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# Family Asset Trust

Manager's Interim Report and Accounts

For the period 1st January 2024 to 30th June 2024.

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# Management and Professional Services

## **Manager and Registrar**

Family Investment Management Limited  
16 West Street  
Brighton BN1 2RE  
Tel: 01273 724570

### *Executive Directors:*

J. Islam  
P.J. Herz

### *Non-Executive Directors:*

S.A.H. Williams  
M.E. Hind

Registered in England No. 1915516

The Manager is authorised and regulated by the Financial Conduct Authority.

The Manager is a member of the Investment Association.

This report is issued and approved by the Manager.

## **Investment Advisor**

State Street Global Advisors Limited  
20 Churchill Place  
Canary Wharf  
London E14 5HJ  
Authorised and regulated by the Financial Conduct Authority.

## **Trustee**

State Street Trustees Limited  
20 Churchill Place  
Canary Wharf  
London E14 5HJ  
Authorised and regulated by the Financial Conduct Authority.

## **Auditor**

Deloitte LLP  
110 Queen Street  
Glasgow  
G1 3BX

OneFamily is a trading name for Family Investment Management Limited, which is a wholly owned subsidiary of Family Assurance Friendly Society Limited, a Friendly Society incorporated in England and Wales under the Friendly Societies Act 1992, Registration Number 939F.

# Manager's Report

## Investment Objective and Policy

The investment objective of the Family Asset Trust is to achieve long-term growth over a ten-year period by directly investing in UK shares. It aims to achieve its growth by re-investing any income arising from the investments the Trust holds and through any capital appreciation (increase in value) of the assets held.

To achieve its objective the policy of the Trust is to track the Financial Times Stock Exchange ('FTSE') 350 excluding Investment Trusts Total Return Share Index ('the Index'). The Index represents the 350 largest companies by market capitalisation quoted on the London Stock Exchange excluding any Investment Trusts.

In order to track the Index, the Trust will hold shares in the companies that make up the Index and can also use derivatives such as FTSE 100 Index-linked futures to help replicate the performance of companies within the Index that also appear in the FTSE 100. These derivatives are used for efficient portfolio management, by avoiding the need to undertake daily trading and thereby reducing the cost of transactions to be borne by the Trust, and to otherwise reduce risk and to generate additional growth.

The Trust may not consist of the exact composition and weighting of the Index in circumstances where the Manager has determined that this is expedient for reasons of poor liquidity or excessive cost to the Trust.

Where appropriate the Trust may use transferable securities, approved money market instruments, and units in collective investment schemes, although these are not currently used under the existing investment strategy.

Generally, the Trust will remain fully invested subject to the holding of cash or near cash to enable the pursuit of the Trust's investment objective or to assist in the redemption of units or the efficient management of the Trust.

The Trust's target benchmark for performance is the FTSE 350 excluding Investment Trusts Total Return Share Index. It is expected that the associated tracking error will be 0.2%, although this cannot be guaranteed. The benchmark has been selected as it matches the investment policy of the Trust.

The value of the Index can fall as well as rise and since the Trust aims to track the performance of the Index, the value of your investments may also fall as well as rise. As a result, your capital is at risk and you may not receive back the amount you have invested.

Although the objective of the Trust is to achieve long-term growth, due to volatility of the markets this may not be achieved over the short term. The Trust aims to achieve a positive return over an investment period of ten years and therefore investors in the Trust should expect to be invested for at least this length of time. There is no guarantee that growth will be achieved over this period, or over any specific time period.

There have been no changes to the Prospectus during the period.

## Trust Performance

This report covers the period from 1st January 2024 to 30th June 2024. During this period, the Family Asset Trust recorded a gross of fee return of 7.4% (December 2023: 7.7%) compared to the FTSE 350 excluding Investment Trusts Total Return Share Index of 7.5% (December 2023: 8.0%). The net of fee return is shown in the table below.

01/01/2024 – 30/06/2024	
Family Asset Trust*	6.9% (December 2023: 6.6%)

Source: Benchmark returns sourced from State Street Global Advisors (SSGA). Trust returns sourced from OneFamily (unit price returns calculated on the basis bid to bid net of tax on dividend).

\* Trust performance is based on price movement calculated using a nominal price at close, which will include all charges.

All references to December the trust performance section relate to the full year January 2023 – December 2023

# Manager's Report

## Market Background

The FTSE 350 ex Investment Trusts index returned 7.5% in GBP terms over the reporting period. Strong performances by Financials and Industrials helped bolster the index, which was impacted by the under-performance in Utilities.

In UK, the outperformance was mellow in the first three months of the year. However, in the following months, markets witnessed a positive tailwind as inflation fell back to the Bank of England's target of 2% for the first time in nearly three years. Within Europe, markets were up during the first 3 months of the year as inflationary pressures eased, with a higher-than-expected fall in March, driven mainly by Germany and France. However, the following quarter saw a muted performance, with a marginally positive return. Markets were impacted due to concerns around the elections in France, where President Emmanuel Macron decided to dissolve the parliament and call for snap elections as an aftermath of the 2024 European Parliament election.

## Activity

Below is the market capitalisation split of the Trust.

Index	Family Asset Trust	Benchmark
	June 2024 %	June 2024 %
FTSE 350 Ex Investment Trusts TR Share Index	97.2%	100%
Net Other Assets	2.8%	–

There has been no material change in the portfolio composition in the period (December 2023: Same).

## Going Concern

The Manager has undertaken an assessment of the Trust's ability to meet its liabilities as they fall due, including the investment portfolio liquidity, and is satisfied that the Trust has adequate financial resources to continue in operation for at least 12 months from the date of approval of these financial statements, therefore it is appropriate to adopt the going concern basis in preparing the financial statements.

## Outlook

Since the end of 2023, riskier assets have remained resilient in the face of increased uncertainty, powering ahead despite inflation levels and a deepening Middle East conflict. We remain cautious on riskier assets and favour quality stocks in equity markets.

We began the year with a subdued outlook for equities, but stock markets have maintained their positive momentum. However, we believe moderation is still warranted. For the remainder of the year, we see a number of factors affecting global equity performance, and these factors differ across the US, Europe, and Asia. Varied trends across regions suggest that there is a strong case for evaluating opportunities by geographic area.

## Manager's Report - continued

### Ongoing Charges Figure (OCF)

<i>At period ended</i>	<i>OCF %</i>
June 2024*	1.00
December 2023	1.02

\* Annualised

The OCF is a measure of the Trust's ongoing charges. Apart from the initial charge, all other expenses are included in the OCF. The OCF is an accepted standard for the comparison of cost for authorised trusts, recognised throughout Europe.

### Trust Tracking Error

<i>At period ended</i>	<i>Ex-Ante Tracking Error %</i>	<i>Ex-Post Tracking Error %*</i>
June 2024	0.08	0.06

\* Annualised

As the Trust is an equity index tracker which holds the majority of securities within the benchmark we would expect low tracking error, which explains the difference between the anticipated tracking error of 0.20% compared to the realised of 0.06%.

For index-tracking UCITS (Undertakings for Collective Investment in Transferable Securities), the tracking error is usually defined as the volatility of the difference between the return of the index-tracking UCITS' portfolio and the return of the benchmark or index. The tracking error helps measure the quality of the replication.

Ex-ante tracking error is calculated using a forecasting model

Ex-post tracking error is calculated using historical returns

### Authorised Status

The Family Asset Trust is an Authorised Unit Trust Scheme under section 243 of the Financial Services & Markets Act 2000 and is categorised as a UCITS Scheme under the FCA's Collective Investment Scheme Sourcebook (COLL). The Trust was authorised on 3rd September 1990, under registration number 146631. The unitholders are not liable for the debts of the Trust.

### Comparative Tables

#### Trust size

<i>At period ended</i>	<i>Valuation Basis</i>	<i>Net Asset Value (£)</i>	<i>No. of Units in issue</i>	<i>Net Asset Value Per Unit (pence)</i>
June 2022	Bid	47,664,379	13,703,458.13	347.83
June 2023	Bid	44,256,498	11,893,051.34	372.12
December 2023	Bid	43,023,749	11,092,516.83	387.86
June 2024	Bid	41,755,040	10,066,265.04	414.80

#### Unit price range and income history

<i>Accounting Period</i>	<i>Unit Prices</i>		<i>Annual Income (Net Allocations)</i>
	<i>Highest Buying (pence)</i>	<i>Lowest Selling (pence)</i>	<i>Per Unit (pence)</i>
2019	375.8	295.7	12.0749
2020	375.3	229.5	6.0353
2021	365.8	307.8	8.6024
2022	373.4	331.0	9.3923
2023	393.3	358.8	11.2686
2024*	431.0	372.4	–

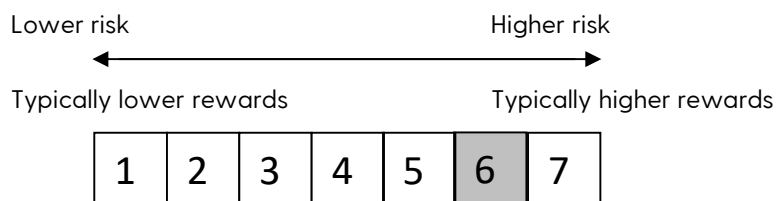
\* to the 30th June only

Past performance should not be seen as an indication of future performance.

Investors are reminded that the price of units and the income from them is not guaranteed and may go down as well as up.

## Manager's Report - continued

### Risk and Reward Profile



The risk and reward profile is designed to give you a guide to the Trust's level of risk and potential for growth. The higher the number, the greater the potential for growth, but the greater the risk.

The Trust has a category of six (December 2023: Same); this is due to the fact that the risk and reward profile is based on volatility of price movement over a five-year period. Therefore, the more the price moves during that period the higher the risk and reward profile will be.

The risk and reward profile is a measure of the Trust's past volatility in returns, and is therefore not an indicator of future performance.

## Manager's Report - continued

### Portfolio Statement

The sector percentage figures give the current reporting percentage first followed by the percentage at the previous Annual Accounting date (December 2023). All investments held are listed on Official Exchanges unless otherwise stated.

#### As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>UK - Equities (96.84%; 95.56%)</b>			
<b><i>Basic Materials</i></b>			
<b>Chemicals (0.44%; 0.54%)</b>			
Croda International	2,508	99	0.24
Elementis	11,170	16	0.04
Johnson Matthey	3,103	49	0.11
Victrex	1,814	<u>21</u>	<u>0.05</u>
		<b>185</b>	<b>0.44</b>
<b>Forest Products &amp; Paper (0.69%; 0.69%)</b>			
Mondi	7,834	119	0.28
Smurfit Kappa Group	4,810	<u>170</u>	<u>0.41</u>
		<b>289</b>	<b>0.69</b>
<b>Iron &amp; Steel (0.00%; 0.02%)</b>			
<b>Evrast (suspended)</b>	11,500	-	-
<b>Mining (6.76%; 7.01%)</b>			
Anglo American	22,914	573	1.37
Antofagasta	6,438	136	0.33
Centamin	22,819	28	0.07
Endeavour Mining	3,320	56	0.13
Glencore	222,789	1,005	2.41
Hochschild Mining	6,097	11	0.03
Rio Tinto	19,470	<u>1,012</u>	<u>2.42</u>
		<b>2,821</b>	<b>6.76</b>
<b><i>Communications</i></b>			
<b>Advertising (0.36%; 0.40%)</b>			
Ascential	3,141	11	0.03
WPP	19,036	<u>138</u>	<u>0.33</u>
		<b>149</b>	<b>0.36</b>
<b>Internet (0.87%; 0.77%)</b>			
AO World	6,164	7	0.02
Auction Technology Group	1,644	8	0.02
Auto Trader Group	16,475	132	0.31
Baltic Classifieds Group	5,042	12	0.03
Future	2,235	23	0.06
MONY Group	8,839	20	0.05
Moonpig Group	5,000	9	0.02
Ocado Group	11,719	34	0.08
Rightmove	14,145	76	0.18
Trainline	8,885	28	0.07
Trustpilot Group	6,512	<u>14</u>	<u>0.03</u>
		<b>363</b>	<b>0.87</b>
<b>Media (0.97%; 0.89%)</b>			
Informa	25,460	218	0.52
ITV	83,480	67	0.16
Pearson	12,250	<u>121</u>	<u>0.29</u>
		<b>406</b>	<b>0.97</b>
<b>Telecommunications (1.16%; 1.12%)</b>			
Airtel Africa	19,244	23	0.06
BT Group	114,162	160	0.38
Spirent Communications	11,336	21	0.05
Vodafone Group	403,773	<u>282</u>	<u>0.67</u>
		<b>486</b>	<b>1.16</b>



## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	Holding	Market Value £'000	% of total net assets
<b>Investments</b>			
<b><i>Cyclical Consumer Goods</i></b>			
<b>Airlines (0.45%; 0.50%)</b>			
easyJet	11,296	52	0.12
International Consolidated Airlines Group	65,816	107	0.26
Wizz Air Holdings	1,369	<u>30</u>	<u>0.07</u>
		<b>189</b>	<b>0.45</b>
<b>Apparel (0.17%; 0.25%)</b>			
Burberry Group	6,860	60	0.15
Dr Martens	13,000	<u>10</u>	<u>0.02</u>
		<b>70</b>	<b>0.17</b>
<b>Auto Parts &amp; Equipment (0.07%; 0.09%)</b>			
Dowlais Group	27,653	20	0.05
TI Fluid Systems	5,336	<u>7</u>	<u>0.02</u>
		<b>27</b>	<b>0.07</b>
<b>Distribution &amp; Wholesale (0.79%; 0.85%)</b>			
Bunzl	6,278	189	0.45
Inchcape	6,934	52	0.13
RS Group	8,423	59	0.14
Travis Perkins	3,836	<u>29</u>	<u>0.07</u>
		<b>329</b>	<b>0.79</b>
<b>Entertainment (0.25%; 1.44%)</b>			
Entain	12,019	76	0.18
Playtech	6,059	<u>28</u>	<u>0.07</u>
		<b>104</b>	<b>0.25</b>
<b>Food Service (1.62%; 1.65%)</b>			
Compass Group	31,384	<b>678</b>	<b>1.62</b>
<b>Home Builders (1.23%; 1.29%)</b>			
Barratt Developments	17,123	81	0.19
Bellway	2,265	57	0.14
Crest Nicholson Holdings	4,467	11	0.03
Persimmon	5,889	79	0.19
Redrow	5,366	36	0.09
Taylor Wimpey	63,776	90	0.22
The Berkeley Group Holdings	1,871	86	0.20
Vistry Group	6,065	<u>72</u>	<u>0.17</u>
		<b>512</b>	<b>1.23</b>
<b>Home Furnishings (0.21%; 0.19%)</b>			
Howden Joinery Group	9,881	<b>87</b>	<b>0.21</b>
<b>Leisure Time (0.11%; 0.22%)</b>			
Carnival	2,760	38	0.09
Hollywood Bowl Group	3,038	<u>9</u>	<u>0.02</u>
		<b>47</b>	<b>0.11</b>
<b>Lodging (0.86%; 0.86%)</b>			
InterContinental Hotels Group	3,032	252	0.61
Whitbread	3,561	<u>106</u>	<u>0.25</u>
		<b>358</b>	<b>0.86</b>
<b>Retail (1.61%; 1.73%)</b>			
Associated British Foods	5,649	140	0.33
Currys	17,475	12	0.03
Domino's Pizza Group	7,292	22	0.05
Dunelm Group	2,251	24	0.06
Frasers Group	2,147	19	0.05
Grafton Group	2,485	23	0.06
J.D. Wetherspoon	1,608	12	0.03
JD Sports Fashion	46,955	56	0.13
Kingfisher	33,486	83	0.20

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Retail - continued</b>			
Mitchells & Butler	3,486	10	0.02
Next	2,223	201	0.48
Pets at Home Group	9,722	29	0.07
Watches of Switzerland	4,132	17	0.04
WH Smith	2,021	<u>23</u>	<u>0.06</u>
		<b>671</b>	<b>1.61</b>
<b>Textiles (0.06%; 0.05%)</b>			
Coats Group	29,446	<b>23</b>	<b>0.06</b>
<b>Toys, Games &amp; Hobbies (0.15%; 0.15%)</b>			
Games Workshop Group	602	<b>64</b>	<b>0.15</b>
<b>Energy</b>			
<b>Oil &amp; Gas (11.83%; 11.53%)</b>			
BP	309,719	1,472	3.52
DCC	1,765	98	0.23
Energian	2,170	21	0.05
Harbour Energy	11,890	37	0.09
Shell	116,934	<u>3,313</u>	<u>7.94</u>
		<b>4,941</b>	<b>11.83</b>
<b>Oil &amp; Gas Services (0.03%; 0.02%)</b>			
Hunting	2,681	<b>11</b>	<b>0.03</b>
<b>Financial</b>			
<b>Banks (10.47%; 9.56%)</b>			
Bank of Georgia Group	592	24	0.06
Barclays	270,350	565	1.35
HSBC Holdings	344,261	2,354	5.64
Investec	11,489	66	0.16
Lloyds Banking Group	1,164,366	637	1.53
NatWest Group	114,985	358	0.86
Paragon Banking Group	3,514	26	0.06
Standard Chartered	38,246	274	0.65
TBC Bank Group	971	25	0.06
Virgin Money UK	20,587	<u>44</u>	<u>0.10</u>
		<b>4,373</b>	<b>10.47</b>
<b>Diversified Financial Services (3.45%; 3.30%)</b>			
abrdrn plc	31,515	47	0.11
AJ Bell	5,796	22	0.05
Alpha Group International	727	16	0.04
Ashmore Group	9,811	17	0.04
Close Brothers Group	3,114	13	0.03
Foresight Group Holdings	1,235	6	0.01
Hargreaves Lansdown	6,884	78	0.19
IG Group Holdings	6,899	56	0.14
IntegraFin Holdings	4,953	17	0.04
JTC	2,605	25	0.06
Jupiter Fund Management	11,095	9	0.02
London Stock Exchange Group	9,069	852	2.04
Man Group	20,427	49	0.12
Ninety One	7,262	12	0.03
OSB Group	7,284	31	0.08
Quilter	22,115	27	0.06
Rathbones Group	862	15	0.04
Schroders	16,262	59	0.14
St James's Place	10,696	58	0.14
TP ICAP Group	14,864	<u>30</u>	<u>0.07</u>
		<b>1,439</b>	<b>3.45</b>

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Insurance (3.33%; 3.55%)</b>			
Admiral Group	5,544	145	0.35
Aviva	49,910	238	0.57
Beazley	11,840	84	0.20
Direct Line Insurance Group	25,015	50	0.12
Hiscox	6,024	69	0.16
Just Group	16,083	17	0.04
Lancashire Holdings	4,686	29	0.07
Legal & General Group	107,240	243	0.58
M&G	40,374	82	0.20
Phoenix Group Holdings	13,442	70	0.17
Prudential	50,368	<u>362</u>	<u>0.87</u>
		<b>1,389</b>	<b>3.33</b>
<b>Private Equity (1.61%; 1.33%)</b>			
3i Group	16,974	520	1.25
Bridgepoint Group	5,631	12	0.03
Intermediate Capital Group	5,164	113	0.27
IP Group	23,269	10	0.02
Molten Ventures	2,000	7	0.02
Petershill Partners	4,858	<u>10</u>	<u>0.02</u>
		<b>672</b>	<b>1.61</b>
<b>Real Estate (0.21%; 0.17%)</b>			
Grainger	14,707	36	0.08
International Workplace Group	11,757	20	0.05
Sirius Real Estate	25,228	24	0.06
Tritax EuroBox	15,557	<u>9</u>	<u>0.02</u>
		<b>89</b>	<b>0.21</b>
<b>REITS (2.07%; 2.09%)</b>			
Assura	58,298	23	0.06
Big Yellow Group	3,386	40	0.09
Derwent London	1,897	43	0.10
Empiric Student Property	11,600	11	0.02
Great Portland Estates	6,206	21	0.05
Hammerson	76,637	21	0.05
Land Securities Group	13,282	82	0.20
LondonMetric Property	35,570	69	0.16
Primary Health Properties	20,804	19	0.05
Safestore Holdings	4,140	32	0.08
Segro	24,632	221	0.53
Shaftesbury Capital	26,254	36	0.09
Supermarket Income	22,410	16	0.04
Target Healthcare	13,399	10	0.02
The British Land Company	17,027	70	0.17
The UNITE Group	6,535	58	0.14
Tritax Big Box	43,059	67	0.16
Urban Logistics	9,941	12	0.03
Workspace Group	1,855	<u>11</u>	<u>0.03</u>
		<b>862</b>	<b>2.07</b>
<b>Industrial</b>			
<b>Aerospace &amp; Defence (3.87%; 3.06%)</b>			
BAE Systems	55,962	739	1.77
Melrose Industries	24,172	134	0.32
QinetiQ Group PLC	9,217	41	0.10
Rolls-Royce Holdings	153,541	<u>701</u>	<u>1.68</u>
		<b>1,615</b>	<b>3.87</b>

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Building Materials (0.18%; 0.18%)</b>			
Breedon Group	5,000	19	0.05
Genuit Group	3,452	15	0.04
Ibstock	8,785	14	0.03
Marshalls	4,837	14	0.03
Tyman	3,835	<u>14</u>	<u>0.03</u>
		<b>76</b>	<b>0.18</b>
<b>Electronics (0.72%; 0.69%)</b>			
discoverIE Group	1,885	13	0.03
Halma	7,046	191	0.45
Oxford Instruments	804	20	0.05
Renishaw	680	25	0.06
Spectris	1,924	<u>53</u>	<u>0.13</u>
		<b>302</b>	<b>0.72</b>
<b>Engineering &amp; Construction (0.33%; 0.23%)</b>			
Balfour Beatty	10,228	37	0.09
Helios Towers	22,333	26	0.06
John Wood Group	10,740	22	0.05
Keller Group	1,533	19	0.05
Kier Group	8,154	11	0.03
Morgan Sindall Group	831	<u>21</u>	<u>0.05</u>
		<b>136</b>	<b>0.33</b>
<b>Environmental Control (0.03%; nil)</b>			
Renewi	2,177	<b>14</b>	<b>0.03</b>
<b>Machinery-Construction &amp; Mining (0.23%; 0.22%)</b>			
The Weir Group	4,937	<b>98</b>	<b>0.23</b>
<b>Machinery-Diversified (0.64%; 0.71%)</b>			
IMI	4,555	80	0.19
Rotork	15,640	53	0.13
Spirax Group	1,350	115	0.27
Vesuvius	4,156	<u>19</u>	<u>0.05</u>
		<b>267</b>	<b>0.64</b>
<b>Metal Fabricate &amp; Hardware (0.06%; 0.05%)</b>			
Bodycote	3,750	<b>26</b>	<b>0.06</b>
<b>Miscellaneous Manufacturers (0.70%; 0.69%)</b>			
Chemring Group	5,252	20	0.05
Diploma	2,446	101	0.24
Hill & Smith Holdings	1,438	28	0.07
Morgan Advanced Materials	4,254	13	0.03
Senior	6,500	10	0.02
Smiths Group	6,290	107	0.26
Volution Group	2,868	<u>13</u>	<u>0.03</u>
		<b>292</b>	<b>0.70</b>
<b>Packaging &amp; Containers (0.25%; 0.21%)</b>			
DS Smith	23,943	101	0.24
Essentra	3,085	<u>5</u>	<u>0.01</u>
		<b>106</b>	<b>0.25</b>
<b>Transportation (0.19%; 0.18%)</b>			
Clarkson	448	19	0.04
FirstGroup	13,224	21	0.05
International Distribution Services	12,521	<u>40</u>	<u>0.10</u>
		<b>80</b>	<b>0.19</b>
<b>Non-Cyclical Consumer Goods</b>			
<b>Agriculture (2.91%; 3.07%)</b>			
British American Tobacco	36,337	883	2.12
Genus	1,024	17	0.04

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Agriculture - continued</b>			
Imperial Brands	15,565	<u>315</u>	<u>0.75</u>
		<b>1,215</b>	<b>2.91</b>
<b>Beverages (2.81%; 3.15%)</b>			
A.G. Barr	1,809	11	0.03
Britvic	4,541	54	0.13
Coca-Cola Hellenic Bottling Company	3,644	98	0.23
Diageo	40,596	<u>1,010</u>	<u>2.42</u>
		<b>1,173</b>	<b>2.81</b>
<b>Biotechnology (0.01%; 0.01%)</b>			
PureTech Health	2,551	<b>5</b>	<b>0.01</b>
<b>Commercial Services (6.95%; 6.44%)</b>			
4imprint Group	488	29	0.07
Ashtead Group	7,991	422	1.01
Babcock International Group	9,564	50	0.12
Experian	16,804	619	1.48
Hays	30,650	29	0.07
Intertek Group	2,925	140	0.34
Mitie Group	21,414	25	0.06
Network International Holdings	7,472	29	0.07
PageGroup	6,336	27	0.06
RELX	34,188	1,244	2.98
Rentokil Initial	47,083	217	0.52
Savills	2,530	28	0.07
SThree	2,200	9	0.02
XPS Pensions Group	5,556	17	0.04
Zigup	4,300	<u>18</u>	<u>0.04</u>
		<b>2,903</b>	<b>6.95</b>
<b>Cosmetics &amp; Personal Care (5.70%; 5.08%)</b>			
Haleon	127,878	412	0.99
PZ Cussons	4,375	4	0.01
Unilever (London)	45,157	<u>1,962</u>	<u>4.70</u>
		<b>2,378</b>	<b>5.70</b>
<b>Food (1.92%; 2.10%)</b>			
C&C Group	4,913	8	0.02
Cranswick	965	43	0.10
Greencore Group	6,200	10	0.02
Greggs	1,908	53	0.13
Hilton Food Group	1,615	14	0.03
J. Sainsbury	32,810	84	0.20
Marks & Spencer Group	39,650	114	0.27
Premier Foods	13,252	21	0.05
SSP Group	15,656	23	0.06
Tate & Lyle	7,231	43	0.11
Tesco	127,360	<u>389</u>	<u>0.93</u>
		<b>802</b>	<b>1.92</b>
<b>Healthcare-Products (0.56%; 0.61%)</b>			
ConvaTec Group	30,955	73	0.18
Smith & Nephew	16,247	<u>159</u>	<u>0.38</u>
		<b>232</b>	<b>0.56</b>
<b>Healthcare-Services (0.02%; 0.02%)</b>			
Spire Healthcare Group	4,200	<b>10</b>	<b>0.02</b>

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Household Products &amp; Wares (1.31%; 1.74%)</b>			
Reckitt Benckiser Group	12,794	<b>548</b>	<b>1.31</b>
<b>Pharmaceuticals (10.91%; 10.02%)</b>			
AstraZeneca	27,397	3,385	8.11
GSK	72,980	1,116	2.67
Hikma Pharmaceuticals	2,826	<u>53</u>	<u>0.13</u>
		<b>4,554</b>	<b>10.91</b>
<b>Technology</b>			
<b>Computers (0.36%; 0.36%)</b>			
Bytes Technology Group	3,726	21	0.05
Computacenter	1,238	35	0.09
Kainos Group	1,951	21	0.05
Serco Group	19,580	35	0.08
Softcat	2,102	<u>38</u>	<u>0.09</u>
		<b>150</b>	<b>0.36</b>
<b>Software (0.60%; 0.61%)</b>			
Darktrace	7,341	42	0.10
The Sage Group	19,059	<u>208</u>	<u>0.50</u>
		<b>250</b>	<b>0.60</b>
<b>Utilities</b>			
<b>Electric (2.79%; 2.78%)</b>			
Drax Group	6,882	34	0.08
National Grid	85,265	752	1.80
SSE	19,825	355	0.85
Telecom Plus	1,357	<u>24</u>	<u>0.06</u>
		<b>1,165</b>	<b>2.79</b>
<b>Gas (0.31%; 0.35%)</b>			
Centrica	97,476	<b>131</b>	<b>0.31</b>
<b>Water (0.65%; 0.71%)</b>			
Pennon Group	5,057	29	0.07
Severn Trent	4,876	116	0.28
United Utilities Group	12,946	<u>127</u>	<u>0.30</u>
		<b>272</b>	<b>0.65</b>
<b>Total UK Equities</b>		<b>40,434</b>	<b>96.84</b>
<b>Overseas Equities (0.32%; 0.37%)</b>			
B&M European Value Retail	15,712	69	0.16
Diversified Energy Company	854	9	0.02
Fresnillo PLC	3,686	21	0.05
Plus500	1,228	28	0.07
RHI Magnesita N.V.	300	<u>10</u>	<u>0.02</u>
		<b>137</b>	<b>0.32</b>
<b>Total Overseas Equities</b>		<b>137</b>	<b>0.32</b>
<b>Investments Trusts</b>			
<b>Closed-end Funds (0.02%; 0.04%)</b>			
Balanced Commercial Property Trust	10,401	<b>8</b>	<b>0.02</b>
<b>Total Investment Trusts</b>		<b>8</b>	<b>0.02</b>
<b>Investment Assets</b>		<b>40,579</b>	<b>97.18</b>

## Manager's Report - continued

### Portfolio Statement - continued

As at 30th June 2024

	<i> Holding</i>	<i> Market Value £'000</i>	<i> % of total net assets</i>
<b>Investments</b>			
<b>Futures (0.00%; 0.03%)</b>			
FTSE 100 (GBP)	4	(1)	–
<b>Total Futures</b>		(1)	–
<b>Investment Liabilities</b>		<u>(1)</u>	<u>–</u>
<b>Portfolio of Investments</b>		<u>40,578</u>	<u>97.18</u>
<b>Net Other Assets*</b>		<u>1,177</u>	<u>2.82</u>
<b>Total Net Assets at 30th June 2024</b>		<u>41,755</u>	<u>100.00</u>

\* The Net Other Assets comprise debtors, cash balances and creditors as disclosed in notes 8, 9 and 10.

There has been no major change to the assets held, the portfolio continues to be in line with the underlying indices that it follows.

# Statement of Manager's Responsibilities

## In relation to the Report and Accounts of the Trust

The Collective Investment Schemes sourcebook published by the Financial Conduct Authority, ("the COLL Rules") require the Manager to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Trust and of the net income and net gains or losses on the property of the Trust for the period.

In preparing the financial statements the Manager is responsible for:

- (a) Selecting suitable accounting policies and then applying them consistently;
- (b) Making judgements and estimates that are reasonable and prudent;
- (c) Following UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- (d) Complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (and amended in June 2017);
- (e) Keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- (f) Assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- (g) Using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so;
- (h) Such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (i) Taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager confirms that all requirements have been met in preparing the financial statements.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, Full Prospectus and the COLL rules.

The Manager is responsible for the maintenance and integrity of the OneFamily website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In pursuing its investment objective set out on page 4 the Trust holds a number of financial instruments. These comprise:

Equity shares. These are held in accordance with the Trust's investment objective and policies;

Cash, liquid resources and short-term debtors and creditors that arise directly from its operations; and

Unitholders' funds which represent investors' monies which are invested on their behalf.

It is, and has been throughout the period under review, the Trust's policy that no trading in financial instruments, other than on the Trust's account, shall be undertaken (December 2023: Same).

## Director's Statement

This Report is signed in accordance with the requirements of the Collective Investment Schemes Sourcebook.

Jim Islam  
Director

Philippa Herz  
Director

30th August 2024



## Statement of Total Return

For the period 1st January 2024 to 30th June 2024

	Note	June 2024 £'000	June 2023 £'000
Income			
Net capital gains	3	2,046	438
Revenue	4	950	953
Expenses	5	(211)	(246)
Net revenue before taxation		<u>739</u>	<u>707</u>
Taxation	6	<u>(1)</u>	<u>(1)</u>
Net revenue after taxation for the period		<u>738</u>	<u>706</u>
<b>Total return before distribution</b>		2,784	1,144
Finance costs: Distributions	7	<u>—</u>	<u>—</u>
<b>Change in unitholders' funds from investment activities</b>		<u>2,784</u>	<u>1,144</u>

## Statement of Change in Unitholders' Funds

For the period 1st January 2024 to 30th June 2024

	June 2024 £'000	June 2023 £'000
<b>Opening Net Assets</b>	43,024	48,319
Movement due to sale and repurchase of units:		
Amounts receivable on issue of units	76	148
Less: Amounts payable on cancellation of units	<u>(4,129)</u>	<u>(5,355)</u>
	(4,053)	(5,207)
Change in unitholders' funds from investment activities (see above)	2,784	1,144
Retained distribution on accumulation units	<u>—</u>	<u>—</u>
<b>Closing Net Assets</b>	<u>41,755</u>	<u>44,256</u>
<b>Opening Units</b>	11,092,516.83	13,282,382.72
Units issued	19,034.05	38,872.83
Units cancelled	(1,045,285.84)	(1,428,204.21)
<b>Closing Units</b>	<u>10,066,265.04</u>	<u>11,893,051.34</u>

# Balance Sheet

As at 30th June 2024

	Note	June 2024 £'000	June 2024 £'000	December 2023 £'000	December 2023 £'000	June 2023 £'000	June 2023 £'000
<b>Assets</b>							
<b>Fixed Assets</b>							
<b>Investment Assets</b>			40,579		41,304		41,529
<b>Current Assets</b>							
Debtors	8	156		113		142	
Cash and bank balances	9	<u>1,074</u>		<u>1,647</u>		<u>2,627</u>	
<b>Total Other Assets</b>			<u>1,230</u>		<u>1,760</u>		<u>2,769</u>
<b>Total Assets</b>			<u>41,809</u>		<u>43,064</u>		<u>44,298</u>
<b>Liabilities</b>							
<b>Investment Liabilities</b>			1		–		1
Creditors	10	<u>53</u>		<u>40</u>		<u>41</u>	
<b>Total Other Liabilities</b>			<u>53</u>		<u>40</u>		<u>41</u>
<b>Total Liabilities</b>			<u>54</u>		<u>40</u>		<u>42</u>
<b>Unitholders' Funds</b>			<u>41,755</u>		<u>43,024</u>		<u>44,256</u>

The accompanying notes form part of the financial statements.

# Notes to the Financial Statements

## 1. Accounting Policies

### *(a) Basis of Accounting*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014 (AF SORP 2014) (and amended in June 2017) and Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. No changes have been made to accounting policies or to the accounting estimates used in applying these policies.

The property of the Trust is stated as at close of business on the 28th June 2024, being the last business day of the financial period. The difference between the valuation at the close of business and that at the pricing point is disclosed in Note 12. The difference between these valuations is not considered to be material.

### *Going Concern*

The Manager has undertaken an assessment of the Trust's ability to meet its liabilities as they fall due, including the investment portfolio liquidity, and is satisfied that the Trust has adequate financial resources to continue in operation for at least 12 months from the date of approval of these financial statements, therefore it is appropriate to adopt the going concern basis in preparing the financial statements.

### *(b) Revenue*

Dividends on equities, investment trusts and property income trusts are recognised when the security is quoted ex-dividend, and are shown net of any attributable tax credits. Overseas dividends received after the deduction of withholding tax are shown gross of taxation, with the taxation consequences disclosed in Note 6. Interest on cash balances and other income are accounted for on an accruals basis. Underwriting commission is recognised when the issue takes place.

### *(c) Valuation*

All investments are valued at their fair value as at close of business on the 28th June 2024, being the last business day of the financial period. The fair value is determined using the fair value hierarchy as stated in the accounts.

Listed investments have been valued at bid value as at close of business on the Balance Sheet date and are shown net of any accrued interest which is included in the Balance Sheet as a debtor.

Any unlisted, delisted, suspended or unapproved securities have been valued at the Manager's best estimate. It takes into account, where appropriate, latest dealing prices, valuations from independent reliable sources, financial performance, liquidity discounts and other relevant factors.

Any open positions in derivative contracts or forward foreign currency transactions at the period end are included in the Balance Sheet at their Mark to Market value.

### *(d) Taxation*

Current tax is provided for on the revenue liable to corporation tax less deductible expenses.

Deferred tax is provided for on all timing differences that have originated but not reversed by the Balance Sheet date. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

### *(e) Foreign Currencies*

The functional and presentational currency of the Trust is pound sterling (GBP).

Assets and liabilities have been translated into sterling at the exchange rate prevailing at the valuation point. Non-Sterling receipts and payments are translated at the rates applicable on the date of settlement. Any gains or losses arising from holding assets or liabilities denominated in currencies other than sterling are recognised as capital or income depending on the nature of the underlying item.

### *(f) Distribution Policy*

The net income of the Trust is regarded as the amount available for distribution; no adjustment is made in respect of either management expenses or stock dividends. Management expenses, to the extent that it is permitted, are charged against income.

# Notes to the Financial Statements - continued

## 1. Accounting Policies - continued

### (g) Special Dividends

These were recognised as either income or capital depending upon the nature and circumstances of the dividend receivable.

### (h) Treatment of Stock Dividends

The Trust may elect to take up stock paid in lieu of a cash dividend. These stocks are recorded in the accounts at a value equal to the dividend cash equivalent. These dividends have been recognised as income and form part of the distribution.

In the case of enhanced stock dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.

### (i) Treatment of Stock Lending

Stock lending income is recognised on an accruals basis net of associated costs. The Trust has not undertaken any Securities Financing Transactions during the accounting period in that it has not engaged in stock lending or stock borrowing, or the lending or borrowing of other financial instruments, a repurchase or reverse repurchase transaction, or a buy-sell back or sell-buy back transaction.

### (j) Treatment of expenses

All expenses, except for those relating to the purchases and sales of investments are charged initially against income.

### (k) Significant Judgements and Sources of Estimation Uncertainty

There are no significant judgements or sources of estimation uncertainty.

### (l) Treatment of Derivative Instruments

Derivative instruments held within the Trust have been accounted for in accordance with the Statement of Recommended Practice for Authorised Funds (IA SORP 2014). Returns on derivative transactions have been treated as either revenue or capital depending on the nature and circumstances on acquisition.

## 2. Distribution Policy

All revenue received by the Trust less accrued income, revenue expenses and taxation is allocated to unit holders and accumulated. Distributions are made in accordance with the COLL Sourcebook.

## 3. Net Capital Gains on Investments

The net gains on investments during the period comprise:

	June 2024 £'000	June 2023 £'000
Gains on investments	2,046	458
Losses on futures	<u>—</u>	<u>(20)</u>
Net gains on investments	<u>2,046</u>	<u>438</u>

Factors affecting the capital movements on investments are available in the market update section of the Manager's Report on pages 4 & 5.

## 4. Revenue

UK dividends	927	912
UK property income distribution (PID)	15	15
Overseas dividends	8	23
Bank interest	2	5
Foreign currency losses	<u>(2)</u>	<u>(2)</u>
	<u>950</u>	<u>953</u>

## Notes to the Financial Statements - continued

	June 2024 £'000	June 2023 £'000
<b>5. Expenses</b>		
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Manager's periodic charge	211	238
	<u>211</u>	<u>238</u>
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:*</b>		
Trustee charges	–	2
Custody transaction charges	–	2
Custodian charges	–	–
	<u>–</u>	<u>4</u>
<b>Other expenses*</b>		
Audit fee (including VAT)	–	4
	<u>–</u>	<u>4</u>
<b>Total Expenses</b>	<u>211</u>	<u>246</u>

\* With effect from 1st April 2023, the Manager bears all of the expenses of the Trust out of its own fee, including auditor's remuneration of £8,190 including VAT (December 2023: £16,380). Trustee and custody charges paid during the previous year relate to charges suffered prior to this date. The prospectus allows for either the Manager or the Trust to bear all or some of the expenses, hence this resulted in no change to the prospectus as stated in the Manager's Report.

## 6. Taxation

a.) Analysis of charge in the period

Current tax:

UK corporation tax on net income	–	–
Adjustment in respect of prior periods	<u>–</u>	<u>–</u>
	–	–

Foreign tax	<u>1</u>	<u>1</u>
Total current tax (note b)	1	1

Deferred tax (note c)	<u>–</u>	<u>–</u>
Total taxation	<u>1</u>	<u>1</u>

Corporation tax has been provided at a rate of 20% (December 2023: 20%)

b.) Factors affecting total tax charge for the period

The tax assessed for the period is different than the standard rate of corporation tax in the UK for an Authorised Unit Trust (20%). The differences are explained below.

Net revenue before tax	<u>740</u>	<u>707</u>
Tax at standard rate of 20%	148	142
Non-taxable income*	(187)	(187)
Excess allowable expenses	39	45
Overseas withholding tax suffered	<u>1</u>	<u>1</u>
Total tax charge for period (note a)	<u>1</u>	<u>1</u>

c.) Provision for deferred tax

Provision at start of period	–	–
Deferred tax charge in Statement of Total Return for period (note a)	<u>–</u>	<u>–</u>
Provision at end of period	<u>–</u>	<u>–</u>

\* As an Authorised Unit Trust these items (franked dividends) are not subject to Corporation Tax.

The Trust is exempt from Capital Gains Tax.

## Notes to the Financial Statements - continued

### 6. Taxation - continued

The Trust has not recognised a deferred tax asset of £6,457k (December 2023: £6,418k), which has arisen as a result of having unutilised management expenses. These expenses will only be utilised if the tax treatment of capital gains or the Trust's investment profile changes.

### 7. Finance Costs

#### Distributions

Distributions are accumulated on an annual basis at the year-end accounting date.

	June 2024 £'000	December 2023 £'000	June 2023 £'000
<b>8. Debtors</b>			
Amounts falling due within 1 year			
Box profits receivable	–	–	1
Accrued income - UK dividends	145	100	124
Accrued income - UK PID	5	4	5
Accrued income - overseas dividends	2	–	3
Accrued bank interest	<u>–</u>	<u>1</u>	<u>1</u>
	152	105	134
Amounts falling due after more than 1 year			
Overseas tax recoverable	<u>4</u>	<u>8</u>	<u>8</u>
	4	8	8
Total debtors	<u>156</u>	<u>113</u>	<u>142</u>
<b>9. Cash and Bank Balances</b>			
Cash and bank balances	1,054	1,635	2,616
Futures margin balances	<u>20</u>	<u>12</u>	<u>11</u>
	<u>1,074</u>	<u>1,647</u>	<u>2,627</u>
<b>10. Creditors</b>			
Amounts payable for the cancellation of units	14	1	–
Accrued expenses	<u>39</u>	<u>39</u>	<u>41</u>
	<u>53</u>	<u>40</u>	<u>41</u>
<b>11. Related Party Transactions</b>			

The Manager of Family Asset Trust, Family Investment Management Limited, is a wholly owned subsidiary of Family Assurance Friendly Society Limited ("the Society"), being the ultimate controlling party. The Society and Family Asset Trust are deemed to be related parties.

All unit creations and cancellations, and all balances due as at 30th June 2024 in respect of creations and cancellations, as disclosed in the Balance Sheet, are executed with the Manager (December 2023: Same).

Total Management charges incurred during the period are disclosed in note 5.

Family Equity Plan Limited, being a subsidiary of the Society, is deemed to be a related party of Family Asset Trust.

As at 30th June 2024, their holdings in Family Asset Trust were:

	£ (millions)	Units (millions)	Unit purchases during period (millions)	Unit sales during period (millions)
Society	26.352	6.353	–	0.479
Family Equity Plan Ltd	<u>10.221</u>	<u>2.464</u>	<u>–</u>	<u>0.141</u>
	<u>36.573</u>	<u>8.817</u>	<u>–</u>	<u>0.620</u>

As at 30th June 2024 there were no outstanding balances to or from the Society or Family Equity Plan Limited.

## Notes to the Financial Statements - continued

### 11. Related Party Transactions - continued

As at 31st December 2023, their holdings in Family Asset Trust were:

	£ (millions)	Units (millions)	Unit purchases during year (millions)	Unit sales during year (millions)
Society	26.499	6.832	–	0.893
Family Equity Plan Ltd	<u>10.104</u>	<u>2.605</u>	<u>0.003</u>	<u>0.289</u>
	<u>36.603</u>	<u>9.437</u>	<u>0.003</u>	<u>1.182</u>

As at 31st December 2023 there were no outstanding balances payable to or from the Society. There was an outstanding balance of £1,200 payable to Family Equity Plan Limited.

### 12. Risk Management

Financial Instruments are valued at fair value in accordance with Financial Reporting Standard 102, chapters 11 and 12, as disclosed in note 1(c).

#### Management of risk

The principal risks arising from the Trust's financial instruments are market price and credit risks. The Manager reviews (and agrees with the Trustee) policies for managing each of these risks. These policies have remained unchanged since the beginning of the period to which these financial statements relate, and the preceding period.

#### Fair values of financial instruments

All of the financial assets of the Trust are held at fair value or fair value equivalent..

#### *Financial liabilities and equity instruments*

The units of the Trust are puttable equity instruments, which means that the unitholder can sell at their discretion the units they hold, back to the Trust for cash for the price quoted that day.

- At the Balance Sheet date the liability to redeem units to the unitholders was £41,755,040 (December 2023; £43,023,749)

The fair value of the Trust as at the pricing point, is derived from the cancellation price (net of commission) of the units as at 10.00am on 28th June 2024, which is the lowest redeemable value of the Trust.

The fair value of the Trust as at close is derived from the closing bid price of the units as at 30th June 2024.

Set out below is a comparison of the Trust's financial liabilities and equity instruments at the fair bid value as at close and the pricing point of the Trust.

		Fair Value at close £	Fair Value at pricing point £
<b>Primary financial liabilities and equity instruments held or issued to finance the Trust's operations:</b>			
Liability to redeem units	Jun 2024	41,755,040	41,914,662
	Dec 2023	43,023,749	42,992,663

#### Valuation of financial instruments carried at fair value

Fair values are determined using the following fair value hierarchy that reflects the significance of the inputs in measuring fair value:

##### Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

##### Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

The Trust currently has no assets of Level 2.

##### Level 3

Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

## Notes to the Financial Statements - continued

### 12. Risk Management - continued

#### Valuation of financial instruments carried at fair value - continued

The table below summarises the fair values of the Trust's financial assets and liabilities that are accounted for at fair value, analysed by the valuation methodology used by the Group to derive the financial instruments fair value:

June 2024	Level 1 £'000	Level 2 £'000	Level 3* £'000	Total £'000
Equities	40,571	–	0	40,571
Investment Trusts	8	–	–	8
Futures Liabilities	(1)	–	–	(1)
Total	<u>40,578</u>	<u>–</u>	<u>0</u>	<u>40,578</u>
December 2023	Level 1 £'000	Level 2 £'000	Level 3* £'000	Total £'000
Equities	41,276	–	0	41,276
Futures Assets	11	–	–	11
Investment Trusts	17	–	–	17
Total	<u>41,304</u>	<u>–</u>	<u>0</u>	<u>41,304</u>

\* Level 3 assets are currently all suspended securities, these are valued by our Investment Managers (SSGA). These are monitored weekly and revised if circumstances change.

#### Credit risk

Certain security transactions that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities.

A 5% increase in default or loss rate on trade receivables will have an impact of nil (December 2023: nil) on the Net Asset Value of the Trust.

The Trust only buys and sells investments through brokers, which have been approved by the Investment Advisor as an acceptable counter-party. The Manager undertakes periodic visits to the Investment Advisor to confirm that delegated functions are being performed in accordance with Financial Conduct Authority's rules.

#### Currency rate risk

The Trust may invest in foreign equities, which are priced in local currency. The local value is converted to sterling at the prevailing exchange rate for valuation purposes. The Trust is exposed to the possibility of sharp currency movements, which can affect the value of the portfolio on a daily basis.

The Trust may be subject to short term exposure to exchange rate movement, for instance where there is a difference between the date when the investment purchase or sale is entered into and the date when settlement of the proceeds occurs. When the Trust enters into such a transaction which will involve the buying and selling of foreign currency in order to complete, a forward contract is entered into at the same time as the initial transaction in order to eliminate exchange rate risk.

The Trust receives income in currencies other than sterling and movements in exchange rates can affect the sterling values of this income. The Trust converts all receipts of income into sterling on or near the date of receipt. However it does not hedge or otherwise seek to avoid rate movement risk on income accrued but not received.

The Trust currently invests predominantly in UK equities; therefore no additional disclosure has been shown.



# Notes to the Financial Statements - continued

## 12. Risk Management - continued

### Derivative risk

The Manager may employ derivatives solely for the purposes of Efficient Portfolio Management with the aim of reducing the risk profile of the Trust, using a derivative that is the closest match to the FTSE 350 ex Investment Trusts.

The derivative exposure to the Trust obtained through efficient portfolio management techniques as at 30th June 2024 was 0.0% (December 2023: nil).

### Liquidity risk

The Trust's assets comprise mainly of readily realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.

All of the Trust's financial liabilities are payable on demand or in less than one year. We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

### Market price risk

Market risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements.

Significant market disruptions, such as those caused by pandemics (e.g., COVID-19 Pandemic), natural or environmental disasters, war (e.g., Russia's invasion of Ukraine), acts of terrorism or other events, can adversely affect local and global markets and normal market operations. Any such disruptions could have an adverse impact on the value of the Trust's investments and Trust performance.

The Manager seeks to minimise potential adverse effects of risk on the Trust's performance by employing professional, experienced investment advisors who monitor the Trust's positions and market events.

The Investment Advisor meets monthly (or more often if appropriate) to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter described above and seeks to ensure that the individual stocks also meet the risk reward profile that is acceptable.

The Trust closely follows the FTSE 350, and as such is almost solely invested in high quality UK equities. Any movement in equity prices will have a direct and linear impact on the value of assets in the Trust and consequently the unit price.

Sensitivity to the most relevant risk has been assessed through tracking error (see page 6); therefore no additional disclosure has been shown.

A 5% increase in the value of the Trust's portfolio would have an effect of increasing the return and net assets by £2,028,902 (December 2023: £2,065,177)

### Leverage exposure risk

The Trust currently is not exposed to leverage; therefore, no additional disclosure has been shown (April 2023: same)

## Notes to the Financial Statements - continued

### 13. Portfolio Transaction Costs

The Trust incurs broker charges and transfer taxes as a necessary part of buying and selling the Trust's underlying investments in order to achieve the investment objective.

Broker commission and transfer taxes are paid by the Trust on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments.

	Purchases before transaction costs £'000	Commissions £'000	Taxes £'000	Total £'000
<b>June 2024</b>				
Ordinary Shares	1,396	0	7	1,403
Corporate Actions	347	–	–	347
Total	<u>1,743</u>	<u>0</u>	<u>7</u>	<u>1,750</u>

Transaction cost %  
of purchases total

0.02%      0.48%

Transaction cost %  
of average NAV

0.00%      0.02%

	Purchases before transaction costs £'000	Commissions £'000	Taxes £'000	Total £'000
<b>December 2023</b>				
Ordinary Shares	2,089	0	10	2,099
Corporate Actions	397	–	–	397
Total	<u>2,486</u>	<u>0</u>	<u>10</u>	<u>2,496</u>

Transaction cost %  
of purchases total

0.02%      0.47%

Transaction cost %  
of average NAV

0.00%      0.02%

	Sales before transaction costs £'000	Commissions £'000	Taxes £'000	Total £'000
<b>June 2024</b>				
Ordinary Shares	4,279	(1)	(0)	4,278
Corporate Actions	232	–	–	232
Total	<u>4,511</u>	<u>(1)</u>	<u>(0)</u>	<u>4,510</u>

Transaction cost %  
of sales total

0.02%      0.00%

Transaction cost %  
of average NAV

0.00%      0.00%

## Notes to the Financial Statements - continued

### 13. Portfolio Transaction Costs - continued

	Sales before transaction costs £'000	Commissions £'000	Taxes £'000	Total £'000
<b>December 2023</b>				
Ordinary Shares	7,904	(1)	(0)	7,903
Corporate Actions	362	–	–	362
Total	<u>8,266</u>	<u>(1)</u>	<u>(0)</u>	<u>8,265</u>
Transaction cost % of sales total		0.02%	0.00%	
Transaction cost % of average NAV		0.00%	0.00%	

Average portfolio dealing spread at 30th June 2024 is 0.12%, (December 2023: 0.19%).

### 14. Contingent Liabilities

As at 30th June 2024 there are no contingent liabilities. (December 2023; none)

### 15. Non-Eligible Markets

As at 30th June 2024 there were no securities held that trade on non-eligible markets (December 2023; none).

### 16. Unit Classes

The Trust only issues accumulation units. The annual management charge for these units is 1% of the Trust's Net Asset Value, calculated monthly.

### 17. Post Balance Sheet Events

As at the close of business on the balance sheet date the Net Asset Value of the accumulation unit class was 414.80p. The Net Asset Value of the accumulation unit class as at 10am on 21st August 2024 was 423.50p. This represents a increase of 2.10% from the period-end value. This is not considered significant.

# General Information

## **Remuneration Policy:**

Following the implementation of UCITS V in the UK, Family Investment Management Limited (FIML) the UCITS management company is required to comply with the UCITS Remuneration Code disclosure requirements for annual accounting periods ending after 18th March 2016. UCITS V introduces a requirement for UCITS management companies to have remuneration policies, complying with certain remuneration principles, covering their key staff and a requirement to make those policies transparent. FIML does not remunerate directly as the employees are paid by the Society (Family Assurance Friendly Society Limited) and seconded to FIML. Based on the activities carried out on a pro rata basis between FIML and other group companies we are satisfied that there is no senior management and risk takers, whose professional activities would have a material impact on FIML's risk profile or the risk profiles of the UCITS. Most of the UCITS remuneration requirements, where possible, are being met by the Society's adoption of best practice from the 2018 UK Corporate Governance Code and through reporting against the principles of the AFM Corporate Governance Code for Mutual Insurers. We are also aligned to the requirements of the Remuneration Code (the latter governed by the Financial Conduct Authority). The UCITS remuneration requirements that are not being met (i.e. variable remuneration in instruments; retention; deferral) we believe can be justifiably dis-applied due to FIML's size, internal organisation and the nature scope and complexity of its activities.

The Remuneration Policy of the Manager, which describes how remuneration and benefits are determined and awarded, and the associated governance arrangements, is available at [www.onefamily.com](http://www.onefamily.com), within the Society's Annual Report or a copy of the Annual Report can be requested free of charge from the Manager.

## **Launch:**

The Trust was launched on 24th January 1991 at an initial offer price of 50p.

## **Distributions:**

The annual accounting year ends on 31st December with an interim accounting date on the 30th June.

It is the policy of the Manager to only distribute income following the annual accounting date.

Income is paid net of Income Tax, and distribution certificates are distributed on the last day of February.

## **Reports:**

Manager's reports for the Family Asset Trust are published twice a year. The Interim report on 31st August and the Annual report on 30th April.

## **Prices:**

There are two prices quoted for the Trust, a selling price and a buying price. The selling price is the price at which you can sell your units back to the Manager and the buying price is the price at which you can buy units from the Manager.

Prices are calculated as at 10.00am on each business day.

Prices and the estimated yield generated by the Trust are published on Trustnet's website [www.trustnet.com](http://www.trustnet.com).

Prices are also available on [www.onefamily.com](http://www.onefamily.com) or by contacting our Customer Services Team on 0344 8 920 920 (telephone calls may be recorded or monitored).

## **Units:**

The Family Asset Trust only issues accumulation units. Accumulation units ensure that any distribution is added to the value of the investment.

## **Buying and selling units:**

The Manager can receive written requests to buy or sell units during normal business hours. The units will be bought and sold following the next price calculation.

## **Cancellation rights:**

Investors entering into a contract to purchase units will have the right to cancel said purchase within 14 days of receipt of the cancellation notice. Please note that, for lump sum investments, clients who exercise their right to cancel may be charged for any market loss (shortfall) incurred.

## **Prospectus:**

The full Prospectus for the Family Asset Trust is available on request from the Manager and on [www.onefamily.com](http://www.onefamily.com).

## **Yield:**

The historical yield of the Trust is quoted on Trustnet's website [www.trustnet.com](http://www.trustnet.com). The yield shown reflects the distributions paid or declared by the Trust over the past twelve months, as a percentage of the unit price of the Trust. It does not include any initial sum paid in order to invest in the Trust and investors may be subject to tax on distributions.

## **Other Authorised Funds managed by Family Investment Management Limited:**

The full Prospectuses and latest Report and Accounts for any of the Authorised Funds managed by Family Investment Management Limited are available upon request and on [www.onefamily.com](http://www.onefamily.com).

## **Assessment of Value**

The assessment of value for the Family Asset Trust is available on the OneFamily website [www.onefamily.com](http://www.onefamily.com), in the Financial Reports section. This report is updated annually in line with the Annual report.

## **Taskforce on Climate-related Financial Disclosures (TCFD)**

In accordance with the requirements of the Taskforce on Climate-related Financial Disclosures (TCFD), the Manager's parent – the Society – has prepared climate-related financial disclosure which is informed by TCFD. This is available on [www.onefamily.com](http://www.onefamily.com), within the Society's Annual Report. Alternatively, a copy of the Annual Report can be requested free of charge from the Manager.

**Managed by**

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Member of the Investment Association

Authorised and regulated by the Financial Conduct Authority

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