



McInroy & Wood

PERSONAL INVESTMENT MANAGERS

INCOME FUND

A pooled management service for private clients

INTERIM REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30TH JUNE 2015

CONTENTS

AUTHORISED FUND MANAGER'S REPORT*

	Page
Introduction	2
Manager's Investment Report	3-5
Net Asset Value per unit and Comparative Tables	6
Portfolio Statement	7-9
Summary of All Portfolio Changes	10-11
General Information	12-13
Statement of the Manager's Responsibilities and Directors' Statement	14
Statement of the Trustee's Responsibilities	15

FINANCIAL STATEMENTS

Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders	16
Balance Sheet	17
Notes to the Financial Statements	18-19
Distribution Tables	20

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

INTRODUCTION

McInroy & Wood Income 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 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 provide unitholders with an above average level of income, together with a measure of capital growth.

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

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

MANAGER'S INVESTMENT REPORT

At 30th June 2015, total net assets of the fund amounted to £280,519,107 compared with £287,198,242 six months earlier. At 30th June 2015 there were 910 investors (excluding ISA holders), with an average holding worth £295,599.

Markets

Global equity market movements were mixed over the six months to 30th June 2015. The UK FTSE 100 fell 1%, while the US market rose 1%. Europe and Japan were particularly strong, advancing 12% and 15% respectively. Emerging Markets as a group were up 4%. The movements of overseas markets are each expressed in local currency terms, as measured by the MSCI indices. Expressed in sterling, the overall MSCI All Country World index gained 1%.

The US and UK economies continued to expand, with low unemployment and encouraging trends in consumer confidence. In the UK, financial markets welcomed the result of the general election. Europe's recovery appeared to pick up a little momentum, with the weak euro benefiting the region's exporters. The oil price recovered some of the dramatic fall observed at the end of last year, although share prices in the energy sector remained depressed.

Bond prices showed divergent trends. There was little movement in short-dated sterling- and US dollar-denominated conventional bonds; longer-dated issues were weak and fell 4-6%. US inflation-protected government stocks rose 2% but their sterling counterparts were little changed.

In the foreign exchange markets, sterling rose by 1% against the dollar and by almost 10% against the euro.

Results

The price of Personal units in the fund at 30th June 2015 stood at £23.999, a fall of 1% from the level of the unit price at 31st December 2014. The price of Legacy units stood at £23.701. Gains from investments in overseas equity markets were offset by the relative weakness of overseas currencies against sterling and modestly negative returns from UK equities and bonds.

Dividend Distribution

A dividend distribution of 28.000p per unit is now being paid to holders of both unit classes, the same as the equivalent payment a year ago.

On current estimates, the distribution for the next six months to 31st December is expected to be broadly similar to the corresponding payment last year.

MANAGER'S INVESTMENT REPORT

continued

Portfolio Strategy

The portfolio's equity allocation was reduced from 80% to 70% in March with a corresponding rise in the bond allocation. This policy adjustment reflected concerns about the vulnerability of equities to any decline in earnings expectations, particularly given relatively high valuations.

At 30th June 2015, 69% of the portfolio was allocated to equities (80% at 31st December 2014), 29% to bonds (19%), and 2% (1%) to cash deposits.

Investments

A new position was purchased in Hang Lung Properties (Hong Kong). Otherwise, new funds were used to increase existing stakes. While the portfolio remains well diversified across different industries and geographic regions, the number of holdings was reduced. This move reflected a decision to consolidate the portfolio within a list of somewhat larger positions in order to optimise returns from successful stock selection. Details of transactions are shown on the summary of portfolio changes on pages 10-11 of this report.

Wal-Mart de Mexico (+23%) and Spirax-Sarco Engineering (+18%) recorded the strongest gains during the period; Royal Dutch Shell (-19%) and Perusahaan Gas Negara (-28%) were the weakest performing stocks in the portfolio.

Within the bond allocation, shorter-dated holdings were sold, and an inflation-protected US Treasury bond matured. New investments were made in longer-dated issues in the UK and US.

Outlook

Despite slower growth in the first quarter, the US economy now seems to be regaining its impetus and consumers are beginning to feel the benefits. Household spending increased over 4% in May and car sales in June were at their highest since 2005.

The UK general election result was more decisive than expected and dispelled some political uncertainties. The economy is growing and unemployment has shrunk to 5.5%. In April real wages recorded their strongest rate of growth since August 2011. However, the future of Britain's relationship with the European Union remains unclear, given the prospect of an 'In/Out' referendum within a year or so. When debate intensifies, investors could become increasingly nervous about the eventual outcome.

MANAGER'S INVESTMENT REPORT

continued

Outlook continued

Europe's economic recovery appears increasingly well established. The European Central Bank's aggressive programme of quantitative easing has contributed to much-improved sentiment and a notable stabilisation of the euro against most international currencies. There has been much discussion about the consequences of a potential 'Grexit', but in the short term Greece's recent accommodation with the Eurozone offers the promise of some temporary relief. While the situation remains fluid, wide reporting of the recent chaos inside the country will surely reduce the attractiveness of similarly confrontational policies for other over-indebted nations; recent polls in Spain suggest a significant drop in support for the populist Podemos party.

Developing regions face considerable challenges, even if many should be boosted by lower energy costs, at least in the short term. Growth has slowed and structural reforms are becoming more urgent: there should be considerable benefits where governments are willing and able to address critical domestic issues such as poor infrastructure and widespread corruption. China's growth is now forecast by the World Bank to slow to 7% in 2015; the volatility of the country's equity market and subsequent government intervention has raised question marks over the operation of capital markets in the country. The World Bank is forecasting growth of over 4% across developing countries as a whole for 2015, but sharply divergent trends within this estimate mean that careful consideration of individual outlooks remains crucial to generating satisfactory returns.

Bond market yields have risen sharply, albeit from exceptionally depressed levels. The Bank of England and the Federal Reserve have indicated that they are considering raising interest rates over the next few months. Aware of the risks of a sharp change in monetary policy, both banking authorities have taken pains to emphasise that any such rises will be gradual in order to avoid unnecessary shocks to the financial markets. While the rationale for this decision is based on an encouraging outlook for domestic and global economic growth, bond markets are likely to respond with increased volatility.

Equity market valuations remain quite demanding and the recent adjustment of the portfolio's asset allocation reflects that perception. The resulting weightings between the various asset classes will be monitored closely in the light of any significantly altered trends in capital markets. Given the potential impact that changes in relative values of different asset classes can make to their returns, the merit of flexibility within a balanced and broadly diversified portfolio has become ever more apparent.

14th August 2015

CAPITAL RECORD

Highest and lowest unit prices.

Accounting year (to 31 st Dec)	High		Low	
	Legacy	Personal	Legacy	Personal
2010	£21.246	—	£18.079	—
2011	£21.617	—	£19.325	—
2012	£22.056	—	£19.925	—
2013	£24.251	£24.297	£21.820	£21.822
2014	£24.239	£24.472	£22.496	£22.700
2015*	£25.381	£25.674	£23.399	£23.637

*Up to 30th June only.

INCOME RECORD

Accounting year (to 31 st Dec)	Per unit (net)	
	Legacy	Personal
2010	62.551p	—
2011	66.965p	—
2012	71.013p	—
2013	70.651p	70.732p
2014	68.487p	68.736p
2015 (interim only)	28.000p	28.000p

NET ASSET VALUES

Date	Net asset value of fund	Net asset value per unit	Number of units
31.12.10 Legacy	£206,531,716	£20.698	9,978,280
31.12.11 Legacy	£217,216,904	£19.780	10,981,645
31.12.12 Legacy	£243,113,076	£21.442	11,338,190
31.12.13 Legacy	£19,766,781	£23.481	841,823
31.12.13 Personal	£265,272,848	£23.605	11,238,142
31.12.14 Legacy	£17,329,329	£23.528	736,539
31.12.14 Personal	£269,868,913	£23.768	11,354,448
30.06.15 Legacy	£16,249,743	£23.335	696,364
30.06.15 Personal	£264,269,364	£23.632	11,182,513

OPERATING CHARGES

Date	Annualised	
	Legacy	Personal
31.12.10	1.550%	—
31.12.11	1.552%	—
31.12.12	1.550%	—
31.12.13	1.561%	1.094%
31.12.14	1.606%	1.106%
30.06.15	1.621%	1.121%

PORTFOLIO TURNOVER

Date	Annualised
31.12.10	8%
31.12.11	9%
31.12.12	17%
31.12.13	8%
31.12.14	17%
30.06.15	39%

PORTFOLIO STATEMENT

as at 30th June 2015 (unaudited)

INVESTMENTS	Holding or Nominal Value of positions at 30 th June 2015	Bid Market Value £'000	Percentage of Value of total net assets	
			30 th June 2015	31 st Dec. 2014
<i>Bonds</i>				
UK				
UK Treasury 1.75% 2022	£2,548,000	2,536	0.9	
UK Treasury 2.25% 2023	£8,069,000	8,254	2.9	
UK Treasury 2.5% I-L 2020	£3,202,000	11,595	4.1	
UK Treasury 3.75% 2019	£3,941,000	4,335	1.6	
UK Treasury 4% 2016	£6,942,000	7,224	2.6	
UK Treasury 4.25% 2032	£11,369,000	14,076	5.0	
UK Treasury 4.25% 2036	£6,870,000	8,636	3.1	
		<u>56,656</u>	<u>20.2</u>	<u>14.6</u>
USA				
US Treasury 0.125% I-L 2024	\$11,400,000	7,038	2.5	
US Treasury 2% 2025	\$11,360,000	7,003	2.5	
US Treasury 2.25% 2024	\$11,126,000	7,017	2.5	
US Treasury 2.75% 2042	\$6,542,000	3,859	1.4	
		<u>24,917</u>	<u>8.9</u>	<u>4.2</u>
TOTAL BONDS		<u>81,573</u>	<u>29.1</u>	<u>18.8</u>
<i>Equities</i>				
UK				
A.G. Barr	1,028,865	6,322	2.3	
GlaxoSmithKline	453,605	5,999	2.1	
Hill & Smith	1,099,144	7,408	2.6	
Inmarsat	961,110	8,794	3.1	
Keller	573,345	5,854	2.1	
Land Securities	678,772	8,166	2.9	
National Grid	974,483	7,964	2.8	
Pearson	496,710	5,985	2.1	
Reckitt Benckiser	144,831	7,945	2.8	
Rio Tinto	249,070	6,510	2.3	
Rotork	1,624,100	3,776	1.4	
Royal Dutch Shell B	333,701	6,030	2.1	
RPS	1,289,000	2,904	1.0	
Severn Trent	385,990	8,032	2.9	
Spirax-Sarco Engineering	193,695	6,570	2.4	
Standard Life	1,743,979	7,743	2.8	
Vodafone	3,065,930	7,047	2.5	
		<u>113,049</u>	<u>40.2</u>	<u>42.8</u>

PORTFOLIO STATEMENT

continued

	Holding or Nominal Value of positions at 30 th June 2015	Bid Market Value £'000	Percentage of Value of total net assets	
			30 th June 2015	31 st Dec. 2014
<i>Equities continued</i>				
USA				
AbbVie	158,530	6,771	2.4	
AT&T	204,020	4,607	1.6	
National Retail Properties	112,100	2,495	0.9	
Paychex	208,915	6,225	2.2	
Realty Income	93,100	2,627	0.9	
Schlumberger	54,220	2,970	1.1	
Watsco	38,385	3,019	1.1	
		<u>28,714</u>	<u>10.2</u>	<u>14.6</u>
FINLAND				
Kone	131,510	<u>3,391</u>	<u>1.2</u>	<u>1.3</u>
FRANCE				
Total	145,490	4,491	1.6	
Unibail-Rodamco	31,400	<u>5,043</u>	<u>1.8</u>	
		<u>9,534</u>	<u>3.4</u>	<u>4.2</u>
GERMANY				
Fielmann	115,000	<u>4,987</u>	<u>1.8</u>	<u>2.5</u>
NETHERLANDS				
Relx	235,310	<u>3,547</u>	<u>1.3</u>	<u>1.5</u>
SWITZERLAND				
Kuehne + Nagel	41,450	<u>3,500</u>	<u>1.3</u>	<u>1.3</u>

PORTFOLIO STATEMENT

continued

		Holding or Nominal Value of positions at 30 th June 2015	Bid Market Value £'000	Percentage of Value of total net assets	
				30 th June 2015	31 st Dec. 2014
<i>Equities continued</i>					
DEVELOPING MARKETS					
Chile	Embotelladora Andina	224,500	2,836	1.0	
China	CNOOC	2,965,000	2,670	0.9	
Hong Kong	Hang Lung Property	1,646,000	3,105	1.1	
	MTR	1,117,000	3,303	1.2	
	Vitasoy International	2,510,000	2,701	1.0	
Indonesia	Perusahaan Gas Negara	9,446,500	1,942	0.7	
	Telekomunikasi Indonesia	18,284,200	2,551	0.9	
Mexico	Wal-Mart de Mexico	2,045,040	3,178	1.1	
Singapore	Keppel	634,870	2,464	0.9	
South Africa	MTN	232,460	2,777	1.0	
			<u>27,527</u>	<u>9.8</u>	<u>11.9</u>
TOTAL EQUITIES			<u>194,249</u>	<u>69.2</u>	<u>80.1</u>
TOTAL INVESTMENTS			275,822	98.3	98.9
Net other assets			<u>4,697</u>	<u>1.7</u>	<u>1.1</u>
TOTAL NET ASSETS			<u><u>280,519</u></u>	<u><u>100.0</u></u>	<u><u>100.0</u></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 June 2015 are investment grade.

SUMMARY OF ALL PORTFOLIO CHANGES

for the six months ended 30st June 2015 (unaudited)

	Cost £'000
Purchases	
1,646,000 Hang Lung Property	3,212
55,785 Rio Tinto	1,479
1,624,100 Rotork (<i>stock split</i>)	—
193,695 Spirax-Sarco Engineering (<i>spin off issue</i>)	—
1,743,979 Standard Life (<i>spin off issue</i>)	—
2,131,530 Standard Life (<i>spin off issue</i>)	—
3,545,000 UK Treasury 1.75% 2022	3,607
2,630,000 UK Treasury 2.25% 2023	2,802
135,000 UK Treasury 2.5% I-L 2020	492
290,000 UK Treasury 3.75% 2019	323
6,870,000 UK Treasury 4.25% 2036	9,444
11,369,000 UK Treasury 4.25% 2032	14,711
6,090 Unibail-Rodamco	992
22,100 Unibail-Rodamco (<i>spin off issue</i>)	—
11,400,000 US Treasury 0.125% I-L 2024	7,474
11,360,000 US Treasury 2% 2025	7,722
11,126,000 US Treasury 2.25% 2024	7,640
6,542,000 US Treasury 2.75% 2042	4,614
2,045,040 Wal-Mart de Mexico (<i>spin off issue</i>)	—
TOTAL	<u><u>64,512</u></u>

SUMMARY OF ALL PORTFOLIO CHANGES

continued

Sales	Proceeds £'000
459,155 BG	3,862
366,000 China Mobile	3,229
71,410 Danone	3,116
161,480 Donaldson	3,998
1,573,000 IAM	1,619
144,831 Indivior	253
1,090,665 Majestic Wine	3,904
49,000 MTR	146
272,341 Natura Cosmetics	1,435
39,505 Pfeiffer Vacuum	2,152
45,265 Relx	731
162,410 Rotork <i>(stock split)</i>	—
204,650 RPM	6,552
12,880 Schlumberger	698
209,855 Spectris	4,550
200,869 Spirax Sarco Engineering <i>(spin off issue)</i>	—
2,131,530 Standard Life	1,556
2,131,530 Standard Life <i>(spin off issue)</i>	—
8,291,000 Thai Beverage	2,913
7,073,000 UK Treasury 1% 2017	7,144
2,548,000 UK Treasury 1.75% 2022	996
2,172,000 UK Treasury 3.75% 2019	2,770
2,997,000 UK Treasury 3.75% 2021	3,482
22,100 Unibail-Rodamco <i>(spin off issue)</i>	—
7,241,000 US Treasury FRN 2016	4,781
9,437,000 US Treasury TIPS 1.625% 2015	7,683
800,000 Vitasoy	970
2,045,040 Wal-Mart de Mexico <i>(spin off issue)</i>	—
26,470 Watsco	2,064
TOTAL	<u>70,604</u>

GENERAL INFORMATION

Authorisation

The Income 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
---	---	---	---	---	---	---

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.

The fund has been classed as 4 because its volatility has been measured as average.

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 IMA in May 2014.
- 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, 14th August 2015

STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES

The Trustee is under a duty to take into custody and to hold the property of the Scheme in trust for the holders of units. Under the Rules relating to reports it is the duty of the Trustee to enquire into the conduct of the Manager in the management of the Scheme in each annual accounting period and report thereon to unitholders in a report which shall contain the matters prescribed by the Rules.

STATEMENT OF TOTAL RETURN

for the six months ended 30th June 2015 (unaudited)

	Notes	Six months ended 30 th June 2015		Six months ended 30 th June 2014	
		£'000	£'000	£'000	£'000
Income					
Net capital losses			(1,632)		(930)
Revenue	2	5,514		5,411	
Expenses	3	<u>(1,677)</u>		<u>(1,591)</u>	
Net revenue before taxation		3,837		3,820	
Taxation	4	<u>(216)</u>		<u>(250)</u>	
Net revenue after taxation			<u>3,621</u>		<u>3,570</u>
Total return before distributions			1,989		2,640
Distributions			<u>(3,339)</u>		<u>(3,460)</u>
Change in net assets attributable to unitholders from investment activities			<u>(1,350)</u>		<u>(820)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six months ended 30th June 2015 (unaudited)

	Six months ended 30 th June 2015		Six months ended 30 th June 2014	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		287,198		285,040
Amounts receivable on creation of units	7,354		18,456	
Amounts payable on cancellation of units	<u>(12,683)</u>		<u>(17,099)</u>	
		(5,329)		1,357
Stamp duty reserve tax		—		(19)
Change in net assets attributable to unitholders from investment activities		<u>(1,350)</u>		<u>(820)</u>
Closing net assets attributable to unitholders		<u>280,519</u>		<u>285,558</u>

The opening net assets for the current period do not equal the closing net assets for the comparative period as the above table relates to six month interim periods only.

BALANCE SHEET

as at 30th June 2015 (unaudited)

	30 th June 2015		31 st Dec. 2014	
	£'000	£'000	£'000	£'000
ASSETS:				
Fixed assets				
Investments		275,822		284,013
Current assets				
Debtors	2,598		1,229	
Cash & bank balances	8,541		8,296	
	<u>8,541</u>		<u>8,296</u>	
Total other assets		<u>11,139</u>		<u>9,525</u>
Total assets		<u>286,961</u>		<u>293,538</u>
LIABILITIES:				
Creditors				
Distribution payable	(3,326)		(4,924)	
Other creditors	(3,116)		(1,416)	
	<u>(3,326)</u>		<u>(4,924)</u>	
Total liabilities		<u>(6,442)</u>		<u>(6,340)</u>
Net assets attributable to unitholders		<u>280,519</u>		<u>287,198</u>

NOTES TO THE FINANCIAL STATEMENTS

as at 30th June 2015 (unaudited)

1. Accounting policies

The financial statements have been prepared on a going concern basis in accordance with FRS 102 and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the IMA (now known as the Investment Association) in May 2014 (the "SORP").

In applying UK GAAP, the financial statements have been prepared in compliance with FRS 102 as adopted for the first time. As a result the presentation and disclosure of various statements have been updated. The net total return and the net assets attributable to unitholders remain unchanged.

All other accounting policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31st December 2014.

2. Revenue

	Six months ended 30 th June 2015 £'000	Six months ended 30 th June 2014 £'000
Dividends on overseas equities	2,021	2,205
Dividends on UK equities	2,689	2,434
Interest on French withholding tax recoverable	—	29
Interest on overseas interest bearing securities	131	211
Interest on UK interest bearing securities	579	427
Property income distributions on UK REITs	94	105
Total revenue	<u>5,514</u>	<u>5,411</u>

3. Expenses

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

- Manager's periodic charge	1,510	1,477
- Transfer agency fee	87	15
- Registrar's fee	—	16

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

- Trustee's fee	23	22
- Safe custody fee and activity charges	29	28

Other expenses:

- Administration fee	16	15
- Audit fee	4	4
- French withholding tax recovery fee	—	5
- Sundry fees	7	9

Total expenses	<u>1,676</u>	<u>1,591</u>
----------------	--------------	--------------

NOTES TO THE FINANCIAL STATEMENTS

continued

4. Taxation

	Six months ended 30 th June 2015 £'000	Six months ended 30 th June 2014 £'000
Analysis of tax charge		
Overseas tax	216	250
	<u>216</u>	<u>250</u>

5. Currency and interest rate profile

<i>Currency</i>	30 th June 2015 %	31 st Dec. 2014 %
UK Sterling	62.3	58.4
US Dollar	20.2	19.6
Euro	7.3	9.5
Hong Kong Dollar	4.2	4.0
Indonesian Rupiah	1.6	2.0
Swiss Franc	1.3	1.3
Mexican Peso	1.1	1.0
Singapore Dollar	1.0	1.9
South African Rand	1.0	1.0
Brazilian Real	0.0	0.7
Chilean Peso	0.0	0.6
	<u>100.0</u>	<u>100.0</u>

Fixed rate interest

	Weighted average rates		Weighted average maturity	
	30 th June 2015	31 st Dec. 2014	30 th June 2015	31 st Dec. 2014
UK Sterling	2.96%	2.51%	10 years	5 years
US Dollar	1.71%	1.62%	12 years	—

DISTRIBUTION TABLES

in pence per unit
for the six months ended 30th June 2015 (unaudited)

INTERIM DISTRIBUTION

Group 1 - Units purchased prior to 1st January 2015

Group 2 - Units purchased 1st January 2015 to 30th June 2015

	Unit Class	Net income*	Equalisation**	Amount payable
				28.08.15
Group 1	Legacy	28.000	—	28.000
Group 2	Legacy	23.815	4.185	28.000
Group 1	Personal	28.000	—	28.000
Group 2	Personal	5.607	22.393	28.000

*Income rate is net of 10% notional tax credit.

**Income arises throughout each reporting period. Equalisation is the average amount of income 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. Instead, it must be deducted from the cost of units for capital gains purposes.

DISTRIBUTION SUMMARY

in pence per unit
for the six months ended 30th June 2015

	Six months to 30 th June 2015 net rate		Year to 31 st Dec. 2014 net rate	
	<i>Personal</i>	<i>Legacy</i>	<i>Personal</i>	<i>Legacy</i>
Interim payable/paid	28.000	28.000	28.000	28.000
Final paid	—	—	40.736	40.487
	<u>28.000</u>	<u>28.000</u>	<u>68.736</u>	<u>68.487</u>

Manager

McInroy & Wood Portfolios Limited
Easter Alderston
Haddington
EH41 3SF
Telephone +44 (0)1620 825867
www.mcinroy-wood.co.uk

Directors

T A U Wood
G A Bicocchi
J D S Cumming
S J Cunningham
W A Ferguson
A H Fraser
J E Marshall
J C McAulay
Lord Francis Seymour
D H Shaw Stewart
C T F White
V N U Wood

Secretary

J C McAulay

Investment Adviser

McInroy & Wood Limited
Easter Alderston
Haddington
EH41 3SF

Trustee

BNY Mellon Trust & Depositary (UK) Limited
160 Queen Victoria Street
London
EC4V 4LA

Independent Auditor

PricewaterhouseCoopers LLP
Chartered Accountants
Level 4
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY

McInroy & Wood Portfolios Limited is a subsidiary of
McInroy & Wood Limited
MWIF0615