



McInroy & Wood

PERSONAL INVESTMENT MANAGERS

BALANCED FUND

A pooled management service for private clients

ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH APRIL 2015

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**The information provided on the back of this booklet also forms part of the Authorised Fund Manager's Report.*

INTRODUCTION

McInroy & Wood Balanced Fund (the fund) is an authorised unit trust for investors who wish to have their assets personally managed by McInroy & Wood Limited (MW) and for whom a discretionary managed portfolio may not be appropriate. Investors will gain access, through the fund, to a portfolio which it might well be impracticable for them to assemble themselves.

The fund has been established with the aim of providing clients with professional investment management at an economic cost.

Through the fund, investors who have similar objectives are able to pool their resources in order to secure the benefits of scale.

The principal investment objective of the fund is to maximise the total return to unitholders with an equal emphasis on the generation of income and on capital growth.

The fund may invest in any geographical areas and any economic sectors.

Further information and application forms may be obtained from McInroy & Wood Portfolios Limited, Easter Alderston, Haddington, EH41 3SF (Tel.+44 (0)1620 825867) or through the website www.mcinroy-wood.co.uk

MANAGER'S INVESTMENT REPORT

At 30th April 2015, total net assets of the fund amounted to £451,757,482 compared with £374,373,733 twelve months before. There were 1,004 unitholders, excluding ISAs, with an average holding worth £431,261.

Markets

Both developed and developing equity markets rose over the year to 30th April. Central bank strategies in Japan, Europe and the USA had a generally supportive impact on asset prices. Concerns about the sustainability of the UK's recovery abated, although they were replaced by political uncertainty before May's general election. After hesitancy at the start of the year, emerging markets as a group rose strongly, although wide divergence was evident among their individual movements.

The UK FTSE 100 index rose a relatively modest 3% over the year to 30th April. By contrast, Europe and the USA showed striking increases in local currency terms, advancing 17% and 11% respectively. Japan continued a remarkable rise, gaining 37% over the course of the year, boosted by the depreciation of the yen. Emerging Markets appreciated 15%. In sterling terms, the overall MSCI All Country World index rose by 16%.

Returns from bond markets in the USA and UK were broadly similar. Shorter-dated issues fell slightly, but the price of longer dated stocks was much stronger, gaining as much as 15% in the UK. There was a comparable pattern evident in index-linked bonds.

The dollar rose against most other currencies and gained 10% against sterling, which itself rose 12% against the euro.

Results

The price of Personal units in the fund at 30th April 2015 stood at £40.351, an increase of 9% over the course of the year. The price of Legacy units stood at £39.876. Strong global equity markets offset the impact of the weak euro and falls among energy-related companies.

Dividend Distribution

A final dividend distribution of 44.149 per unit is now being paid to holders of the Personal class (43.487p to the Legacy class). Total distributions for the year of 74.149p (to those who are now Personal unit holders) are up by 3% on the 2014 figure. Many of the equity holdings in the portfolio continued to increase their regular dividend payments, and 'special' dividends amounted to 3.9p of the total distributed (in the previous year, the equivalent figure was 3.6p).

Ignoring the possible impact of special factors, the distribution for the next six months is expected to be broadly similar to that for the corresponding period in 2014.

MANAGER'S INVESTMENT REPORT

Portfolio Strategy

The portfolio's equity allocation was reduced by 9% in early March with an equivalent increase in the bond allocation. This shift in policy reflected concerns about excessive valuations in equity markets and their vulnerability to any decline in earnings expectations.

At 30th April 2015, 70% of the portfolio was allocated to equities (79% at 30th April 2014), 29% to bonds (19%), and 1% to cash deposits (2%).

Investments

Net new funds for investment of £41 million were subscribed during the year and these were used to increase existing positions. While the portfolio remains well-diversified across different industries and geographic regions, the number of its holdings was reduced into a shorter list of somewhat larger positions, in order to optimise returns from successful stock selection. As a result, there was a larger than usual number of sales of existing investments during the period. Full details are shown on the summary of portfolio changes on pages 10-13 of this report.

Sysmex (+105%) and Marico (+97%) recorded the strongest gains during the period in local currency terms; Majestic Wine (-18%) and RPS (-28%) were the weakest performing holdings.

Within the bond allocation in the portfolio, two shorter-dated holdings were sold, along with the 2017 inflation-protected US Treasury stock. New investments were made in longer-dated issues in the UK and US.

Outlook

After slower growth in the first quarter, the US recovery is gaining momentum after short-term headwinds from currency strength and winter weather abated. Employment statistics are strong, and jobless claims stand at their lowest level since 2000. Strength seems likely to be sustained for the rest of the year.

The UK's general election was more decisive than expected, and the FTSE 100 welcomed the immediate results with a small increase. But political difficulties remain. The Conservative government's commitment to holding an 'In/Out' referendum has led to uncertainty about the future of Britain's relationship with the European Union. The nation's budget deficit and ongoing constitutional problems regarding Scotland's place in the union will also have to be addressed. Such anxieties may, for the moment, have limited market impact; unemployment is low at 5.5% and weekly pay increases are at their highest since 2011, although it should be noted that productivity remains stubbornly weak. New car sales also accelerated 5% in April, suggesting that consumer confidence is on the rise. Such trends, if maintained, should bolster investors' confidence.

MANAGER'S INVESTMENT REPORT

Outlook (continued)

What has been fragile economic growth in Europe now seems to be increasingly well-established. Certainly, Greek indebtedness remains a major concern, not least because the governing party, Syriza, is reversing much-needed reforms and re-hiring civil servants in the face of a collapse in living standards. Meanwhile, the country's creditors refuse to give ground. At the time of writing, a satisfactory compromise remains to be struck. In a wider context, the European Central Bank's aggressive programme of quantitative easing has contributed to much improved investment sentiment, particularly towards some of the most hard-hit countries such as Spain and Italy.

Trends among emerging markets continue to diverge very significantly. Some, where growth is slowing and structural reforms are becoming more urgent, are considerably challenged. On the other hand, lower energy costs are a boon for most economies. The IMF currently forecasts growth across the group of 4.3%, which should generate profitable investment opportunities in many developing countries.

Bond market yields have recently risen sharply, albeit from exceptionally depressed levels. Hitherto, inflation expectations have been very subdued and quantitative easing from central banks has served to push nominal yields into negative territory. Given this context, the prospect of even marginal inflation appears to have unsettled investors. This has increased the attraction of fixed-interest issues at a time when equity valuations have been bid up by investors' expectations of strong earnings.

Were the prospect of a further shift in the relative values between bonds and equities to be likely, additional equity reductions would be considered. As ever, the merits of a balanced and broadly diversified investment strategy endure.

15th June 2015

CAPITAL RECORD

Highest and lowest unit prices.

Year	High		Low	
	Legacy	Personal	Legacy	Personal
2011	£33.569	—	£29.437	—
2012	£33.896	—	£31.088	—
2013	£37.736	£37.848	£34.166	£34.169
2014	£38.816	£39.214	£35.631	£35.827
2015*	£41.563	£42.049	£38.329	£38.726

*Up to 30th April only.

INCOME RECORD

Year (to 30 th April)	Per unit (net)	
	Legacy	Personal
2011	56.301p	—
2012	62.813p	—
2013	66.629p	37.141p
2014	71.609p	71.768p
2015	73.487p	74.149p

NET ASSET VALUES

Date	Net asset value of fund	Net asset value per unit	Number of units
30.04.12 Legacy	£229,603,890	£32.631	7,036,480
30.04.13 Legacy	£50,577,901	£36.516	1,385,080
30.04.13 Personal	£244,871,019	£36.573	6,695,484
30.04.14 Legacy	£34,556,966	£36.331	951,171
30.04.14 Personal	£339,816,767	£36.577	9,290,379
30.04.15 Legacy	£31,329,238	£39.414	794,868
30.04.15 Personal	£420,428,244	£39.883	10,541,545

ONGOING CHARGES FIGURE

Date	Annualised	
	Legacy	Personal
30.04.11	1.568%	—
30.04.12	1.559%	—
30.04.13	1.566%	1.066%
30.04.14	1.607%	1.108%
30.04.15	1.625%	1.126%

PORTFOLIO TURNOVER

Date	Annualised
30.04.11	28%
30.04.12	22%
30.04.13	3%
30.04.14	6%
30.04.15	78%

PORTFOLIO STATEMENT

as at 30th April 2015

INVESTMENTS	Holding or Nominal Value of positions at 30 th Apr. 2015	Bid Market Value £	Percentage of Value of total net assets	
			30 th Apr. 2015	30 th Apr. 2014
<i>Bonds</i>				
UK				
UK Treasury 1% 2017	£13,687,000	13,778,361	3.0	
UK Treasury 1.25% I-L 2017	£6,220,000	8,872,237	2.0	
UK Treasury 2.25% 2023	£12,759,000	13,232,040	2.9	
UK Treasury 2.75% 2024	£12,682,000	13,636,637	3.0	
UK Treasury 4.25% 2036	£10,250,000	13,291,944	2.9	
UK Treasury Bill 0% 2015	£8,860,000	8,853,444	2.0	
		<u>71,664,663</u>	<u>15.8</u>	<u>10.4</u>
USA				
US Treasury 0.125% TIPS 2024	\$13,849,000	8,964,188	2.0	
US Treasury 0.75% TIPS 2042	\$13,125,000	8,882,273	2.0	
US Treasury 2% 2025	\$23,583,000	15,300,464	3.4	
US Treasury 2.25% 2024	\$23,427,000	15,542,254	3.4	
US Treasury 2.75% 2042	\$13,201,000	8,603,629	1.9	
		<u>57,292,808</u>	<u>12.7</u>	<u>8.7</u>
TOTAL BONDS		<u><u>128,957,471</u></u>	<u><u>28.5</u></u>	<u><u>19.1</u></u>
<i>Equities</i>				
UK				
Keller	781,992	7,819,920	1.7	
Land Securities	960,000	11,980,800	2.7	
Majestic Wine	571,432	2,178,584	0.5	
Reckitt Benckiser	217,000	12,642,420	2.8	
Rio Tinto	205,440	5,926,944	1.3	
Rotork	247,000	5,831,670	1.3	
RPS	2,543,000	5,398,789	1.2	
Spirax-Sarco Engineering	313,000	10,585,660	2.3	
		<u>62,364,787</u>	<u>13.8</u>	<u>18.0</u>
US				
Abbott Laboratories	420,000	12,686,774	2.8	
Becton Dickinson	70,000	6,414,902	1.4	
Church & Dwight	99,340	5,247,065	1.2	
Donaldson	364,730	8,869,341	2.0	
Ecolab	58,480	4,261,324	0.9	
Grainger WW	69,000	11,153,148	2.5	
Mettler Toledo	63,100	13,021,163	2.9	
O'Reilly Automotive	37,330	5,290,694	1.2	
Paychex	333,000	10,483,514	2.2	
Roper Industries	42,420	4,642,116	1.0	
RPM	140,570	4,346,762	1.0	
Schlumberger	82,960	5,107,432	1.1	
Tractor Supply	87,400	4,892,807	1.1	
Watsco	74,210	5,809,797	1.3	
		<u>102,226,839</u>	<u>22.6</u>	<u>24.9</u>

PORTFOLIO STATEMENT

continued

<i>Equities (continued)</i>	Holding or Nominal Value of positions at 30 th April 2015	Bid Market Value £	Percentage of Value of total net assets	
			30 th April 2015	30 th April 2014
FRANCE				
Essilor	77,000	6,105,987	1.3	
Unibail-Rodamco	34,500	6,199,887	1.4	
		<u>12,305,874</u>	<u>2.7</u>	<u>5.6</u>
GERMANY				
Fielmann	140,000	6,201,692	1.4	
Fresenius Medical Care	209,000	11,471,073	2.5	
Fuchs Petrolub	380,000	9,317,121	2.1	
SAP	237,700	11,805,270	2.6	
		<u>38,795,156</u>	<u>8.6</u>	<u>5.9</u>
IRELAND				
Kerry	233,370	11,096,732	2.5	1.6
NETHERLANDS				
Boskalis Westminster	195,800	6,636,840	1.5	
Royal Dutch Shell 'B'	503,000	10,530,305	2.3	
		<u>17,167,145</u>	<u>3.8</u>	<u>2.8</u>
SWITZERLAND				
Sonova	109,000	9,818,933	2.2	3.2
AUSTRALIA				
ARB	589,011	3,803,192	0.8	1.1
JAPAN				
Shimano	47,600	4,426,032	1.0	
Systemex	145,000	5,219,604	1.1	
		<u>9,645,636</u>	<u>2.1</u>	<u>1.9</u>

PORTFOLIO STATEMENT

continued

		Holding or Nominal Value of positions at 30 th April 2015	Bid Market Value £	Percentage of Value of total net assets 30 th April 2015 30 th April 2014	
<i>Equities (continued)</i>					
DEVELOPING MARKETS					
<i>Brazil</i>	Localiza Rent A Car	483,000	3,680,559	0.8	
	WEG	1,096,000	3,816,785	0.8	
<i>Hong Kong</i>	Hong Kong & China Gas	2,797,150	4,344,276	1.0	
	Vitasoy	4,340,000	5,166,493	1.1	
<i>India</i>	Mahindra & Mahindra-GDR	188,020	2,202,284	0.5	
	Mahindra & Mahindra	139,000	1,633,708	0.4	
	Marico	1,100,000	4,518,032	1.0	
<i>Indonesia</i>	Telekomunikasi Indonesia	29,500,000	3,872,592	0.9	
<i>Mexico</i>	Wal-Mart de Mexico	2,513,860	3,844,401	0.9	
<i>Portugal</i>	Jeronimo Martins	556,000	5,280,662	1.2	
<i>SAfrica</i>	MTN	312,600	4,066,225	0.9	
<i>Singapore</i>	Thai Beverage	12,054,000	4,234,149	0.9	
<i>Taiwan</i>	Giant Manufacturing	707,673	3,977,085	0.9	
			<u>50,637,251</u>	<u>11.3</u>	<u>14.6</u>
TOTAL EQUITIES			<u>317,861,545</u>	<u>70.4</u>	<u>79.6</u>
TOTAL INVESTMENTS			446,819,016	98.9	98.7
Net other assets			<u>4,938,466</u>	<u>1.1</u>	<u>1.3</u>
TOTAL NET ASSETS			<u>451,757,482</u>	<u>100.0</u>	<u>100.0</u>

Note: Unless otherwise stated, the above securities are admitted to official stock exchange listings or traded on a regulated market.

All debt securities in the portfolio at 30th April 2015 are investment grade.

SUMMARY OF ALL PORTFOLIO CHANGES

for the year to 30th April 2015

	Cost £
Purchases	
177,875 Abbott Laboratories	4,851,425
2,600 Anixter International	156,652
6,000 Becton Dickinson	419,133
43,880 Boskalis Westminster	1,395,031
8,300 Church & Dwight	339,806
110,215 Donaldson	2,871,885
457,440 Ezion (<i>bonus issue</i>)	—
2,350 Fielmann	196,584
74,220 Fielmann (<i>bonus issue</i>)	—
82,905 Fresenius Medical Care	3,668,195
198,678 Fuchs Petrolub	5,081,256
106,312 Fuchs Petrolub (<i>bonus issue</i>)	—
18,080 Gemalto	1,117,910
350,000 Giant Manufacturing	1,666,346
41,125 Grainger WW	6,278,656
838,300 Grupo Financiero Bano	3,273,628
865,000 Hong Kong & China Gas	1,220,777
175,650 Hong Kong & China Gas (<i>bonus issue</i>)	—
248,000 Indivior (<i>spin off issue</i>)	—
382,255 Jeronimo Martins	2,816,936
21,500,000 Kalbe Farma	1,806,239
287,210 Keller	2,544,480
102,215 Kerry	4,464,163
408,201 Kroton Educacional (<i>stock split</i>)	—
72,067 Kroton Educacional (<i>takeover</i>)	—
498,460 Kroton Educacional	2,694,874
3,200 Kühne + Nagel	260,736
530,360 Land Securities	5,754,159
281,268 Localiza Rent A Car	2,583,783
139,000 Mahindra & Mahindra	1,886,031
170,655 Majestic Wine	803,222
630,000 Marico	1,785,301
22,755 Mettler Toledo	3,874,904
148,000 MTN	1,961,221
2,440 O'Reilly Automotive	214,469
189,955 Paychex	5,468,156
115,305 Reckitt Benckiser	6,035,314
10,025 Rio Tinto	325,399

SUMMARY OF ALL PORTFOLIO CHANGES

continued

	Cost £
Purchases (continued)	
73,030 Rotork	1,759,220
276,095 Royal Dutch Shell 'B'	6,429,172
16,005 RPM International	410,276
835,682 RPS	2,030,492
132,105 SAP	5,735,892
3,690 Schlumberger	224,184
3,300 Shimano	203,373
45,590 Sonova	4,310,490
39,100 Spectris	865,797
126,280 Spirax-Sarco Engineering	3,470,984
14,813,000 Telekomunikasi Indonesia 'B'	2,154,959
4,280,000 Thai Beverage	1,504,630
11,420 Total SA	487,101
18,445 Tractor Supply	707,611
5,451,000 UK Treasury 1% 2017	5,457,718
259,000 UK Treasury 1.25% I-L 2017	366,349
4,071,000 UK Treasury 2.25% 2023	4,160,232
12,682,000 UK Treasury 2.75% 2024	13,799,602
10,250,000 UK Treasury 4.25% 2036	14,029,066
8,860,000 UK Treasury Bill 0% 2015	8,852,026
2,775 Unibail-Rodamco	446,998
13,849,000 US Treasury 0.125% TIPS 2024	9,076,434
13,125,000 US Treasury 0.75% TIPS 2042	9,298,972
23,583,000 US Treasury 2% 2025	16,039,281
23,427,000 US Treasury 2.25% 2024	16,090,298
13,201,000 US Treasury 2.75% 2042	9,321,898
5,415,000 US Treasury 0.75% 2017	3,196,584
2,724,000 Vitasoy International	2,228,805
1,208,815 Wal-Mart de Mexico	1,985,810
3,950 Watsco	240,292
248,467 Weg	1,808,586
548,000 Weg (stock split)	—
TOTAL	<u>224,509,803</u>

SUMMARY OF ALL PORTFOLIO CHANGES

continued

Sales		Proceeds
		£
35,335	Abbott Laboratories	1,089,551
232,700	Anhanguera Educacional	953,490
232,700	Anhanguera Educacional (<i>takeover</i>)	—
108,230	Anixter International	5,503,232
25,930	Becton Dickinson	2,183,526
360,990	BG	3,736,882
5,500	Boskalis Westminster	181,990
360,840	CEMIG - ADR	1,616,930
166,000	Cheung Kong	1,830,855
381,000	China Mobile	2,883,017
44,320	Church & Dwight	2,024,375
1,282,000	CNOOC	1,446,918
99,120	Danone	4,153,148
2,042,000	Digi.com	2,271,415
57,640	Ecolab	4,056,894
16,910	Essilor	1,188,733
2,744,640	Ezion	2,437,008
8,440	Fielmann	374,769
13,860	Fresenius Medical Care	745,567
23,500	Fuchs Petrolub	571,062
99,460	Gemalto	5,316,913
140,000	Giant Manufacturing	865,472
11,700	Grainger WW	1,822,765
1,058,300	Grupo Financiero Bano	3,737,979
698,000	Hang Lung Properties	1,368,408
248,000	Indivior	435,086
1,447,105	Inversiones Aguas	1,387,019
45,041,600	Kalbe Farma	4,149,561
10,008	Keller	100,434
296,800	Keppel	1,518,200
978,728	Kroton Educacional	1,966,511
67,690	Kühne + Nagel	5,544,702
143,600	Land Securities	1,776,089
178,750	Larsen & Toubro-GDR	2,856,632
1,300,800	Lianhua Supermarket	419,298
30	Lindt & Sprüngli	1,047,243
321,024	Majestic Wine	1,092,605
3,060,600	Manila Water	1,177,719
386,154	Marico	1,548,849
11,079	Marico Kaya Enterprises	26,710

SUMMARY OF ALL PORTFOLIO CHANGES

continued

	Proceeds
Sales (continued)	£
5,000 Mettler Toledo	1,022,627
183,380 Natura Cosméticos	1,861,008
38,615 O'Reilly Automotive	4,307,946
92,700 Paychex	3,016,662
355,325 Pearson	4,200,889
6,544,000 Perusahaan Gas	2,007,176
8,190 Posco	1,729,074
31,000 Reckitt Benckiser	1,804,895
37,995 Roper Industries	3,683,327
58,130 Rotork	1,443,085
44,930 Royal Dutch Shell 'B'	959,856
122,000 RPM International	3,550,072
129,700 RPS	311,951
5,300 SAP	238,794
27,495 Schlumberger	1,687,792
2,576,000 Shandong Weigao	1,627,197
2,570,700 Shenzhen Expressway	969,534
5,000 Shimano	517,163
4,100 Sonova	367,884
310,175 Spectris	5,608,616
32,477 Spirax-Sarco Engineering	1,063,360
103,670 Standard Chartered	971,493
82,800 Sysmex	2,938,134
2,600,000 Telekomunikasi Indonesia	386,482
137,720 Total SA	5,008,348
71,000 Tractor Supply	3,482,422
1,086,000 UK Treasury 1.25% I-L 2017	1,557,522
7,964,000 UK Treasury 2% 2016	8,092,937
3,601,500 UK Treasury 3.75% 2021	4,184,871
1,180 Unibail-Rodamco	210,047
11,354,700 US Treasury FRN 2016	7,496,755
14,771,000 US Treasury 0.125% 2017	10,227,977
5,420,000 US Treasury 0.125% 2014	3,210,520
5,415,000 US Treasury 0.75% 2017	3,574,792
17,586,000 US Treasury 1.625% 2015	14,318,009
548,000 Vitasoy International	583,803
29,510 Watsco	1,837,892
TOTAL	<u>187,468,469</u>

GENERAL INFORMATION

Authorisation

The Balanced Fund is an authorised unit trust scheme within the meaning of the Financial Services and Markets Act 2000 and is categorised as a UCITS scheme under the rules contained in the Collective Investment Schemes Sourcebook made by the Financial Conduct Authority.

McInroy & Wood Limited and its subsidiary, McInroy & Wood Portfolios Limited, are authorised and regulated by the Financial Conduct Authority.

Income Tax

All income distributions carry a notional tax credit of 10%. A basic rate taxpayer has no further liability in respect of this income but is unable to reclaim the tax.

Capital Gains Tax

Authorised unit trusts are exempt from corporation tax on realised capital gains.

Applications

The minimum initial and subsequent investment in the Fund is £1,000. Regular monthly contributions may be made for a minimum of £100.

Data Protection

Unitholders' names will be added to a mailing list which may be used by the Manager, or its associate, to provide investors with information related to their investment, including occasional topical articles. Unitholders who would not like to receive such information can write to the Manager requesting their removal from any such mailing list.

A Word of Caution

You should remember that the price of units and the income from them may go down as well as up. Gains are not necessarily achieved in the short term. Exchange rate fluctuations may also cause the value of an investment to rise and fall. Investment in emerging markets can be subject to risk not normally associated with developed markets.

GENERAL INFORMATION

continued

Synthetic Risk and Reward Indicator (Volatility measure)

1	2	3	4	5	6	7
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Lower risk

Typically lower rewards

Higher risk

Typically higher rewards

Please note, the category stated above is the same for each class of unit within the fund.

This indicator shows how much a fund's price has risen and fallen in the past and therefore how much its returns have varied: it is a measure of the fund's volatility. The higher the past volatility, the higher the number on the scale. The lowest number on the scale does not mean that a fund is risk free.

This indicator is prescribed by EU reporting guidelines and is based on historical data. It should not be used as an indicator of the fund's future risk profile. The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

STATEMENT OF THE MANAGER'S RESPONSIBILITIES

The Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority (“the Rules”) requires 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 its net revenue and the net capital gains on the property of the fund for the year. In preparing the financial statements the Manager is required to:

- Select suitable accounting policies and then apply them consistently.
- Comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association in October 2010.
- Follow generally accepted accounting principles and applicable accounting standards.
- Prepare the accounts on the basis that the fund will continue in operation unless it is inappropriate to do so.
- Keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and the Rules and for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The maintenance and integrity of the McInroy & Wood website is the responsibility of the Authorised Fund Manager.

DIRECTORS' STATEMENT

In accordance with the requirements of the rules in the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the Report and Financial Statements of the fund on behalf of the Directors of McInroy & Wood Portfolios Limited.

T A U Wood
Director

J C McAulay
Director

Haddington, 15th June 2015

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for the safekeeping of all the property of the Trust (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Trustee to take reasonable care to ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL"), the Trust Deed and Prospectus, in relation to the pricing of, and dealings in, units in the Trust; the application of income of the Trust; and the investment and borrowing powers and restrictions applicable to the Trust.

TRUSTEE'S REPORT

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects, the Manager:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Sourcebook, the Trust Deed and Prospectus, and

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

For and on behalf of
BNY Mellon Trust & Depository
(UK) Limited
160 Queen Victoria Street
London EC4V 4LA

15th June 2015

INDEPENDENT AUDITORS' REPORT

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the financial position of the Trust as at 30th April 2015 and of the net revenue and the net capital gains of the scheme property of the Trust for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice for Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements of the McInroy & Wood Balanced Fund (the "Trust"), which have been prepared by McInroy & Wood Portfolios Limited (the "Authorised Fund Manager"), comprise:

- the balance sheet of the Trust as at 30th April 2015;
- the statement of total return of the Trust for the year then ended;
- the statement of change in net assets attributable to unitholders of the Trust for the year then ended;
- the notes to the Trust's financial statements, which include a summary of significant accounting policies and other explanatory information; and
- the distribution tables.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice 'Financial Statements of Authorised Funds' issued by the Investment Management Association (the "Statement of Recommended Practice for Authorised Funds"), the Collective Investment Schemes sourcebook and the Trust Deed.

In applying the financial reporting framework, the Fund Manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

INDEPENDENT AUDITORS' REPORT

continued

Report on the financial statements continued

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & Ireland)). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Authorised Fund Manager; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- we have obtained all the information and explanations we consider necessary for the purposes of the audit; and
- the information given in the Authorised Fund Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Propriety of accounting records and information and explanations received

Under the Collective Investment Schemes sourcebook we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

INDEPENDENT AUDITORS' REPORT

continued

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Authorised Fund Manager

As explained more fully in the Statement of the Manager's Responsibilities, the Authorised Fund Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose.

We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
and Statutory Auditors
Edinburgh

15th June 2015

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF TOTAL RETURN

for the year ended 30th April 2015

	Notes	Year ended 30 th April 2015		Year ended 30 th April 2014	
		£	£	£	£
Income					
Net capital gains	2		40,467,927		3,273,173
Revenue	3	9,407,724		7,330,772	
Expenses	4	<u>(4,881,464)</u>		<u>(3,904,823)</u>	
Net revenue before taxation		4,526,260		3,425,949	
Taxation	5	<u>(577,356)</u>		<u>(307,284)</u>	
Net revenue after taxation			<u>3,948,904</u>		<u>3,118,665</u>
Total return before distributions			44,416,831		6,391,838
Finance costs: distributions	6		<u>(8,052,428)</u>		<u>(6,439,895)</u>
Change in net assets attributable to unitholders from investment activities			<u>36,364,403</u>		<u>(48,057)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the year ended 30th April 2015

	Year ended 30 th April 2015		Year ended 30 th April 2014	
	£	£	£	£
Opening net assets attributable to unitholders		374,373,733		295,448,920
Amounts receivable on creation of units	62,214,139		99,247,749	
Amounts payable on cancellation of units	<u>(21,194,529)</u>		<u>(20,258,056)</u>	
		41,019,610		78,989,693
Stamp duty reserve tax		(264)		(16,823)
Change in net assets attributable to unitholders from investment activities		<u>36,364,403</u>		<u>(48,057)</u>
Closing net assets attributable to unitholders		<u>451,757,482</u>		<u>374,373,733</u>

BALANCE SHEET

as at 30th April 2015

	Notes	30 th April 2015		30 th April 2014	
		£	£	£	£
ASSETS:					
Investment assets			446,819,016		369,387,312
Debtors	7	2,150,278		1,892,143	
Cash & bank balances		8,511,546		7,858,450	
		<u> </u>		<u> </u>	
Total other assets			10,661,824		9,750,593
		<u> </u>		<u> </u>	
Total assets			457,480,840		379,137,905
		<u> </u>		<u> </u>	
LIABILITIES:					
Creditors	8	(723,719)		(436,757)	
Distribution payable		(4,999,639)		(4,327,415)	
		<u> </u>		<u> </u>	
Total liabilities			(5,723,358)		(4,764,172)
		<u> </u>		<u> </u>	
Net assets attributable to unitholders			451,757,482		374,373,733
		<u> </u>		<u> </u>	

NOTES TO THE FINANCIAL STATEMENTS

as at 30th April 2015

1. Accounting policies

- (a) The Financial Statements have been prepared under the historical cost basis, as modified by the re-valuation of investments, and in accordance with the Statement of Recommended Practice for Financial Statements of Authorised Funds issued by the Investment Management Association in October 2010.
- (b) Dividends receivable from equity investments are recognised net of attributable tax credits and are credited to revenue when they are first quoted ex dividend. Interest receivable from debt securities is accounted for on an effective yield basis. All other income is recognised on an accruals basis.
- (c) Special dividends are treated as revenue or capital depending on the facts of each particular case.
- (d) Expenses of the fund are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the fund. The annual management charge is initially charged to revenue but ultimately borne by the capital of the fund.
- (e) Corporation tax is provided for on the revenue liable to corporation tax less deductible expenses.

Deferred taxation is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences regarded as permanent. Any liability to deferred taxation is provided for at the average rate of taxation expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

- (f) The revenue available for distribution is the total revenue earned by the fund, less deductible expenses and taxation charged to revenue. This revenue is distributed annually on the last business day of June. An interim distribution based on available revenue is distributed on the last day of December. The ordinary element of scrip dividends is treated as revenue but does not form part of the distribution.
- (g) Listed investments of the fund have been valued at market value on the balance sheet date. Market value is defined by the SORP as fair value which generally is the bid value of each security.
- (h) Foreign currency transactions are translated at the rates ruling on the date of the transaction. Assets and liabilities valued in foreign currencies have been translated into sterling at exchange rates prevailing at the balance sheet date.
- (i) Stamp Duty Reserve Tax (SDRT) suffered on the surrender of units has been charged against the capital assets of the fund.

NOTES TO THE FINANCIAL STATEMENTS

continued

2. Net gains/(losses) on investments:

	Year ended 30 th April 2015	Year ended 30 th April 2014
	£	£
Non-derivative securities	40,076,456	3,319,705
Currency gains/(losses)	431,614	(13,660)
Transaction costs	(40,143)	(32,872)
Net capital gains*	<u>40,467,927</u>	<u>3,273,173</u>
<i>*includes realised gains on investments sold</i>	<u>34,467,372</u>	<u>4,061,340</u>

3. Revenue

Dividends on overseas equities	5,362,644	4,256,639
Dividends on UK equities	2,168,892	1,492,167
Interest on bank deposits	1,156	—
Interest on French withholding tax recoverable	—	19,496
Interest on overseas interest-bearing securities	371,917	489,887
Interest on UK interest-bearing securities	1,241,411	920,994
Property income distributions	261,704	151,589
Total revenue	<u>9,407,724</u>	<u>7,330,772</u>

4. Expenses

Payable to the Manager, associates of the Manager and agents of either of them:

- Manager's periodic charge	4,380,984	3,577,051
- Registrar's fee	9,591	51,365
- Transfer agency fee	210,789	45,174

Payable to the Trustee, associates of the Trustee and agents of either of them:

- Trustee's fee	61,081	50,870
- Safe custody fee and activity charges	147,548	106,616

Other expenses:

- Audit fee	7,081	7,080
- FCA fee	359	344
- French withholding tax recovery fee	8,767	11,776
- Fund Accounting fees	32,618	32,335
- Legal and professional fees	1,901	—
- Sundry fees	20,745	22,212

Total expenses	<u>4,881,464</u>	<u>3,904,823</u>
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NOTES TO THE FINANCIAL STATEMENTS

continued

5. Taxation

	Year ended 30 th April 2015 £	Year ended 30 th April 2014 £
(a) Analysis of tax charge		
French withholding tax recoverable	(1,327)	(156,499)
Overseas withholding tax	578,683	463,783
	<u>577,356</u>	<u>307,284</u>

(b) Factors affecting the tax charge for the year

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for an authorised unit trust (20%). The differences are explained below:

	Year ended 30 th April 2015 £	Year ended 30 th April 2014 £
Net revenue before taxation	<u>4,526,260</u>	<u>3,425,949</u>
Corporation tax at 20%	905,252	685,190

Effects of:

French withholding tax recoverable	(1,327)	(156,499)
Irrecoverable overseas withholding tax	578,683	463,783
Movement in excess management charges	589,037	451,626
Revenue not subject to corporation tax	(1,492,169)	(1,133,850)
Overseas tax expensed	<u>(2,120)</u>	<u>(2,966)</u>
Current tax charge for the year	<u>577,356</u>	<u>307,284</u>

(c) Deferred tax

At the balance sheet date, there is a potential deferred tax asset of £2,537,782 (2014 - £1,948,745) in respect of unutilised management expenses. The fund may not generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

NOTES TO THE FINANCIAL STATEMENTS

continued

6. Finance costs: Distributions

The distributions take account of revenue received on the creation of units and revenue deducted on the cancellation of units, and comprise:

	Year ended 30 th April 2015 £	Year ended 30 th April 2014 £
Interim	3,331,518	2,705,141
Final	4,999,639	4,327,415
	<u>8,331,157</u>	<u>7,032,556</u>
Add: Revenue deducted on cancellation of units	131,767	167,824
Deduct: Revenue received on creation of units	(410,496)	(760,485)
Net distribution for the year	<u>8,052,428</u>	<u>6,439,895</u>
Net revenue after taxation	3,948,904	3,118,665
Expenses taken to capital	4,382,486	3,577,051
Tax attributable to capital	(278,962)	(255,821)
Net distribution for the year	<u>8,052,428</u>	<u>6,439,895</u>

Details of the distributions per unit are shown in the Distribution Tables on page 33.

7. Debtors

	30 th April 2015 £	30 th April 2014 £
Amounts receivable for creation of units	439,266	687,885
Overseas withholding tax recoverable	213,679	129,654
Prepaid expenses	4,338	4,550
Revenue receivable:		
Overseas bond interest	285,072	87,406
Overseas equities	352,985	323,895
UK bond interest	222,560	154,480
UK equities	632,378	493,068
Sales awaiting settlement	—	11,205
	<u>2,150,278</u>	<u>1,892,143</u>

NOTES TO THE FINANCIAL STATEMENTS

continued

8. Creditors	30 th April 2015	30 th April 2014
	£	£
Accrued expenses:		
Audit fee	7,081	7,080
Administration fees	9,634	29,835
Manager's periodic charge	397,153	357,651
Registrar's fee	1,861	3,451
Safe custody fee	28,292	20,337
Trustee's fee	5,682	5,080
Transaction charges	5,726	6,264
Other	27,102	7,059
Amounts payable for cancellation of units	241,188	—
	<hr/>	<hr/>
	723,719	436,757
	<hr/>	<hr/>

9. Related Party Transactions

Trustee fees, safe custody fees and transaction costs paid to BNY Mellon Trust & Depositary (UK) Limited are shown in note 4 and details of units created and cancelled by BNY Mellon Trust & Depositary (UK) Limited are shown in the Statement of Change in Net Assets Attributable to Unitholders.

The Manager and the Trustee actively co-operate to exercise control over the fund and are therefore related parties by virtue of their controlling influence.

Amounts paid during the year or due to the Manager or the Trustee at the balance sheet date are disclosed under Expenses and Creditors in the Notes to the Financial Statements. Bank interest payable by the fund which is paid or payable to the Trustee is disclosed separately within Finance costs in the Notes to the Financial Statements.

Cash and bank balances with the Trustee are disclosed in the Balance Sheet. Bank interest paid or payable to the fund by the Trustee is disclosed in Revenue and Debtors in the Notes to the Financial Statements.

The Manager acts as principal on all transactions of units in the fund. The aggregate monies received through the creation and cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Finance costs in the Notes to the Financial Statements. Amounts due to or from the Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Creditors in the Notes to the Financial Statements.

Units held or managed by the Manager or associates of the Manager as a percentage of the fund's value at the balance sheet date were 1.6% (2014 - 1.4%).

NOTES TO THE FINANCIAL STATEMENTS

continued

10. Portfolio Risk Analysis

In pursuing its investment objectives, the fund invests in a variety of financial assets. These comprise securities and other investments. There are also cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and debtors for accrued revenue.

Credit and Cashflow Risk

The fund has little exposure to credit risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk.

The fund's assets comprise mainly readily realisable securities. There are no borrowings or unlisted securities of a material nature. The main potential liability of the fund is the redemption of any units that investors wish to sell. Assets of the fund may need to be sold if insufficient cash is available to finance such redemptions. The Manager has reviewed the portfolio's investments and considers them to be sufficiently liquid for these purposes.

Market Price Risk

Market price risk arises from the effect which falls in the price or value of the assets held could have on the property of the fund. The Manager seeks to mitigate such risk by maintaining a prudent diversification of its investments.

The Manager adheres to investment guidelines and to investment borrowing powers set out in the Trust Deed, Prospectus and in the rules of the Collective Investment Schemes Sourcebook. This mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Manager's Investment Report and Portfolio Statement.

NOTES TO THE FINANCIAL STATEMENTS

continued

10. Portfolio Risk Analysis continued

Foreign Currency Risk

The fund invests in overseas securities and the balance sheet can be significantly affected by movements in foreign exchange rates. The fund has not hedged the sterling value of investments that are priced in other currencies. Revenue received in other currencies is translated to sterling on or near the date of receipt. The fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Interest Rate Risk

The fund holds cash on deposit. Changes in interest rates may have an adverse effect on the value of such deposits and on the amount of income derived from them.

The Manager reviews policies for managing these risks in pursuance of Investment Objective and Policy.

The currency and interest rate profile of portfolio investments at 30th April was:

Interest rate profile

	Floating rate (Bonds/Cash)	Fixed rate (Bonds)	Non interest bearing (Equities/Other)	Total	Total %
	£	£	£	£	%
2015					
US Dollar	49,032	57,292,808	104,769,864	162,111,704	35.9
UK Sterling	8,256,620	71,664,663	68,470,360	148,391,643	32.8
Euro	330		74,291,397	74,291,727	16.4
Swiss Franc			9,910,082	9,910,082	2.2
Japanese Yen			9,656,990	9,656,990	2.1
Hong Kong Dollar			9,510,769	9,510,769	2.1
Brazilian Real			7,518,499	7,518,499	1.7
Indian Rupee			6,151,741	6,151,741	1.4
Singaporean Dollar			4,234,149	4,234,149	0.9
South African Rand	122,500		4,066,225	4,188,725	0.9
Indonesian Rupiah			3,985,202	3,985,202	0.9
Taiwanese Dollar			3,977,086	3,977,086	0.9
Mexican Peso	83,064		3,844,400	3,927,464	0.9
Australian Dollar			3,803,192	3,803,192	0.8
Thai Baht			98,509	98,509	0.0
	<u>8,511,546</u>	<u>128,957,471</u>	<u>314,288,465</u>	<u>451,757,482</u>	<u>100.0</u>

NOTES TO THE FINANCIAL STATEMENTS

continued

10. Portfolio Risk Analysis continued

Interest rate profile

	Floating rate (Bonds/Cash) £	Fixed rate (Bonds) £	Non interest bearing (Equities/Other) £	Total £	Total %
2014					
US Dollar	29,230,833	3,210,892	99,039,967	131,481,692	35.1
UK Sterling	18,002,578	28,624,711	63,932,358	110,559,647	29.6
Euro	(337)		61,643,154	61,642,817	16.5
Hong Kong Dollar			13,142,862	13,142,862	3.5
Swiss Franc			12,105,235	12,105,235	3.2
Brazilian Real			7,508,045	7,508,045	2.0
Japanese Yen			7,185,492	7,185,492	1.9
Singaporean Dollar	140		6,136,863	6,137,003	1.6
Indonesian Rupiah			5,774,909	5,774,909	1.5
Australian Dollar			3,950,723	3,950,723	1.1
Mexican Peso	23,633		2,819,121	2,842,754	0.8
Taiwanese Dollar	2,843		2,308,457	2,311,300	0.6
Malaysian Ringgit			2,053,685	2,053,685	0.5
South African Rand			1,957,539	1,957,539	0.5
Indian Rupee			1,744,307	1,744,307	0.5
South Korean Won			1,442,361	1,442,361	0.4
Chilean Peso			1,410,280	1,410,280	0.4
Phillipino Peso			1,084,665	1,084,665	0.3
Thai Baht			38,417	38,417	0.0
	<u>47,529,690</u>	<u>31,835,603</u>	<u>295,278,440</u>	<u>374,373,733</u>	<u>100.0</u>

Currency profile

	Monetary (Cash/Other assets) £	Non-monetary (Securities) £	Total £	Total %
30th April 2015				
US Dollar	389,773	161,721,931	162,111,704	35.9
UK Sterling	3,831,888	144,559,755	148,391,643	32.8
Euro	176,463	74,115,264	74,291,727	16.5
Swiss Franc	91,149	9,818,933	9,910,082	2.2
Japanese Yen	11,354	9,645,636	9,656,990	2.1
Hong Kong Dollar	-	9,510,769	9,510,769	2.1
Brazilian Real	21,155	7,497,344	7,518,499	1.7
Indian Rupee	-	6,151,741	6,151,741	1.4
Singapore Dollar	-	4,234,149	4,234,149	0.9
South African Rand	122,500	4,066,225	4,188,725	0.9
Indonesian Rupiah	112,610	3,872,592	3,985,202	0.9
Taiwan Dollar	-	3,977,085	3,977,085	0.9
Mexican Peso	83,064	3,844,401	3,927,465	0.9
Australian Dollar	-	3,803,192	3,803,192	0.8
Thai Baht	98,509	-	98,509	0.0
	<u>4,938,465</u>	<u>446,819,017</u>	<u>451,757,482</u>	<u>100.0</u>

NOTES TO THE FINANCIAL STATEMENTS

continued

10. Portfolio Risk Analysis continued

Currency profile continued

	Monetary (Cash/Other assets)	Non-monetary (Securities)	Total	Total
	£	£	£	%
30th April 2014				
US Dollar	173,505	131,308,187	131,481,692	35.1
UK Sterling	4,323,781	106,235,866	110,559,647	29.6
Euro	107,099	61,535,718	61,642,817	16.5
Hong Kong Dollar	30,927	13,111,935	13,142,862	3.5
Swiss Franc	81,166	12,024,069	12,105,235	3.2
Brazilian Real	9,035	7,499,010	7,508,045	2.0
Japanese Yen	12,471	7,173,021	7,185,492	1.9
Singaporean Dollar	43,285	6,093,718	6,137,003	1.6
Indonesian Rupiah	137,037	5,637,872	5,774,909	1.5
Australian Dollar		3,950,723	3,950,723	1.1
Mexican Peso	23,633	2,819,121	2,842,754	0.8
Taiwanese Dollar	2,843	2,308,457	2,311,300	0.6
Malaysian Ringgit		2,053,685	2,053,685	0.5
South African Rand	3,222	1,954,317	1,957,539	0.5
Indian Rupee		1,744,307	1,744,307	0.5
South Korean Won		1,442,361	1,442,361	0.4
Chilean Peso		1,410,280	1,410,280	0.4
Phillipino Peso		1,084,665	1,084,665	0.3
Thai Baht	38,417		38,417	0.0
	<u>4,986,421</u>	<u>369,387,312</u>	<u>374,373,733</u>	<u>100.0</u>

Fixed Rate Interest

	Weighted average rates		Weighted average maturity	
	30 th April 2015	30 th April 2014	30 th April 2015	30 th April 2014
UK Sterling	1.83%	2.00%	8 years	5 years
US Dollar	1.68%	0.12%	15 years	—

Cash balances are deposited on normal commercial terms and earn interest calculated on a variable rate with reference to the Bank of England base rate or its overseas equivalent.

The fixed rate financial assets typically comprise UK, US and EU government and public sector issues.

The non-interest bearing financial assets largely consist of equities, which do not have maturity dates.

Fair value of financial assets and financial liabilities

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

NOTES TO THE FINANCIAL STATEMENTS

continued

11. Portfolio Transaction Costs

	Year ended 30 th April 2015 £	Year ended 30 th April 2014 £
Analysis of total purchase costs		
Purchases in period before transaction costs	224,045,507	109,847,878
Add:		
Broker		
Commissions	265,222	168,671
Stamp Duty	<u>199,074</u>	<u>84,249</u>
Total purchase costs	<u>464,296</u>	<u>252,920</u>
Gross purchases total	<u>224,509,803</u>	<u>110,100,798</u>
Analysis of total sales costs		
Gross sales in period before transaction costs	187,835,753	30,773,073
Less:		
Broker		
Commissions	<u>(367,284)</u>	<u>(18,094)</u>
Total sales costs	<u>(367,284)</u>	<u>(18,094)</u>
Total sales net of transaction costs	<u>187,468,469</u>	<u>30,754,979</u>

DISTRIBUTION TABLES

**in pence per unit
for the year ended 30th April 2015**

INTERIM DISTRIBUTION

Group 1 - Units purchased prior to 1st May 2014

Group 2 - Units purchased 1st May 2014 to 31st October 2014

	Unit Class	Gross income	Tax credit @ 10%	Net income	Equalisation	Amount paid
Group 1	<i>Legacy</i>	33.333	3.333	30.000	—	30.000
Group 2	<i>Legacy</i>	12.328	1.233	11.095	18.905	30.000
Group 1	<i>Personal</i>	33.333	3.333	30.000	—	30.000
Group 2	<i>Personal</i>	5.919	0.592	5.327	24.673	30.000

FINAL DISTRIBUTION

Group 1 - Units purchased prior to 1st November 2014

Group 2 - Units purchased 1st November 2014 to 30th April 2015

	Unit Class	Gross income	Tax credit @ 10%	Net income	Equalisation	Amount payable
Group 1	<i>Legacy</i>	48.319	4.832	43.487	—	43.487
Group 2	<i>Legacy</i>	25.909	2.591	23.318	20.169	43.487
Group 1	<i>Personal</i>	49.054	4.905	44.149	—	44.149
Group 2	<i>Personal</i>	19.147	1.915	17.232	26.917	44.149

DISTRIBUTION SUMMARY

**in pence per unit
for the year ended 30th April 2015**

	Year to 30 th April 2015 net rate		Year to 30 th April 2014 net rate	
	<i>Personal</i>	<i>Legacy</i>	<i>Personal</i>	<i>Legacy</i>
Interim paid	30.000	30.000	29.500	29.500
Final payable/paid	44.149	43.487	42.268	42.109
	<u>74.149</u>	<u>73.487</u>	<u>71.768</u>	<u>71.609</u>

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