merger and now accounts for c.30%. As a result, the company now has a more predictable revenue profile than before, whilst still maintaining high margins and a robust growth outlook.

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

for the year ended 31 March 2024

And finally, a note on staying power. Each year, Standard and Poor's publishes a list of 'Dividend Aristocrats'; those companies that have to date notched up an impressive 25 years of successive dividend increases. But, there also exists a more exacting list of 'Dividend Kings' for the rare pedigree of company that continues the run for 50 or more years. As above, PepsiCo and S&P have recently achieved this exalted list, but so within your portfolio have four others: Coca-Cola (beating it's younger rival by a full decade), Johnson & Johnson and Kenvue, and Colgate Palmolive.

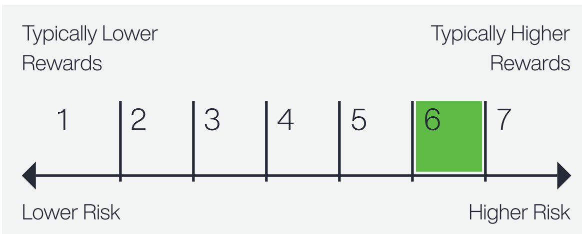
LINDSELL TRAIN LIMITED
Portfolio Manager
15 April 2024

ACD'S REPORT *continued*

FUND INFORMATION

for the year ended 31 March 2024

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. As the Fund has less than 5 years price history, this calculation incorporates the volatility of an appropriate benchmark index. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

The Fund has been classed as 6 because its volatility has been measured as above average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time. The lowest number on the scale does not mean that the Fund is risk free.

Currency Risk: As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

Emerging Markets Risk: The Fund may invest in emerging markets, which are markets in countries that are developing. Emerging markets may have more political and economic risks than developed markets, resulting in price movements that may cause a loss to the Fund.

Counterparty Risk: The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

Concentration Risk: The Fund intentionally holds a small number of investments (20 to 30 stocks) and so will be more concentrated than many other funds. The Fund may also invest in stocks with a particular industry, sector or geographical focus. This means that the performance of a single stock, industry, sector or geographical region within the Fund has a greater effect (loss or gain) on the value of 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.

ACD'S REPORT *continued*

FUND INFORMATION *continued*

for the year ended 31 March 2024

Comparative Tables

Accumulation Shares

CHANGE IN NET ASSETS PER SHARE	31.03.24 pence per share	31.03.23 pence per share	31.03.22 pence per share
Opening net asset value per share	140.46	139.17	125.22
Return before operating charges*	18.38	2.46	15.13
Operating charges	(1.22)	(1.17)	(1.18)
Return after operating charges	17.16	1.29	13.95
Distributions	(1.30)	(1.06)	(0.86)
Retained distributions on accumulation shares	1.30	1.06	0.86
Closing net asset value per share	157.62	140.46	139.17
* after direct transaction costs of:[1]	–	–	–
PERFORMANCE			
Return after charges	12.22%	0.93%	11.14%
OTHER INFORMATION			
Closing net asset value (£'000)	37,609	30,665	27,891
Closing number of shares	23,860,754	21,831,178	20,042,192
Operating charges[2]	0.84%	0.86%	0.84%
Direct transaction costs[1]	–%	–%	–%
PRICES			
Highest share price	157.66	149.27	153.93
Lowest share price	133.35	122.53	128.14

1 *Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levy that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.*

2 *The Portfolio Manager has agreed to waive a portion of their fee, in order to seek to achieve an Ongoing Charges Figure no greater than 0.90%.*

ACD'S REPORT *continued*
FUND INFORMATION *continued*
for the year ended 31 March 2024

Comparative Tables *continued*

Income Shares

CHANGE IN NET ASSETS PER SHARE	31.03.24 pence per share	31.03.23 pence per share	09.12.21 to 31.03.22 pence per share [1]
Opening net asset value per share	90.35	90.83	100.00
Return before operating charges*	11.80	0.98	(8.71)
Operating charges	(0.78)	(0.77)	(0.23)
Return after operating charges	11.02	0.21	(8.94)
Distributions on income shares	(0.82)	(0.69)	(0.23)
Closing net asset value per share	100.55	90.35	90.83
* after direct transaction costs of:[2]	–	–	–
PERFORMANCE			
Return after charges	12.20%	0.23%	(8.94)%
OTHER INFORMATION			
Closing net asset value (£'000)	392	307	23
Closing number of shares	389,543	339,726	24,832
Operating charges[3,4]	0.84%	0.86%	0.84%
Direct transaction costs[2]	–%	–%	–%
PRICES			
Highest share price	100.96	96.82	100.00
Lowest share price	85.40	79.47	83.52

1 *Income share class launched on 9 December 2021.*

2 *Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levy that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.*

3 *Comparative operating charge for the period ended 31 March 2022 is an annualised figure due to Fund launched less than 1 year.*

4 *The Portfolio Manager has agreed to waive a portion of their fee, in order to seek to achieve an Ongoing Charges Figure no greater than 0.90%.*

ACD'S REPORT *continued*

FUND INFORMATION *continued*

for the year ended 31 March 2024

Fund Performance to 31 March 2024 (%)

	1 year	3 years	Since launch[1]
WS Lindsell Train North American Equity Fund	13.51	25.64	57.66
MSCI North American Index (GBP)[2]	26.25	45.88	90.52

[1] *Launch date 22 April 2020.*
[2] *Source: Morningstar Direct.*

The performance of the Fund is based on the published price per Accumulation Share which includes reinvested income.

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 Tables on page 38.

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 necessarily a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 31 March 2024

Holding	Portfolio of investments	Value £'000	31.03.24 %
	NORTH AMERICA – 98.73% (31.03.23 – 97.90%)		
	UNITED STATES – 98.73% (31.03.23 – 97.90%)		
	TECHNOLOGY – 26.92% (31.03.23 – 22.44%)		
3,560	Adobe	1,421	3.74
16,850	Alphabet 'A'	2,011	5.29
2,967	Fair Isaac	2,933	7.72
3,800	Intuit	1,955	5.15
19,200	Oracle	1,908	5.02
		10,228	26.92
	HEALTH CARE – 2.00% (31.03.23 – 3.19%)		
6,065	Johnson & Johnson	759	2.00
	FINANCIALS – 22.10% (31.03.23 – 18.77%)		
11,600	American Express	2,091	5.50
8,600	CME	1,465	3.86
5,900	S&P Global	1,984	5.22
12,000	T. Rowe Price	1,158	3.05
7,700	Visa	1,699	4.47
		8,397	22.10
	CONSUMER DISCRETIONARY – 20.90% (31.03.23 – 20.72%)		
20,100	Colgate-Palmolive	1,432	3.77
11,425	Estée Lauder	1,393	3.66
15,900	Nike	1,183	3.11
3,300	The Madison Square Garden	481	1.27
18,100	TKO	1,237	3.25
22,900	Walt Disney	2,218	5.84
		7,944	20.90
	CONSUMER STAPLES – 12.46% (31.03.23 – 15.26%)		
21,100	Coca-Cola	1,022	2.69
5,100	Hershey	785	2.06
14,739	Kenvue	250	0.66
21,350	Mondelēz International	1,182	3.11

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 31 March 2024

Holding	Portfolio of investments	Value £'000	31.03.24 %
10,800	PepsiCo	1,496	3.94
		4,735	12.46
	INDUSTRIALS – 8.59% (31.03.23 – 7.63%)		
10,300	Equifax	2,181	5.74
20,440	PayPal	1,084	2.85
		3,265	8.59
	MEDIA – 0.00% (31.03.23 – 4.31%)		
	COMMERCIAL SERVICES – 3.58% (31.03.23 – 3.40%)		
7,300	Verisk Analytics	1,361	3.58
	BEVERAGES – 2.18% (31.03.23 – 2.18%)		
19,800	Brown-Forman	829	2.18
	TOTAL UNITED STATES	37,518	98.73
	Portfolio of investments	37,518	98.73
	Net other assets	483	1.27
	Net assets	38,001	100.00

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

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the year ended 31 March 2024

Total purchases for the year £'000 (note 15)	3,262
Major purchases	Cost £'000
S&P Global	432
CME	402
Brown-Forman	360
PayPal	352
Walt Disney	286
Estée Lauder	277
Nike	195
T. Rowe Price	190
Visa	171
Equifax	147

The summary of material portfolio changes represents 10 largest purchases during the year. There were no sales during the year.

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 FCA 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 Lindsell Train North American Equity Fund
28 June 2024

STATEMENT OF ACD'S RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Collective Investment Schemes sourcebook published by the FCA ('the COLL Rules') 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 Fund, and of the net revenue/expense and net capital gains/losses on the property of the 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 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 liquidate the 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 Fund in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES IN RESPECT OF THE SCHEME AND REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS OF THE WS LINDSELL TRAIN NORTH AMERICAN EQUITY FUND ('THE FUND')

The Depositary must ensure that the Fund is managed in accordance with the FCA's Investment Funds Sourcebook, ('the Sourcebook'), the Alternative Investment Fund Managers Directive ('AIFMD'), (together 'the Regulations'), and the Fund's Articles of Association.

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

The Depositary is responsible for the safekeeping of the assets of the Fund in accordance with the Regulations.

The Depositary must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the assets under management and the net asset value per share of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Authorised 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 Fund is managed in accordance with the Articles of Association in relation to the investment and borrowing powers applicable to the Fund.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Fund, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Fund, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Articles of Association of the Fund and as required by the AIFMD.

NORTHERN TRUST INVESTOR SERVICES LIMITED
UK Trustee and Depositary Services
28 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE WS LINDSELL TRAIN NORTH AMERICAN EQUITY FUND ('THE FUND')

Opinion

We have audited the financial statements of WS Lindsell Train North American Equity Fund ('the Fund') for the year ended 31 March 2024, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting and distribution policies of the Fund set out on pages 26 and 27, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 31 March 2024 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

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 below. We are independent of the Fund 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 ('FRC') 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 of the Fund, we have concluded that the Authorised Corporate Director's ('the 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 Fund's ability to continue as a going concern for a period of 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

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 this report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE WS LINDSELL TRAIN NORTH AMERICAN EQUITY FUND ('THE FUND') *continued*

Other information *continued*

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 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority (the 'FCA')

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the ACD

As explained more fully in the Statement of ACD's Responsibilities set out on page 18, 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 Fund'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 wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE WS LINDSELL TRAIN NORTH AMERICAN EQUITY FUND ('THE FUND') *continued*

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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 deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Accounting Standards (UK GAAP), Investment Management Association Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Fund's Instrument of Incorporation and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the ACD and the Fund's administrator and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable 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 https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE WS LINDSELL TRAIN NORTH AMERICAN EQUITY FUND ('THE FUND') *continued*

Use of our report

This report is made solely to the Fund's Shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Fund'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 Fund and the Fund's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

ERNST & YOUNG LLP
Statutory Auditor
Edinburgh
28 June 2024

FINANCIAL STATEMENTS

STATEMENT OF TOTAL RETURN

for the year ended 31 March 2024

	Notes	£'000	31.03.24 £'000	£'000	31.03.23 £'000
Income					
Net capital gains	3		3,937		213
Revenue	4	534		408	
Expenses	5	(288)		(247)	
Net revenue before taxation		246		161	
Taxation	6	(78)		(61)	
Net revenue after taxation			168		100
Total return before distributions			4,105		313
Distributions	7		(313)		(223)
Change in net assets attributable to shareholders from investment activities			3,792		90

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 31 March 2024

	£'000	31.03.24 £'000	£'000	31.03.23 £'000
Opening net assets attributable to shareholders		30,972		27,914
Amounts receivable on issue of shares	4,960		3,264	
Amounts payable on redemption of shares	(2,033)		(523)	
		2,927		2,741
Change in net assets attributable to shareholders from investment activities		3,792		90
Retained distribution on accumulation shares		310		227
Closing net assets attributable to shareholders		38,001		30,972

FINANCIAL STATEMENTS *continued*

BALANCE SHEET

as at 31 March 2024

	Notes	31.03.24 £'000	31.03.23 £'000
ASSETS			
Fixed assets			
Investments		37,518	30,322
Current assets			
Debtors	8	88	106
Cash and cash equivalents	9	451	583
Total assets		38,057	31,011
LIABILITIES			
Creditors			
Distribution payable	10	(2)	(1)
Other creditors	10	(54)	(38)
Total liabilities		(56)	(39)
Net assets attributable to shareholders		38,001	30,972

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2024

1. Accounting Policies

The principal accounting policies, which have been applied in both the current 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 FRS102 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.

Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge.

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

All other revenue is recognised on an accruals basis.

(C) TREATMENT OF EXPENSES

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

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

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.

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 on all timing differences that have originated but not reversed by the balance sheet date, other than those differences that are regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. 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.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

1. Accounting Policies *continued*

(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.

(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 the close of business on the last business day of the financial year.

(H) DIRECT 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. 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

For the purpose of calculating the distributable amount 50% of all charges, costs and expenses (excluding transaction charges and the cost of establishing the Fund which will be wholly allocated to capital) are allocated to the capital of the Fund. This will increase the amount of revenue available for distribution; however, will erode capital and may constrain capital growth.

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.

Interim distributions may be made at the ACD's discretion and the balance of revenue is distributed in accordance with the COLL Sourcebook.

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.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

3. Net Capital Gains

The net capital gains during the year comprise:

	31.03.24 £'000	31.03.23 £'000
Non-derivative securities[1]	3,935	213
Transaction charges	(1)	–
Currency gains[2]	3	–
Net capital gains	3,937	213

[1]Including unrealised gains of £11,819,000 (31.03.23: £7,884,000 gains).
[2]Including realised gains of £3,000 (31.03.23: £Nil).

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

4. Revenue

	31.03.24 £'000	31.03.23 £'000
Bank interest	13	3
Overseas dividends	521	405
Total revenue	534	408

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

5. Expenses

	31.03.24 £'000	31.03.23 £'000
Payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	214	179
Legal and professional fees	5	5
Registration fees	15	13
Operating charge	25	25
	259	222
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	12	10
Safe custody and other bank charges	5	5
	17	15
Other expenses:		
Audit fees	12	10
	12	10
Total expenses	288	247

The portfolio manager's fee and expenses (plus VAT thereon) for providing portfolio management services are paid by the ACD out of its remuneration.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

6. Taxation

	31.03.24 £'000	31.03.23 £'000
a) Analysis of charge for the year		
Corporation tax at 20%	–	–
Overseas withholding tax	78	61
Deferred tax - origination and reversal of timing differences (note 6c)	–	–
Total taxation (note 6b)	78	61

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%) (31.03.23: 20%).

The difference is explained below:

	31.03.24 £'000	31.03.23 £'000
Net revenue before tax	246	161
Corporation tax at 20%	49	32
Effects of:		
Unutilised excess management expenses	55	49
Non-taxable overseas dividends	(104)	(81)
Overseas withholding tax	78	61
Total tax charge (note 6a)	78	61

c) Deferred tax
At the year end, there is a potential deferred tax asset of £188,000 (31.03.23: £133,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior year.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

7. Distributions

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

	31.03.24 £'000	31.03.23 £'000
Interim	164	95
Final	150	133
	314	228
Add: Revenue deducted on redemption of shares	4	1
Deduct: Revenue received on shares issued	(5)	(6)
Net distribution for the year	313	223

Details of the distributions per share are set out in the table on page 38.

	31.03.24 '000	31.03.23 '000
Distributions represented by:		
Net revenue after taxation	168	100
Add: Expenses charged to capital	145	123
Net distribution for the year	313	223

8. Debtors

	31.03.24 £'000	31.03.23 £'000
Amount receivable for issue of shares	56	89
Accrued revenue:		
Bank interest	1	–
Overseas dividends	31	17
	32	17
Total debtors	88	106

waystone

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

9. Cash and Cash Equivalents

	31.03.24 £'000	31.03.23 £'000
Bank balances	451	583
Total cash and cash equivalents	451	583

10. Other Creditors

	31.03.24 £'000	31.03.23 £'000
Distribution payable	2	1
Other creditors:		
Amounts payable for cancellation of shares	13	4
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
Annual Management Charge	20	17
Legal and professional fees	–	1
Registration fees	1	–
Operating charge	2	2
	23	20
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	5	3
Safe custody and other bank charges	2	1
	7	4
Other expenses:		
Audit fees	11	10
	11	10
Total other creditors	54	38

11. Related Party Transactions

The Annual Management Charge, legal and professional fees and portfolio manager's fee 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.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

11. Related Party Transactions *continued*

The aggregate monies received by the ACD through the issue of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders on page 24 and amounts due at the year end are disclosed in notes 8 and 10.

WMUK and its associates (including other authorised investment funds managed by WMUK or its associates) held 21,649,218 (31.03.23: 19,649,218) of the Fund's shares at the balance sheet date.

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:

Nortrust Nominees Limited	59.79% (31.03.23: 56.38%)
Lindsell Train Limited	20.62% (31.03.23: 22.55%)

12. Contingent Liabilities and Commitments

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

13. Shares in Issue

	Accumulation Shares	Income Shares
Annual Management Charge[1]	0.62%	0.62%
Opening shares in issue	21,831,178	339,726
Issues	3,360,613	152,494
Redemptions	(1,331,037)	(102,677)
Closing shares in issue	23,860,754	389,543

[1]The Annual Management Charge is 0.60% plus a further annual charge of £7,500 to the Fund as a whole.

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.

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

14. Risk Management Policies *continued*

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 the framework and the risk mitigations operated by the ACD in managing the identified risks of the fund. The ACD requires that the appointed Portfolio Manager 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 Portfolio Manager, including initial and ongoing due diligence and business volumes placed with each counterparty. In cases which are dependent on the counterparty settling at the transaction's maturity date, the 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.

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

(C) FOREIGN CURRENCY RISK

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

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

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

14. Risk Management Policies *continued*

(C) FOREIGN CURRENCY RISK *continued*

The table below shows the direct foreign currency risk profile:

31.03.24 Currency	Non Monetary exposures £'000	Monetary exposures £'000	Total £'000
Sterling	–	452	452
US Dollar	37,518	31	37,549
	37,518	483	38,001

31.03.23 Currency	Non Monetary exposures £'000	Monetary exposures £'000	Total £'000
Sterling	–	650	650
US Dollar	30,322	–	30,322
	30,322	650	30,972

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 £1,877,000 (31.03.23: £1,516,000) on the net assets of the Fund.

(D) 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 100% of the portfolio can be liquidated within 5 days and 100% within 21 workings days (31.03.23: 100% within 5 days and 100% within 21 days). Given this and the ACD's understanding of the investor base, it is considered that the liquidity profile of the Fund is appropriate.

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

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

14. Risk Management Policies *continued*

(E) 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 £1,876,000 (31.03.23: £1,516,000). A 5% decrease would have an equal and opposite effect.

(F) 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.

(G) DERIVATIVE RISK

There were no derivatives held by the Fund during the current or prior year.

(H) 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 31 March 2024, leverage under the gross method was 0.99:1 and leverage under the commitment method was 1:1 (31.03.23: leverage under the gross method was 0.98:1 and leverage under the commitment method was 1:1).

FINANCIAL STATEMENTS *continued*

NOTES TO THE FINANCIAL STATEMENTS *continued*

for the year ended 31 March 2024

15. Portfolio Transaction Costs

31.03.24	Purchase/ Sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	3,261	1	–	3,262
Purchases total	3,261	1	–	3,262
Transaction cost % of purchases total		0.03	–	
Transaction cost % of average NAV		–	–	

There were no sale transactions during the year.

Average portfolio dealing spread at 31 March 2024 is 0.04% (31.03.23: 0.02%).

31.03.23	Purchase/ Sales before transaction costs £'000	Commissions £'000	Taxes £'000	Gross purchases/ net sales £'000
Ordinary shares	2,494	1	–	2,495
Purchases total	2,494	1	–	2,495
Transaction cost % of purchases total		0.04	–	
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).

All investments held at the current and prior period are ordinary shares categorised as Level 1.

FINANCIAL STATEMENTS *continued*

DISTRIBUTION TABLES

for the year ended 31 March 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). On a daily basis, shareholders will be allocated their share of aggregated net revenue after taxation. The distribution received by each shareholder, less their allocated share of net revenue after taxation, will be the shareholder's equalisation and should be treated as a return of capital.

Group 2	Interim	Final
From	01.04.23	01.10.23
To	30.09.23	31.03.24

ACCUMULATION SHARES

Interim	Net Revenue	Equalisation	Allocated 30.11.23	Allocated 30.11.22
Group 1	0.6776	–	0.6776	0.4578
Group 2	0.5939	0.0837	0.6776	0.4578

Final	Net Revenue	Equalisation	Allocation 31.07.24	Allocated 31.07.23
Group 1	0.6191	–	0.6191	0.6029
Group 2	0.2267	0.3924	0.6191	0.6029

INCOME SHARES

Interim	Net Revenue	Equalisation	Paid 30.11.23	Paid 30.11.22
Group 1	0.4369	–	0.4369	0.2966
Group 2	0.3660	0.0709	0.4369	0.2966

Final	Net Revenue	Equalisation	Payable 31.07.24	Paid 31.07.23
Group 1	0.3880	–	0.3880	0.3906
Group 2	0.2218	0.1662	0.3880	0.3906

GENERAL INFORMATION

Share Capital
The minimum share capital of the Fund is £1 and the maximum is £100,000,000,000.

Classes of Shares
The Instrument of Incorporation allows income and accumulation shares to be issued.

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

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

Valuation Point
The current valuation point of the Fund is 10:30 p.m. (London time) on each business day. Valuation may be made at other times under the terms contained within the Prospectus.

Buying and Selling Shares
The dealing office of the ACD is normally open from 8.30 a.m. to 5.30 p.m. (London time) on each business day to receive postal requests for the purchase, sale and converting of shares. The ACD may vary these times at its discretion. Requests to deal in shares may also be made by telephone on each business day (at the ACD's discretion) between 8.30 a.m. and 5.30 p.m. (London time) directly to the office of the ACD (telephone: 0345 608 1457 or such other number as published from time to time).

Prices
The prices of all shares are published on every dealing day on the ACD's website: www.waystone.com. The prices of shares may also be obtained by calling 0345 608 1457 during the ACD's normal business hours.

Other Information
The Instrument of Incorporation, Prospectus, Key Investor Information Documents and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on the ACD's website, www.waystone.com.

Shareholders who have any complaints about the operation of the Fund should contact the Administrator in writing. 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.

Data Protection Act
Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list. 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.

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