MI Sonoma Partners Funds

Annual Report 31 December 2024

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*These collectively comprise the Authorised Corporate Director's Report.

Directory

Authorised Corporate Director ('ACD') & Registrar

Apex Fundrock Limited
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Telephone: 01245 398950
Website: www.fundrock.com
(Authorised and regulated by the Financial Conduct Authority)

Customer Service Centre

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Directors of the Authorised Corporate Director

A.C. Deptford
P.J. Foley-Brickley
S.J Gunson (appointed 24 May 2024)
I.T. Oddy (retired 07 March 2024)
C. O'Keeffe (retired 06 May 2024)
E. Personne (Non-Executive Director appointed 25 September 2024)
D. Phillips (Non-Executive Director)
L.A Poynter (appointed 18 June 2024)
J. Thompson (Non-Executive Director)

Investment Manager

Sonoma Partners Ltd
16 Milbourne Lane
Esher
Surrey KT10 9DX
(Authorised and regulated by the Financial Conduct Authority)

Depositary

Northern Trust Investor Services Limited ('NTISL')
50 Bank Street, Canary Wharf, London E14 5NT
(Authorised and regulated by the Financial Conduct Authority)

Independent Auditor

Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
30 Finsbury Square, London EC2A 1AG

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes Sourcebook published by the FCA, ('the COLL Rules') requires the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net gains or losses on the property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then apply them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's and its Sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or terminate its Sub-fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the Sourcebook. The ACD is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the ACD is aware:

- there is no relevant audit information of which the Company's Auditor is unaware; and
- the ACD has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Auditor is aware of that information.

Certification of the Annual Report by the Authorised Corporate Director

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the COLL Sourcebook') and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds.

A.C. Deptford
P.J. Foley-Brickley
S.J. Gunson
L.A. Poynter
Directors
Apex Fundrock Limited
27 March 2025

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the MI Sonoma Partners Funds ('the Company')

for the year ended 31 December 2024

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Alternative Investment Fund Manager ('the AIFM'), are carried out (unless they conflict with the Regulations).

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

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company; and

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

Northern Trust Investor Services Limited ('NTISL')
UK Trustee and Depositary Services
27 March 2025

Independent Auditor's Report to the Shareholders of MI Sonoma Partners Funds

Opinion

We have audited the financial statements of MI Sonoma Partners Funds (the 'Company') for the year ended 31 December 2024. These financial statements comprise the financial statements of the following Sub-fund of the Company:

- MI Sonoma Investment Fund (the 'Sub-fund')

The financial statements of the Sub-fund comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, Notes to the Financial Statements and the Distribution Table.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017, the rules of the Collective Investment Schemes Sourcebook and the Company's Instrument of Incorporation.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company and the Sub-fund as at 31 December 2024 and of the net revenue and net capital gains/(losses) on the scheme property of the Company and the Sub-fund for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice for Financial Statements of UK Authorised Funds for issued by the Investment Association in May 2014 and amended in June 2017, the rules of the Collective Investment Schemes Sourcebook, and the Company's Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Authorised Corporate Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Sub-fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company and the Sub-fund to cease to continue as a going concern.

In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks associated with the Company's and the Sub-fund's business model including effects arising from macro-economic uncertainties such as Geopolitical Uncertainties and Cost of Living Crisis, we assessed and challenged the reasonableness of estimates made by the Authorised Corporate Director and the related disclosures and analysed how those risks might affect the Company's and the Sub-fund's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's and the Sub-fund's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Authorised Corporate Director with respect to going concern are described in the 'Responsibilities of the Authorised Corporate Director' section of this report.

Independent Auditor's Report to the Shareholders of MI Sonoma Partners Funds

continued

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- we have been given all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit, and
- the information given in the Authorised Corporate Director's Report (which comprises; on page 1, Directory; within the Sub-fund, the Investment Objective and Policy, the Investment Manager's Report, the Portfolio Statement and on page 29 General Information) is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Collective Investment Schemes Sourcebook requires us to report to you if, in our opinion:

- proper accounting records for the Company or the Sub-fund have not been kept, or
- the financial statements are not in agreement with those accounting records.

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and the Sub-fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to terminate the Sub-fund, wind up the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Shareholders of MI Sonoma Partners Funds

continued

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management. We determined that the most significant laws and regulations were the Collective Investment Schemes Sourcebook, the Investment Association Statement of Recommended Practice ('SORP') or Financial Statements of UK Authorised Funds and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- We enquired of the Authorised Corporate Director and management to obtain an understanding of how the Company is complying with those legal and regulatory frameworks and whether there were any instances of non-compliance with laws and regulations and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the breaches register.
- In assessing the potential risks of material misstatement, we obtained an understanding of: the Company's operations, including the nature of its revenue sources, and of its objective to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement and the Company's control environment, including the policies and procedures implemented to mitigate risks of fraud or non-compliance with the relevant laws and regulations.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included an evaluation of the risk of management override of controls. Audit procedures performed by the engagement team in connection with the risks identified included:
  - evaluation of the design and implementation of controls that management has put in place to prevent and detect fraud;
  - testing journal entries, including manual journal entries processed at the year end for financial statements preparation; and
  - challenging the assumptions and judgements made by management in its significant accounting estimates.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with, audit engagements of a similar nature and complexity, through appropriate training and participation;
  - knowledge of the industry in which the Company operates; and
  - understanding of the legal and regulatory frameworks applicable to the Company.

Independent Auditor's Report to the Shareholders of MI Sonoma Partners Funds
continued

Use of our report
This report is made solely to the Company's Shareholders, as a body, in accordance with regulation 67(2) of the Open-Ended Investment Companies Regulations 2001, and with Rule 4.5.12 of the Collective Investment Schemes Sourcebook. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London, United Kingdom
27 March 2025

Investment Objective and Policy

Investment objective

The investment objective of the Sub-fund is to achieve an annualised return of UK Consumer Price Index ('CPI') + 5% before fees, without the constraints of any fixed asset allocation parameters.

Investment policy

The investment policy of the Sub-fund is to invest in a diversified portfolio of assets which exhibit favourable risk-reward characteristics. It will seek to profit from pricing inefficiencies and asymmetric risk-reward opportunities, for example where, in the view of the Manager, the upside is greater than the downside or where there is significant protection by way of a discount to intrinsic value.

The Sub-fund will primarily invest in regulated and unregulated Collective Investment Schemes, listed funds and Investment Trusts, which may include unauthorised property Unit Trusts and limited partnerships.

The Sub-fund may also invest directly in equities, fixed income securities, exchange traded products and derivatives.

The underlying funds in which the Sub-fund invests, subject to the Regulations, may be leveraged, employing strategies such as long-short equity, event driven and global macro. The Sub-fund will be invested in a range of strategies and asset classes within any geographic region.

The Investment Manager may use derivatives for both hedging and trading strategies. Such derivatives may include forward foreign exchange, futures, options, index futures and OTC contracts, structured products and swaps, subject to the conditions and limits set out in the Regulations. Use of derivatives for the purpose of meeting the investment objective of the Sub-fund will not significantly increase the leverage or volatility of the Sub-fund.

The investment of the assets of the Company must comply with the section of the Sourcebook applicable to Qualified Investor Schemes.

Investment Manager's Report

for the year ended 31 December 2024

The MI Sonoma Investment Fund gave a total return of 11.2% over the period to the end of December 2024 (F Accumulation, published share price). Despite a change of government in the UK and the re-election of Donald Trump in the US, 2024 continued in much the same vein as 2023. Central banks continued to battle inflation and governments tried to promote economic growth, while the conflicts in Ukraine and the Middle East rumbled on and trade tensions between China and the US persisted.

At the start of 2024 many economists talked of cautious optimism for the year ahead and in general they were proved correct with most developed economies avoiding the hard landing of high interest rates, high inflation, rising unemployment and low economic growth. The UK saw the Bank of England cut interest rates twice, the first cuts since March 2020, and inflation continued to fall, albeit more slowly than in 2023.

It was a positive year for listed equities in the UK, however, UK equity indices had a disappointing final quarter as uncertainty over the new government's budget and subsequent policy changes weighed on market confidence. This was in stark contrast to the US where listed equities had a stellar year, regardless of the result of the presidential election, with over 2.5 times the return of UK equities over the year.

The six month period to 31 December started strongly with the Sub-fund up 1.7% in July. Six of the Sub-fund's seven private equity holdings were up in July with Syncona, up 15%, and RTW Biotech Opportunities, up 13%. It was a difficult month for technology stocks as disappointing results from Tesla and Alphabet and continuing trade tensions between the US, China and Taiwan saw the Nasdaq suffer its worst single day loss since 2022 on the 24 of July. Our technology positions Polar Capital Technology and Allianz Technology were both down 7%. July was a strong month for BH Macro which saw its discount halve from 8% to 4%, which left us sitting on a 9% profit for a three month holding period. The largest faller was Pershing Square Holdings, which fell 8% for reasons outlined below.

The long-running artificial intelligence-led equity rally took a pause in July and our technology holdings fell in value, however this was more than offset by the rise in value of our life science and private equity companies.

Pershing Square Holdings fell by 8% following weaker than expected numbers from its top holding, Universal Music Group. This was followed later in the month by a disappointing outcome from fund manager Bill Ackman's US investment company Initial Public Offerings ('IPO'). Initially he had sought $20 billion however Ackman pulled the IPO citing he needed to address investor concerns that it might trade at a discount post IPO. Regardless of the outcome of the US company IPO, the process brought attention to the London listed investment company which we own and which trades at an incongruous discount to Net Asset Value ('NAV') of approximately 30%. Its five year performance of approximately 25% per annum does not warrant any discount in our opinion.

Investment Manager's Report

continued

August began with a global equity sell-off, however, most stock markets showed signs of a steady if unspectacular recovery through the second half of the month. Market volatility began to increase after the rise of Japanese interest rates on the 31 July, and this was compounded by disappointing and unexpected US employment data on the 2 August leading to fears of a significant downturn in the US economy. Japan's Nikkei Index fell 12% on 5 August and the jitters spread through Europe and the US as markets opened, with all major global indices posting significant losses by the end of the day. The biggest casualties came in technology stocks but no sectors escaped unscathed.

As more economic data emerged through the month, stronger than expected consumer spending and corporate profits saw the US economy grow more quickly than initially thought in the second quarter of 2024, boosting stock market performance. Many US traders were predicting a 'Goldilocks' scenario where the economy keeps growing but not at a rate which prevents interest rate cuts, while money markets are confident of a rate cut at the next Federal Reserve meeting on 18 September.

As we have discussed in the past, during times of increased volatility and uncertainty we often see discounts to NAV of investment companies widen, and the beginning of August was no exception for many of the portfolio's holdings. While these narrowed since the 5 August there is always a time lag and we expected discounts to narrow further over the coming months providing a tailwind to performance, on the proviso that we see no further significant market shocks.

The Sub-fund fell 1.9% in September and 0.9% in October. During this period the government announced it will scrap the cost disclosure rules which have over the past two years caused the investment company sector to trade at a significant discount to NAV. New regulations will no longer require disclosure of costs that are already included in calculations of NAV. Investment companies would also be the beneficiary of a rise in capital gains tax as they would have a more significant advantage over bespoke or model portfolios. In due course we expect a narrowing of discounts as wealth managers re-enter the market.

November saw a positive return of 2.6%. Seraphim Space returned the best gains in November, up 29%. Scottish Mortgage and Allianz Technology also performed well, both up 9%. BH Macro was up 4% with its NAV up 9%. It is interesting to note that BH Macro usually performs well when equity markets are in turmoil however this significant NAV increase occurred in an up month for stocks. The largest fallers this month came in the venture capital sector with Molten Ventures, Syncona and RTW Biotech Opportunities down 7%, 6% and 3% respectively.

In December the Sub-fund was up 0.4%. There were mixed results across the portfolio during the month with the best performances coming from Augmentum Fintech, up 10%, and Allianz Technology, up 5%, while Biotech Growth was down 11% and Seraphim Space was down 9%. During December we trimmed our holdings in BH Macro and Pershing Square Holdings and used proceeds to increase our positions in Augmentum Fintech and RIT Capital Partners, both at very attractive discounts to NAV of 35% and 23% respectively.

Despite Seraphim Space's disappointing month, it finished the year as the Sub-fund's top performer, up over 58% for 2024. Other notable returns this year came from Polar Capital Technology, up 34%, and Berkshire Hathaway, up 27%. The largest detractor to performance over 2024 came from Syncona, which was down 14% and is now trading at a discount to NAV of 41%. Throughout the year we reduced the Sub-fund's exposure to private equity from 39% to 25%, disposing of positions in Apax Global Alpha and 3i Group, using the proceeds to increase exposure to technology, biotechnology and holding companies and reinstating a position in BH Macro.

We do not want our portfolio to simply rise and fall with equity markets and our asset allocation incorporates many different asset classes and strategies. At a high level we are guided by these asset allocation maxims:

(i) A major return driver arises from the fund manager adding value to the underlying investments rather than passively owning assets. Examples include:

- private equity managers who are actively involved in managing their portfolio companies such as HgCapital and Oakley Capital Investments;
- venture capital managers who are founding companies, such as Syncona and RTW Biotech Opportunities;
- private specialist credit managers who focus on underserved segments of the market such as BioPharma Credit and Real Estate Credit Investments;
- private credit managers who focus on special opportunities, e.g. loans in special servicing, bridge loans and workout situations, such as CVC Income & Growth;
- holding companies where the portfolio managers are actively involved in 'constructivism' e.g. engaging with the manager or Board of underlying investments to make positive change, for instance AVI Global and Pershing Square Holdings.

Investment Manager's Report
continued

(ii) Owning investments that have a low correlation to the direction of equity markets, i.e. market-neutral funds, including multi-strategy, long-short equity and global macro. Examples include Ruffer Investment Company, RIT Capital Partners, BlackRock European Absolute Alpha and BH Macro.

(iii) Misvalued or under-researched sectors. Examples currently include biotechnology and UK smaller companies.

Like at the end of 2023, we look forward to the year ahead with an air of cautious optimism for the global economy. There are signs that a ceasefire maybe on the horizon in the Middle East and President-elect Trump is bullish on his ability to bring the conflict in Ukraine to a speedy resolution. Domestically, many market commentators are predicting at least two interest rate cuts, which should boost equity markets, although the outlook for the UK economy remains conservative with the International Monetary Fund forecasting growth of 1.5%, and nobody is quite sure how Trump's mooted trade tariffs will affect transatlantic trade. Despite the ongoing domestic and international uncertainty, we feel confident that by following the asset allocation philosophy outlined above, the portfolio is well placed for whatever the year ahead brings.

Portfolio Statement

as at 31 December 2024

Holding	Security	Market value £	% of total net assets 2024
	Absolute Return 8.84% (0.00%)		
1,194,623	BH Macro	4,850,169	8.84
	Hedge Funds 4.70% (8.50%)		
66,307	Pershing Square Holdings	2,579,342	4.70
	Holding Companies 17.51% (13.50%)		
1,320,543	AVI Global Trust	3,228,728	5.89
8,373	Berkshire Hathaway	3,026,427	5.52
169,196	RIT Capital Partners	3,346,697	6.10
		9,601,852	17.51
	Pharmaceuticals and Biotechnology 2.87% (0.00%)		
230,625	International Biotechnology Trust	1,572,862	2.87
	Private Equity 27.06% (40.48%)		
1,176,423	Augmentum Fintech	1,252,890	2.28
494,592	HgCapital Trust	2,651,013	4.83
1,038,858	Oakley Capital Investments	5,152,736	9.39
1,021,066	Pantheon International	3,282,727	5.99
456,523	Patria Private Equity Trust	2,501,746	4.57
		14,841,112	27.06
	Public Equities 15.15% (19.48%)		
1,298,843	Bellevue Healthcare Trust	1,841,759	3.36
243,356	Biotech Growth Trust	2,080,694	3.79
642,070	Polar Capital Technology Trust	2,237,615	4.08
227,387	Scottish Mortgage Investment Trust	2,151,536	3.92
		8,311,604	15.15
	Technology 2.18% (0.00%)		
285,690	Allianz Technology Trust	1,197,041	2.18
	Venture Capital 16.42% (17.65%)		
707,071	Molten Ventures	2,255,556	4.11
2,175,336	RTW Biotech Opportunities	2,410,297	4.39
1,086,519	Seraphim Space Investment Trust	589,980	1.08
1,628,588	Syncona	1,703,503	3.11
650,000	Worldwide Healthcare Trust	2,047,500	3.73
		9,006,836	16.42
	Investment assets	**51,960,818**	**94.73**
	Net other assets	**2,893,103**	**5.27**
	Net assets	**54,853,921**	**100.00**

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 31.12.23.

Comparative Tables

Change in net assets per share

A Accumulation	31.12.24 £	31.12.23 £	31.12.22 £
Opening net asset value per share	1,441.86	1,336.63	1,571.29
Return before operating charges^	168.55	116.34	-200.21
Operating charges	-12.84	-11.11	-34.45
Return after operating charges^	155.71	105.23	-234.66
Distributions	-4.38	-7.72	-6.61
Retained distributions on accumulation shares	4.38	7.72	6.61
Closing net asset value per share	**1,597.57**	**1,441.86**	**1,336.63**
^After direct transaction costs of	-2.63	-4.10	0.42
Performance			
Return after charges	10.80%	7.87%	-14.93%
Other information			
Closing net asset value	£9,210,011	£8,312,297	£10,580,714
Closing number of shares	5,765	5,765	7,916
Operating charges^	0.83%	0.84%	2.47%
Ongoing operating charges*	0.83%	0.84%	2.49%
Direct transaction costs	0.17%	0.31%	-0.03%
Prices			
Highest share price	1,637.66	1,444.93	1,589.23
Lowest share price	1,408.88	1,237.95	1,265.25

F Accumulation	31.12.24 £	31.12.23 £	31.12.22 £
Opening net asset value per share	1,469.10	1,358.07	1,593.65
Return before operating charges^	171.86	119.64	-203.47
Operating charges	-9.94	-8.61	-32.11
Return after operating charges^	161.92	111.03	-235.58
Distributions	-7.63	-10.87	-9.41
Retained distributions on accumulation shares	7.63	10.87	9.41
Closing net asset value per share	**1,631.02**	**1,469.10**	**1,358.07**
^After direct transaction costs of	-2.68	-4.17	0.42
Performance			
Return after charges	11.02%	8.18%	-14.78%
Other information			
Closing net asset value	£45,643,910	£41,112,642	£44,636,570
Closing number of shares	27,985	27,985	32,868
Operating charges^	0.63%	0.64%	2.27%
Ongoing operating charges*	0.63%	0.64%	2.29%
Direct transaction costs	0.17%	0.31%	-0.03%
Prices			
Highest share price	1,670.56	1,472.22	1,608.69
Lowest share price	1,435.56	1,258.40	1,284.98

^From 31 October 2023, as a result of changes to guidance, Closed-Ended funds are not included within the synthetic ongoing charges.

*The ACD believes this to be more representative of the charges going forwards.

Operating charges include indirect costs incurred in the maintenance and running of the Sub-fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated against the average Net Asset Value for the accounting year.

The return after charges is calculated as the closing Net Asset Value per share plus the distributions on income shares minus the opening Net Asset Value per share as a % of the opening Net Asset Value per share. The basis of valuation of investments used to calculate Net Asset Value per share is described in notes to the Financial Statements 1h) and complies with requirements of the current Statement of Recommended Practice for Financial Statements of UK Authorised Funds. This differs from the basis used to calculate daily published single prices, in which listed investments are valued at 12:00 mid prices.

Comparative Tables

continued

Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, which are offset (where applicable) against any dilution levies charged within the accounting year. The figures used within the table have been calculated against the average Net Asset Value for the accounting year.

Risk Warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

Statement of Total Return

for the year ended 31 December 2024

		31.12.24		31.12.23	
	Note	£	£	£	£
Income					
Net capital gains	2		5,190,326		3,235,796
Revenue	3	590,763		767,204	
Expenses	4	(352,107)		(354,061)	
Interest payable and similar charges	4	–		(118)	
Net revenue before taxation		238,656		413,025	
Taxation	5	–		–	
Net revenue after taxation			238,656		413,025
Total return before distributions			**5,428,982**		**3,648,821**
Distributions	6		(238,656)		(413,025)
Change in net assets attributable to Shareholders from investment activities			**5,190,326**		**3,235,796**

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2024

	31.12.24		31.12.23	
	£	£	£	£
Opening net assets attributable to Shareholders		**49,424,939**		**55,217,284**
Dilution levy	–		30,756	
Less: Amounts payable on cancellation of shares	–		(9,448,896)	
		–		(9,418,140)
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		5,190,326		3,235,796
Retained distributions on accumulation shares		238,656		389,999
Closing net assets attributable to Shareholders		**54,853,921**		**49,424,939**

The notes on pages 16 to 27 form an integral part of these Financial Statements.

Balance Sheet
as at 31 December 2024

	Note	31.12.24 £	31.12.24 £	31.12.23 £	31.12.23 £
ASSETS					
Fixed Assets					
Investments			**51,960,818**		**49,233,666**
Current Assets					
Debtors	7	90,292		82,444	
Cash and bank balances	9	2,856,304		154,262	
Total current assets			**2,946,596**		**236,706**
Total assets			**54,907,414**		**49,470,372**
LIABILITIES					
Creditors					
Other creditors	8	(53,493)		(45,433)	
Total creditors			**(53,493)**		**(45,433)**
Total liabilities			**(53,493)**		**(45,433)**
Net assets attributable to Shareholders			**54,853,921**		**49,424,939**

The notes on pages 16 to 27 form an integral part of these Financial Statements.

Notes to the Financial Statements
for the year ended 31 December 2024

1. Accounting Policies

(a) Basis of accounting
The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 and the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014 and amended in 2017.

The financial statements have been prepared on the going concern basis.

The Authorised Status and head office of the Company can be found within the general information starting on page 29.

The Certification of the Annual Report by the Authorised Corporate Director ('ACD') can be found on page 2.

(b) Recognition of revenue
Revenue is included in the Statement of Total Return on the following basis:

Dividends on quoted equities and preference shares are recognised when the securities are quoted ex-dividend.

Distributions from Collective Investment Schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distributable revenue.

Any reported revenue from an offshore reporting fund is recognised as revenue no later than the date on which the reporting fund makes the information available.

Interest on bank and short-term deposits is recognised on an earned basis.

In the case of debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using effective yield basis of calculating amortisation.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(c) Treatment of stock and special dividends
The ordinary element of stocks received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax accounting treatment follows the treatment of the principal amount.

(d) Treatment of expenses
All expenses, except for those relating to the purchase and sale of investments, are charged against revenue for the year on an accruals basis.

(e) Allocation of revenue and expenses to multiple share classes
Any revenue or expense not directly attributable to a particular Sub-fund will normally be allocated pro-rata to the net assets of the relevant share classes and Sub-funds on the day that the revenue or expense is recognised.

With the exception of the Investment Manager's fee which is directly attributable to individual share classes, all revenue and expenses are apportioned to the Sub-fund's share classes pro-rata to the value of the net assets of the relevant share class on the day that the revenue or expense is recognised.

(f) Taxation
Corporation tax is provided at 20% on revenue, after deduction of expenses.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

Notes to the Financial Statements

continued

1. Accounting Policies (continued)

(g) Distribution policy

The net revenue after taxation as disclosed in the financial statements, after adjustment for items of a capital nature, is distributable to Shareholders as Dividend distributions. Any revenue deficit is funded from capital.

At the year end, there were no items of a capital nature.

Interim distributions may be made at the ACD's discretion and the balance of revenue is distributed in accordance with the regulations.

Distributions not claimed within a six year period will be forfeited and added back to the capital of the Sub-fund.

(h) Basis of valuation of investments

Listed investments are valued at close of business bid prices on the last business day of the accounting year excluding any accrued interest in the case of fixed and floating rate interest securities.

Collective Investment Schemes are valued at quoted bid price for dual priced funds and at quoted price for single priced funds, on the last business day of the accounting period.

Unlisted or suspended investments are valued by the ACD taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Market value is defined by the SORP as fair value, which generally is the bid value of each security.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

• Level 1 – Unadjusted quoted price in an active market for an identical instrument.

• Level 2 – Valuation techniques using observable inputs other than quoted prices within level 1.

• Level 3 – Valuation techniques using unobservable inputs.

(i) Exchange rates

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the closing exchange rates ruling on that date.

(j) Dilution levy

The ACD may require a dilution levy on the purchase and redemption of shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the scheme property is in continual decline; on a Sub-fund experiencing large levels of net sales relative to its size; on 'large deals' (typically being a purchase of redemption of Shares to a size exceeding 5% of the Net Asset Value of the Company); in any case where the ACD is of the opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

Notes to the Financial Statements

continued

2. Net Capital Gains/(Losses)^	Realised £	31.12.24 Unrealised £	Total £	Realised £	31.12.23 Unrealised £	Total £
Non-derivative securities	2,662,168	2,526,532	5,188,700	1,070,484	2,155,286	3,225,770
Currency (losses)/gains	(54)	–	(54)	11,271	–	11,271
Transaction charges	–	1,680	1,680	–	(1,245)	(1,245)
Net capital gains	**2,662,114**	**2,528,212**	**5,190,326**	**1,081,755**	**2,154,041**	**3,235,796**

^Where realised gains/losses include gains/losses arising from prior years, a corresponding loss/gain is included within the unrealised gains/losses presented.

3.Revenue	31.12.24 £	31.12.23 £
UK dividends: Ordinary	516,794	611,552
Overseas dividends	52,710	66,379
Distributions from Regulated Collective Investment Schemes:		
UK investment income	–	57,611
Interest distributions	–	982
Interest distributions from other Investment funds	9,892	20,688
Bank interest	11,367	9,992
Total revenue	**590,763**	**767,204**

4. Expenses	31.12.24 £	31.12.23 £
Payable to the Authorised Corporate Director ('ACD'), associates of the ACD and agents of either of them:		
ACD's fee	35,970	36,538
Administration fees	49,930	50,660
Registration fees	–	80
	85,900	87,278
Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	230,187	229,412
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	12,748	12,764
Safe custody and other bank charges	6,790	6,490
	19,538	19,254
Auditor's remuneration*:		
Audit fee	10,869	10,871
Tax compliance services	2,351	2,348
	13,220	13,219

Notes to the Financial Statements

continued

4. Expenses (continued)

	31.12.24 £	31.12.23 £
Other expenses:		
Legal fees	1,369	2,997
Printing costs	1,893	1,901
	3,262	4,898
Expenses	**352,107**	**354,061**
Interest payable and similar charges	–	118
Total	**352,107**	**354,179**

*Included within the auditor's remuneration is irrecoverable VAT of £2,203 (2023: £2,203).

5. Taxation

	31.12.24 £	31.12.23 £
a) Analysis of charge in the year:		
Income tax deducted at source	–	196
Income tax recoverable	–	(196)
Total tax charge (note 5b)	**–**	**–**
(b) Factors affecting taxation charge for the year:		
Net revenue before taxation	238,656	413,025
Corporation tax at 20%	47,731	82,605
Effects of:		
UK dividends	(113,901)	(147,108)
Movement in surplus management expenses	66,170	64,503
Total tax charge (note 5a)	**–**	**–**

(c) Deferred tax

At the year end there is a potential deferred tax asset of £449,119 (2023: £382,949) in relation to surplus management expenses of £2,245,600 (2023: £1,914,749). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements
continued

6. Distributions
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

		31.12.24 £	31.12.23 £
Interim distribution	30.06.24	155,373	271,301
Final distribution	31.12.24	83,283	118,698
		238,656	389,999
Revenue deducted on cancellation of shares		–	23,026
Distributions		**238,656**	**413,025**

Reconciliation of net revenue after taxation to net distributions:

	31.12.24 £	31.12.23 £
Net revenue after taxation per statement of total return	238,656	413,025
Distributions	**238,656**	**413,025**

7. Debtors

	31.12.24 £	31.12.23 £
Accrued income:		
Bank interest receivable	–	1,248
Dividends receivable	90,096	81,000
UK income tax recoverable	196	196
Total debtors	**90,292**	**82,444**

8. Other Creditors

	31.12.24 £	31.12.23 £
Accrued expenses:		
Amounts payable to the Authorised Corporate Director ('ACD'), associates of the ACD and agents of either of them:		
ACD's fee	4,539	3,051
Administration fee	6,230	4,228
Registration fees	–	20
	10,769	7,299
Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	20,158	17,746
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	4,344	3,098
Safe custody and other bank charges	5,030	2,922
	9,374	6,020

Notes to the Financial Statements
continued

8. Other Creditors (continued)	31.12.24 £	31.12.23 £
Auditor's remuneration*:		
Audit fee	10,869	10,870
Tax Compliance services	1,177	2,348
	12,046	13,218
Other expenses:		
Printing costs	1,146	1,150
Total other creditors	**53,493**	**45,433**

*Included within the auditor's remuneration is irrecoverable VAT of £2,008 (2023: £2,203).

9. Cash and Bank Balances	31.12.24 £	31.12.23 £
Cash and bank balances	2,856,304	154,262
Overdraft positions	–	–
Cash and bank balances	**2,856,304**	**154,262**

10. Related Party Transactions

Apex Fundrock Limited ('AFL') is regarded as a related party by virtue of having the ability to act in respect of the operations of the Sub-fund in its capacity as the Authorised Corporate Director ('ACD').

ACD and other fees payable to AFL are disclosed in note 4 and amounts due at the year end are shown in note 8.

Fees payable to Sonoma Partners Ltd ('the Investment Manager') are disclosed in note 4 and amounts due at the year end are shown in note 8.

Amounts receivable on issue and payable on cancellation of shares and dilution levy (if applicable) are disclosed in the Statement of Change in Net Assets Attributable to Shareholders and in note 6, amounts due at the year end are shown in notes 7 and 8.

11. Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (2023: none).

Notes to the Financial Statements

continued

12. Risk Management Policies and Disclosures

In pursuing its investment objectives, the Sub-fund may hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from the Sub-fund's operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for redemptions and debtors for accrued revenue.

In doing so, the ACD accepts market price risk, interest rate risk and currency risk in relation to the investment portfolio and foreign cash positions.

The risks arising from financial instruments and the ACD's policies for the monitoring and managing of these risks are stated below in accordance with the Risk Management Policy of the ACD.

These policies have been consistent for both years through which these financial statements relate.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements. This means the value of an investor's holding may go down as well as up and an investor may not recover the amount invested. Investors should consider the degree of exposure of the Sub-fund in the context of all their investments.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the Company as per the policies as set out in the Prospectus. The investment guidelines and investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Conduct Authority's Collective Investment Schemes Sourcebook describe the nature of the market risk to which the Sub-fund will be exposed.

At the balance sheet date, if the price of the investments held by the Sub-fund increased or decreased by 10%, with all other variables held constant, the net assets attributable to Shareholders would increase or decrease by approximately £5,196,082 (2023: £4,923,367).

Currency risk

Although the Sub-fund's capital and income are denominated in sterling, a proportion of the Sub-fund's investments may have currency exposure and, as a result, the income and capital value of the Sub-fund is affected by currency movements.

Currency risk is the risk that the value of the Sub-fund's investments will fluctuate as a result of changes in currency exchange rates. For Sub-funds where a proportion of the net assets of the Sub-fund is denominated in currencies other than sterling, the balance sheet can be affected by movements in exchange rates. The Company monitors the currency exposure of the Sub-fund and may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies.

The Company may invest in Collective Investment Schemes, therefore the Sub-fund may be indirectly exposed to the underlying Collective Investment Scheme investments.

The table below details the currency risk profile at the balance sheet date.

Currency	31.12.24 Total £	31.12.23 Total £
Pound sterling	49,417,197	44,718,981
United States dollar	5,436,724	4,705,958
	54,853,921	**49,424,939**

At the balance sheet date, if the value of sterling increased or decreased by 10%, with all other variables held constant, then the net assets attributable to Shareholders would increase or decrease by approximately £543,672 (2023: £470,596).

Notes to the Financial Statements
continued

12. Risk Management Policies and Disclosures (continued)

Interest rate risk
Interest rate risk is the risk that the value of the Sub-fund's investments will fluctuate as a result of changes in interest rates. The Sub-fund may invest in fixed and floating rate securities. The revenue of the Sub-fund may be affected by changes in interest rates relevant to particular securities or as a result of the ACD being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

A risk limit system is employed to monitor the risks related to the investment types, concentration and diversification of the Sub-fund's portfolio.

The table below details the interest rate risk profile at the balance sheet date:

31.12.24

Currency	Floating rate financial assets^ £	Assets on which interest is not paid^^ £	Total £
Pound sterling	2,856,304	46,614,386	49,470,690
United States dollar	–	5,436,724	5,436,724
	2,856,304	**52,051,110**	**54,907,414**

Currency	Financial liabilities not carrying interest £	Total £
Pound sterling	53,493	53,493
	53,493	**53,493**

^Floating rate interest-bearing assets at the balance sheet date consist of bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

^^Comprises of Equity Shares which receive dividend revenue and non-interest bearing balance sheet debtors.

Notes to the Financial Statements
continued

12. Risk Management Policies and Disclosures (continued)

31.12.23

Currency	Floating rate financial assets^ £	Assets on which interest is not paid^^ £	Total £
Pound sterling	154,262	44,610,152	44,764,414
United States dollar	–	4,705,958	4,705,958
	154,262	**49,316,110**	**49,470,372**

Currency	Financial liabilities not carrying interest £	Total £
Pound sterling	45,433	45,433
	45,433	**45,433**

^Floating rate interest-bearing assets at the balance sheet date consist of bank balances, on which interest is calculated at a variable rate by reference to sterling bank deposit rates or the international equivalent.

^^Comprises of Equity Shares which receive dividend revenue and non-interest bearing balance sheet debtors.

Credit risk

Credit risk arises from two main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principal in a timely manner. Secondly, there is the possibility of default of the issuer and default in the underlying assets of a Collective Investment Scheme, meaning that a Sub-fund may not receive back the full principal originally invested. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer or scheme can limit credit risk.

There are no net borrowings or unlisted securities and the ACD considers that the Sub-fund has little exposure to credit risk.

Stress testing and scenario analysis is carried out on a regular basis.

Liquidity risk

Liquidity risk is the risk that a Sub-fund cannot raise sufficient cash to meet its liabilities when due. One of the key factors influencing this will be the ability to sell investments at, or close to, the fair value without a significant loss being realised.

Under normal circumstances, a Sub-fund will remain close to fully invested. However, where circumstances require: either because a view of illiquid securities markets or high levels of redemptions in the Sub-fund, the Sub-fund may hold cash and/or more liquid assets. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy or following a large issue of shares.

The ACD manages the Sub-fund's cash to ensure they can meet their liabilities. In addition, the ACD monitors market liquidity of all securities, seeking to ensure the Sub-fund maintains sufficient liquidity to meet known and potential redemption activity. The Sub-fund's cash balances are monitored daily by the ACD and the Investment Manager. The Sub-fund's financial liabilities are payable on demand or in less than one year.

Apex Fundrock Limited ('AFL') conducts regular monitoring to ensure the liquidity profile of the Sub-funds investments comply with their underlying obligations, particularly their ability to meet redemption requests.

Stress tests are undertaken, under normal and exceptional liquidity conditions, in order to assess the liquidity risk of the Sub-fund.

Notes to the Financial Statements
continued

12. Risk Management Policies and Disclosures (continued)

Counterparty risk
The risk that the counterparty will not deliver the investments for a purchase or the cash for a sale after the Sub-fund has fulfilled its responsibilities which could result in the Sub-fund suffering a loss. The Investment Manager minimises the risk by conducting trades through only the most reputable counterparties.

Derivatives
The Sub-fund may enter into derivative contracts for Efficient Portfolio Management purposes and trading strategies ('EPM') purposes. The purposes of EPM must be to achieve reduction of risk, the reduction of cost, or the generation of additional income or capital with an acceptably low level of risk and the use of these instruments must not cause the Sub-fund to stray from its investment objectives.

Any EPM transaction must be economically appropriate and the exposure fully covered. The ACD monitors the use of derivatives to ensure EPM rules are satisfied.

In the opinion of the ACD there is no sophisticated derivative use within the Sub-fund and accordingly a sensitivity analysis is not presented.

Fair value of financial assets and liabilities
Investments disclosed as at the balance sheet date are at fair value. Current assets and liabilities disclosed in the balance sheet are at amortised cost which is approximate to fair value.

Notes to the Financial Statements
continued

13. Portfolio Transaction Costs

31.12.24

Analysis of purchases	Total purchase cost £	£	Commissions paid %	£	Taxes %	Purchases before transaction cost £
Equities	11,951,881	23,581	0.20	36,539	0.31	11,891,761
Total purchases after commissions and tax	**11,951,881**					

Analysis of sales	Net sale proceeds £	£	Commissions paid %	£	Taxes %	before transaction cost £
Equities	14,413,429	28,885	0.20	17	0.00	14,442,331
Total sales after commissions and tax	**14,413,429**					

Commission as a % of average net assets	0.10%
Taxes as a % of average net assets	0.07%

31.12.23

Analysis of purchases	Total purchase cost £	£	Commissions paid %	£	Taxes %	Purchases before transaction cost £
Equities	23,597,557	46,500	0.20	100,859	0.43	23,450,198
Total purchases after commissions and tax	**23,597,557**					

Analysis of sales	Net sale proceeds £	£	Commissions paid %	£	Taxes %	before transaction cost £
Equities	24,616,604	48,534	0.20	53	0.00	24,665,191
Funds	8,205,043	–	0.00	–	0.00	8,205,043
Total sales after commissions and tax	**32,821,647**					

Commission as a % of average net assets	0.18%
Taxes as a % of average net assets	0.19%

Commissions and taxes as a % of the average net assets form part of the direct transaction costs stated within the comparative tables on page 12. The direct transaction costs within the comparative tables may differ due to the effect of dilution levies charged (where applicable).

14. Portfolio Dealing Spread

The average portfolio dealing spread at 31 December 2024 is 0.78% (2023: 0.56%).

Notes to the Financial Statements
continued

15. Post Balance Sheet Events

There were no notifiable events post the year end balance sheet date.

16. Fair Value Disclosure

Valuation technique	31.12.24 Assets £	31.12.24 Liabilities £	31.12.23 Assets £	31.12.23 Liabilities £
Level 1^	51,960,818	–	49,233,666	–
Level 2^^	–	–	–	–
Level 3^^^	–	–	–	–
	51,960,818	**–**	**49,233,666**	**–**

^ Level 1: Unadjusted quoted price in an active market for an identical instrument.

^^ Level 2: Valuation techniques using observable inputs other than quoted prices within Level 1.

^^^ Level 3: Valuation techniques using unobservable inputs.

17. Shares in Issue

	A Accumulation GBP	F Accumulation GBP
Opening number of shares	5,765	27,985
Shares issued	–	–
Shares cancelled	–	–
Closing number of shares	**5,765**	**27,985**

Distribution Table

for the year ended 31 December 2024

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2024 p	Amount reinvested 2023 p
A Accumulation	Interim	Group 1	328.2684	–	328.2684	562.0777
		Group 2^	328.2684	–	328.2684	562.0777
	Final	Group 1	109.9482	–	109.9482	210.1337
		Group 2^	109.9482	–	109.9482	210.1337
F Accumulation	Interim	Group 1	487.5771	–	487.5771	706.3518
		Group 2^	487.5771	–	487.5771	706.3518
	Final	Group 1	274.9494	–	274.9494	380.8614
		Group 2^	274.9494	–	274.9494	380.8614

^No Group 2 shares held in this distribution period.

Interim period: 01.01.24 - 30.06.24
Final period: 01.07.24 - 31.12.24

Group 1: Shares purchased prior to a distribution period
Group 2: Shares purchased during a distribution period

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents accrued revenue included in the purchase price of the shares. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

General Information

Authorised Status
MI Sonoma Partners Funds (the 'Company') is structured as an Investment Company with Variable Capital ('ICVC'), under regulation 12 (Authorisation) of the OEIC Regulations (Open-Ended Investment Companies Regulations 2001 (SI 2001/1228)).

The Company does not intend to have an interest in immovable property.

The Company is authorised and regulated in the UK by the Financial Conduct Authority ('FCA') as a Qualified Investor Scheme under the COLL Sourcebook.

The Company was incorporated in England and Wales on 25 April 2019 under registration number IC011027. The Shareholders are not liable for the debts of the Company.

The Company currently has 1 Sub-fund, which is detailed below:

MI Sonoma Investment Fund

Head Office
Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Address for Service
The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency
The base currency of the Company is Pounds Sterling.

Share Capital
The minimum share capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value of the Sub-fund.

Classes of Shares
The Instrument of Incorporation allows the Company to issue different classes of shares in respect of any Sub-fund.

The Sub-fund currently has the following classes of shares available for investment:

	Share Class	
	A GBP	F GBP
Sub-fund	Acc	Acc
MI Sonoma Investment Fund	✔	✔

The Company may issue both Income and Accumulation Shares.

Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of shares.

Valuation Point
The scheme property of each Sub-fund will normally be valued at 12:00 on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

For the purpose of the pricing of shares, a business day is defined as a day on which the dealing office of the ACD is open for the buying and selling of shares. The ACD may at any time during a business day carry out an additional valuation of the property of the Sub-fund if the ACD considers it desirable to do so, with the Depositary's approval.

General Information

continued

Buying, Redeeming and Switching of Shares

The ACD will accept orders for the purchase, sale and switching of shares on normal business days between 08:30 and 16:30. Instructions to buy or sell shares may either be in writing to:

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
or by telephone on:
0345 521 1003

The ACD has the right to establish facilities for recording telephone calls made or received on this telephone line.

A contract note giving details of the shares purchased will be issued no later than the next business day after the business day on which an application to purchase shares is received and instrumented by the ACD. Certificates will not be issued in respect of shares. Ownership of shares will be evidenced by an entry on the register of Shareholders.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-fund which represents the Net Asset Value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on www.fundrock.com. Neither the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus and the most recent interim and annual reports may be inspected at the office of the Company which is also the Head Office of the Company. Copies may be obtained free of charge upon application. They are also available from the website of the Company, the details of which are given in the directory of this report.

Shareholders who have complaints about the operation of the Company should in the first instance contact the ACD, or, following that, may make their complaint direct to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Task Force on Climate-Related Financial Disclosures ('TCFD')

The ACD is required to publish a public TCFD product report in respect of each Sub-fund. The report is designed to provide investors with transparency into their portfolios' climate-related risks and opportunities according to the recommendations from the TCFD and aims to help investors understand their exposure to these risks and opportunities.

Reports for each Sub-fund are published on www.fundrock.com/mi-funds/ and can be found under Task Force on Climate-Related Financial Disclosures ('TCFD') by selecting the relevant Fund Manager and Sub-fund.

Significant Information

The ACD has assessed implications of current world geopolitical tensions and conflicts. The current crises have and will have a wider impact in terms of market performance.

ACD Value Assessment

The ACD is required to provide an annual statement for the Company, attesting that in the opinion of the ACD the services provided to the Company and any fees chargeable to the scheme property represent value for money, taking into account the following criteria as set out by the Regulator under COLL 6.6.20R:

- Quality of Service
- Performance
- Economies of Scale
- Comparable Services and Market Rates
- Classes of Shares

This statement references services provided directly by the ACD and those services delegated by the ACD to third parties such as, but not limited to, investment management, depositary services, custody and settlement, audit provision, legal services, printing services, KIID production and maintenance, and other costs as may be set out or allowable in the scheme documentation.

The ACD Value Assessment is published on www.fundrock.com.

General Information

continued

Remuneration of the Authorised Corporate Director

The ACD is subject to a remuneration policy which meets the requirements of the Alternative Investment Fund Managers Directive ('AIFMD') as set out in SYSC 19B of the FCA Handbook.

The policy is designed to ensure practices for employee remuneration are consistent with, and promote, sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instrument of incorporation of the funds managed, and does not impair the ACD's compliance with its duty to act in the best interests of the funds it manages.

The ACD has reviewed the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy or irregularities to process.

This disclosure does not include portfolio management activities as these are undertaken by various third party investment managers appointed by the ACD. The investment manager is required to make separate public disclosure as part of their obligations under the Capital Requirements Directive.

The ACD is required to disclose the total remuneration it pays to its staff during the financial year of the Company, split into fixed and variable remuneration, with separate aggregate disclosure for staff whose actions may have a material impact to the risk profile of a Sub-fund or the ACD itself. This includes executives, senior risk and compliance staff and certain senior managers.

31.12.24	Number of Beneficiaries	Fixed	Variable	Total
Total remuneration paid by the ACD during the year	27	£1,410,915	£376,608	£1,787,523
Remuneration paid to employees of the ACD who have material impact on the risk profile of the Fund	6	£657,439	£230,239	£887,678

With effect from 25 September 2024, the composition of Directors and Non-Executive Directors of the ACD Board of Apex FundRock Limited changed. The changes are noted on page 1.

Further information is available in the ACD's Remuneration Policy Statement which can be obtained from www.fundrock.com or, on request free of charge, by writing to the registered office of the ACD.

Data Protection

All personal information provided by you and any other information relating to your investment will be treated in confidence by us and will not be disclosed to any third parties outside of the Apex Group, except to our service providers, appropriate authorities or where legally compelled or permitted by law or where your prior consent has been received. We will use your information to open, administer and when appropriate, close your account. We may record and use any information held about you in the course of our relationship with you for these purposes. The Law gives you the right to know what information we hold about you. In addition, the Law sets out rules to make sure that this information is handled properly.

A copy of our privacy policy and your rights as a data subject can be found on our website at https://www.apexgroup.com/privacy-policy/. Apex Fundrock Ltd is a registered Data Controller. If you have any queries about the use of your personal information, please contact us via e-mail at DPO@apexfs.com or by post to Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY.

Risk Warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.