

Close OLIM UK Equity Income Fund

Annual Report & Financial Statements
for the year ended 30 November 2015 (audited)

Close OLIM UK Equity Income Fund is a Unit Trust that aims to achieve a return based on a combination of income and capital over the long-term.

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Investment objective and policy

for the year ended 30 November 2015

Investment objective and policy

The objective of the Close OLIM UK Equity Income Fund ("The Fund") is to achieve a return based on a combination of income and capital over the long-term through investment primarily in UK equities.

OLIM Limited ("Manager") may also from time to time invest in other transferable securities, including UK government securities and other fixed interest securities.

Manager's report

for the year ended 30 November 2015

Market Background

UK equities fell by 2.8% over the twelve months to the end of November 2015, measured by the FTSE All Share Index. Including income, the total return on the Index was +0.6%. The year began with political uncertainty in the UK with the General Election due in the first half-year and with the outcome unusually difficult to predict. The clear result delivered in early May was greeted with relief by the market and reinforced confidence that the economy would continue to strengthen. The UK economy led the developed world in Gross Domestic Product (GDP) growth in 2014, where a figure of +3.0% was confirmed after upward revisions. During the year statistics concerning inflation, employment and rising real wage growth, all greatly improved the spending resources for consumers and helped to maintain GDP growth at an expected rate of 2.5% for 2015. In the first half of the year to 31 May, the total-return for the FTSE All Share Index was +7.5%.

In the second half of the year, the outlook for the global economy deteriorated and caused equity markets to fall. In the early summer Greece's negotiations over the latest debt repayments dominated the news, but after the resolution of the talks there, the slowdown in China's growth and the fall in the Chinese equity market caused widespread alarm for investors. The summer was also dominated by the distressing tide of human refugees from the Middle East and Africa into Europe, with clear strains developing in Europe about how to deal with the migrants. By the end of September the yield on the equity market had reached 3.7%, more than double the yield on ten year gilts. In the final two months of the year, the market partially recovered from those very low levels and closed the year on a yield of 3.5%.

Oil and commodity prices were hit hard by the slower rate of growth in China and the oil price fell by 36% to close the year at \$45 for a barrel of Brent crude. In 2011 the equivalent price was \$125. The consequence for the market was weakness in the resource sectors of oil & gas and mining. These sectors have a heavy weighting in the FTSE Higher Yield Index, which fell by 10.7%, much more than overall market fall of 2.8%. The total return on the Higher Yield Index was -5.9%. Mid-cap companies outperformed and the FTSE 250 Index rose by 9.9%. In currency markets the Pound fell by 3.8% against the US Dollar but it rose by 13.5% against the Euro, which weakened due to the large programme of Quantitative Easing (QE) introduced in January 2015. Gilts outperformed equities in the year with a total return of +3.4%. The alarming developments in the global economy and continuing very low interest rates around the world resulted in a small reduction in gilt yields over the year as a whole.

Performance

Against the overall market total return of +0.6%, the total return on the Fund's units was +7.5%, measured by the change in the bid price of the accumulation units. Since the Fund was formed in January 2002, the total return on the units has been +179.1% compared with the total return on the FTSE All Share Index of +118.6%.

Asset allocation between the various sectors of the market benefitted the portfolio, with the underweighting in the resource sectors of oil & gas and mining, and the overweighting in the non-life insurance and leisure sectors being particularly significant. In stock selection our holdings of mid-cap and small-cap holdings continued to outperform the largest companies. In the retail sectors,

Manager's report

continued

Performance continued

Conviviality rose by 49%. Both our non-life insurance companies rose strongly following a bid for Amlin from the Japanese Mitsui Sumitomo insurance company. Over the year Amlin rose by 48% and Beazley by 43%. In our travel and leisure sector, Cineworld rose by 29% and other strong performers included Halma +29%, Informa +29% and Dechra Pharmaceuticals +23%. Companies connected with energy industries had a negative effect on performance this year, with a fall of just over half in Amec Foster Wheeler, while Rotork fell by 17%.

Portfolio

In March we sold our holding in Daily Mail and General Trust and bought Sanne, a new issue which provides administrative services to asset managers. Following strong performance by Sanne, we sold it later in the year and reinvested in Daily Mail and General Trust. We took profits on part of the holding in United Utilities after strong performance, and reinvested the proceeds into Centrica, the integrated utility company, supplying gas and electricity to customers. We trimmed our large holdings in The Restaurant Group, Dechra Pharmaceuticals, Unilever and Babcock International after strong performance. We bought new holdings in Britvic, the soft drink company, and Crest Nicholson, the house-builder. We increased our holding in Conviviality in the placing of new shares to fund the acquisition of Matthew Clark, the drinks wholesaler.

Distribution

We maintained the interim distribution at 2.1p and the final distribution for the year will be 4.2313p compared with 4.0130p last year, making a total for the year of 6.3313p compared with 6.1130p for the year to end November 2014, an increase over the year of 3.6%. The final distribution will be paid on 31 January 2016.

Outlook

The slow-down in growth in the developing world, especially China, and the weak growth in Europe and Japan, despite huge programmes of QE, have justifiably caused great alarm to investors in the last year. In due course, however, world growth should benefit from the sharp declines in the prices of oil and commodities, but the adjustment to the lower prices is inevitably traumatic for certain parts of the global economy. In our portfolio the companies supplying goods and services to the developing world have recently underperformed, having been previously long term outperformers. Companies which operate in the UK economy and close to consumer spending have benefitted from the changing circumstances. Unemployment has continued to fall, inflation is currently negative, and we have experienced real wage growth for the first time since the crash in 2008. We believe that the rating of our equity market takes full account of the global uncertainties. The yield on the FTSE All Share Index is 3.5% and dividends are continuing to grow this year, though the outlook in 2016 will be more challenging. In comparison, the yield on ten year UK gilts is just 1.8%. In due course we believe that the market will benefit from the steady growth in the American and UK economies and investors will focus on the longer term benefit of the fall in energy and commodity prices.

Manager's report

continued

Fund performance to 30 November 2015

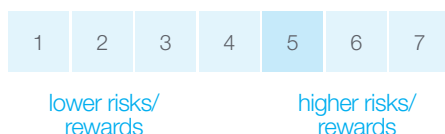
	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Close OLIM UK Equity Income Fund X Acc	7.51%	0.59%	23.63%	21.95%	(1.57)%

Source: The figures were produced by Close Asset Management (UK) Limited using Financial Express.

The performance of the Fund prior to 30 June 2014 is based on the published bid price per accumulation unit which includes reinvested income. From 30 June 2014 the performance of the Fund is based on the published dealing price per accumulation unit including reinvested income (which may include a dilution adjustment to the mid-market value).

The above table shows the performance figure for each individual year 2011-2015. This is different to the cumulative figures stated in the annual report and accounts for 2014. Going forward the individual year figures will be used.

Synthetic Risk and Reward Indicator (SRRI)



The indicator above illustrates the position of the Fund on a standard Risk/Reward category scale. The category is chosen based on the volatility of returns over the past five years.

Please note that:

- Past performance is not a reliable indicator of future results.
- The risk category shown is not guaranteed and may shift over time.
- The lowest category does not mean 'risk free'.

This measurement can change and the Key Investor Information Document will contain the most up-to-date version.

This indicator shows how much a Fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

This Fund is in category 5 (denoting medium risk, but with moderate potential for higher rewards).

This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

For more information on risk, please see the section 'Risk Factors' in the prospectus.

OLIM Limited, Investment Manager
On behalf of the Manager

Performance record

Net asset value per unit and comparative tables

Net asset values

The net asset values are:

Accounting Date	Total Net Asset Value	Net Asset Value per Unit	Number of Units in Issue
30/11/2015			
X Income	£4,763,760	162.25p	2,936,106
X Accumulation	£9,100,404	278.63p	3,266,129
30/11/2014			
X Income	£4,909,416	157.49p	3,117,190
X Accumulation	£8,416,979	260.37p	3,232,692
30/11/2013			
X Income	£5,252,681	162.19p	3,238,614
X Accumulation	£8,350,837	258.23p	3,233,887

Capital record and net revenue

The X income and accumulation units were first offered at 100.00p on 7 January 2002.

Year	Highest Price p	Lowest Price p	Net Revenue Paid pence per Unit in Calendar Year
2016*			
X Income	—	—	4.2313
X Accumulation	—	—	5.2237
2015**			
X Income	175.10	154.00	6.1130
X Accumulation	289.50	254.60	10.1479
2014			
X Income	172.00	147.00	5.7260
X Accumulation	273.84	237.10***	10.5862
2013			
X Income	168.07	139.88	5.4576
X Accumulation	266.81	214.94	8.2618
2012			
X Income	140.54	118.44	5.3342
X Accumulation	215.60	177.56	7.7362
2011			
X Income	134.72	109.89	4.5886
X Accumulation	193.14	157.70	6.4115

*Net revenue to 31 January 2016.

**Highest and lowest price to 30 November 2015.

***In the interim report to May 2014 and the final report to November 2014, the lowest price for Class X Accumulation units during 2014 was incorrectly stated as 215.15p.

However, the correct lowest price for both periods was:

To 31 May 2014: 254.14p

To 30 Nov 2014: 237.10p

The error was detected during the current financial year and has been disclosed as necessary.

The above performance information and that which is contained in the Manager's report relates to past performance.

Past performance is not a reliable indicator of future results.

The value of investments and the revenue from them may fall as well as rise and is not guaranteed.

Performance record

continued

Ongoing charges figure (annualised)

Year to 30/11/2015		Year to 30/11/2014	
X Income	1.13%	X Income	1.51%
X Accumulation	1.13%	X Accumulation	1.51%

The ongoing charges figure (OCF) represents the annual operating expenses of the Fund expressed as a percentage of average net assets for the year – it does not include initial charges. The OCF includes the annual management charge and also the following charges which are deducted directly from the Fund: General Administration charges, Trustee fee, Safe Custody fee, Audit fee, FCA fee, Professional Service charges and Safe Custody Transaction charges. The OCF is expressed as an annual percentage rate. During the previous reporting period, the Manager changed from Capita to Close Asset Management (UK) Ltd. The Fund's portion of the costs of this onetime event are reflected in the above comparative OCF.

Portfolio statement

as at 30 November 2015

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	UNITED KINGDOM - 98.16% (2014 - 98.03%) Banks - 2.67% (2014 - 3.35%)		
70,000	HSBC	370,650	2.67
	Beverages - 0.91% (2014 - 0.00%)		
17,500	Britvic	125,563	0.91
	Chemicals - 4.23% (2014 - 4.48%)		
10,100	Croda	289,365	2.09
10,500	Johnson Matthey	296,625	2.14
		585,990	4.23
	Electronic & Electrical Equipment - 8.12% (2014 - 7.63%)		
73,000	Halma	628,895	4.53
28,000	Spectris	497,560	3.59
		1,126,455	8.12
	Financials - 3.27% (2014 - 3.09%)		
167,000	Legal & General	453,071	3.27
	Fixed Line Telecommunications - 4.23% (2014 - 3.63%)		
118,000	BT	585,811	4.23
	Food & Drug Retailers - 3.79% (2014 - 2.02%)		
250,000	Conviviality	525,000	3.79
	Food Producers - 4.45% (2014 - 4.83%)		
21,800	Unilever	617,594	4.45
	Gas, Water & Multiutilities - 6.03% (2014 - 6.67%)		
114,700	Centrica	250,046	1.80
32,300	Pennon	281,010	2.03
31,500	United Utilities	304,448	2.20
		835,504	6.03
	General Retailers - 2.43% (2014 - 2.43%)		
95,000	N Brown	337,345	2.43

Portfolio statement

continued

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	Household Goods & Home Construction - 2.07% (2014 - 1.09%)		
25,000	Crest Nicholson	133,875	0.97
40,000	Telford Homes	153,100	1.10
		286,975	2.07
	Industrial Engineering - 2.10% (2014 - 2.64%)		
160,000	Rotork	291,040	2.10
	Industrial Metals & Mining - 0.07% (2014 - 0.00%)		
17,500	South32	9,931	0.07
	Media - 4.60% (2014 - 4.55%)		
10,000	Daily Mail & General Trust	71,500	0.51
91,000	Informa	566,930	4.09
		638,430	4.60
	Mining - 1.80% (2014 - 3.11%)		
17,500	BHP Billiton	139,388	1.00
5,000	Rio Tinto	110,425	0.80
		249,813	1.80
	Mobile Telecommunications - 3.73% (2014 - 4.05%)		
230,818	Vodafone	517,609	3.73
	Non-life Insurance - 7.00% (2014 - 5.00%)		
55,000	Amlin	362,450	2.61
155,000	Beazley	607,910	4.39
		970,360	7.00
	Oil & Gas Producers - 7.41% (2014 - 8.69%)		
17,000	BG	175,270	1.26
144,000	BP	554,688	4.00
18,000	Royal Dutch Shell class 'B' shares	297,360	2.15
		1,027,318	7.41

Portfolio statement

continued

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	Pharmaceuticals & Biotechnology - 9.06% (2014 - 8.93%)		
74,730	Dechra Pharmaceuticals	734,596	5.30
38,500	GlaxoSmithKline	521,675	3.76
		1,256,271	9.06
	Support Services - 8.23% (2014 - 10.68%)		
28,000	Amec Foster Wheeler	121,884	0.88
38,000	Babcock International	406,980	2.93
106,000	Carillion	333,900	2.41
85,000	SThree	278,162	2.01
		1,140,926	8.23
	Travel & Leisure - 11.96% (2014 - 11.16%)		
100,320	Cineworld	541,728	3.91
21,375	Go-Ahead	561,521	4.05
170,000	Marston's	292,400	2.11
40,000	The Restaurant Group	262,000	1.89
		1,657,649	11.96
	Portfolio of investments	13,609,305	98.16
	Net other assets	254,859	1.84
	Net assets	13,864,164	100.00

All securities are approved securities which are listed on an official stock exchange and traded on regulated markets, unless otherwise stated.

Note: Comparative figures in brackets relate to 30 November 2014.

Financial statements

Statement of total return

for the year ended 30 November 2015

	Notes	GBP	Year to 30/11/2015 GBP	GBP	Year to 30/11/2014 GBP
Income					
Net capital gains/(losses)	2		546,018		(170,469)
Revenue	3	525,942		512,738	
Expenses	4	(153,122)		(227,441)	
Finance costs: Interest	6	(21)		(110)	
Net revenue before taxation for the year		372,799		285,187	
Taxation	5	—		—	
Net revenue after taxation for the year			372,799		285,187
Total return before distributions			918,817		114,718
Finance costs: Distributions	6		(525,690)		(511,277)
Change in unitholders' funds from investment activities			393,127		(396,559)

Statement of change in net assets attributable to unitholders

for the year ended 30 November 2015

	GBP	Year to 30/11/2015 GBP	GBP	Year to 30/11/2014 GBP
Opening net assets attributable to unitholders		13,326,395		13,603,518
Amounts received on issue of units	317,026		423,569	
Amounts paid on cancellation of units	(516,066)		(621,049)	
		(199,040)		(197,480)
Dilution adjustment		2,049		—
Stamp Duty Reserve Tax		98		(751)
Change in unitholders' funds from investment activities		393,127		(396,559)
Retained distribution on accumulation units		341,535		317,667
Closing net assets attributable to unitholders		13,864,164		13,326,395

Financial statements

continued

Balance sheet

as at 30 November 2015

	Notes	GBP	As at 30/11/2015 GBP	GBP	As at 30/11/2014 GBP
ASSETS					
Investment assets			13,609,305		13,063,704
Debtors	7	51,650		50,011	
Cash and bank balances		362,817		366,992	
Total other assets			414,467		417,003
Total assets			14,023,772		13,480,707
LIABILITIES					
Creditors	8	(35,372)		(29,219)	
Distribution payable on income units		(124,236)		(125,093)	
Total other liabilities			(159,608)		(154,312)
Total liabilities			(159,608)		(154,312)
Net assets attributable to unitholders			13,864,164		13,326,395

Notes to the Financial statements

as at 30 November 2015

1. Accounting policies

a Basis of accounting

The financial statements have been prepared in accordance with 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 (formally the IMA) in October 2010 (the "IMA SORP 2010").

The Manager is confident that the Fund will continue in operation for the foreseeable future. The Fund has adequate financial resources and its assets consist of securities which are readily realisable. As such, the financial statements have been prepared on the going concern basis.

b Revenue

Dividends on equities are recognised when quoted ex-dividend.

Interest on bank balances and other cash deposits are recognised on an accruals basis.

c Stock and Special Dividends

The ordinary element of stock 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.

The underlying circumstances behind special dividends are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue will form part of the distribution. Any tax treatment will follow the accounting treatment of the principal amount.

d Expenses

The Fund charges all expenses, to the capital of the Fund.

e Taxation

Corporation tax is provided at 20% on taxable revenue, after deduction of allowable expenses.

The charge for taxation is based on revenue for the period. UK dividends and CIS distributions are disclosed net of any related tax credit. The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by Financial Reporting Standard 19.

f Distributions

Revenue produced by the Fund's investments accumulates during each half-yearly distribution period. If, at the end of the distribution period, revenue exceeds expenses, the net revenue of the Fund is available to be distributed to unitholders. Any net revenue deficit will be borne by the capital account.

Notes to the Financial statements

continued

1. Accounting policies continued

g Basis of valuation of investments

The investments are valued at their fair value, excluding accrued revenue, at close of business on the last business day of the accounting year.

In the case of an investment which is not listed in a recognised market, the fair value of such an investment shall be estimated with care and in good faith by a competent professional person, body or firm and such fair value shall be determined on the basis of the probable realisation value of the investment. The Investment Manager shall be entitled to adopt an alternative method of valuing any particular asset if it considers that the methods of valuation set out above do not provide a fair valuation of a particular asset.

The fair value for non-derivative securities is the bid-market price, excluding any accrued interest.

The manager has the power to attribute what it considers to be a fair and reasonable price in the case of a security or unit for which no recent or reliable valuation or price exists.

h Foreign currencies

Assets and liabilities in foreign currencies have been translated into Sterling at the exchange rates prevailing at the balance sheet date. Transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the dates of the transactions.

Notes to the Financial statements

continued

2. Net capital gains/(losses)

	Year to 30/11/2015 GBP	Year to 30/11/2014 GBP
The net capital gains/(losses) during the year comprise:		
Gains/(losses) on non-derivative securities	546,488	(170,469)
Foreign currency gains	102	—
Transaction expenses	(572)	—
Net capital gains/(losses)	546,018	(170,469)

3. Revenue

	Year to 30/11/2015 GBP	Year to 30/11/2014 GBP
Bank Interest	472	4,768
Non-taxable dividends	525,470	507,970
Total revenue	525,942	512,738

Notes to the Financial statements

continued

4. Expenses

	Year to 30/11/2015 GBP	Year to 30/11/2014 GBP
Payable to the Manager, associates of the manager and agents of either of them:		
Manager's periodic charge	102,114	155,092
Legal and professional fees	3,000	1,282
Set up costs*	—	48,600
	105,114	204,974
Payable to the Trustees, associates of the Trustee, and agents of either of them:		
Trustees fees	3,268	1,858
Safe custody fees	516	33
Fund accounting fee	24,283	8,742
	28,067	10,633
Other expenses:		
Audit fees**	7,560	7,560
Distribution fees	791	—
FCA fees	389	234
License fees	201	2,979
Printing fees	748	435
Registration fees	1,256	562
Sundry fees	16	—
Taxation advice fees	150	64
Transfer Agency fees	8,830	—
	19,941	11,834
Total expenses	153,122	227,441

The Investment Manager's fees and expenses (plus VAT thereon) for providing investment management services is paid by the Manager out of its remuneration.

*During the prior reporting period, the Manager changed from Capita to Close Asset Management (UK) Limited. As a result, the Fund incurred a one off cost of £48,600. This amount relates to the legal fees portion of the transfer costs.

**The audit fee for the year, excluding VAT, was £6,615 (2014 - £6,300).

Notes to the Financial statements

continued

5. Taxation

	Year to 30/11/2015 GBP	Year to 30/11/2014 GBP
a) Analysis of taxation charge in year		
Corporation tax	—	—
Total taxation	—	—

b) Factors affecting taxation charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (30/11/2014: 20%). The difference is explained below.

	GBP	GBP
Net revenue before taxation	372,799	285,187
Corporation tax at 20% (2014: 20%)	74,560	57,037

Effects of:

Expenses not deductible for tax purposes	—	9,976
Non-taxable dividends	(105,094)	(101,593)
Unutilised excess management expenses	30,534	34,580
Current tax charge (note 5a)	—	—

c) Provision for deferred tax

At the year end there is a potential deferred tax asset of £287,684 (30/11/2014: £257,149) due to excess management expenses of £1,438,419 (30/11/2014: £1,285,747). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised (30/11/2014: same).

Notes to the Financial statements

continued

6. Finance costs

Distributions

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

	Year to 30/11/2015 GBP	Year to 30/11/2014 GBP
Interim distribution	231,755	227,610
Final distribution	294,848	281,506
	526,603	509,116
Add: Revenue deducted on cancellation of units	2,514	4,887
Less: Revenue received on creation of units	(3,427)	(2,726)
Finance costs: Distributions	525,690	511,277
Financial costs: Interest	21	110
Total finance costs	525,711	511,387
Reconciliation of distributions:		
Net revenue after taxation	372,799	285,187
Capitalised fees	152,891	226,090
Net distributions for the year	525,690	511,277

Notes to the Financial statements

continued

7. Debtors

	As at 30/11/2015 GBP	As at 30/11/2014 GBP
Amounts receivable for issue of units	1,953	63
Accrued revenue	48,674	49,948
Overseas tax recoverable	1,023	—
Total debtors	51,650	50,011

8. Creditors

	As at 30/11/2015 GBP	As at 30/11/2014 GBP
Accrued expenses	35,372	29,120
Stamp duty reserve tax	—	99
Total creditors	35,372	29,219

9. Related party transactions

Management and legal and professional fees payable to Close Asset Management (UK) Limited ("the Manager") and fees payable to the Trustee BNY Mellon Trust & Depositary (UK) Limited are disclosed in note 4 and amounts due at the year end are disclosed in note 8

The aggregated monies received by the Manager through the issue of units and paid on cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders on page 13 and amounts due at the year end are disclosed in note 7.

Notes to the Financial statements

continued

10. Contingent liabilities and commitments

There were no contingent liabilities or commitments at the balance sheet date (30/11/2014: £Nil).

11. Financial instruments and derivatives

Risk profile

The main risks from the Fund's holding of financial instruments, together with the Manager's policy for managing these risks, are set out below:

Credit risk

The Fund may find that companies in which it invests fail to settle their debts on a timely basis. The value of securities issued by such companies may fall as a result of the perceived increase in credit risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit this risk.

Market risk

Market price risk represents the potential loss the Fund may suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to price fluctuations, which are monitored by the Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and avoidance of excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of stocks can mitigate market risk.

Liquidity risk

The main liability of the Fund is the cancellation of units that investors want to sell. Investments may have to be sold to fund such cancellations should insufficient cash be held at the bank to meet this obligation.

The Fund holds cash and a majority of readily realisable securities. The cash position and the level of redemption requests is monitored so as to minimise the liquidity risk which may arise.

Counterparty risk

Transactions in investments entered into by the Fund give rise to the risk that the counterparties may not be able to fulfil their responsibilities by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only reputable counterparties.

Foreign currency risk

The income and capital value of the Fund's Investments are denominated predominately in Sterling and therefore, the Financial Statements are not subject to the risk of currency movements.

Fair value of financial assets and liabilities

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

Derivatives

No derivatives were held during the current or prior year covered by this report.

Notes to the Financial statements

continued

11. Financial instruments and derivatives continued

Interest rate risk

This is the risk of changes (negative as well as positive) in the value of investments as a result of fluctuations in interest rates. For example, a reduction in interest rates will mean that the Fund receives less credit interest on cash placed on deposit. Alternatively, an increase in interest rates means that the Fund will be charged higher debit interest on any overdrawn accounts. Investments, with exposure to interest rates, may decrease in market value due to increasing interest rates.

The interest rate risk profile at 30 November 2015 was as follows:

Currency	Floating Rate Financial Assets GBP	Fixed Rate Financial Assets GBP	Financial Assets not carrying Interest GBP	Total GBP
UK Sterling	362,817	—	13,650,685	14,013,502
US Dollar	—	—	10,270	10,270
Total	362,817	—	13,660,955	14,023,772

Currency	Floating Rate Financial Liabilities GBP	Financial Liabilities not carrying Interest GBP	Total GBP
UK Sterling	—	(159,608)	(159,608)

The interest rate risk profile at 30 November 2014 was as follows:

Currency	Floating Rate Financial Assets GBP	Fixed Rate Financial Assets GBP	Financial Assets not carrying Interest GBP	Total GBP
UK Sterling	366,992	—	13,103,843	13,470,835
US Dollar	—	—	9,872	9,872
Total	366,992	—	13,113,715	13,480,707

Currency	Floating Rate Financial Liabilities GBP	Financial Liabilities not carrying Interest GBP	Total GBP
UK Sterling	—	(154,312)	(154,312)

Notes to the Financial statements

continued

12. Portfolio transaction costs

	Year to 30/11/2015	Year to 30/11/2014	
GBP	GBP	GBP	
Analysis of total purchase costs:			
Purchases before transaction costs	580,593	942,553	
Commissions	677	3,568	
Taxes	1,697	—	
Total purchase costs	2,374	3,568	
Gross purchases total	582,967	946,121	
Analysis of total sale costs:			
Sales before transaction costs	584,807	1,022,263	
Commissions	(949)	(1,872)	
Fees	(5)	—	
Total sale costs	(954)	(1,872)	
Total sales net of transactions costs	583,853	1,020,391	

Distribution tables

for the year ended 30 November 2015

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 December 2014

Group 2: units purchased between 1 December 2014 and 31 May 2015

	Net Revenue per Unit	Equalisation per Unit	Distribution Payable on 31/7/2015	Distribution Paid on 31/7/2014
X Income				
Group 1	2.1000	—	2.1000	2.1000
Group 2	0.6511	1.4489	2.1000	2.1000
X Accumulation				
Group 1	5.3094	—	5.3094	4.9391
Group 2	3.1977	2.1117	5.3094	4.9391

Final dividend distribution in pence per unit

Group 1: units purchased prior to 1 June 2015

Group 2: units purchased 1 June 2015 and 30 November 2015

	Net Revenue per Unit	Equalisation per Unit	Distribution Payable on 31/1/2016	Distribution Paid on 31/1/2015
X Income				
Group 1	4.2313	—	4.2313	4.0130
Group 2	1.4837	2.7476	4.2313	4.0130
X Accumulation				
Group 1	5.2237	—	5.2237	4.8385
Group 2	2.4284	2.7953	5.2237	4.8385

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Statement of Manager's and Trustee's responsibilities

Statement of Manager's Responsibilities in relation to the Report and Financial Statements of the Fund

The Collective Investment Schemes ("COLL") Sourcebook requires the manager to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Fund and of its net revenue and the net gains on the property of the Fund for the year. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements in accordance with generally accepted accounting principles and applicable accounting standards, the Statement of Recommended Practice for Authorised Funds issued by The Investment Association in October 2010, the COLL Sourcebook and the Trust Deed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is not appropriate to presume that the Fund will continue in operation.

The financial statements should comply with the disclosure requirements of the COLL Sourcebook and any other relevant provisions of the Fund's Trust Deed.

The Manager is responsible for keeping proper books of accounts which disclose, with reasonable accuracy at any time, the financial position of the Fund in accordance with the Trust Deed, the Open-Ended Investment Companies regulations 2001 (SI 2001/1228) and the COLL Sourcebook. The Manager is responsible for taking all reasonable steps for the prevention and detection of fraud and any other irregularities.

Trustee's Responsibilities

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

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

Report of the Trustee

Report of the Trustee to the Unitholders of The Close OLIM UK Equity Income Fund

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's revenue in accordance with COLL and where applicable, the Trust Deed and the Prospectus of the Fund; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Fund.

For and on behalf of
BNY Mellon Trust & Depositary (UK) Limited
London
20 January 2016

Independent Auditor's report

Independent Auditor's Report to the Unitholders of Close OLIM UK Equity Income Fund

We have audited the financial statements of Close OLIM UK Equity Income Fund ("the Fund") for the year ended 30 November 2015 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes 1 to 12 and the distribution tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by The Investment Association in October 2010, the Collective Investment Schemes Sourcebook and the Trust Deed.

This report is made solely to the Fund's Unitholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Fund's Unitholders 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 Fund and the Fund's Unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Trustee, the Manager and the Auditor

As explained more fully in the Trustee's Responsibilities Statement and the Manager's Responsibilities Statement, the Trustee is responsible for safeguarding the property of the Fund and the Manager is responsible for the preparation of the financial statements. Our responsibility is to audit and express an opinion on the financial statements in accordance with the requirements of the Collective Investment Schemes Sourcebook, applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Manager; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent Auditor's report

continued

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the Fund as at 30 November 2015 and of the net revenue and the net capital gains on the property of the Fund for the year ended 30 November 2015; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice "Financial Statements of Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Trust Deed.

Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook

In our opinion:

- proper accounting records for the Fund have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the Annual Report for the year ended 30 November 2015 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

Deloitte LLP
Chartered Accountants and
Statutory Auditor
Edinburgh, United Kingdom
20 January 2016

Authorised status

Authorised status

The Fund is an authorised unit trust under the Financial Services and Markets Act 2000 ("the Act"). The date of authorisation is 26 November 2001.

Certification of financial statements by Directors of the Manager

This Manager's report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes ("COLL") Sourcebook.



R.I. Curry (Director)



G.M. Clarke (Director)

Close Asset Management (UK) Limited
20 January 2016

General information

Launch date

7 January 2002

Accounting year end date

30 November

Initial charge

Nil

Annual charge

The Fund pays an annual charge of 0.75% of the value of the Fund to the Manager. This is deducted from capital.

Registration fees

The Registrar charges a fee based upon the number of account holders. The Manager may benefit from the Registrar servicing a number of Close funds.

Distributions

Where possible the Fund will declare an annual dividend in relation to the period ending 30 November each year and a semi-annual dividend in relation to the period ending 31 May in each year.

Any distributions made will be paid to unitholders on or before the next following 31 January or 31 July, where applicable.

Unit prices

Unit prices are calculated daily at 12 noon and all dealings are currently on a forward price basis. The Manager, to protect unitholders, reserves the right to revalue in times of currency or market volatility.

Prices for all Close Asset Management (UK) Limited's range of authorised unit trusts and open-ended investment companies ("OEICS") are available on Close's website, www.closebrothersam.com, or the website of the IA, www.investmentuk.org, or by contacting Close on **0370 606 6452***.

Minimum investment and Individual Savings Account (ISA)

The minimum investment in the Fund is £1,000. The minimum additional investment is £1,000. In the case of regular savers the minimum amount is £50 per month. Unless all units are redeemed, redemptions are subject to a minimum of £500 in value.

Taxation of the unitholder

Unitholders who are resident or ordinarily resident in the UK for UK tax purposes may, depending on their circumstances, be liable to UK Capital Gains Tax on the disposal of their units. An individual's first £11,100 of net gains on disposals in 2015/16 are exempt from UK Capital Gains Tax. Gains in excess of £11,100 are subject to tax at the Capital Gains tax rate of 18% where total taxable income and gains are £31,785 below or at 28% on total taxable income and gains above this threshold. Capital Gains and Income Tax rates and reliefs are always subject to change. Special rules apply to institutional investors and trustees.

*Calls to this number may be recorded for monitoring and training purposes.

General information

continued

Prospectus and Key Investor Information Document

Copies of the prospectus and Key Investor Information Document of the Fund are available free of charge from the Manager or may be downloaded from our website <http://www.olim.co.uk>

Cancellation

If you invest in the Fund through a financial advisor, or after taking advice from an authorised intermediary, you have the right to cancel the agreement under the Financial Conduct Authority Conduct of Business Sourcebook Chapter 15.2 and you will be sent a cancellation notice. You may exercise your right to cancel by returning it to the Manager within 14 days. If you exercise this right, you will not get a full refund of the money you paid if the value of the investment falls before the cancellation notice is received by the Manager, because an amount equal to that fall in value will be deducted from any refund you would otherwise receive. Such a deduction will not be made from the first instalment paid into a regular savings scheme.

Customers dealing direct with the Manager are deemed to be execution-only customers and will have no rights of cancellation, as outlined above.

Value of units

The value of your units and any amount of revenue from them is linked to the value of, and the amount of revenue from the assets comprised in the property of the Fund.

The minimum price per unit at which you may realise your units will be determined by:

- i. Calculating the value on a bid price basis of the proportion of the assets comprised in the property of the Fund equal to the proportion of those assets represented by one unit of the type concerned; and
- ii. Deducting an appropriate allowance for fiscal and sale charges.

The amount of revenue per unit which you will receive (or will be reinvested on your behalf) will be a proportion of the net amount of the revenue of the Fund for the relevant year (after allowing for management fees, provision for taxation, interest on borrowings and other expenses) equal to the proportion of that revenue represented by one unit.

In this calculation, the value of the assets of the Fund will take account of accrued but unpaid management fees, any applicable taxes and other accruals.

Risk warnings

Investors should remember that past performance is not a reliable indicator of future results as the price and value of units, and the revenue from them, can fall as well as rise. Investors may not get back the amount originally invested.

This information relating to the Close OLIM UK Equity Income Fund is issued by Close Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority.

Directory

Manager

Close Asset Management (UK) Limited*
(Authorised and regulated by the
Financial Conduct Authority)

Registered office:

10 Crown Place, London EC2A 4FT

Business address:

10 Exchange Square, Primrose Street,
London EC2A 2BY

Telephone: Dealing only 0370 606 6402**

Directors

M. Andrew

G. M. Clarke

R. I. Curry

E. B. Davis

A. R. Thomas (Resigned 5 June 2015)

Investment Manager

OLIM Limited*

15 Berkeley Street

London

W1J 8DY

(Authorised and regulated by the Financial
Conduct Authority)

www.olim.co.uk

Telephone: 0207 408 7290

Trustee

BNY Mellon Trust & Depositary (UK) Limited
(Authorised and regulated by the
Financial Conduct Authority)

The Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

Administrator & Registrar

The Bank of New York Mellon
(International) Limited
(Authorised by the Prudential Regulation
Authority and regulated by the
Financial Conduct Authority and the
Prudential Regulation Authority)
BNY Mellon House, Ingrave Road,
Brentwood, Essex CM15 8TG

Independent Auditor

Deloitte LLP

Saltire Court

20 Castle Terrace

Edinburgh

EH1 2DB

Useful information

The information in this report is designed to enable unitholders to make an informed judgement on the activities of the Fund during the year and the results of those activities at the year-end.

For more information about the activities and performance of the Fund during this and previous years, please contact the Manager at the address above.

*The Manager (Close Asset Management (UK) Limited) and the Investment Manager (OLIM Limited) are both subsidiaries of Close Brothers Group Plc. Authorised and regulated by the Financial Conduct Authority.

**Calls to this number may be recorded for monitoring and training purposes.

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Close Brothers Asset Management

10 Exchange Square

Primrose Street

London

EC2A 2BY

www.closebrothersam.com

Close Brothers Asset Management is a trading name of Close Asset Management Limited (Registered number: 01644127) and Close Asset Management (UK) Limited (Registered number: 02998803). Both companies are part of Close Brothers Group plc, are registered in England and Wales and are authorised and regulated by the Financial Conduct Authority. Registered office: 10 Crown Place, London EC2A 4FT.

VAT Registration No 245 5013 86.

CBAM/2814 30/11/2015