

# LIONTRUST BALANCED FUND

Annual Report &  
Financial Statements

For the year:

**1 January 2024**

to

**31 December 2024**

Liontrust Fund Partners LLP

**LIONTRUST** 

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\* Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

## Management and Administration

### **Authorised Fund Manager ("Manager")**

Liontrust Fund Partners LLP  
2 Savoy Court  
London WC2R 0EZ

Administration and Dealing enquiries 0344 892 0349  
Administration and Dealing facsimile 0207 964 2562  
Email [Liontrustadmin@bnymellon.com](mailto:Liontrustadmin@bnymellon.com)  
Website [www.liontrust.co.uk](http://www.liontrust.co.uk)

The Manager of Liontrust Balanced Fund (the "Fund") is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the Manager is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

### **Investment Adviser**

Liontrust Investment Partners LLP  
2 Savoy Court  
London WC2R 0EZ

Authorised and regulated by the FCA.

### **Trustee**

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

### **Independent Auditor**

KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

### **Administrator and Registrar**

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London  
EC4V 4LA

Authorised by PRA and regulated by the FCA and the PRA.

# Liontrust Balanced Fund

### Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £24.6 billion in assets under management as at 31 December 2024 and that takes pride in having a distinct culture and approach to managing money. What makes Liontrust distinct?

- The Company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Edinburgh and Luxembourg.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have seven fund management teams investing in Global Equities, Global Fixed Income, Sustainable Investment and Multi-Asset portfolios and funds.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from investing in companies and funds for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Consumer Duty outcomes and rules as well as the Principles of Treating Customers Fairly (TCF), and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP and Liontrust Fund Partners LLP which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust Europe S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

### Conflict in Ukraine

The ongoing war in Ukraine and the resultant geopolitical tensions including sanctions imposed on Russia and retaliatory action taken by Russia against foreign investors, continue to impact global financial markets (including stock, currency and commodities markets). Economic sanctions and the fallout from the conflict are affecting companies operating in a wide variety of sectors worldwide, including energy, financial services and defence, amongst others. As a result, the performance of the Fund may be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

## Manager's Investment Report

### Investment Objective

The investment objective of the Fund is to generate long term (five years or more) capital growth with the potential for income.

### Investment Policy

The Fund invests, directly or indirectly, in a mix of asset classes across the world including equity, fixed income and alternatives. There is no predetermined exposure to any asset class or region.

The Fund may also invest in other eligible asset classes such as collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the Manager for efficient portfolio management.

It is the intention to be nearfully invested at all times, however, the Fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the Manager feel it appropriate.

The portfolio will be managed to ensure that the Fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

### Investment Strategy

The Fund invests in securities selected using a combination of top down and bottom up analysis while managing risk through asset allocation.

### The Team

The Global Equities team is headed by Mark Hawtin, who has 40 years of investment experience, including managing global equity long only and long/short funds. Mark joined Liontrust in 2024 to create the Global Equities team along with David Goodman, Kevin Kruczynski and Pieran Maru. The four managers run a range of long only and long/short equity funds. Ewan Thompson and Tom Smith joined Liontrust in 2019 and manage emerging markets equity funds and the Japan Equity Fund.

The Liontrust Balanced Fund moved to the Liontrust Global Equities team on 31 May 2024.

### Manager's Investment Report (continued)

#### **Performance of the Fund**

In the year to 31 December 2024 an investment in the Fund returned 13.2% (C Accumulation) compared with a 9.0% return from the IA Mixed Investment 40-85% sector, the comparator benchmark.

From the Fund's launch on 31 December 1998 to 31 December 2024, an investment in the Fund rose by 1146%, compared to a rise of 248% in the IA Mixed Investment 40-85% sector, the comparator benchmark.

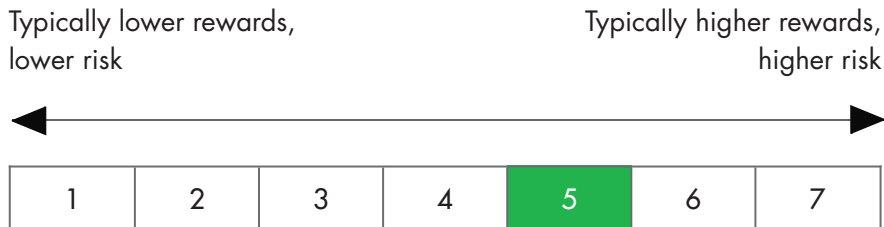
*Source: Financial Express, bid to bid basis, total return (net of fees, income reinvested) figures show performance up to 31 December 2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

## Manager's Investment Report (continued)

### Risk and Reward profile

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



- The Synthetic Risk and Reward Indicator (SRRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Fund invests in a mix of asset classes globally including equity, bonds and alternatives. The Fund may also invest in other eligible asset classes as detailed within the prospectus.
- The Fund is categorised 5 primarily for its exposure to global equities and bonds.
- The SRRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Fund;
  - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund;
  - Bonds are affected by changes in interest rates and their value and the income they generate can rise or fall as a result;
  - the creditworthiness of a bond issuer may also affect that bond's value. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts. The value of a bond would be significantly affected if the issuer either refused to pay or was unable to pay.
- The Fund may, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and interest rate moves. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.
- The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.
- The Fund may invest in smaller companies and may invest a small proportion (less than 10%) of the Fund in unlisted securities. There

### Manager's Investment Report (continued)

#### **Risk and Reward profile (continued)**

may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the Fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the Fund to defer or suspend redemptions of its shares.

- Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Environmental Social Governance (ESG) Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Fund's risks, please see the prospectus which may be obtained from Liontrust (at the address on page 1) or online at [www.liontrust.co.uk](http://www.liontrust.co.uk).



## Manager's Investment Report (continued)

### Fund Review

The Liontrust Balanced Fund returned 13.2% (C accumulation) in the 12 months to 31 December 2024, compared with the 9.0% average return in the IA Mixed Investment 40-85% Sector\*.

*The Liontrust Global Equities team has taken on the management of the Fund. The team is headed by Mark Hawtin, who joined Liontrust in May from GAM Investments, where he was Investment Director and was Head of Global Equities.*

### Market backdrop

2024 was the first time the S&P Equal Weighted Index had underperformed the S&P 500 Index by more than 10% for two years running this century. Will this unprecedented run continue in 2025 or will there be a return to broader market participation? We believe the latter is highly likely and, therefore, stock selection will be more critical for 2025.

Equities enjoyed strong returns in 2024, particularly in the US where the combined trends of momentum, passive investing and artificial intelligence (AI) led to a 23% gain for the S&P 500. In fact, US equities contributed 17% or almost 90% out of the 19.5% gain for the MSCI World Equity Index. Frankly, everything else represented a rounding error and so it is easy to see why US and international investors remained entrenched within the US equity wave.

Much of this wave was focused on the very largest companies, with Nvidia and Broadcom driving the biggest percentage gains, up 176% and 119% respectively. These two 'AI' titans contributed no less than 22% of total global equity returns. Add in the other mega caps – Apple, Alphabet, Amazon, Tesla, Meta and Microsoft – and together the (now) Magnificent 8 drove 50% of global equity returns.

### Positive stock attribution

Reflecting market dynamics, the Fund's gains were concentrated in its US mega-cap holdings, with **Nvidia** (+176%), **Alphabet 'A'** (+38%), **Amazon.com** (+47%), **Netflix** (+39%), **PayPal** (+35%), **ServiceNow** (+42%) and **Salesforce.com** (+22%) all among the top 10 contributors. Outside of the US, **Taiwan Semiconductor Manufacturing** (+95%) – the world's largest semiconductor foundry – and Italian financial services firm **UniCredit** (+50%) were also notable gainers.

**Nvidia** is a global chipmaker specialising in the parallel processing chips and software solutions that sit at the heart of AI. During 2024, the company continued to benefit from bullish sentiment around AI and the elevated spending of the big technology companies eager to build out their capabilities in this field.

**Netflix** rallied strongly towards the end of the year as Q3 results showed more resilient subscriber growth than expected. Amid speculation that the subscriber boost from a clampdown on password sharing would soon wane, the company added 5.1 million members in the quarter (taking the total to over 282 million) – well down on the growth seen a year ago but comfortably ahead of consensus expectations for 4.5 million.

The stock that weighed the most on performance was Chinese biotechnology company **WuXi Biologics** (-55%), whose shares fell heavily in the first half of the year. WuXi Biologics suffered from a reduction in biotech funding and a proposed US law to block certain Chinese biotech companies from accessing federal contracts on national security grounds.

Another large detractor was **LGI Homes** (-29%), the entry-level homebuilder. It fell early in the year as Q4 2023 earnings came in below expectations and 2024 guidance disappointed.

Following the change in management of the Fund, the positions in both WuXi Biologics and LGI Homes were sold.

Against a backdrop of rising government bond yields due to unexpectedly persistent inflation readings and concern over the viability of the UK government's fiscal plans, the Fund's government bond allocation lost value over the year. The fixed income portfolio detracted around 110 basis points from performance. This impact was limited by the Fund's low current exposure to bonds: at an average of 15% over the year, the Fund's allocation is underweight relative to the implied average of the IA Mixed Investment 40-85% Shares sector.

### Manager's Investment Report (continued)

#### Outlook

We believe the opportunity set in equities will differ in 2025 from the momentum-driven landscape of 2024. Two factors make the US slightly less straightforward than last year: firstly, increased volatility resulting from uncertainty over the exact path and timing of inflation and interest rates along with the early period of the new Trump regime and, secondly, the concentration risk in the US market.

Add in peak expectations on AI infrastructure, and we believe that 2025 will see a rotation into a broader range of US market opportunities as well as a better backdrop at the margin for equities in other geographies.

In the US, our key selection criteria revolves around finding companies that will utilise the newfound benefits of AI effectively as well as those companies set to benefit from Trump policies on tax cuts and spending priorities. We specifically reduce exposure to the AI infrastructure build cycle, as well as to mega cap names, and favour sectors like healthcare, industrials and fintech.

In portfolio construction terms, we have increased exposure to healthcare and industrials where the use of AI creates a clear differentiated opportunity or where the digital lenses that we apply across the investment universe find moats that are hard to cross. For example, in robotic surgery, Intuitive continues to benefit from the network effect in a way that the market underappreciates.

One additional theme that is likely to play out in 2025 is that of mobility including autonomous driving and last mile delivery. We have for some time talked about the demise of traditional auto manufacture and we would expect to see this accelerate with a shift towards structural consolidation like the year-end announcement of the Honda/Nissan merger. This will not be restricted to the traditional OEM's – we see consolidation likely to build potential ride sharing and autonomous platforms with a significant moat. Waymo and Tesla both need to accelerate their positioning so we think it is likely that broader tie-ups will occur, such as an attempt to take over Uber to turbo boost access to customers.

Elsewhere, the Trump administration's support for crypto and digitalisation also makes digital fintech a clear opportunity for 2025.

The wild card may prove to be China, where shares have been crushed by the poor growth outlook and continued tensions on a geopolitical level. If measures to stimulate growth align with a less aggressive stand from the new Trump administration, China could offer a very cheap and well diversified equity opportunity. In addition, any push to weaken the US dollar would add further support for investing in China and emerging markets more broadly. Given the unique nature of emerging market economies because of their rapid and comprehensive use of digital technologies, we can see a scenario in which diversification away from the very concentrated US exposure could generate significant relative returns.

*\*Source: Financial Express, bid to bid basis, total return (net of fees, income reinvested) figures show performance up to 31.12.2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

#### Mark Hawtin & Kevin Kruczynski

Fund Managers

January 2025

**Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.**

## Manager's Investment Report (continued)

### Material portfolio changes by value

#### Purchases

Apple  
Seagate Technology  
PayPal  
Meta Platforms  
Netflix  
Zabka  
Costco Wholesale  
Barrick Gold  
AstraZeneca  
Intuitive Surgical

#### Sales

Taiwan Semiconductor Manufacturing ADR  
Apple  
NVIDIA  
Alphabet 'A'  
Naspers  
Novartis  
Novo Nordisk  
Installed Building Products  
UniCredit  
MercadoLibre

### Authorised Status

The Fund is an authorised unit trust scheme ("the Scheme") under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

### Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and net capital gains or losses on the property of the Fund for the year.

In preparing the financial statements the Manager is responsible for:

- selecting suitable accounting policies and then apply 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 Management 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 Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Fund's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement of the Trustee's Responsibilities in Respect of the Scheme and Report of the Trustee to the Unitholders of the Liontrust Balanced Fund (the 'Fund') for the Year Ended 31 December 2024

The Trustee in its capacity as Trustee of Liontrust Balanced Fund must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Trustee 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 and cancellation of units are carried out in accordance with the Regulations;
- the value of units 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 Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

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

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee 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 AFM:

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

For and on behalf of

**The Bank of New York Mellon (International) Limited**

160 Queen Victoria Street  
London EC4V 4LA

25 April 2025

## Certification of Financial Statements by Partners of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



**Martin Kearney**

Partner, Chief Risk Officer



**Antony Morrison**

Partner, Head of Finance

Liontrust Fund Partners LLP  
25 April 2025

# Independent Auditor's Report to the Unitholders of Liontrust Balanced Fund (the "Fund")

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of the Fund for the year ended 31 December 2024 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Tables for the Fund and the accounting policies set out on pages 33 to 35.

In our opinion, the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, of the financial position of the Fund as at 31 December 2024 and of the net revenue and the net capital gains on the property of the Fund for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Fund in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going Concern

The Manager has prepared the financial statements on the going concern basis as they do not intend to liquidate the Fund or to cease their operations, and as they have concluded that the Fund's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Manager's conclusions, we considered the inherent risks to the Fund's business model and analysed how those risks might affect the Fund's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Manager's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Fund will continue in operation.

# Independent Auditor's Report to the Unitholders of Liontrust Balanced Fund (the "Fund") (continued)

### Report on the audit of the financial statements (continued)

#### **Fraud and breaches of laws and regulations – ability to detect**

##### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Fund's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Manager, the Trustee, the Administrator and the Investment Adviser; and
- Reading board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

##### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Fund is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Fund is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Fund's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.



## Independent Auditor's Report to the Unitholders of Liontrust Balanced Fund (the "Fund") (continued)

### Report on the audit of the financial statements (continued)

#### Fraud and breaches of laws and regulations – ability to detect (continued)

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### Other information

The Manager is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Manager's Report 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 matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Fund have not been kept; or
- the financial statements are not in agreement with the accounting records.

#### Manager's responsibilities

As explained more fully in their statement set out on page 10, the Manager is responsible for: the preparation of financial statements that give a true and fair view; 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; 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 they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

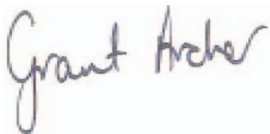
A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

# Independent Auditor's Report to the Unitholders of Liontrust Balanced Fund (the "Fund") (continued)

### Report on the audit of the financial statements (continued)

#### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Fund's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders, as a body, for our audit work, for this report, or for the opinions we have formed.



**Grant Archer**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

KPMG LLP  
319 St Vincent Street  
Glasgow  
G2 5AS

25 April 2025

## Comparative Tables

for the year ended 31 December 2024

<b>A Accumulation</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	1,004.19	842.41	1,093.85
Return before operating charges	141.33	177.08	(236.13)
Operating charges	(17.74)	(15.30)	(15.31)
Return after operating charges	123.59	161.78	(251.44)
Distributions	(1.50)	(5.34)	(8.70)
Retained distributions on accumulation units	1.50	5.34	8.70
<b>Closing net asset value per unit</b>	<b>1,127.78</b>	<b>1,004.19</b>	<b>842.41</b>
After direct transaction costs of*	(1.36)	(0.95)	(0.04)
<b>Performance</b>			
Return after charges	12.31%	19.20%	(22.99%)
<b>Other information</b>			
Closing net asset value (£'000)	53,823	55,297	67,616
Closing number of units	4,772,483	5,506,662	8,026,428
Operating charges**	1.64%	1.64%	1.64%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	1,180.06	1,007.31	1,099.44
Lowest unit price	987.31	842.51	832.67

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

\*\* The Operating Charges figure represents the annual operating expenses of the Fund expressed as a percentage of average net assets for the year - it does not include initial charges or performance fees. The Operating Charges figure includes the Manager's charge and all charges which are deducted directly from the Fund. The Operating Charges figure is expressed as an annual percentage rate.

## Comparative Tables (continued)

for the year ended 31 December 2024

<b>A Income</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	883.62	744.29	976.11
Return before operating charges	124.63	157.52	(210.42)
Operating charges	(15.57)	(13.47)	(13.62)
Return after operating charges	109.06	144.05	(224.04)
Distributions	(1.36)	(4.72)	(7.78)
Retained distributions on accumulation units	—	—	—
<b>Closing net asset value per unit</b>	<b>991.32</b>	<b>883.62</b>	<b>744.29</b>
After direct transaction costs of*	(1.20)	(0.84)	(0.03)
<b>Performance</b>			
Return after charges	12.34%	19.35%	(22.95%)
<b>Other information</b>			
Closing net asset value (£'000)	372	415	915
Closing number of units	37,516	47,012	123,006
Operating charges**	1.64%	1.64%	1.64%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	1,034.84	884.63	980.84
Lowest unit price	867.07	744.08	739.43

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

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## Comparative Tables (continued)

for the year ended 31 December 2024

<b>B Accumulation</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	104.71	87.34	112.99
Return before operating charges	14.81	18.46	(24.57)
Operating charges	(1.27)	(1.09)	(1.08)
Return after operating charges	13.54	17.37	(25.65)
Distributions	(0.50)	(0.81)	(1.42)
Retained distributions on accumulation units	0.50	0.81	1.42
<b>Closing net asset value per unit</b>	<b>118.25</b>	<b>104.71</b>	<b>87.34</b>
After direct transaction costs of*	(0.14)	(0.10)	0.00
<b>Performance</b>			
Return after charges	12.93%	19.89%	(22.70%)
<b>Other information</b>			
Closing net asset value (£'000)	3,803	3,997	3,364
Closing number of units	3,215,972	3,817,234	3,851,679
Operating charges**	1.12%	1.12%	1.12%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	123.87	105.16	113.61
Lowest unit price	103.08	87.45	86.41

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

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## Comparative Tables (continued)

for the year ended 31 December 2024

<b>B Income</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	102.02	85.79	112.77
Return before operating charges	14.42	18.09	(24.48)
Operating charges	(1.23)	(1.07)	(1.08)
Return after operating charges	13.19	17.02	(25.56)
Distributions	(0.49)	(0.79)	(1.42)
Retained distributions on accumulation units	—	—	—
<b>Closing net asset value per unit</b>	<b>114.72</b>	<b>102.02</b>	<b>85.79</b>
After direct transaction costs of*	(0.14)	(0.10)	0.00
<b>Performance</b>			
Return after charges	12.93%	19.84%	(22.67%)
<b>Other information</b>			
Closing net asset value (£'000)	2,053	1,978	1,983
Closing number of units	1,789,278	1,938,664	2,312,191
Operating charges**	1.12%	1.13%	1.12%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	120.21	102.45	113.38
Lowest unit price	100.43	85.89	85.58

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

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## Comparative Tables (continued)

for the year ended 31 December 2024

<b>C Accumulation</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	232.84	193.83	249.86
Return before operating charges	32.86	40.84	(54.21)
Operating charges	(2.14)	(1.83)	(1.82)
Return after operating charges	30.72	39.01	(56.03)
Distributions	(1.78)	(2.06)	(3.72)
Retained distributions on accumulation units	1.78	2.06	3.72
<b>Closing net asset value per unit</b>	<b>263.56</b>	<b>232.84</b>	<b>193.83</b>
After direct transaction costs of*	(0.32)	(0.22)	(0.01)
<b>Performance</b>			
Return after charges	13.19%	20.13%	(22.42%)
<b>Other information</b>			
Closing net asset value (£'000)	349,602	332,313	317,734
Closing number of units	132,645,711	142,722,073	163,923,219
Operating charges**	0.85%	0.85%	0.85%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	275.92	233.80	251.18
Lowest unit price	229.20	194.05	191.74

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## Comparative Tables (continued)

for the year ended 31 December 2024

<b>C Income</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	214.53	180.25	236.76
Return before operating charges	30.25	37.89	(51.28)
Operating charges	(1.97)	(1.70)	(1.72)
Return after operating charges	28.28	36.19	(53.00)
Distributions	(1.64)	(1.91)	(3.51)
Retained distributions on accumulation units	—	—	—
<b>Closing net asset value per unit</b>	<b>241.17</b>	<b>214.53</b>	<b>180.25</b>
After direct transaction costs of*	(0.29)	(0.20)	(0.01)
<b>Performance</b>			
Return after charges	13.18%	20.08%	(22.39%)
<b>Other information</b>			
Closing net asset value (£'000)	15,070	14,558	13,971
Closing number of units	6,248,681	6,786,099	7,750,708
Operating charges**	0.85%	0.85%	0.85%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	252.94	215.44	238.03
Lowest unit price	211.21	180.50	180.10

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

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## Comparative Tables (continued)

for the year ended 31 December 2024

<b>D Accumulation</b>	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Accounting year ended</b>	<b>per unit (p)</b>	<b>per unit (p)</b>	<b>per unit (p)</b>
<b>Change in net assets per unit</b>			
Opening net asset value per unit	206.21	171.50	220.85
Return before operating charges	29.13	36.14	(47.93)
Operating charges	(1.68)	(1.43)	(1.42)
Return after operating charges	27.45	34.71	(49.35)
Distributions	(1.80)	(1.94)	(3.48)
Retained distributions on accumulation units	1.80	1.94	3.48
<b>Closing net asset value per unit</b>	<b>233.66</b>	<b>206.21</b>	<b>171.50</b>
After direct transaction costs of*	(0.28)	(0.19)	(0.01)
<b>Performance</b>			
Return after charges	13.31%	20.24%	(22.35%)
<b>Other information</b>			
Closing net asset value (£'000)	12,822	14,195	26,708
Closing number of units	5,487,727	6,883,499	15,573,554
Operating charges**	0.75%	0.75%	0.75%
Direct transaction costs*	0.13%	0.10%	0.00%
<b>Prices</b>			
Highest unit price	244.63	207.09	222.05
Lowest unit price	203.03	171.72	169.67

\* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Fund and unit class returns before operating charges.

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## Portfolio Statement

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (83.28%)</b>	<b>317,672</b>	<b>72.60</b>
	<b>UNITED STATES OF AMERICA (46.01%)</b>	<b>196,869</b>	<b>45.00</b>
	<b>Aerospace &amp; Defence (1.36%)</b>		
	<b>Airlines (1.29%)</b>		
	<b>Beverages (1.48%)</b>		
	<b>Biotechnology (1.56%)</b>		
	<b>Commercial Services (1.74%)</b>	<b>7,291</b>	<b>1.67</b>
107,004	PayPal	7,291	1.67
	<b>Computers (0.00%)</b>	<b>2,940</b>	<b>0.67</b>
42,654	Seagate Technology	2,940	0.67
	<b>Diversified Financial Services (1.92%)</b>	<b>24,111</b>	<b>5.51</b>
36,590	Cboe Global Markets	5,708	1.30
36,105	Coinbase Global	7,152	1.63
11,393	Mastercard 'A'	4,796	1.10
25,560	Visa 'A'	6,455	1.48
	<b>Electronics (0.00%)</b>	<b>4,362</b>	<b>1.00</b>
77,332	Trimble	4,362	1.00
	<b>Engineering &amp; Construction (2.00%)</b>	<b>5,071</b>	<b>1.16</b>
116,152	Frontdoor	5,071	1.16
	<b>Food Producers (3.50%)</b>		
	<b>Food Services (1.25%)</b>		
	<b>Healthcare Products (2.05%)</b>	<b>9,166</b>	<b>2.10</b>
16,468	Intuitive Surgical	6,863	1.57
64,794	Omniceil	2,303	0.53
	<b>Healthcare Services (2.04%)</b>	<b>2,406</b>	<b>0.55</b>
330,056	BehaVR (Private Equity)~	30	0.01
8,069	Elevance Health	2,376	0.54
	<b>Home Builders (3.59%)</b>		

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
<b>EQUITIES (continued)</b>			
<b>UNITED STATES OF AMERICA (continued)</b>			
<b>Household Products (2.10%)</b>			
<b>Internet (6.03%)</b>			
37,821	Airbnb	3,968	0.91
73,016	Alphabet 'A'	11,038	2.52
56,690	Amazon.com	9,928	2.27
50,336	Expedia	7,489	1.71
20,733	Meta Platforms	9,693	2.22
16,510	Netflix	11,749	2.68
66,142	Uber Technologies	3,186	0.73
<b>Mining (0.00%)</b>			
182,052	Newmont	5,409	1.24
<b>Pharmaceuticals (0.00%)</b>			
32,944	Dexcom	2,045	0.47
<b>Retail (0.00%)</b>			
10,060	Costco Wholesale	7,360	1.68
<b>Semiconductors (2.03%)</b>			
56,006	Micron Technology	3,764	0.86
87,284	NVIDIA	9,351	2.14
<b>Software (11.11%)</b>			
79,557	Cloudflare	6,846	1.56
15,770	Intuit	7,914	1.81
27,450	Microsoft	9,234	2.11
22,478	PTC	3,300	0.75
35,992	salesforce.com	9,613	2.20
81,253	Samsara	2,833	0.65
13,369	ServiceNow	11,311	2.58
44,511	Snowflake	5,491	1.25
<b>Toys, Games &amp; Hobbies (0.96%)</b>			

# LIONTRUST BALANCED FUND

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (continued)</b>		
	<b>UNITED KINGDOM (3.88%)</b>	<b>14,242</b>	<b>3.24</b>
	<b>Biotechnology (0.36%)</b>		
	<b>Computers (0.28%)</b>	<b>983</b>	<b>0.22</b>
2,880,000	Oxford Nanoimaging (Private Equity)~	108	0.02
833,334	Oxford Sciences Innovation (Private Equity)~	875	0.20
	<b>Diversified Financial Services (0.00%)</b>	<b>5,658</b>	<b>1.29</b>
50,139	London Stock Exchange	5,658	1.29
	<b>Machinery Diversified (1.03%)</b>		
	<b>Mining (1.13%)</b>	<b>3,327</b>	<b>0.76</b>
140,758	Anglo American	3,327	0.76
	<b>Pharmaceuticals (1.08%)</b>	<b>4,274</b>	<b>0.97</b>
3,150,069	Cambridge Innovation Capital (Private Equity)~	2,821	0.64
1,176	Oxstem (Private Equity)~	0	0.00
20,875	Ultromics (Private Equity)~	1,453	0.33
	<b>Software (0.00%)</b>	<b>0</b>	<b>0.00</b>
9,123	Navenio (Private Equity)~	0	0.00
810	Proxisense (Private Equity)~	0	0.00
	<b>JAPAN (0.66%)</b>	<b>12,992</b>	<b>2.98</b>
	<b>Computers (0.00%)</b>	<b>4,321</b>	<b>0.99</b>
159,930	BayCurrent Consulting	4,321	0.99
	<b>Healthcare Products (0.00%)</b>	<b>2,870</b>	<b>0.66</b>
194,000	Sysmex	2,870	0.66
	<b>Machinery Diversified (0.66%)</b>	<b>5,801</b>	<b>1.33</b>
123,400	FANUC	2,617	0.60
9,700	Keyence	3,184	0.73

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (continued)</b>		
	<b>CANADA (0.00%)</b>	<b>12,260</b>	<b>2.80</b>
	<b>Internet (0.00%)</b>	<b>4,329</b>	<b>0.99</b>
50,979	Shopify 'A'	4,329	0.99
	<b>Mining (0.00%)</b>	<b>7,931</b>	<b>1.81</b>
641,250	Barrick Gold	7,931	1.81
	<b>CHINA (2.40%)</b>	<b>10,275</b>	<b>2.35</b>
	<b>Healthcare Services (0.93%)</b>		
	<b>Internet (1.47%)</b>	<b>10,275</b>	<b>2.35</b>
84,645	Alibaba ADR	5,729	1.31
526,645	Full Truck Alliance ADR	4,546	1.04
	<b>FRANCE (3.02%)</b>	<b>8,539</b>	<b>1.95</b>
	<b>Advertising (1.32%)</b>		
	<b>Aerospace &amp; Defence (1.70%)</b>	<b>2,833</b>	<b>0.65</b>
24,710	Thales	2,833	0.65
	<b>Healthcare Products (0.00%)</b>	<b>5,706</b>	<b>1.30</b>
29,580	EssilorLuxottica	5,706	1.30
	<b>DENMARK (4.62%)</b>	<b>8,283</b>	<b>1.89</b>
	<b>Chemicals (1.43%)</b>	<b>3,737</b>	<b>0.85</b>
82,929	Novozymes	3,737	0.85
	<b>Pharmaceuticals (3.19%)</b>	<b>4,546</b>	<b>1.04</b>
66,105	Novo Nordisk	4,546	1.04
	<b>GERMANY (0.00%)</b>	<b>7,739</b>	<b>1.77</b>
	<b>Software (0.00%)</b>	<b>7,739</b>	<b>1.77</b>
39,639	SAP	7,739	1.77

# LIONTRUST BALANCED FUND

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (continued)</b>		
	<b>NORWAY (0.00%)</b>	<b>7,611</b>	<b>1.73</b>
	<b>Food Producers (0.00%)</b>	<b>4,485</b>	<b>1.02</b>
327,568	Mowi	4,485	1.02
	<b>Oil &amp; Gas Services (0.00%)</b>	<b>3,126</b>	<b>0.71</b>
392,506	TGS	3,126	0.71
	<b>URUGUAY (3.75%)</b>	<b>7,279</b>	<b>1.66</b>
	<b>Internet (3.75%)</b>	<b>7,279</b>	<b>1.66</b>
5,361	MercadoLibre	7,279	1.66
	<b>SINGAPORE (0.00%)</b>	<b>4,944</b>	<b>1.13</b>
	<b>Internet (0.00%)</b>	<b>4,944</b>	<b>1.13</b>
90,173	Trip.com ADR	4,944	1.13
	<b>TAIWAN (2.70%)</b>	<b>4,451</b>	<b>1.02</b>
	<b>Semiconductors (2.70%)</b>	<b>4,451</b>	<b>1.02</b>
28,214	Taiwan Semiconductor Manufacturing ADR	4,451	1.02
	<b>PERU (1.04%)</b>	<b>4,407</b>	<b>1.01</b>
	<b>Banks (1.04%)</b>	<b>4,407</b>	<b>1.01</b>
30,079	Credicorp	4,407	1.01
	<b>SPAIN (0.00%)</b>	<b>4,395</b>	<b>1.00</b>
	<b>Engineering &amp; Construction (0.00%)</b>	<b>4,395</b>	<b>1.00</b>
26,983	Aena SME	4,395	1.00
	<b>SWITZERLAND (4.87%)</b>	<b>4,313</b>	<b>0.99</b>
	<b>Engineering &amp; Construction (0.00%)</b>	<b>4,313</b>	<b>0.99</b>
22,536	Flughafen Zurich	4,313	0.99
	<b>Healthcare Products (0.82%)</b>		
	<b>Pharmaceuticals (2.98%)</b>		

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>EQUITIES (continued)</b>		
	<b>SWITZERLAND (continued)</b>		
	<b>Retail (1.07%)</b>		
	<b>LUXEMBOURG (0.00%)</b>	<b>4,235</b>	<b>0.97</b>
	<b>Retail (0.00%)</b>	<b>4,235</b>	<b>0.97</b>
1,138,030	Zabka	4,235	0.97
	<b>IRELAND (1.51%)</b>	<b>2,437</b>	<b>0.56</b>
	<b>Healthcare Services (1.51%)</b>		
	<b>Internet (0.00%)</b>	<b>2,437</b>	<b>0.56</b>
31,473	Pinduoduo ADR	2,437	0.56
	<b>CHILE (0.95%)</b>	<b>2,401</b>	<b>0.55</b>
	<b>Chemicals (0.95%)</b>	<b>2,401</b>	<b>0.55</b>
82,749	Sociedad Quimica y Minera de Chile ADR	2,401	0.55
	<b>ITALY (1.67%)</b>	<b>0</b>	<b>0.00</b>
	<b>Banks (1.67%)</b>	<b>0</b>	<b>0.00</b>
	<b>PANAMA (1.37%)</b>	<b>0</b>	<b>0.00</b>
	<b>Airlines (1.37%)</b>	<b>0</b>	<b>0.00</b>
	<b>SOUTH AFRICA (2.35%)</b>	<b>0</b>	<b>0.00</b>
	<b>Internet (2.35%)</b>	<b>0</b>	<b>0.00</b>
	<b>SOUTH KOREA (2.48%)</b>	<b>0</b>	<b>0.00</b>
	<b>Semiconductors (2.48%)</b>	<b>0</b>	<b>0.00</b>
	<b>BONDS (14.89%)</b>	<b>82,433</b>	<b>18.84</b>
	<b>UNITED KINGDOM GOVERNMENT BONDS (14.89%)</b>	<b>82,433</b>	<b>18.84</b>
£ 8,428,362	United Kingdom Gilt 4.25% 7/12/2055	7,317	1.67
£ 9,243,871	United Kingdom Gilt 4.25% 7/9/2039	8,633	1.97
£ 10,613,818	United Kingdom Gilt 3.5% 22/1/2045	8,521	1.95
£ 9,380,079	United Kingdom Gilt 3.75% 22/10/2053	7,439	1.70
£ 9,504,992	United Kingdom Gilt 4.375% 31/7/2054	8,411	1.92
£ 8,859,699	United Kingdom Gilt 4.25% 31/7/2034	8,638	1.98
£ 3,900,000	United Kingdom Gilt Inflation Linked 1.125% 22/11/2037	7,377	1.69

## Portfolio Statement (continued)

as at 31 December 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	<b>BONDS (continued)</b>		
	<b>UNITED KINGDOM GOVERNMENT BONDS (continued)</b>		
£ 4,400,000	United Kingdom Gilt Inflation Linked 0.625% 22/3/2040	6,960	1.59
£ 6,000,000	United Kingdom Gilt Inflation Linked 0.625% 22/11/2042	9,320	2.13
£ 9,200,000	United Kingdom Gilt Inflation Linked 0.125% 22/3/2046	9,817	2.24
	<b>DERIVATIVES (0.02%)</b>	<b>262</b>	<b>0.06</b>
	<b>Forward Currency Contracts (0.02%)</b>	<b>(386)</b>	<b>(0.09)</b>
£ 37,322,408	UK Sterling 37,322,408 vs US Dollar 47,200,000	(386)	(0.09)
	<b>Total Return Swaps (0.00%)</b>	<b>648</b>	<b>0.15</b>
255,675	Goldman Sachs 0.000000%	(73)	(0.02)
505,565	Goldman Sachs 0.000000%	721	0.17
	<b>Portfolio of investments</b>	<b>400,367</b>	<b>91.50</b>
	<b>Net other assets</b>	<b>37,178</b>	<b>8.50</b>
	<b>Total net assets</b>	<b>437,545</b>	<b>100.00</b>

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2023.

Stocks shown as ADRs represent American Depositary Receipts.

~ Unquoted security.



## Financial Statements

### Statement of Total Return

for the year ended 31 December 2024

	Notes	(£'000)	1.1.2024 to 31.12.2024 (£'000)	(£'000)	1.1.2023 to 31.12.2023 (£'000)
Income					
Net capital gains	2		50,411		76,038
Revenue	3	7,374		8,567	
Expenses	4	(4,174)		(4,278)	
Interest payable and similar charges	6	(9)		(12)	
Net revenue before taxation		3,191		4,277	
Taxation	5	(502)		(608)	
Net revenue after taxation			2,689		3,669
<b>Total return before distributions</b>			<b>53,100</b>		<b>79,707</b>
Distributions	7		(2,811)		(4,065)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>50,289</b>		<b>75,642</b>

### Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 December 2024

	(£'000)	1.1.2024 to 31.12.2024 (£'000)	(£'000)	1.1.2023 to 31.12.2023 (£'000)
<b>Opening net assets attributable to unitholders</b>		<b>422,753</b>		<b>432,291</b>
Amounts received on issue of units	48,602		24,435	
Amounts paid on cancellation of units	(86,770)		(113,409)	
			(38,168)	(88,974)
Change in net assets attributable to unitholders from investment activities		50,289		75,642
Retained distributions on accumulation units		2,671		3,794
<b>Closing net assets attributable to unitholders</b>		<b>437,545</b>		<b>422,753</b>

## Financial Statements (continued)

## Balance Sheet

as at 31 December 2024

	Notes	31.12.2024 (£'000)	31.12.2023 (£'000)
<b>Assets</b>			
<b>Fixed assets</b>			
Investments		400,826	415,120
<b>Current assets:</b>			
Debtors	8	1,250	443
Cash and bank balances	9	37,444	8,295
<b>Total assets</b>		<b>439,520</b>	<b>423,858</b>
<b>Liabilities</b>			
Investment liabilities		(459)	–
<b>Creditors:</b>			
Amounts due to futures clearing houses and brokers		(720)	–
Bank overdrafts		(3)	–
Distribution payable		(27)	–
Other creditors	10	(766)	(1,105)
<b>Total liabilities</b>		<b>(1,975)</b>	<b>(1,105)</b>
<b>Net assets attributable to unitholders</b>		<b>437,545</b>	<b>422,753</b>

# Notes to the Financial Statements

for the year ended 31 December 2024

## 1 Accounting policies

### a) Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017, the COLL and the Fund's Trust Deed. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

The Manager has made an assessment of the Funds ability to continue as a going concern and is satisfied it has the resources to continue in business for at least the next twelve months after the financial statements are signed and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment considers liquidity, fluctuations in global capital markets, known redemption levels, expense projections and key service provider's operational resilience.

### b) Basis of valuation of investments

The valuation of the listed investments is based on the bid-market prices, excluding any accrued interest in the case of debt securities, at close of business on the last day of the accounting year, in accordance with the provisions of the Trust Deed. Unquoted securities are valued by the Manager on a fair value basis taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

### c) Revenue

Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when they are declared.

Interest on bank balances and deposits is recognised on an accruals basis.

Revenue arising on debt securities is accreted or amortised over the life of such securities and recognised at a consistent rate over the life of the instrument (effective yield basis). Future cash flow on all debt securities are considered when calculating revenue on an effective yield basis and where purchase costs are considered to reflect incurred credit losses, such losses are taken into account so that interest is recognised at a reasonably expected commercial rate.

Accrued interest purchased and sold on debt securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Fund.

All revenue is recognised at a gross amount that includes any withholding taxes but excludes any other taxes, such as attributable tax credits.

Revenue from securities lending is accounted for net of associated costs and is recognised on an accruals basis.

### d) Expenses

All expenses are recognised on an accruals basis and are charged against revenue except for costs associated with the purchase and sale of investments.

The operating expenses of the Fund are paid out of the General administration charges by the Manager.

### e) Allocation of income and expenses to multiple unit classes

The allocation of income and expenses to each unit class is based on the proportion of the Fund's assets attributable to each unit class on the day the income is earned or the expense is incurred. The Manager's charge is allocated at a fixed rate based on the net asset value of the respective unit class.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 1 Accounting policies (continued)

#### f) Taxation

Corporation tax is charged at 20% of the income liable to corporation tax, less expenses. Deferred tax is provided for at the rate at which taxation is likely to become payable in respect of all timing differences between the accounting and taxation treatment of items.

#### g) Foreign exchange

Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of the transaction. Investments and other assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rates applicable at the end of the accounting period.

#### h) Financial instruments

Where appropriate, certain permitted financial instruments such as derivative contracts or forward exchange contracts are used for the purpose of efficient portfolio management. Where such financial instruments are used to protect or enhance revenue, the revenue and expenses derived there from are included in "Revenue" or "Expenses" in the Statement of Total Return. Where such financial instruments are used to protect or enhance capital, the returns derived there from are included in "Net capital gains/ (losses) on investments" in the Statement of Total Return. Any positions in respect of such instruments open at the year end are reflected in the portfolio statement at their market value. Where positions generate total returns, such returns are apportioned between capital and revenue to properly reflect the nature of the transaction. The amounts held at futures clearing houses in respect of these financial instruments are included in the cash and bank balances and detailed in the Notes to the Financial Statements. Transaction costs associated with derivatives are charged to revenue when incurred. All forward contracts outstanding at financial reporting dates are marked-to-market. The Fund may enter into permitted transactions such as derivative contracts or forward currency transactions as outlined in the relevant Investment Objective and Policy of the Fund.

Derivative financial instruments are initially recorded at transaction value on the date on which the derivative contract is entered into. All contracts outstanding at the financial reporting date are carried at a value provided by independent pricing providers.

### 1.1 Distribution policies

#### i) Basis of distribution

The net revenue available for distribution at the end of each distribution period will be paid as a dividend distribution. Should the expenses of the Fund (including taxation) exceed the revenue of the Fund, there will be no distribution and the shortfall will be set against the capital of the Fund.

Any revenue attributable to accumulation unitholders is retained within the Fund at the end of the distribution period and represents a reinvestment of income on behalf of the accumulation Unitholders.

#### j) Special dividends

The underlying circumstances behind special dividends are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue will form part of the distribution. Any tax treatment will follow the accounting treatment of the principal amount.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 1.1 Distribution policies (continued)

#### k) Functional currency

The base currency of the Fund is Sterling and is taken to be the 'functional currency' of the Fund.

### 2 Net capital gains

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
The net capital gains comprise:		
Non-derivative securities	50,616	76,503
Derivative contracts	648	–
Forward currency contracts	(484)	101
Foreign currency losses	(369)	(566)
<b>Net capital gains</b>	<b>50,411</b>	<b>76,038</b>

### 3 Revenue

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
Bank interest	629	205
Interest from UK fixed income securities	2,896	3,731
Management fee rebates on CIS	–	51
Non-taxable overseas dividends	3,526	4,243
Stock lending income	12	8
Taxable overseas dividends	–	79
UK dividends	311	250
<b>Total revenue</b>	<b>7,374</b>	<b>8,567</b>

### 4 Expenses

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
<b>Payable to the Manager or associates of the Manager:</b>		
Manager's charge	3,767	3,877
General administration charges*	407	401
<b>Total expenses</b>	<b>4,174</b>	<b>4,278</b>

\* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £12,803 (2023: £17,050). Where the total fee exceeds the General administration charges, the shortfall will be met by the Manager.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

## 5 Taxation

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
<b>a) Analysis of the tax charge for the year</b>		
Overseas tax	502	608
<b>Total tax charge [see note(b)]</b>	<b>502</b>	<b>608</b>

**b) Factors affecting the tax charge for the year**

The taxation assessed for the year is lower (2023: lower) than the standard rate of corporation tax in the UK for authorised Unit Trusts of 20% (2023: 20%). The differences are explained below:

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
Net revenue before taxation	3,191	4,277
Corporation tax at 20% (2023 - 20%)	638	855
Effects of:		
Indexation allowance	(655)	(929)
Movement in unrecognised tax losses	877	1,056
Overseas tax	502	608
Prior year adjustment to unrecognised tax losses	(93)	(83)
Revenue not subject to tax	(767)	(899)
<b>Total tax charge [see note(a)]</b>	<b>502</b>	<b>608</b>

Authorised Unit Trusts are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

**c) Deferred tax**

At the year end there is a potential deferred tax asset of £28,347,000 (2023: £27,470,000) due to tax losses of £141,736,000 (2023: £137,350,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

## 6 Interest payable and similar charges

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
Overdraft interest	9	12
<b>Total interest payable and similar charges</b>	<b>9</b>	<b>12</b>

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 7 Distributions

	1.1.2024 to 31.12.2024 (£'000)	1.1.2023 to 31.12.2023 (£'000)
Interim distribution	2,127	3,954
Final distribution	661	2
	<b>2,788</b>	<b>3,956</b>
Amounts deducted on cancellation of units	104	142
Amounts received on issue of units	(81)	(33)
<b>Distributions</b>	<b>2,811</b>	<b>4,065</b>

The distributable amount has been calculated as follows:

Net revenue after taxation	2,689	3,669
Shortfall of income taken to capital	122	396
<b>Distributions</b>	<b>2,811</b>	<b>4,065</b>

The distribution per unit is set out in the tables on page 51.

### 8 Debtors

	31.12.2024 (£'000)	31.12.2023 (£'000)
Accrued revenue	904	198
Amounts receivable for issue of units	273	189
Overseas withholding tax	73	56
<b>Total debtors</b>	<b>1,250</b>	<b>443</b>

### 9 Cash and bank balances

	31.12.2024 (£'000)	31.12.2023 (£'000)
Amount held at futures clearing houses and brokers	14,737	–
Cash and bank balances	22,707	8,295
<b>Total cash and bank balances</b>	<b>37,444</b>	<b>8,295</b>

### 10 Creditors

	31.12.2024 (£'000)	31.12.2023 (£'000)
Accrued expenses	35	33
Accrued Manager's charge	325	308
Amounts payable for cancellation of units	406	764
<b>Total other creditors</b>	<b>766</b>	<b>1,105</b>

### Notes to the Financial Statements (continued)

for the year ended 31 December 2024

#### 11 Contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2023: £Nil).

#### 12 Related party transactions

The Manager, Liontrust Fund Partners LLP is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of operation of the Fund.

By virtue of the Regulations governing authorised unit trusts, the Manager is party to every transaction in respect of units of the Fund, which are summarised in the Statement of Change in Net Assets Attributable to Unitholders.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of units issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Unitholders and Note 7. Balances due to/from the Manager at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates in respect of expenses at the year end was £361,000 (2023: £340,000).

The total expenses due to Liontrust Fund Partners LLP and its associates for the year was £4,174,000 (2023: £4,278,000).

The total rebate of expenses paid by Liontrust Fund Partners LLP and its associates for the year was £Nil (2023: £51,000).

The total rebate of expenses balance due from Liontrust Fund Partners LLP and its associates at the year end was £Nil (2023: £Nil).



## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 13 Securities lending

The Fund engages in security lending activities which expose the Fund to counterparty credit risk. The maximum exposure to the Fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Trustee on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

#### Return and cost

The table below shows the net income earned by the Fund from securities lending activity during the year to 31 December 2024.

	Collective Investment Undertaking (£'000)	Manager of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
<b>Securities lending</b>				
Gross return	12	–	5	17
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Fund from securities lending activity during the year to 31 December 2023.

	Collective Investment Undertaking (£'000)	Manager of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
<b>Securities lending</b>				
Gross return	8	–	3	11
% of total	70%	0%	30%	100%
Cost	–	–	–	–

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

**13 Securities lending (continued)****Securities on loan and collateral received**

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2024		31 December 2023	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	662	733	—	—
HSBC Bank	UK	6,540	7,204	—	—
ING Bank	UK	37	41	—	—
J.P. Morgan Securities Plc	UK	—	—	369	405
Merrill Lynch International	UK	—	—	458	490
Morgan Stanley International	UK	4,415	4,857	—	—
The Bank of Nova Scotia	Canada	—	—	811	893
UBS	Switzerland	—	—	683	753
Wells Fargo	USA	1,355	1,382	—	—
<b>Total</b>		<b>13,009</b>	<b>14,217</b>	<b>2,321</b>	<b>2,541</b>

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

**Management of counterparty credit risk related to securities lending**

To mitigate this risk, the Fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

**14 Risk management policies**

In accordance with the investment objectives and policies the Fund can hold certain financial instruments as detailed in the Fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- Investment grade corporate bonds and government bonds (both sterling and non-sterling);
- Sub-investment grade bonds, covered bonds and preference shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- unitholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for efficient portfolio management in accordance with the Fund's investment policies.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Fund is not permitted to trade in other financial instruments. The Fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The Manager's policies for managing these risks are summarised below.

The Fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

#### Market price risk

Market price risk is the risk that the Fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The Manager reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Fund's investment objective. An individual Fund Manager has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Fund's investment portfolio is monitored by the Manager in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2024 and 31 December 2023 the overall market exposure for the Fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Fund is exposed to market price risk as the assets and liabilities of the Fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Fund to market price risk is estimated below which shows the expected change in the market value of the Fund when a representative market index changes by 10%. These percentage movements are based on the Manager's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Fund has previously changed when that corresponding market index has moved taking into account the Fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2024, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 12.9%.

As at 31 December 2023, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 13.4%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

#### Market price risk (continued)

The Fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Fund used derivatives in the year, namely foreign exchange forwards for hedging purposes and total return swaps. The level of Market Exposure in the Fund as at year end as measured by the Commitment Approach described above was 16.4% (2023: 0.00%).

#### Currency risk

Currency risk is the risk that the revenue and net asset value of the Fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than Sterling, which is the Fund's functional and reporting currency.

The Manager has identified three principal areas where foreign currency risk could impact the Fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The Manager believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Fund may receive income in currencies other than Sterling, and the Sterling values of this income can be affected by movements in exchange rates. The Fund converts all receipts of income into Sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

#### Currency risk (continued)

At 31 December 2024 the Fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Danish Krone	43	8,283	8,326
Euro	18	20,673	20,691
Japanese Yen	–	12,992	12,992
Norwegian Krone	12	7,611	7,623
Polish Zloty	–	4,235	4,235
Swiss Franc	–	4,313	4,313
United States Dollar	99	207,614	207,713
	<b>172</b>	<b>265,721</b>	<b>265,893</b>

At 31 December 2023 the Fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Canadian Dollar	35	–	35
Danish Krone	19	19,545	19,564
Euro	36	24,168	24,204
Hong Kong Dollar	–	3,917	3,917
Japanese Yen	–	2,798	2,798
South African Rand	3	9,922	9,925
Swiss Franc	–	20,566	20,566
United States Dollar	248	242,001	242,249
	<b>341</b>	<b>322,917</b>	<b>323,258</b>

If the exchange rate at 31 December 2024 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of units of the Fund by approximately 0.61%/(0.61)% respectively.

If the exchange rate at 31 December 2023 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of units of the Fund by approximately 0.76%/(0.76)% respectively.

#### Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

**14 Risk management policies (continued)****Interest rate risk (continued)**

Between 10% and 60% (typically 25%) of the Fund's financial assets will be in interest bearing financial assets and liabilities. As a result, the Fund is subject to the risk of potentially adverse movements in the prevailing level of market interest rates. The Manager may from time to time enter into derivative contracts on behalf of the Fund that seeks to mitigate the effects of these movements.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

The interest rate risk profile of investment assets and liabilities at 31 December 2024 was as follows:

	Floating Rate Investments (£'000)	Fixed Rate Investments (£'000)	Non-Interest Bearing Investments (£'000)	Total (£'000)
Investment assets	—	82,433	318,393	400,826
Investment liabilities	—	—	(459)	(459)

The interest rate risk profile of investment assets and liabilities at 31 December 2023 was as follows:

	Floating Rate Investments (£'000)	Fixed Rate Investments (£'000)	Non-Interest Bearing Investments (£'000)	Total (£'000)
Investment assets	—	62,979	352,141	415,120
Investment liabilities	—	—	—	—

At 31 December 2024, if interest rates had strengthened/weakened by 1.00% with all other variables held constant this would have increased/decreased the net assets attributable to investors in the Fund by approximately 2.66%.

At 31 December 2023, if interest rates had strengthened/weakened by 1.00% with all other variables held constant this would have increased/decreased the net fixed income assets attributable to investors in the Fund by approximately 13.80%.

**Liquidity risk**

Liquidity risk is the risk that the Fund will not be able to meet its obligations as they fall due. The Fund's assets comprise mainly of readily realisable securities which can be sold to meet liquidity requirements.

If a Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Fund to defer or suspend redemptions of its units. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Fund are by their nature much less liquid than those listed on an exchange. A Fund may not be able to sell a position for full value or at all in the short term.

The equity markets of emerging countries tend to be more volatile than the more developed markets of the world. Standards of disclosure and accounting regimes may not always fully comply with international criteria and can make it difficult to establish accurate estimates of fundamental value. The lack of accurate and meaningful information, and inefficiencies in its distribution, can leave emerging markets prone to sudden and unpredictable changes in sentiment. The resultant investment flows can trigger significant volatility in these relatively small and illiquid markets. At the same time, this lack of liquidity, together with low dealing volumes, can restrict the Manager's ability to execute substantial deals.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

#### Liquidity risk (continued)

The main liquidity risk of the Fund is the redemption of any units that investors wish to sell, which are redeemable on demand under the Trust Deed. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

In accordance with the Manager's policy, the Manager monitors the Fund's liquidity on a daily basis.

#### Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Fund are downgraded.

The table below summarises the credit quality of the Fund debt portfolio as at 31 December 2024 and 31 December 2023.

Summary of Credit ratings	31.12.2024 (£'000)	31.12.2023 (£'000)
Investment grade	82,433	62,979
<b>Total</b>	<b>82,433</b>	<b>62,979</b>

The Fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. This list is reviewed at least annually.

The Fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Fund has fulfilled its obligations. The Fund will only enter into stock lending activities with parties that have been approved as acceptable by the Manager and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

#### Counterparty exposures

The counterparty exposure of financial derivative transactions at 31 December 2024 is shown below:

Counterparty details Financial Derivative Transactions	Forward Foreign Exchange Contracts (£'000)	Total Return Swaps (£'000)	Total Exposure (£'000)
Goldman Sachs International	–	648	<b>648</b>
State Street Global Advisors Limited	(386)	–	<b>(386)</b>
<b>Total</b>	<b>(386)</b>	<b>648</b>	<b>262</b>

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

#### Counterparty exposures (continued)

The counterparty exposure of financial derivative transactions at 31 December 2023 is shown below:

Counterparty details Financial Derivative Transactions	Forward Foreign Exchange Contracts (£'000)	Total Exposure (£'000)
Bank of New York Mellon International	79	79
<b>Total</b>	<b>79</b>	<b>79</b>

At the year end cash collateral of £720,000 (2023: £Nil) was received; collateral pledged was £14,737,000 (2023: £Nil) and none (2023: none) of the Fund's financial assets were past due or impaired.

The Trustee is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Trustee and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2024 and at 31 December 2023 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Trustee duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Fund, clearly identifiable as belonging to the Fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Fund's rights with respect to its assets to be delayed or may result in the Fund not receiving the full value of its assets.

#### Maturity profile of financial liabilities

All financial liabilities of the Fund at the current and prior year-end are due to settle in one year or less, or on demand.

#### Fair value of financial assets and liabilities

Securities held by the Fund are valued at bid-price. The difference between this value and the fair value of the securities is immaterial. There is also no material difference between the value of other financial assets and liabilities of the Fund included in the balance sheet and their fair value.

#### Valuation of financial investments

31.12.2024	Assets (£'000)	Liabilities (£'000)
Level 1: Quoted prices	395,539	(73)
Level 2: Observable market data	—	(386)
Level 3: Unobservable data	5,287	—
	<b>400,826</b>	<b>(459)</b>



## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 14 Risk management policies (continued)

#### Valuation of financial investments (continued)

<b>31.12.2023</b>	<b>Assets (£'000)</b>	<b>Liabilities (£'000)</b>
Level 1: Quoted prices	409,051	—
Level 2: Observable market data	79	—
Level 3: Unobservable data	5,990	—
	<b>415,120</b>	<b>—</b>

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.\*

\*The Level 3 assets have been identified in the portfolio statement and the Manager has engaged with Private Equity firms to ascertain the fair value of the level 3 assets held by the Fund. The fair value is calculated using methods such as last traded price and net assets value.

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

**15 Portfolio transaction costs**

for the year ending 31 December 2024

<b>Purchases (excluding derivatives)</b>	<b>Transaction Value (£'000)</b>	<b>Commissions (£'000)</b>	<b>%</b>	<b>Taxes (£'000)</b>	<b>%</b>
Equity instruments (direct)	358,529	155	0.04	208	0.06
Debt instruments (direct)	50,369	–	–	–	–
<b>Total purchases</b>	<b>408,898</b>	<b>155</b>		<b>208</b>	
<b>Total purchases including transaction costs</b>	<b>409,261</b>				
<b>Sales (excluding derivatives)</b>	<b>Transaction Value (£'000)</b>	<b>Commissions (£'000)</b>	<b>%</b>	<b>Taxes (£'000)</b>	<b>%</b>
Equity instruments (direct)	451,899	181	0.04	9	–
Debt instruments (direct)	25,150	–	–	–	–
<b>Total sales</b>	<b>477,049</b>	<b>181</b>		<b>9</b>	
<b>Total sales net of transaction costs</b>	<b>476,859</b>				
<b>Total transaction costs</b>		<b>336</b>		<b>217</b>	
<b>Total transaction costs as a % of average net assets</b>		<b>0.08%</b>		<b>0.05%</b>	

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 15 Portfolio transaction costs (continued)

for the year ending 31 December 2023

<b>Purchases (excluding derivatives)</b>	<b>Transaction Value (£'000)</b>	<b>Commissions (£'000)</b>	<b>%</b>	<b>Taxes (£'000)</b>	<b>%</b>
Equity instruments (direct)	381,244	150	0.04	136	0.04
<b>Total purchases</b>	<b>381,244</b>	<b>150</b>		<b>136</b>	
<b>Total purchases including transaction costs</b>	<b>381,530</b>				

<b>Sales (excluding derivatives)</b>	<b>Transaction Value (£'000)</b>	<b>Commissions (£'000)</b>	<b>%</b>	<b>Taxes (£'000)</b>	<b>%</b>
Equity instruments (direct)	440,518	158	0.04	4	–
Collective investment schemes	32,849	–	–	–	–
<b>Total sales</b>	<b>473,367</b>	<b>158</b>		<b>4</b>	
<b>Total sales net of transaction costs</b>	<b>473,205</b>				

<b>Total transaction costs</b>	<b>308</b>	<b>140</b>
<b>Total transaction costs as a % of average net assets</b>	<b>0.07%</b>	<b>0.03%</b>

The above analysis covers any direct transaction costs suffered by the Fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instrument types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Fund's investment transactions in debt and money market instruments any applicable transaction charges form part of the dealing spread for these instruments. Transactions in money market instruments to manage the Fund's daily liquidity position are excluded from the analysis.

During the year the Fund utilised derivative instruments including equity index options covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.12% (2023: 0.07%).

## Notes to the Financial Statements (continued)

for the year ended 31 December 2024

### 16 Unit classes

For the year ending 31 December 2024

	Opening units	Units issued	Units redeemed	Units converted	Closing units
A Accumulation	5,506,662	217,640	(946,171)	(5,648)	4,772,483
A Income	47,012	9,988	(19,430)	(54)	37,516
B Accumulation	3,817,234	89,745	(691,007)	—	3,215,972
B Income	1,938,664	35,131	(184,980)	463	1,789,278
C Accumulation	142,722,073	16,536,643	(26,627,306)	14,301	132,645,711
C Income	6,786,099	1,109,151	(1,657,286)	10,717	6,248,681
D Accumulation	6,883,499	706,735	(2,102,644)	137	5,487,727

### 17 Post balance sheet events

The Fund invests in a portfolio of assets, whose values have changed since the year-end, primarily due to market volatility. Since the year-end, the NAV per unit of the C Accumulation unit class has decreased by 4.69% to 23 April 2025. The other unit classes in the Fund have moved by a similar magnitude.

## Distribution Tables

for the year ended 31 December 2024

### Interim distribution

Group 1 - Units purchased prior to 1 January 2024

Group 2 - Units purchased 1 January 2024 to 30 June 2024

	Net Revenue Pence per unit	Equalisation* Pence per unit	Distribution paid 31.8.2024 Pence per unit	Distribution paid 31.8.2023 Pence per unit
A Accumulation - Group 1	1.5048	—	1.5048	5.3384
A Accumulation - Group 2	1.1049	0.3999	1.5048	5.3384
A Income - Group 1	1.3565	—	1.3565	4.7216
A Income - Group 2	1.2923	0.0642	1.3565	4.7216
B Accumulation - Group 1	0.4510	—	0.4510	0.8061
B Accumulation - Group 2	0.2839	0.1671	0.4510	0.8061
B Income - Group 1	0.4398	—	0.4398	0.7902
B Income - Group 2	0.4244	0.0154	0.4398	0.7902
C Accumulation - Group 1	1.3265	—	1.3265	2.0577
C Accumulation - Group 2	0.7386	0.5879	1.3265	2.0577
C Income - Group 1	1.2223	—	1.2223	1.9144
C Income - Group 2	0.8465	0.3758	1.2223	1.9144
D Accumulation - Group 1	1.2820	—	1.2820	1.9138
D Accumulation - Group 2	0.9123	0.3697	1.2820	1.9138

## Distribution Tables (continued)

for the year ended 31 December 2024

### Final distribution

Group 1 - Units purchased prior to 1 July 2024

Group 2 - Units purchased 1 July 2024 to 31 December 2024

	Net Revenue Pence per unit	Equalisation* Pence per unit	Distribution paid 28.2.2025 Pence per unit	Distribution paid 28.2.2024 Pence per unit
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
A Income - Group 1	—	—	—	—
A Income - Group 2	—	—	—	—
B Accumulation - Group 1	0.0488	—	0.0488	—
B Accumulation - Group 2	0.0174	0.0314	0.0488	—
B Income - Group 1	0.0468	—	0.0468	—
B Income - Group 2	0.0296	0.0172	0.0468	—
C Accumulation - Group 1	0.4551	—	0.4551	—
C Accumulation - Group 2	0.2035	0.2516	0.4551	—
C Income - Group 1	0.4173	—	0.4173	—
C Income - Group 2	0.1733	0.2440	0.4173	—
D Accumulation - Group 1	0.5184	—	0.5184	0.0286
D Accumulation - Group 2	0.3182	0.2002	0.5184	0.0286

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

## Securities Financing Transactions (unaudited)

as at 31 December 2024

### Securities Lending

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), a related party to the Fund, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Trustee") on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Stock Lending Agent.

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 December 2024. The income earned from securities lending are also shown for the period ended 31 December 2024. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

	Securities on loan		Income earned
% of lendable assets	% of NAV		(£'000)
3.28	2.97		12

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 31 December 2024.

Counterparty	Counterparty's country of establishment	Securities Lending	
		Amount on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	662	733
HSBC Bank	UK	6,540	7,204
ING Bank	Netherlands	37	41
Morgan Stanley International	UK	4,415	4,857
Wells Fargo Securities LLC	USA	1,355	1,382
<b>Total</b>		<b>13,009</b>	<b>14,217</b>

All securities on loan have an open maturity tenor as they are callable or terminable on a daily basis.

### Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

## Securities Financing Transactions (unaudited)(continued)

as at 31 December 2024

### Collateral (continued)

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions, as at 31 December 2024.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
<b>Securities lending transactions</b>				
CAD	-	-	105	-
DKK	-	-	191	-
EUR	-	-	632	-
GBP	-	-	1,292	-
JPY	-	-	159	-
NOK	-	-	10	-
USD	-	-	11,828	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,217</b>	<b>-</b>

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 December 2024.

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
<b>Collateral received - securities lending</b>							
<b>Fixed income</b>							
Investment grade	-	28	100	203	8,804	-	<b>9,135</b>
<b>Equities</b>							
Recognised equity index	-	-	-	-	-	5,082	<b>5,082</b>
<b>Total</b>	<b>-</b>	<b>28</b>	<b>100</b>	<b>203</b>	<b>8,804</b>	<b>5,082</b>	<b>14,217</b>

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and exchange traded funds (ETFs) received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 31 December 2024, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).



## Securities Financing Transactions (unaudited)(continued)

as at 31 December 2024

### Collateral (continued)

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 December 2024.

Issuer	Value (£'000)	% of the Fund's NAV
United States Treasury	7,800	1.78
United Kingdom Treasury	779	0.18
Roblox Cl A	486	0.11
Tesla	486	0.11
Applovin Cl A	486	0.11
Rolls-Royce	315	0.07
Netherlands Government	242	0.06
Zoetis	214	0.05
Doordash	206	0.05
Bath + Body Wks	171	0.04
Other issuers	3,032	0.69
<b>Total</b>	<b>14,217</b>	<b>3.25</b>

The following table details the market value for open total return swaps, their respective counterparties and maturity tenor of their related cash and non-cash collateral, as at 31 December 2024.

Counterparty borrower and collateral type received	Total Return Swaps - Market Value (£'000)	% of NAV	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)	Open (£'000)
Goldman Sachs International	648	0.15	-	-	-	-	648	-
<b>Total</b>	<b>648</b>	<b>0.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>648</b>	<b>-</b>

Collateral provided to the Fund was in the form of Sterling cash of £14,737,000.

## Additional Information (unaudited)

**Trust Deed:** The Fund was established by a Trust Deed made between the Manager and the Trustee dated 9 October 2002.

**Prospectus:** Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, [www.liontrust.co.uk](http://www.liontrust.co.uk).

**Unit type:** The Fund issues income and accumulation units. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

**Pricing and dealing:** A buying price (the price at which you have bought the units in the Fund and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Fund. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

The minimum initial lump sum investment in Class A and Class B Units of the Fund is £1,000, the minimum subsequent purchase or sale is £50, providing you maintain a balance of £1,000. The minimum initial lump sum investment in Class C Units of the Fund is £250,000, the minimum subsequent purchase or sale is £100, providing you maintain a balance of £250,000. The minimum initial lump sum investment in Class D Units of the Fund is £100,000,000, with no minimum subsequent purchase or sale, providing you maintain a balance of £100,000,000. At its absolute discretion, the Manager may accept a lower minimum amount for the purchase and sale of units.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Fund Partners LLP, PO Box 373, Darlington, DL1 9RQ. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority or other financial regulator.

**Management charges and spreads:** The initial charge and annual management fees per unit class are detailed below.

Initial charge	%	Ongoing charges figure*	%	Included within the OCF is the Annual Management Charge**	%
A Accumulation	Nil	A Accumulation	1.64	A Accumulation	1.60
A Income	Nil	A Income	1.64	A Income	1.60
B Accumulation	Nil	B Accumulation	1.12	B Accumulation	1.00
B Income	Nil	B Income	1.12	B Income	1.00
C Accumulation	Nil	C Accumulation	0.85	C Accumulation	0.75
C Income	Nil	C Income	0.85	C Income	0.75
D Accumulation	Nil	D Accumulation	0.75	D Accumulation	0.65

\* The OCF covers all aspects of operating a Fund during the course of its financial year. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another Fund.

\*\* These are the annual costs of running and managing the Fund.

**Publication of prices:** The price of units in the Fund is quoted on our website, [www.liontrust.co.uk](http://www.liontrust.co.uk) and other industry websites such as [www.trustnet.com](http://www.trustnet.com). Daily and historic Fund prices are available from our Dealing and Administration team on 0344 892 0349.

## Additional Information (unaudited) (continued)

**Capital Gains Tax:** As an authorised unit trust, any capital gains made within the Fund is exempt from UK Capital Gains Tax. An individual investor is subject to capital gains tax on gains made on their investment, however an individual's first £3,000 of net gains on disposals in the 2024-2025 tax year are exempt from tax (2023-2024: £6,000).

**Income Tax:** UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.

UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate taxpayer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

**Remuneration:** Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UCITS Managers are required to comply with the UCITS V Remuneration Code from the start of their next accounting year. Under the UCITS V Directive (2014/91/EU), the Manager is required to disclose information relating to the remuneration paid to its staff for the financial year. The table below provides an overview of the following as at year ended 31 March 2024:

- Aggregate total remuneration paid by the Manager to its staff (employees and members)
- Aggregate total remuneration paid by the Manager to all relevant UCITS code staff

	Headcount	Total Remuneration (£'000)
Manager UK Staff <sup>1</sup>	94	11,664
of which		
Fixed remuneration	94	9,339
Variable remuneration	94	2,325
UCITS Remuneration Code Staff <sup>1, 2</sup>	6	743
of which		
Senior Management	2	32
Other control functions:		
Other code staff/risk takers	4	711

<sup>1</sup> The Manager's UK staff costs have been incurred by another Group entity and allocated to the Manager. The most appropriate measure of staff costs are those staff who are members of Liontrust Investment Partners LLP or Group staff who are employed by LAM but have their costs apportioned to the LLP. The information has been disclosed on an annualised basis.

<sup>2</sup> UCITS Aggregate Remuneration Code Staff applies only in respect of the provision of services to UCITS funds rather than their total remuneration in the year. For senior management and control function staff, remuneration is apportioned on the basis of assets under management for UCITS funds versus the total Group assets under management. For portfolio management staff remuneration is apportioned directly to the Fund.

Remuneration is made up of fixed pay (i.e. salary and benefits such as pension contributions) and variable pay (annual performance based or linked directly to investment management revenues). Annual incentives are designed to reward performance in line with the business strategy, objectives, values and long term interests of the Manager and LAM PLC Group. The annual incentive earned by an individual is dependent on the achievement of financial and non-financial objectives, including adherence to effective risk management practices. The Manager provides long-term incentives which are designed to link reward with long-term success and recognise the responsibility participants have in driving future success and delivering value. Long-term incentive awards are conditional on the satisfaction of corporate performance measures. The structure of remuneration packages is such that the fixed element is sufficiently large to enable a flexible incentive policy to be operated.

Staff are eligible for an annual incentive based on their individual performance, and depending on their role, the performance of their business unit and/or the group. These incentives are managed within a strict risk framework, and the Directors of LAM retain ultimate discretion to reduce annual incentive outcomes where appropriate.

### Additional Information (unaudited) (continued)

The Manager actively manages risks associated with delivering and measuring performance. All our activities are carefully managed within our risk appetite, and individual incentive outcomes are reviewed and may be reduced in light of any associated risk management issues.

The Liontrust Group operates a Remuneration Committee (the "Committee"). The Committee reports to the Board. The Committee reviews risk and compliance issues in relation to the vesting of deferred awards for all employees and members. Compliance is monitored throughout the vesting period by the Committee.

These remuneration policies apply also to other entities in the Liontrust Group to which investment management of the Company has been delegated, and those delegates are subject to contractual arrangements to ensure that policies which are regarded as equivalent are applied.

The Board adopts, and reviews annually, the general principles of the applicable remuneration policies, and the implementation of the remuneration policies is, at least annually, subject to central and independent internal review by the Committee for compliance with policies and procedures.

**Assessment of Value:** The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Fund and other UK-domiciled funds managed by Liontrust will be conducted as at 30 June each year, with a publication deadline of end of October. The assessment of value report can be viewed on the Liontrust website [www.liontrust.co.uk/learning/assessment-of-value](http://www.liontrust.co.uk/learning/assessment-of-value).

**Significant Events During the Period:** The Liontrust Balanced Fund moved to the Liontrust Global Equities team on 31 May 2024 and the Fund changed fund managers to Mark Hawtin and Kevin Kruczynski.

**Task Force on Climate-Related Disclosures (TCFD) Product Reports:** Under the rules of the Financial Conduct Authority (FCA), Liontrust is required to publish information annually on product level (fund) TCFD disclosures so that investors may have a better understanding of the climate-related risks and opportunities associated with this Fund and its underlying holdings. This report is published in line with the requirements of the FCA and TCFD. The individual TCFD Product Reports can be viewed within the individual Fund pages on the Liontrust website ([www.liontrust.co.uk/our-funds](http://www.liontrust.co.uk/our-funds)).

**Important information:** Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term.



Liontrust Fund Partners LLP

PO Box 373, Darlington, DL1 9RQ



0344 892 0349



Facsimile 0207 964 2562



Liontrustadmin@bnymellon.com

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