



## **YFS Kernow Investment Funds ICVC**

Annual Report including long form financial statements  
for the year ended 30 June 2025

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## Authorised status

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YFS Kernow Investment Funds ICVC (the 'Company') is an authorised umbrella investment company with variable capital ('ICVC') under regulation 12 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 and is managed in accordance with the Investment Funds Sourcebook ('FUND') and Collective Investment Scheme Sourcebook (the 'COLL Sourcebook') issued by the Financial Conduct Authority ('FCA'). Currently there is just one Sub-fund available for investment, YFS Kernow Equity Navigator but there may be other Sub-funds made available in the future.

The individual Sub-fund (the 'Sub-fund') is a Non-UCITS Retail Scheme ('NURS') which complies with the requirements of the FCA FUND and the COLL Sourcebook, including the extended investment and borrowing powers in Chapter 5.

The Alternative Investment Fund Manager ('AIFM') is responsible for managing the Company (the Alternative Investment Fund ('AIF')) and undertakes risk management for the Company, in accordance with the AIFM Directive, the Alternative Investment Fund Managers Regulations 2013 and the FCA Rules. This role is performed by the Authorised Corporate Director ('ACD'), and references to the ACD in this Long Report include the AIFM as applicable.

Shareholders are not liable for the debts of the Company.

## Statement of the Authorised Corporate Director's responsibilities

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

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, updated June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its Sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its Sub-funds 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 the Open-Ended Investment Companies regulations 2001 and the Instrument of Incorporation, the Prospectus and the COLL Rules.

## Approval of the annual report by the Authorised Corporate Director ('ACD')

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In accordance with the requirements of a NURS which complies with the FCA FUND and COLL Sourcebooks and in accordance with COLL 4.5.8B R, I hereby approve the report on behalf of Yealand Fund Services Limited for the year ended 30 June 2025.

*Rob Leedham  
On behalf of Yealand Fund Services Limited,  
the Authorised Corporate Director  
29 August 2025*

## Statement of the Depositary's responsibilities and report of the Depositary to the shareholders of YFS Kernow Investment Funds ICVC (the 'Company') for the year ended 30 June 2025

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

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is 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.

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.

*NatWest Trustee and Depositary Services Limited  
29 August 2025*

## Independent auditor's report to the shareholders of the YFS Kernow Investment Funds ICVC (the 'Company')

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### Opinion

We have audited the financial statements of the YFS Kernow Investment Funds ICVC ('the Company'), for the year ending 30 June 2025 which comprise the Statement of change in net assets attributable to shareholders, the Balance sheet, the Statement of total return, the related notes and the Distribution tables. 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 in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Association (the 'Statement of Recommended Practice for Authorised Funds').

In our opinion the financial statements:

- give a true and fair view of the state of the Company and its Sub-fund's affairs as at 30 June 2025 and of the net revenue and net capital gains on the property of the Company and its Sub-fund for the year then ended;
- have been properly prepared in accordance with the Prospectus, the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook issued by the Financial Conduct Authority and United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 Councils (the 'FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director ('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. 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. In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Independent auditor's report to the shareholders of the YFS Kernow Investment Funds ICVC (the 'Company') *continued*

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Investment Manager's report and the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Investment Manager's report and the ACD's report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Investment Manager's report or the ACD's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of ACD remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of Authorised Corporate Director

As explained more fully in the ACD's responsibilities statement, 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 and its Sub-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 liquidate the Company and its Sub-fund or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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

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

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. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined the most significant are those that relate to the reporting framework (United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, the IA SORP 2014) and the relevant tax and other compliance regulations in the jurisdictions in which the Company operates.
- We understood how the Company is complying with those frameworks by making enquiries of management, and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of relevant correspondence received from regulatory and legal bodies.

## Independent auditor's report to the shareholders of the YFS Kernow Investment Funds ICVC (the 'Company')

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- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by enquiring with management during the planning and execution phase of our audit. We considered the programs and controls that the ACD has established to address risks identified, or that otherwise prevent, deter and detect fraud and how senior management monitors those programs and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk including revenue recognition. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of the finance team and management; and focused testing.

### **Use of our report**

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

*Robert Wood (Senior Statutory Auditor)  
For and on behalf of  
Moore Kingston Smith LLP  
Chartered accountant & statutory auditor  
10 Orange Street  
Haymarket  
London  
WC2H 7DQ  
29 August 2025*

## Notes to the financial statements as at 30 June 2025

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### 1. Accounting policies

#### A. Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with FRS102, and in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds ('SORP') issued by The Investment Association ('IA') in May 2014, updated June 2017.

Where applicable a balance sheet item line is included for cash and cash equivalent investments.

Whereby, representing highly liquid cash investments held in the base currency of the Sub-fund, that are readily convertible to a known amount of cash, and are subject to an insignificant risk of change.

The ACD is confident that the Company will continue in operation for the foreseeable future. The Company has adequate financial resources and its assets consists of securities which are readily realisable. As such, the financial statements have been prepared on a going concern basis.

The base currency of the Company is Sterling and is taken to be the 'functional currency' of the Company and rounded to the nearest thousand.

#### B. Valuation of investments

Listed investments are valued at bid market value at 23:59 on the balance sheet date net of any accrued interest which is included in the balance sheet as an income related item.

Collective investment schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting year.

Unlisted or suspended investments are valued by the Investment Manager taking into account, where appropriate, latest dealing prices, valuations from independent reliable sources, financial performance and other relevant factors.

#### C. Foreign exchange

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions.

Assets and liabilities denominated in overseas currencies have been translated into Sterling at the rates of exchange ruling at 23:59 on the last business day of the accounting period. Exchange rate differences arising on the translation are recognised in the Statement of total return for the year.

#### D. Financial derivative instruments

- I. **Currency contracts and options** – Spot and forward currency contracts and options are marked to market daily and the change in value is recorded as an unrealised gain or loss. Realised gains or losses, equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed, are recorded upon delivery or receipt of the currency or, if a spot or forward currency contract is offset by entering into another spot or forward currency contract with the same broker, upon settlement of the net gain or loss.
- II. **Futures contracts** – Futures contracts are marked to market daily and an appropriate gain or loss for the change in value ('variation margin') is recorded by the Sub-fund as realised.
- III. **Options** – Options are marked to market daily and an appropriate gain or loss for the change in value ('variation margin') is recorded by the Sub-fund as realised.
- IV. **Efficient portfolio management** – Where appropriate, certain permitted transactions such as derivatives or forward currency transactions are used for efficient management. Where such transactions are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in 'Revenue' or 'Expenses' in the statement of total return. Where such transactions are used to protect or enhance capital, the gains and losses derived therefrom are included in 'Net capital gains' in the statement of total return. Any positions on such transactions open at the period end are reflected in the balance sheet at their mark to market value.

#### E. Revenue

Dividends from quoted equity and non-equity shares are recognised net of attributable tax credits when the security is quoted ex-dividend. Overseas dividends received after the deduction of withholding tax are shown gross of taxation, with the taxation consequences shown within the tax charge. Dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend receivable.

## Notes to the financial statements

as at 30 June 2025

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### 1. Accounting policies - continued

#### E. Revenue - continued

Derivative returns have been treated as either revenue or capital depending on the motives and circumstances on acquisition. Revenue from unquoted equity investments is recognised when the dividend is declared.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment and is treated as revenue. The effective yield basis amortises or accretes any discount or premium on the purchase of an investment over its remaining life based on estimated future cashflows.

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 scheme and does not form part of the distributable income. Deemed distributions and reportable income from offshore funds are calculated and included in revenue. Rebates of annual management charges (AMC rebates) from underlying funds are accounted for on an accruals basis and are recognised as revenue or capital in line with the distribution policies of the underlying funds.

Underwriting commission is wholly recognised as revenue when the issue takes place, except where the Sub-fund is required to take up all or some of the shares underwritten, in which case an appropriate proportion of the commission received is deducted from the cost of those shares.

The ordinary element of stocks received in lieu of cash dividends are recognised as revenue of the Sub-fund. Any enhancement above the cash dividend is treated as capital.

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

#### F. Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments and any set up costs) are charged against revenue for the year on an accruals basis.

#### G. Taxation

Provision is made for corporation tax at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. A deferred tax asset is recognised only to the extent that there will be taxable profits in the future against which the asset can be offset.

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

#### H. Deferred taxation

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

A deferred tax asset is recognised to the extent that it is expected to be utilised, based on the likelihood of taxable profits arising in the next twelve month period from which the future reversal of timing differences could be deducted.

Deferred tax assets and liabilities are not discounted to reflect the time value of money, unless material.

### 2. Distribution policy

The Sub-fund will allocate all income disclosed in the financial statements (less expenses and taxation) subject to an adjustment for other expenses deemed to be of a capital nature. Should expenses and taxation exceed revenue, there will be no allocation and the shortfall will be met from capital. Income earned in an interim accounting period may not all be allocated immediately but retained and used to ensure that allocations paid throughout the year are broadly similar. This policy is known as 'smoothing'. Interim allocations may be made at the ACD's discretion.

## Notes to the financial statements

as at 30 June 2025

*continued*

### 3. Risk management policies

In pursuing its investment objective the Sub-fund holds a number of financial instruments. These comprise equity, fixed income securities, foreign currency contracts and cash.

Short-term debtors and creditors that arise directly from its operations are not considered financial instruments.

The main risks arising from the Sub-fund's financial instruments are market price, currency and interest rate risks. The ACD reviews (and agrees with the Depositary) policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate.

Shares in the Sub-fund should generally be regarded as long term investments.

I. **Market risk** – Arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of adverse price movements. The ACD meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. The ACD has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

II. **Foreign currency risk** – A portion of the Sub-fund's assets and income are denominated in currencies other than Sterling, which is the currency of shares in the Sub-fund. The income and capital value of the Sub-fund's investments can be significantly affected by foreign currency translation movements.

The principal area where foreign currency risk could impact the Sub-fund is movement in exchange rates affecting the value of investments.

The ACD has the responsibility for monitoring the foreign currency risk of the Sub-fund and does this by reviewing the underlying exposure to foreign currencies on the security holdings and cash positions. Where it is considered necessary the manager will use forward foreign currency contracts to reduce the risk to this underlying foreign currency exposure.

The purpose of any forward foreign currency contract is to manage the currency risk arising from the Sub-fund's investment activities. Open positions, which are all covered, are included in the net current assets attributable to shareholders as shown in the balance sheet.

Numerical disclosure of the foreign currency risk profile is made in note 15 of the notes to the financial statements.

III. **Interest rate risk** – The risk that the value of the Sub-fund's investments will fluctuate as a result of interest rate changes. The value of fixed interest securities may be affected by changes in the interest rate environment, 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 income receivable from fixed interest securities and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

Numerical disclosure of the interest rate risk profile is made in note 15 of the notes to the financial statements.

IV. **Liquidity risk** – The Sub-fund's assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the Sub-fund is the redemption of any shares that investors may wish to sell.

V. **Credit risk** – Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Sub-fund has fulfilled its responsibilities.

The Sub-fund minimises this risk by conducting trades through reputable counter parties.

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

## Fund information

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### Investment objective and policy

The Sub-fund aims to provide an absolute return by way of a positive return in any market conditions over rolling three year periods. The Sub-fund has a target benchmark which is set at 4% per annum which is equivalent to the performance fee's hurdle rate (subject to the high watermark).

There is no guarantee of a positive return over the rolling three year period, or any other time period, and capital is at risk.

The Sub-fund is actively managed with long and short positions investing solely in companies listed in the UK. These companies may have significant economic exposure outside of the UK.

A long position may be held directly by investing in the underlying equities or synthetically (i.e. not through direct investment in underlying equities) through the use of derivatives. The majority of the Sub-fund's long exposure will be through direct investment and only in exceptional market conditions could this be below 50% of the Sub-fund. A short position will be held synthetically using derivatives.

The Sub-fund is not constrained by any index, sector weightings or market capitalisation and may be invested in a concentrated number of securities with a bias towards certain sectors from time to time. The portfolio of the Sub-fund is concentrated, holding at least 20 long positions and up to 20 short positions (i.e. between 20 – 40 positions at any one time).

The Sub-fund will seek investment opportunities across all market capitalisations and sectors, however, investee companies will have a market capitalisation of at least £100m at the time of investment.

The Sub-fund will use derivatives for achieving the investment objective as well as for efficient portfolio management purposes (including the hedging of risk). The Sub-fund may at any one time be significantly exposed to financial derivative instruments, including total return swaps and contracts for difference.

The Sub-fund may hold cash or near cash from time to time, in addition to cash allocated as cover for its derivatives obligations.

The minimum long investment positions referenced above will not apply under extraordinary market conditions, in which circumstances the Sub-fund may temporarily invest largely or wholly in gilts, cash or near cash in order to mitigate its exposure to market risk. Examples of extraordinary market conditions include economic, political unrest or instability, world events leading to market instability or closure of a relevant market(s).

A Glossary of Definitions which provides definitions to some of the technical language used in this document is available from [www.yealand.com/policies](http://www.yealand.com/policies).

### Comparator benchmark

The Investment Manager does not use any benchmark to determine, limit or constrain how the Sub-fund's portfolio is constructed and managed for the achievement of its objectives.

However, the Sub-fund has a target benchmark, which is the 4% Hurdle Rate, used in respect of the performance fee.

## Fund information

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### Investor profile

The Sub-fund is suitable for investors who are interested in specialised equity markets and who are aware of the risks. Investors must have experience with volatile products and be able to accept high temporary losses. The Sub-fund is suitable for investors who can afford to set aside the invested capital for at least five years and who already have a widely diversified portfolio. Minimum investment criteria for this Sub-fund are further detailed below. The Sub-fund is only suitable for and eligible to professional investors.

### Investment manager

The investment manager of the Sub-fund is Kernow Asset Management Limited.

### Distribution

All shareholders own accumulation shares, which entitle them to a share in any allocation of income made by the Sub-fund. Distribution dates are at the end of February and end of August for income accrued as at 31 December and 30 June respectively.

Future distributions may fluctuate depending on the mix of assets over any specific reporting period.

### Annual management charge ('AMC')

The annual charge is 1.00% on Class A Shares per annum at the reporting date which includes the ACD and Investment manager fee. The administration fee is charged at 0.08% for the first £100m, reducing on a sliding scale based on the NAV size (subject to a £25,000 minimum fee).

### Performance fee charge

In addition to the investment management fee, the Investment Manager is entitled to charge a performance fee to be taken from the scheme property of the Sub-fund.

The amount of performance fee payable in respect of each calculation period is a Sterling amount equivalent to the product of (a) the opening NAV (b) the excess performance over 4% (the 'hurdle rate') (c) the performance fee (15%) and, (d) the weighted average number of shares in issue during the calculation period.

Full details can be found in the Prospectus.

## Investment manager's report for the year to 30 June 2025

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Our contrarian strategy remained focused on uncovering high-quality UK-listed companies with asymmetric return potential. Through rigorous bottom-up research and active portfolio management, we pursued opportunities across both long and short positions while maintaining a disciplined investment process.

Over the twelve-month period, notable winners included Metro Bank Holdings, Galliford Try Holdings, and Saga. The short book continued to perform well, particularly in structurally challenged businesses under financial duress.

July 2024 began with strong momentum, delivering an 8.5% gain as markets responded positively to a new UK government and rotated into small- and mid-cap names. Metro Bank Holdings stood out, raising its return on tangible equity guidance ahead of schedule.

In August 2024, despite a resurgence in volatility due to shifting global sentiment, the Sub-fund gained 2.3%. We took the opportunity to increase our stake in CMC Markets following an unjustified sell-off, demonstrating agility in capturing pricing inefficiencies.

September 2024 proved more difficult, with a 2.2% decline driven by setbacks at Card Factory and Videndum. The latter remained pressured by post-strike industry challenges, while Card Factory contended with near-term cost inflation. However, three core short positions entered financial distress, materially supporting overall returns.

The portfolio rebounded in October 2024, gaining 2.0% as fiscal clarity post-budget benefited UK smaller companies. Long positions in Galliford Try Holdings and Hollywood Bowl led performance, with Galliford Try Holdings robust results and shareholder returns reinforcing conviction.

November 2024 was marked by a 5.0% rally, underpinned by improving consumer sentiment. Wise was a key contributor, expanding its institutional business with the early addition of Morgan Stanley as an FX client.

December 2024 added a further 0.8%, supported again by Wise. Offsetting this were modest pullbacks in Metro Bank Holdings and Frasers, which tempered the month's upside.

January 2025 saw performance flat at -0.1% as large caps outpaced small and mid-caps. Card Factory delivered strong results and was increased in weight, while Burberry rose 21% on accelerating turnaround momentum.

In February 2025, the Sub-fund declined 3.9%, led by weakness in long positions. Nevertheless, Hiscox outperformed following a substantial buyback and dividend hike, and we initiated a new position in Kistos Holdings for its contrarian energy exposure.

March 2025 returned -2.1%, as renewed trade concerns pressured Burberry. However, Galliford Try Holdings delivered strong interim results and Berkeley confirmed long-term guidance. We also exited Hunting.

April 2025 saw a 3.1% gain, driven by a resurgence in mid-caps. Deliveroo soared 35% following a takeover bid, and our short in an Artificial Intelligence-related ('AI') name fell 45%, both materially enhancing performance.

May 2025 was the strongest month of the year, with an 8.3% return amid a record-breaking 16-day FTSE rally. Highlights included a bid for Adriatic Metals and a rerating in Hiscox post-capital markets day.

June 2025 added a further 1.3%, with continued strength from Saga and Burberry. We also closed a successful AI-related short, rounding off the period on a positive note.

For the full year, the Sub-fund's NAV increased by 24.7% on a total return basis. Our differentiated, high-conviction approach delivered robust results, and we remain focused on identifying compelling opportunities within a concentrated, research-led portfolio.

*Kernow Asset Management Limited  
3 July 2025*

## Net asset value per accumulation share, price record and comparative table

### Change in net asset value per accumulation share

All prices quoted are based on bid price

	Year ended 30 June 2025 p	Year ended 30 June 2024 p	Period ended* 30 June 2023 p
<b>Opening net asset value per share</b>	<b>89.70</b>	<b>82.30</b>	<b>100.00</b>
Return before operating charges†	24.60	9.07	(16.15)
Operating charges	(2.47)	(1.67)	(1.55)
<b>Return after operating charges†</b>	<b>22.13</b>	<b>7.40</b>	<b>(17.70)</b>
<b>Closing net asset value per share</b>	<b>111.83</b>	<b>89.70</b>	<b>82.30</b>
Retained distributions on accumulation shares	1.17	4.99	0.66
†after direct transaction costs of^	0.37	0.14	0.49

\*Sub-fund launched 1 April 2022.

### Performance

Return after operating charges	24.7%	9.0%	(17.7)%
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### Other information

Closing net asset value ('NAV')	£13,261,568	£7,153,671	£6,461,569
Closing number of shares	11,858,997	7,975,400	7,851,437
Operating charges	1.40%*	1.96%**	1.75%***
Direct transaction costs^	0.36%	0.16%	0.55%

\*The operating charges of 1.40% is based on the average NAV in the year and the running costs of the Sub-fund. The expected ongoing charges of the Sub-fund for the current year are expected to be around 1.32%.

\*\*The operating charges of 1.96% is based on the average NAV in the year and the running costs of the Sub-fund including the previous and current ACD.

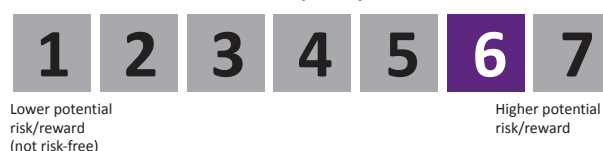
\*\*\*Previous Investment Manager absorbed any costs (excluding performance fee) that would cause the Sub-fund to have operating charges in excess of 1.75%.

### Prices (p)

Highest	111.61	91.17	100.59
Lowest	89.75	78.86	80.53

^Prior year figures for 30 June 2024 have been restated.

### Risk and reward indicator ('RRI')



The share class is ranked in risk category 6 (2024: 6) as its price has experienced much higher than average rises and falls historically.

### Assessment of value report

We are required to undertake a formal review of the Company in order to assess the value which shareholders are receiving from their investments. This assessment considers elements such as the fees which are paid, the quality of services provided and the investment performance obtained. We are required to publish a report which summarises the outcome of the review and, if relevant, to take steps to address any instances of poor value. We publish an Assessment of value report specific to each Yealand Fund by 31 January each year. Copies of these reports can be obtained from the Yealand website, via the document link on each respective Fund page - <https://yealand.com/funds/>.

**Portfolio statement**  
as at 30 June 2025

Holding	Investment	Market value £'000	% of total net assets
<b>DEBT SECURITIES - 10.26% (26.18%)</b>			
<b>Sterling Denominated Bonds - 10.26% (26.18%)</b>			
250,000	UK Treasury 0.125% 30/01/2026	245	1.85
300,000	UK Treasury 4.125% 29/01/2027	301	2.27
400,000	UK Treasury 4.25% 07/12/2027	406	3.06
400,000	UK Treasury 4.5% 07/06/28	408	3.08
<b>TOTAL DEBT SECURITIES</b>		<b>1,360</b>	<b>10.26</b>
<b>EQUITIES - 84.74% (63.73%)</b>			
<b>United Kingdom - 84.74% (63.73%)</b>			
79,871	Adriatic Metals	216	1.63
773,090	Amedeo Air Four Plus	442	3.33
6,991	Berkeley	270	2.04
100,000	BH Macro	393	2.96
82,000	Burberry	969	7.31
858,971	Card Factory	777	5.86
441,100	CMC Markets	1,109	8.36
20,000	Deliveroo	35	0.26
30,943	Foresight Group Holdings	137	1.03
12,320	Frasers	84	0.63
286,696	Galliford Try Holdings	1,203	9.07
17,800	Hiscox	223	1.68
217,644	Hollywood Bowl	549	4.14
130,000	ITV	107	0.81
479,000	Kistos Holdings	814	6.14
974,275	Metro Bank Holdings	1,286	9.70
739,952	Saga	1,295	9.76
35,035	Secure Trust Bank	285	2.15
100,500	Wise	1,045	7.88
<b>TOTAL EQUITIES</b>		<b>11,239</b>	<b>84.74</b>
<b>FUTURES AND DERIVATIVES - (1.62%) (0.85%)</b>			
<b>Contract for Difference* - (1.62%) (0.85%)</b>			
-128,358	Alphawave IP	(39)	(0.29)
-20,000	Antofagasta	(8)	(0.06)
-40,000	ASOS	4	0.03
-140,000	Avacta	11	0.08
23,000	BH Macro	(1)	(0.01)
18,680	British American Tobacco	24	0.18
27,529	Burberry	40	0.31
324,100	Card Factory	(16)	(0.12)

**Portfolio statement**  
as at 30 June 2025  
*continued*

Holding	Investment	Market value £'000	% of total net assets
<b>FUTURES AND DERIVATIVES - (1.62%) (0.85%) - continued</b>			
<b>Contract for Difference* - (1.62%) (0.85%) - continued</b>			
-15,000	Close Brothers	(6)	(0.05)
-82,651	ConvaTec	1	0.01
-195,323	FirstGroup	(77)	(0.58)
148,000	Frasers	(77)	(0.58)
-90,000	Hammerson	(14)	(0.11)
-117,408	Helios Towers	(2)	(0.01)
18,164	Hiscox	(1)	(0.01)
-234,000	International Workplace	(37)	(0.28)
80,000	ITV	4	0.03
-68,000	Melrose Industries	(43)	(0.32)
9,855	Mondi	(2)	(0.02)
-151,079	Ocado	55	0.41
-310,611	Oxford Nanopore Technologies	(41)	(0.31)
-22,000	Raspberry Pi	15	0.11
-610,000	S4 Capital	17	0.13
-85,000	Senior	(12)	(0.09)
-28,400	Vistry	(3)	(0.02)
8,500	Wise	(5)	(0.04)
-17,000	Zegona Communications	(2)	(0.01)
<b>TOTAL FUTURES AND DERIVATIVES</b>		<b>(215)</b>	<b>(1.62)</b>
<b>Portfolio of investments</b>		<b>12,384</b>	<b>93.38</b>
<b>Net other assets</b>		<b>878</b>	<b>6.62</b>
<b>Net assets</b>		<b>13,262</b>	<b>100.00</b>
<b>Summary portfolio of investments</b>		<b>Market value £'000</b>	<b>% of investments</b>
Debt securities		1,360	10.98
Equities		11,239	90.75
Futures and derivatives		(215)	(1.73)
<b>Portfolio of investments</b>		<b>12,384</b>	<b>100.00</b>

Figures in brackets refer to the proportion of the Sub-fund invested in the equivalent investments as at 30 June 2024.

All investments are in ordinary stocks and shares except where otherwise stated.

\*Negative Contract for Difference amounts are netted off against positive derivative returns.

## Statement of total return

for the year ended 30 June 2025

			Year ended 30 June 2025	Year ended 30 June 2024
	Note	£'000	£'000	£'000
Income				
Net capital gains	4		1,987	176
Revenue	6	325		542
Expenses	7	(243)		(138)
Net revenue before taxation		82		404
Taxation	8	-		-
Net revenue after taxation			82	404
Total return before distributions			2,069	580
Distributions	9		(95)	(410)
Change in net assets attributable to shareholders from investment activities			1,974	170

## Statement of change in net assets attributable to shareholders

for the year ended 30 June 2025

		Year ended 30 June 2025	Year ended 30 June 2024
	£'000	£'000	£'000
Opening net assets attributable to shareholders		7,154	6,462
Amounts receivable on issue of shares	5,000		1,005
Amounts payable on cancellation of shares	(972)		(881)
		4,028	124
Change in net assets attributable to shareholders from investment activities (see above)		1,974	170
Retained distribution on accumulation shares		106	398
Closing net assets attributable to shareholders		13,262	7,154

**Balance sheet**  
 as at 30 June 2025

	Note	30 June 2025 £'000	30 June 2024 £'000
<b>Assets:</b>			
Investments		12,770	6,635
<b>Current assets</b>			
Debtors	10	194	34
Cash and bank balances		809	644
		1,003	678
<b>Total assets</b>		<b>13,773</b>	<b>7,313</b>
<b>Liabilities:</b>			
Investment liabilities		(386)	(142)
<b>Creditors</b>			
Other creditors	11	(125)	(17)
<b>Total liabilities</b>		<b>(511)</b>	<b>(159)</b>
<b>Net assets attributable to shareholders</b>		<b>13,262</b>	<b>7,154</b>

## Notes to the financial statements

as at 30 June 2025

	Year ended 30 June 2025 £'000	Year ended 30 June 2024 £'000
<b>4 Net capital gains</b>		
<b>The net capital gains on investments during the year comprise:</b>		
Unrealised on derivatives b/fwd	(61)	-
Unrealised on derivatives c/fwd	(215)	61
Realised on derivatives	(8)	266
Net (losses)/gains on derivative securities	<u>(284)</u>	<u>327</u>
Unrealised on non-derivatives b/fwd	187	525
Unrealised on non-derivatives c/fwd	1,980	(187)
Commission and other charges	(77)	(201)
Realised on non-derivatives	<u>182</u>	<u>(293)</u>
Net gains/(losses) on non-derivative securities	2,272	(156)
Transaction charges	<u>(1)</u>	<u>5</u>
<b>Net capital gains on investments</b>	<u><u>1,987</u></u>	<u><u>176</u></u>

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

## 5 Portfolio transaction costs

### Year ended 30 June 2025

Analysis of purchases	Net purchase cost £'000	Commissions paid £'000	%	Taxes		Purchases before transaction costs £'000
				£'000	%	£'000
Equities	8,314	4	0.05	30	0.36	8,280
<b>Total purchases after commissions and tax</b>	<u><u>8,314</u></u>					<u><u>8,280</u></u>

Analysis of sales	Net sales proceeds £'000	Commissions paid £'000	%	Taxes		Sales before transaction costs £'000
				£'000	%	£'000
Debt securities	524	-	-	-	-	524
Equities	3,871	2	0.05	-	-	3,873
<b>Total sales after commissions and tax</b>	<u><u>4,395</u></u>					<u><u>4,397</u></u>

Commission % of average NAV 0.06  
Taxes % of average NAV 0.30

## Notes to the financial statements

as at 30 June 2025

continued

### 5 Portfolio transaction costs - continued Year ended 30 June 2024

Analysis of purchases	Net purchase	Commissions		Taxes		Purchases before
	cost	paid				transaction
	£'000	£'000	%	£'000	%	costs
Debt securities	2,851	-	-	-	-	2,851
Equities	2,580	1	0.04	10	0.39	2,569
<b>Total purchases after</b>						
<b>commissions and tax</b>	<b>5,431</b>					<b>Total purchases before</b>
						<b>commissions and tax</b>
						<b>5,420</b>

Analysis of sales	Net sales	Commissions		Taxes		Sales before
	proceeds	paid				transaction
	£'000	£'000	%	£'000	%	costs
Debt securities	4,566	-	-	-	-	4,566
Equities	777	-	-	-	-	777
<b>Total sales after</b>						
<b>commissions and tax</b>	<b>5,343</b>					<b>Total sales before</b>
						<b>commissions and tax</b>
						<b>5,343</b>

Commission % of average NAV 0.02

Taxes % of average NAV 0.14

Direct transaction costs are fees and commissions paid to agents, advisors, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the Sub-fund, These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

### Portfolio dealing spread

	30 June 2025	30 June 2024
Average portfolio spread	0.29%	0.16%

The average portfolio spread is the difference between the bid and offer prices of the weighted underlying investments, divided by the offer price expressed as a percentage.

	Year ended 30 June 2025 £'000	Year ended 30 June 2024 £'000
<b>6 Revenue</b>		
UK dividend income	134	93
Non-taxable overseas income	69	59
Derivative Income:		
CFD long/short positions	44	200
Interest on fixed interest securities	68	180
Management fee rebates from underlying funds	-	2
Bank interest	10	8
<b>Total revenue</b>	<b>325</b>	<b>542</b>

## Notes to the financial statements

as at 30 June 2025

continued

	Year ended 30 June 2025 £'000	Year ended 30 June 2024 £'000
<b>7 Expenses</b>		
<b>Payable to the ACD, associates of the ACD and agents of either of them:</b>		
AMC	126	92
Registration fees	1	4
	<u>127</u>	<u>96</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either of them:</b>		
Depositary fees	6	13
Safe custody fees	(1)	16
	<u>5</u>	<u>29</u>
<b>Other expenses</b>		
Audit fees	7	7
Legal and professional fees	-	6
Performance fees	104	-
	<u>111</u>	<u>13</u>
<b>Total expenses</b>	<u>243</u>	<u>138</u>
<b>8 Taxation</b>		
<b>a. Analysis of the tax charge for the year</b>		
UK corporation tax	-	-
Current tax charge (note 8b)	-	-
<b>Total tax charge</b>	<u>0</u>	<u>0</u>
<i>Corporation tax has been provided at a rate of 20%.</i>		
<b>b. Factors affecting the tax charge for the year</b>		
Net revenue before taxation	<u>82</u>	<u>404</u>
<i>The tax charged for the period is lower than the standard 20% rate of corporation tax applicable to Open Ended Investment Companies ('OEICs'). The differences are explained below:</i>		
Corporation tax at 20% thereon (2024: 20%):	16	81
Effects of:		
UK dividend income	(36)	(57)
Non-taxable overseas income	(14)	(14)
Excess management expenses utilised	-	(10)
Movement in excess management expenses	34	-
<b>UK corporation tax</b>	<u>0</u>	<u>0</u>
<b>Current tax charge for the year (note 8a)</b>	<u>0</u>	<u>0</u>

*The Sub-fund has unrelieved excess management expenses of £200,602 (June 2024: £28,266) It is unlikely that there will be sufficient taxable profits in the future to utilise these expenses and therefore a deferred tax asset has not been recognised. Authorised investment companies with variable capital are exempt from tax on capital gains.*

**Notes to the financial statements**  
 as at 30 June 2025  
*continued*

	Year ended 30 June 2025 £'000	Year ended 30 June 2024 £'000
<b>9 Distributions</b>		
The distributions take account of income received on the issue of shares and income deducted on the cancellation of shares and comprise:		
Interim distribution	106	-
Final distribution	-	398
<b>Net distributions for the year</b>	<u>106</u>	<u>398</u>
Add: Income deducted on cancellation of shares	2	25
Deduct: Income received on issue of shares	<u>(13)</u>	<u>(13)</u>
<b>Net distribution for the year</b>	<u>95</u>	<u>410</u>
<b>Total distribution costs</b>	<u><u>95</u></u>	<u><u>410</u></u>
Reconciliation of distribution:		
Net revenue after taxation	82	404
Add: Other capitalised charges	-	6
Shortfall due from capital	<u>13</u>	<u>-</u>
<b>Net distribution for the year</b>	<u><u>95</u></u>	<u><u>410</u></u>
<i>Details of the distribution per share are set out in the distribution tables.</i>		
	<b>30 June 2025</b> £'000	<b>30 June 2024</b> £'000
<b>10 Debtors</b>		
Amounts receivable on issues	100	-
Sales awaiting settlement	71	-
<i>Accrued income:</i>		
Franked income receivable	14	24
Unfranked interest receivable	8	10
<i>Other income:</i>		
LEI fee	<u>1</u>	<u>-</u>
<b>Total debtors</b>	<u><u>194</u></u>	<u><u>34</u></u>
<b>11 Other creditors</b>		
<i>Accrued expenses:</i>		
Amounts payable to the ACD, or associates of the ACD:		
AMC fee	(13)	(8)
Amounts payable to the Depositary, or associates of the Depositary:		
Depositary fee	(1)	(1)
Safe custody and other bank charges	-	(1)
<i>Other expenses:</i>		
Audit fee	(7)	(7)
Performance fee	<u>(104)</u>	<u>-</u>
<b>Total other creditors</b>	<u><u>(125)</u></u>	<u><u>(17)</u></u>

## Notes to the financial statements

as at 30 June 2025

continued

	<b>Year ended 30 June 2025 Shares</b>	
<b>12 Shares in issue</b>		
The Sub-fund has one share class, Accumulation.		
Opening number of shares	7,975,400	
Shares issued	4,869,374	
Shares cancelled	(985,777)	
<b>Closing number of shares</b>	<u>11,858,997</u>	
<b>13 Commitments, contingent liabilities and contingent assets</b>		
As at 30 June 2025 there were no contingent assets, liabilities or outstanding commitments at the balance sheet date (2024: nil).		
<b>14 Related parties</b>		
Yealand Fund Services Limited (the 'ACD'), is regarded as a controlling party by virtue of having the ability to act in concert in respect of the operations of the Sub-fund.		
The aggregated monies received through creations and liquidations are disclosed in the Statement of change in net assets attributable to shareholders, amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 10 and 11.		
Fees payable to the ACD, are disclosed in note 7 and amounts due at the year end are disclosed in notes 10 and 11.		
<b>15 Financial instruments</b>		
The main risks from the Sub-fund's holdings of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 3.		
Numerical disclosures relating to the Sub-fund are as follows:		
	<b>30 June 2025</b>	<b>30 June 2024</b>
<b>Foreign currency risk</b>	<b>£'000</b>	<b>£'000</b>
United States dollar	-	(2)
<b>Interest rate risk profile of financial assets and liabilities:</b>		
<b>Financial assets with fixed interest rates</b>		
Pound sterling	1,360	1,873
<b>Financial assets with floating interest rates</b>		
Pound sterling	809	646
<b>Financial liabilities with floating interest rates</b>		
United States dollar	-	(2)
<b>Financial assets not carrying interest</b>		
Pound sterling	11,604	4,795
<b>Financial liabilities not carrying interest</b>		
Pound sterling	(511)	(158)

## Notes to the financial statements

as at 30 June 2025

continued

	30 June 2025 £'000	30 June 2024 £'000
<b>15 Financial instruments - continued</b>		
<b>Total assets and liabilities</b>		
United States dollar	-	(2)
Pound sterling	13,262	7,156
	<u>13,262</u>	<u>7,154</u>

*The Sub-fund's net cash holdings of £808,904 (2024: £643,761) are held in floating rate deposit accounts, whose rates are determined by the Bank of England base rate or other local interest rates as appropriate to the currency.*

### Currency risk +/- 10% exposure

At the balance sheet date, if the value of sterling increased or decreased by 10%, with all other variables held constant, then the net assets attributable to shareholders would increase or decrease by approximately £nil (2024: £170).

### Interest risk +/- 5% exposure

At the balance sheet date, if interest rates increased or decreased by 5%, with all other variables held constant, the net assets attributable to shareholders would increase or decrease by approximately £40,445 (2024: £32,188).

### Market price risk +/- 5% exposure

An increase or decrease in market values will have a direct effect on the value of the investment assets in the portfolio and therefore a proportionate effect on the value of the Sub-fund.

At the balance sheet date, if the prices of investments held by the Sub-fund increased or decreased by 5%, with all other variables remaining constant, then net assets attributable to the shareholders would increase or decrease by approximately £619,199 (2024: £324,633).

### Weighted average interest rate and term to maturity of financial assets with fixed rates, excluding cash and funds

	2025	2024	2025	2024
	%	%	Years	Years
Pound sterling	3.55	3.30	2.06	2.59

### Derivatives and other financial instruments

Sensitivity analysis is not shown because the maximum exposure of derivatives is not significant to the Sub-fund. Open positions at the balance sheet date, which are all covered, are included in the net current assets.

## Notes to the financial statements

as at 30 June 2025

*continued*

### 16 Fair value disclosure

Valuation technique	30 June 2025		30 June 2024	
	Assets	Liabilities	Assets	Liabilities
	£'000	£'000	£'000	£'000
Level 1	12,599	-	6,432	-
Level 2	171	(386)	203	(142)
Level 3	-	-	-	-
	<u>12,770</u>	<u>(386)</u>	<u>6,635</u>	<u>(142)</u>

*Level 1. Fair value based on a quoted price for an identical instrument in an active market and generally will include quoted equities, some highly liquid bonds and exchange traded derivatives.*

*Level 2. Fair value based on the price of a recent transaction for an identical instrument and will generally include holdings in other schemes.*

*Level 3. Fair value based on a valuation technique that relies significantly on non-observable market data and will generally include unquoted private equities, property and other values not primarily derived from observable market data. Unlisted or suspended investments are valued by the Investment Manager taking into account, where appropriate, latest dealing prices, valuations from independent reliable sources and financial performance.*

### 17 Post balance sheet events

There were no material post balance sheet events which have a bearing on the understanding of the financial statements.

**Distribution tables**  
 for the year ended 30 June 2025  
 in pence per share

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**Accumulation shares**

**Interim dividend**

Group 1 shares - Shares purchased prior to 1 July 2024

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

	Net revenue	Equalisation	Allocated on 28 February 2025	Allocated on 29 February 2024
Group 1	1.1749	-	1.1749	-
Group 2	0.0704	1.1045	1.1749	-

**Final dividend\***

Group 1 shares - Shares purchased prior to 1 January 2025

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

	Net revenue	Equalisation	Allocation on 29 August 2025	Allocated on 31 August 2024
Group 1	-	-	-	4.9860
Group 2	-	-	-	4.9860

\*As there is a net deficit of income for the period from 1 January 2025 to 30 June 2025, no dividend has been declared.

**Equalisation**

This applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares, and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax, but must be deducted from the cost of shares for capital gains tax purposes.

## Alternative Investment Fund ('AIF') periodic disclosure

In accordance with the requirement of the Investment Funds sourcebook ('FUND') 3.2.6R, the ACD reports that the Company may employ leverage or enter into derivative and forward transactions only for the purposes of Efficient Portfolio Management ('EPM') as defined in the Regulations.

The maximum leverage permitted (FUND 3.2.2R(j)) does not exceed 10% borrowing of the total net asset value ('NAV') plus any exposure to EPM. During the year this threshold was not exceeded nor have there been any changes to the leverage management of the Company.

The ACD reports, as per requirement FUND 3.2.5R, there has been no change to the liquidity management during the year. At the reporting date the percentage of assets subject to special arrangements arising from their illiquid nature is 0.00% (2024: 0.00%) of the NAV.

### **Remuneration policy**

Yealand Fund Services Limited rewards its staff fairly and appropriately for their contribution to the growth and success of the business and the provision of a high level of service to clients. The remuneration policy is designed to be consistent with, and promote, sound and effective risk management.

The remuneration of staff is reviewed annually, taking into account individual performance and market rates for the role being undertaken. Any bonus arrangement is also reviewed annually to ensure alignment with Yealand Fund Services Limited's aims of the growth and success of the business and the provision of a high level of service to clients. There is no direct link to investment performance and bonuses do not encourage excessive risk taking.

Remuneration: Year ended 31 December 2024	Number of Staff	Fixed Remuneration £'000	Variable Remuneration £'000	Total Remuneration £'000
Total remuneration	53	2,708	251	2,959
Senior management	9	994	200	1,194
Staff who have a material impact on Funds' risk profile	3	441	129	570
Staff holding Control functions	4	533	145	678

The staff members included in the above analysis support the entirety of the funds managed by the ACD. It is not considered feasible or useful to attempt to apportion these figures to individual funds. Details of the ACD's most recent remuneration policy, including a description of how remuneration and benefits are calculated and awarded, are available at <https://yealand.com/policies/>. A paper copy is available free of charge upon request.

## General information

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### Buying and selling shares

On purchasing shares, you will receive a contract note confirming your purchase, which will be issued the business day after the deal has been priced. As proof of ownership, your name will be recorded on the register following receipt of payment and full registration details.

The Sub-fund is valued weekly at 12:00 p.m. on Thursday, or where this is not a business day, on the following business day. The prices calculated at these valuations will determine the price at which your deal is transacted. The Sub-fund is priced on a forward basis, i.e. all deals struck before the 12:00 p.m. valuation point receive prices calculated at that valuation point.

The current Sub-fund prices are available online at [www.yealand.com](http://www.yealand.com) (together with yield information) or at the registered office of the ACD. The full report and accounts are available free of charge on request from the ACD.

The published price is not subject to an initial charge on the creation price. The ACD, at its discretion, may waive the initial charge in full for purchases of shares. In this case, the shares are thus purchased at the published price.

The ACD may vary the initial charge up to the maximum by giving the Depositary notice of the change and amending the Prospectus.

Subject to the FUND and COLL Sourcebooks, the basis upon which prices may be calculated and any discounts on the initial charge are at the discretion of the ACD.

The minimum initial investment in the YFS Kernow Equity Navigator Fund is £50,000. There is no minimum subsequent investment size. Shares may be purchased or sold by telephoning 0345 850 0255 or writing to: Yealand Fund Services Limited, Fountain Suite B, Lynch Wood Park, Lynch Wood, Peterborough, Cambridgeshire, PE2 6FZ. For your protection calls are recorded.

A contract note will be issued to confirm any sale of shares with payment being issued on the third business day following the pricing of the sale and all necessary renunciation documentation being received by the ACD.

The dealing time for telephone deals is 09:00 - 17:00 every business day.

### ACD's approach to dilution

Unusually high levels of buying and selling may increase the Sub-fund's dealing costs and affect the value of its assets. This is known as 'dilution'. To prevent this and to protect the interests of the majority of shareholders, the ACD at its discretion may charge a dilution levy. If charged, the dilution levy will be paid into the Sub-fund for the benefit of shareholders and will become part of the property of the Sub-fund.

### Revenue

The Sub-fund offers accumulation shares which entitle shareholders to a share in any distribution of the revenue made by the Sub-fund, less expenses and applicable taxation, provided they retain those shares until and including the Sub-fund's dividend dates on 31 December and 30 June each year. Any revenue will be allocated to shareholders at the end of February and August each year.

### Tax

#### Capital gains

Authorised funds are currently exempt from capital gains tax on the disposal of their investments. UK residents who are individuals or trusts may be liable to UK taxation of capital gains arising from the sale or other disposal of shares in the Sub-fund if their total gains from all sources exceed the exemption limit for the tax year in which the disposal takes place.

UK corporates will be subject to corporation tax on chargeable gains on profits made on the disposal of their shares in the Sub-fund.

#### Income tax

The following paragraphs summarise the basis of taxation on distributions, based on current legislation.

UK resident individuals are taxed on the sum of their distributions in excess of the tax free dividend allowance of £500. Basic rate taxpayers pay 8.75% income tax on dividends received in excess of the dividend allowance, higher rate taxpayers pay 33.75% income tax, and additional rate taxpayers pay 39.35% income tax. The dividend allowance is not available to Trusts.

Potential investors are advised to seek professional advice.

## General information

*continued*

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### Tax - continued

#### Corporate holders

For corporate shareholders, where the gross income from which the dividend distribution is made is not wholly franked investment income, part of the distribution is received as an annual payment.

Corporate shareholders will be subject to corporation tax on the non-franked element of distributions, which will be covered by the tax withheld by the Sub-fund.

The amount of tax recoverable on dividends deemed to be annual payments will match the corporation tax paid by the Sub-fund.

It should be noted that levels and bases of tax may be subject to change.

If investors are in any doubt as to their taxation position they should consult their professional advisor.

#### Protected Cell Regime

On 21 December 2011, the Protected Cell Regime was introduced for umbrella ICVC's. The effect of this segregated liability is to ring-fence the assets of each Sub-fund of the Company. If the assets attributable to any Sub-fund are insufficient to meet its liabilities, the shortfall will not be met out of the assets attributable to any other Sub-fund of the umbrella company.

#### Further information

Further details of the Sub-fund is included in the Prospectus, which is available upon request from: Yealand Fund Services Limited, Fountain Suite B, Lynch Wood Park, Lynch Wood, Peterborough, Cambridgeshire, PE2 6FZ.

## Directory

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### **Authorised Corporate Director (the 'ACD')**

Yealand Fund Services Limited  
Fountain Suite B  
Lynch Wood Park  
Lynch Wood  
Peterborough  
Cambridgeshire  
PE2 6FZ

Tel: 0345 850 0255  
Fax: 01733 286833

Email: [enquiries@yealand.com](mailto:enquiries@yealand.com)  
Website: [www.yealand.com](http://www.yealand.com)

*(Authorised and regulated by  
the Financial Conduct Authority)*

### **Fund administration, dealing and registration**

Yealand Fund Services Limited  
Fountain Suite B  
Lynch Wood Park  
Lynch Wood  
Peterborough  
Cambridgeshire  
PE2 6FZ

Tel: 0345 850 0255  
Fax: 01733 286833

Email: [TA@yealand.com](mailto:TA@yealand.com)  
Website: [www.yealand.com](http://www.yealand.com)

*(Authorised and regulated by  
the Financial Conduct Authority)*

### **Investment manager**

Kernow Asset Management Limited  
1st Floor  
Great Stable  
Trelowarren  
Helston  
Cornwall  
TR12 6AF

*(Authorised and regulated by  
the Financial Conduct Authority)*

### **Depository**

NatWest Trustee and Depository Services  
Limited

Registered and Head Office:  
250 Bishopsgate  
London  
EC2M 4AA

*(Authorised and regulated by  
the Financial Conduct Authority)*

### **Auditor**

Moore Kingston Smith LLP  
(formerly Shipleys LLP)

was appointed as auditor to the Company  
by the ACD on 6 May 2025

10 Orange Street  
Haymarket  
London  
WC2H 7DQ