



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 2014

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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 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 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 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 3SF. (Tel. +44 (0)1620 825867) or through the website www.mcinroy-wood.co.uk

MANAGER'S INVESTMENT REPORT

At 30th June 2014, total net assets of the fund amounted to £285,558,124 compared with £285,039,629 six months before. At 30th June 2014 there were 914 investors (excluding ISA holders), with an average holding worth £269,645.

Markets

Equity markets generally held up well over the six months to 30th June 2014. Market volatility dropped sharply as confidence in the sustainability of economic growth grew further despite severe winter weather in the USA. There was little sign of a rise in inflationary pressures in America or Europe and monetary policies generally remained supportive for investment. Indeed markets seemed content to anticipate with equanimity both a degree of tightening in the USA, as the Federal Reserve tapered its bond purchases, and much looser policies in the eurozone.

Although the FTSE 100 Index was virtually unchanged over the period, the principal overseas markets gained ground; the US index rose by 6% and Europe by 4% (measured by MSCI indices in local currency).

Equity indices in developing markets also staged an encouraging recovery, for example the Pacific area (excluding Japan) gained 5%.

Expressed in sterling, the gain in the overall All Country World (equity) Index was 2%.

Bonds produced mixed returns with falls of 1-2% in short-dated conventional gilts and US inflation-protected government stocks, but modest gains in longer-dated and UK index-linked issues.

Sterling made further gains of 3% against the US dollar and 4% against the euro. This significantly impacted returns from overseas investments for UK investors.

Results

The price of Personal units in the fund at 30th June 2014 stood at £23.818, a fall of 1% from the level of the unit price at 31st December 2013. The price of Legacy units stood at £23.643. Gains from investments in overseas equity markets were offset by the currency movements noted above and a relatively dull period for 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 2014 is expected to be less than the corresponding payment last year. The strength of sterling has again impacted the fund's income in the year to date, as has the reinvestment of maturing bonds into other lower yielding issues. As noted in the previous report, the fund's income generally has become less easy to forecast in recent years owing to the unpredictable nature of so-called 'special' one-off dividend payments by companies held in the portfolio.

MANAGER'S INVESTMENT REPORT

Portfolio Strategy

The portfolio's equity allocation was increased by 4% in early April with an equivalent reduction in the bond allocation. This policy adjustment reflected reassuringly positive prospects for corporate earnings and a less encouraging outlook for fixed and variable rate bonds.

At 30th June 2014, 80% of the portfolio was allocated to equities (76% at 31st December 2013), 19% to bonds (22%), and 1% (2%) to cash deposits.

Investments

New holdings were purchased in CNOOC (Hong Kong), National Retail Properties and Realty Income (both USA). The position in Ecolab and a holding in Verizon received in the portfolio following a 'Return of Value' by Vodafone were both sold.

Universal Robina (+37%) and CEMIG (+34%) recorded the strongest gains during the period; Keller (-20%) and Majestic Wine (-22%) were the weakest performing holdings in the portfolio.

Within the bond allocation, the Norwegian krone issue was sold, while an inflation-protected US Treasury stock and a UK gilt both matured. New investments were made in a 2023 gilt and a 2016 US floating rate note in order to broaden the maturity spread of the stocks held in the portfolio.

Outlook

Global economic growth appears to be maintaining momentum, even if the World Bank has slightly reduced its forecast increase for the year to 2.8%. The US economy is recovering well from the severe weather that impacted the first quarter, and unemployment has recently fallen to 6.2%. Consumer confidence is at its highest level for six years.

The UK has also made encouraging progress. More jobs were created in the first three months of the year than at any time since 1971, and business confidence here too is at its highest level in a decade. House price trends in the South-East are a concern for policy makers. But there is little sign yet of any wage inflation.

In other European economies, growth is less assured. Minimal 1% GDP growth is forecast for the eurozone this year. Inflation has fallen to 0.5% and the European Central Bank has responded to deflationary concerns by introducing a negative key interest rate. Elsewhere, achievement of a desired transformation of the Japanese economy under the government's programme of "Abenomics" still looks some way off.

MANAGER'S INVESTMENT REPORT

Outlook (continued)

In developing regions, however, gains continue to be much more rapid. The World Bank forecasts a growth rate for them of nearly 5% this year. Many countries face transitional difficulties in rebalancing their economies, and in some cases this may impact short-term market prospects. However, the ultimate rewards from a shift to a consumption-led economy in China and the potential benefits of deregulation and economic reform in India and Mexico could be hugely significant.

Recent upheavals in Ukraine, Palestine and Iraq have aroused considerable political and humanitarian concerns, but the financial impact, so far, has been limited. The disturbance arising from any of these areas of conflict could dent investors' confidence were it to threaten trade and capital flows more widely.

Investors will be aware of the impact of currency movements on short-term returns, and certainly the recent strength of sterling has represented a significant headwind. Over recent weeks sterling's rise has been checked, but an enduring fall, while desirable, is far from certain. Nevertheless, over longer periods, the diversification of the fund's currency exposure has proved a valuable ingredient in protecting the value of the portfolio and limiting its risk.

Overall, despite a plethora of uncertain and potentially unsettling factors, the prospect of rising sales and earnings and an escalation in global corporate activity should help continue to support equity valuations. Bond yields remain very low, and the principal merit of investing in prime quality issues with a range of maturities and including both fixed and variable coupons lies in their defensive qualities in case of financial stresses. As ever, the composition of a prudently diversified portfolio requires a balanced investment approach if it is to provide a satisfactory return without unacceptable risk.

21st August 2014

CAPITAL RECORD

Highest and lowest unit prices.

Year	High		Low	
	Legacy	Personal	Legacy	Personal
2009	£18.840	—	£14.843	—
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*	£23.923	£24.091	£22.790	£22.913

*Up to 30th June only.

INCOME RECORD

Year (to 31 st Dec)	Per unit (net)	
	Legacy	Personal
2009	59.910p	—
2010	62.551p	—
2011	66.965p	—
2012	71.013p	—
2013	70.651p	70.732p
2014 (interim only)	28.000p	28.000p

NET ASSET VALUES

Date	Net asset value of fund	Net asset value per unit	Number of units
31.12.11 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
30.06.14 Legacy	£18,916,802	£23.356	809,950
30.06.14 Personal	£266,641,322	£23.532	11,330,888

ONGOING CHARGES FIGURE

Date	Annualised	
	Legacy	Personal
31.12.09	1.556%	—
31.12.10	1.550%	—
31.12.11	1.552%	—
31.12.12	1.550%	—
31.12.13**	1.561%	1.094%
30.06.14**	1.587%	1.086%

PORTFOLIO TURNOVER

Date	Annualised
31.12.09	15%
31.12.10	8%
31.12.11	9%
31.12.12	17%
31.12.13	8%
30.06.14	17%

**An Ongoing Charges Figure (“OCF”) has replaced the Total Expense Ratio (“TER”). The main difference to the historic TER calculation is the inclusion of custodian handling charges in the OCF. The comparative figures have not been restated, and the historic TER is disclosed.

PORTFOLIO STATEMENT

as at 30th June 2014 (unaudited)

INVESTMENTS	Holding or Nominal Value of positions at 30 th June 2014	Bid Market Value £	Percentage of Value of total net assets	
<i>Bonds</i>			30 th June 2014	31 st Dec. 2013
UK				
EIB 3.375% 2014	£6,767,000	6,805,914	2.4	
UK Treasury 2.25% 2023	£5,439,000	5,254,074	1.8	
UK Treasury 2.5%				
Index-Linked 2020	£3,067,000	11,084,751	3.9	
UK Treasury 3.75% 2019	£6,113,000	6,633,216	2.3	
UK Treasury 3.75% 2021	£5,207,000	5,688,648	2.0	
UK Treasury 4% 2016	£6,942,000	7,385,594	2.6	
		<u>42,852,197</u>	<u>15.0</u>	<u>15.3</u>
NORWAY		—	—	<u>2.7</u>
USA				
US Treasury TIPS				
1.625% 2015	\$9,437,000	6,962,330	2.4	
US Treasury FRN 2016	\$7,241,000	4,230,155	1.5	
		<u>11,192,485</u>	<u>3.9</u>	<u>4.0</u>
TOTAL BONDS		<u><u>54,044,682</u></u>	<u><u>18.9</u></u>	<u><u>22.0</u></u>
<i>Equities</i>				
UK				
AG Barr	1,028,865	6,551,298	2.3	
BG	459,155	5,671,712	2.0	
GlaxoSmithKline	406,855	6,362,195	2.2	
Hill & Smith	1,099,144	5,539,686	1.9	
Inmarsat	871,100	6,515,828	2.3	
Keller	573,345	5,283,374	1.9	
Land Securities	678,772	7,035,472	2.5	
Majestic Wine	1,126,625	4,729,008	1.7	
National Grid	974,483	8,188,093	2.9	
Pearson	496,710	5,729,550	2.0	
Reckitt Benckiser	144,831	7,390,002	2.6	
Rio Tinto	173,425	5,391,350	1.9	
Rotork	162,410	4,334,723	1.5	
Royal Dutch Shell B	333,701	8,485,182	3.0	
RPS	1,289,000	3,586,642	1.3	
Severn Trent	385,990	7,459,257	2.6	
Spectris	209,855	4,656,682	1.6	

PORTFOLIO STATEMENT

continued

	Holding or Nominal Value of positions at 30 th June 2014	Bid Market Value £	Percentage of Value of total net assets	
			30 th June 2014	31 st Dec. 2013
<i>Equities continued</i>				
UK <i>continued</i>				
Spirax Sarco	200,869	5,490,754	1.9	
Standard Chartered	176,680	2,110,001	0.7	
Standard Life	2,131,530	7,972,988	2.8	
Vodafone	2,742,010	5,346,234	1.9	
		<u>123,830,031</u>	<u>43.5</u>	<u>42.6</u>
USA				
AbbVie	158,530	5,225,358	1.8	
AT&T	204,020	4,214,752	1.5	
Donaldson	161,480	3,992,653	1.4	
National Retail Properties	112,100	2,435,689	0.9	
Paychex	208,915	5,072,726	1.8	
Realty Income	93,100	2,417,260	0.8	
RPM	204,650	5,521,628	1.9	
Schlumberger	67,100	4,624,740	1.6	
Watsco	64,855	3,893,991	1.4	
		<u>37,398,797</u>	<u>13.1</u>	<u>12.5</u>
FINLAND				
Kone	131,510	3,210,281	1.1	1.1
FRANCE				
Danone	71,410	3,099,280	1.1	
Total	145,490	6,140,997	2.2	
Unibail - Rodamco	25,310	4,302,710	1.5	
		<u>13,542,987</u>	<u>4.8</u>	<u>4.2</u>
GERMANY				
Fielmann	57,500	4,830,580	1.7	
Pfeiffer Vacuum	39,505	2,534,945	0.9	
		<u>7,365,525</u>	<u>2.6</u>	<u>2.8</u>
NETHERLANDS				
Reed Elsevier	280,575	3,759,595	1.3	1.1
SWITZERLAND				
Kuehne + Nagel	41,450	3,221,446	1.1	1.0

PORTFOLIO STATEMENT

continued

		Holding or Nominal Value of positions at 30 th June 2014	Bid Market Value £	Percentage of Value of total net assets 30 th June 2014 31 st Dec. 2013	
<i>Equities continued</i>					
DEVELOPING MARKETS					
Brazil	CEMIG - ADR	417,059	1,945,902	0.7	
	Natura Cosmetics	153,725	1,518,834	0.5	
Chile	Andina - ADR	116,400	1,540,188	0.5	
	IAM	1,573,000	1,483,450	0.5	
Czech Republic	CEZ	43,490	764,812	0.3	
Hong Kong	Cheung Kong	198,000	2,054,787	0.7	
	China Mobile	245,000	1,388,561	0.5	
	CNOOC	1,493,000	1,567,965	0.5	
	Hong Kong & China Gas	1,305,700	1,666,579	0.6	
	MTR	838,000	1,881,141	0.7	
	Shenzhen Expressway	4,153,000	1,283,723	0.5	
	Vitasoy	2,370,000	1,766,243	0.6	
Indonesia	Perusahaan Gas Negara	5,219,500	1,431,020	0.5	
	Telekomunikasi Indonesia	15,240,000	1,847,851	0.6	
Malaysia	Digi.com	1,720,700	1,792,624	0.6	
Mexico	Walmart de Mexico	1,004,000	1,569,792	0.5	
Philippines	Universal Robina	812,500	1,677,693	0.6	
Singapore	Keppel	293,870	1,484,533	0.5	
	Thai Beverage	8,291,000	2,399,162	0.8	
South Africa	MTN	156,560	1,925,480	0.7	
Taiwan	Giant Manufacturing	350,000	1,589,072	0.6	
			<u>34,579,412</u>	<u>12.0</u>	<u>10.3</u>
TOTAL EQUITIES			<u><u>226,908,074</u></u>	<u>79.5</u>	<u>75.6</u>
TOTAL INVESTMENTS			280,952,756	98.4	97.6
Net other assets			<u>4,605,368</u>	<u>1.6</u>	<u>2.4</u>
TOTAL NET ASSETS			<u><u>285,558,124</u></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 June 2014 are investment grade.

SUMMARY OF ALL PORTFOLIO CHANGES

for the six months ending 30th June 2014 (unaudited)

	Cost £
Purchases	
38,100 Andina - ADR	526,662
126,785 BG	1,447,396
116,359 CEMIG - ADR (<i>bonus issue</i>)	—
1,493,000 CNOOC	1,444,039
5,620 GlaxoSmithKline	89,808
165,540 Hill & Smith	933,618
504,000 Hong Kong & China Gas	676,716
118,700 Hong Kong & China Gas (<i>bonus issue</i>)	—
18,015 Keller	204,542
20,590 Kone	523,858
6,575 Kuehne + Nagel	521,788
7,101 Land Securities	72,643
230,000 MTR	516,142
190,528 National Grid	1,594,296
112,100 National Retail Properties	2,297,509
6,180 Pearson	67,177
93,100 Realty Income	2,292,555
12,615 Reckitt Benckiser	618,685
42,445 Reed Elsevier	525,055
20,190 Rio Tinto	685,647
34,350 Rotork	913,016
3,136 Royal Dutch Shell B	69,776
1,980 Severn Trent	35,006
49,765 Spectris	1,185,182
400,000 Standard Life	1,494,188
5,439,000 UK Treasury 2.25% 2023	5,201,209
3,210 Unibail - Rodamco	524,796
7,241,000 US Treasury FRN 2016	4,375,048
82,229 Verizon (<i>spin off issue</i>)	—
1,066,242 Vodafone	2,395,227
1,705,418 Vodafone (<i>stock split</i>)	—
3,126,600 Vodafone class B shares (<i>spin off issue</i>)	—
599,000 Walmart de Mexico	859,466
TOTAL	<u><u>32,091,050</u></u>

SUMMARY OF ALL PORTFOLIO CHANGES

continued

		Proceeds
Sales		£
77,515	CEMIG - ADR	371,324
43,870	Ecolab	2,884,878
1,203,000	EIB 3.375% 2014	1,217,436
82,283	Keppel REIT	44,372
76,200,000	KfW 3.25% 2014	7,658,093
52,300	National Grid	439,149
18,330	Paychex	449,463
9,825	Pfeiffer Vacuum	632,109
22,610	Royal Dutch Shell B	577,036
22,790	RPM	618,182
86,591	Standard Chartered	1,091,169
4,707,000	UK Treasury 2.25% Gilts 2014	4,707,000
5,730,000	US Treasury TIPS 2% 2014	4,419,071
82,229	Verizon	2,323,003
3,126,600	Vodafone (<i>stock split</i>)	—
3,126,600	Vodafone class B shares (<i>spin off issue</i>)	924,261
	TOTAL	<u>28,356,546</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 investment in the fund is £10,000. Further investments may be made for a minimum of £1,000.

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.

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 (losses)/gains on the property of the fund for the period. 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 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, 21st August 2014

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 2014 (unaudited)

	Notes	Six months ended 30 th June 2014		Six months ended 30 th June 2013	
		£	£	£	£
Income					
Net capital (losses)/gains			(929,768)		15,337,811
Revenue	2	5,411,159		5,214,605	
Expenses	3	<u>(1,590,830)</u>		<u>(1,706,945)</u>	
Net revenue before taxation		3,820,329		3,507,660	
Taxation	4	<u>(250,217)</u>		<u>(216,833)</u>	
Net revenue after taxation			<u>3,570,112</u>		<u>3,290,827</u>
Total return before distributions			2,640,344		18,628,638
Finance costs: distributions			<u>(3,460,438)</u>		<u>(3,195,803)</u>
Change in net assets attributable to unitholders from investment activities			<u>(820,094)</u>		<u>15,432,835</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six months ended 30th June 2014 (unaudited)

	Six months ended 30 th June 2014		Six months ended 30 th June 2013	
	£	£	£	£
Opening net assets attributable to unitholders		285,039,629		243,113,076
Amounts receivable on creation of units	18,455,919		13,868,180	
Amounts payable on cancellation of units	<u>(17,098,710)</u>		<u>(6,863,014)</u>	
		1,357,209		7,005,166
Securities exchanged		—		142,953
Stamp duty reserve tax		(18,620)		(15,878)
Change in net assets attributable to unitholders from investment activities		<u>(820,094)</u>		<u>15,432,835</u>
Closing net assets attributable to unitholders		<u>285,558,124</u>		<u>265,678,152</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 2014 (unaudited)

	30 th June 2014		31 st Dec. 2013	
	£	£	£	£
ASSETS:				
Investment assets		280,952,756		278,329,306
Debtors	1,889,970		1,577,363	
Cash & bank balances	<u>6,419,100</u>		<u>10,630,440</u>	
Total other assets		<u>8,309,070</u>		<u>12,207,803</u>
Total assets		<u>289,261,826</u>		<u>290,537,109</u>
 LIABILITIES:				
Creditors	(304,267)		(336,155)	
Distribution payable	<u>(3,399,435)</u>		<u>(5,161,325)</u>	
Total liabilities		<u>(3,703,702)</u>		<u>(5,497,480)</u>
Net assets attributable to unitholders		<u>285,558,124</u>		<u>285,039,629</u>

NOTES TO THE FINANCIAL STATEMENTS

as at 30th June 2014 (unaudited)

1. Accounting policies

The Interim Financial Statements have been prepared in accordance with accounting policies set out in the most recent Annual Financial Statements.

2. Revenue

	Six months ended 30 th June 2014	Six months ended 30 th June 2013
	£	£
Dividends on overseas equities	2,205,062	1,937,472
Dividends on UK equities	2,433,597	2,250,995
Interest on bank deposits	8	12
Interest on French withholding tax recoverable	29,155	—
Interest on overseas interest bearing securities	211,420	315,330
Interest on UK interest bearing securities	426,707	611,497
Property income distributions on UK REITs	105,210	99,299
Total revenue	<u>5,411,159</u>	<u>5,214,605</u>

3. Expenses

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

- Manager's periodic charge	1,477,117	1,622,171
- Registrar's fee	15,644	16,241

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

- Trustee's fee	22,404	20,965
- Safe custody fee and activity charges	28,013	27,581

Other expenses:

- Administration fee	14,948	6,260
- Audit fee	3,510	5,911
- FCA fee	168	434
- French withholding tax recovery fee	5,250	—
- Sundry expenses	8,559	—
- Transfer agency fee	15,217	7,382

Total expenses	<u>1,590,830</u>	<u>1,706,945</u>
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NOTES TO THE FINANCIAL STATEMENTS

continued

4. Taxation

	Six months ended 30 th June 2014 £	Six months ended 30 th June 2013 £
Analysis of tax charge		
Overseas tax	250,217	216,833
	<u>250,217</u>	<u>216,833</u>

5. Currency and interest rate profile

<i>Currency</i>	30 th June 2014 %	31 st Dec. 2013 %
UK Sterling	59.8	60.0
US Dollar	18.4	17.7
Euro	9.8	9.3
Hong Kong Dollar	4.1	3.2
Singapore Dollar	1.4	1.3
Indonesian Rupiah	1.1	1.0
Swiss Franc	1.1	1.0
South African Rand	0.7	0.7
Malaysian Ringgit	0.6	0.6
Philippine Peso	0.6	0.4
Taiwan Dollar	0.6	0.5
Brazilian Real	0.5	0.6
Chilean Peso	0.5	0.6
Mexican Peso	0.5	0.2
Czech Koruna	0.3	0.2
Norwegian Krone	0.0	2.7
	<u>100.0</u>	<u>100.0</u>

Fixed rate interest

	Weighted average rates		Weighted average maturity	
	30 th June 2014	31 st Dec. 2013	30 th June 2014	31 st Dec. 2013
UK Sterling	3.31%	3.31%	4 years	3 years
Norwegian Krone	—	3.23%	—	—

DISTRIBUTION TABLES

in pence per unit

for the six months ended 30th June 2014 (unaudited)

INTERIM DISTRIBUTION

Group 1 - Units purchased prior to 1st January 2014

Group 2 - Units purchased 1st January 2014 to 30th June 2014

	Unit Class	Gross income	Tax credit @ 10%	Net income	Equalisation	Amount payable 30.08.14
Group 1	<i>Legacy</i>	31.111	3.111	28.000	—	28.000
Group 2	<i>Legacy</i>	24.098	2.410	21.688	6.312	28.000
Group 1	<i>Personal</i>	31.111	3.111	28.000	—	28.000
Group 2	<i>Personal</i>	15.026	1.503	13.523	14.477	28.000

DISTRIBUTION SUMMARY

in pence per unit

for the six months ended 30th June 2014 (unaudited)

	Six months to 30 th June 2014 net rate		Year to 31 st Dec. 2013 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	—	—	42.732	42.651
	<u>28.000</u>	<u>28.000</u>	<u>70.732</u>	<u>70.651</u>

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