

Close OLIM UK Equity Income Fund

Interim Report & Financial Statements
for the period ended 31 May 2015 (unaudited)

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 period ended 31 May 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.

The 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 period ended 31 May 2015

Market Background

UK equities performed strongly in the six months to the end of May 2015. The FTSE All Share Index rose by 5.7% and, with dividends included, the total return was +7.5%. Towards the end of 2014 investors were concerned about many problems overseas and here in the UK we were approaching the General Election, which could have resulted in extreme governments from either end of the political spectrum. Overseas, the emerging economies saw declining growth rates, including China, now the world's second largest economy. In the Eurozone, overall no economic progress was reported, with even Germany suffering a blip in its autumn manufacturing production figures. At the end of the year Greece elected a left wing government which threatened to end austerity and not to pay its international debts. In Iraq, Syria and North Africa, the spread of the Islamic State caused widespread fear throughout the Middle East and elsewhere.

Despite all these problems overseas, the UK economy entered a more benign background. The fall in the oil price and other commodities throughout 2014 enabled the inflation rate to fall to zero, and even briefly negative. Early in 2015 real wage growth was reported for the first time for more than five years, and the rate of unemployment was reported to fall below 6%, also for the first time in the then parliament. Bond yields remained low throughout, with the ten year gilt yield at 1.9% at end November 2014 and at end May 2015. In January the European Central Bank announced a full scale programme of Quantitative Easing (QE), at the rate of €60 billion per month and Japan too continued with its own substantial QE programme. European bond yields fell to levels well below UK gilt yields.

Overseas equity markets were mixed. Germany and Japan rose strongly, powered by QE and very low bond yield comparisons. America, where QE has ended and bond yields are rising, saw a modest 2% rise in the S&P 500 equity Index. In currency markets there was significant divergence between the US dollar and the euro, with the pound caught between the two extremes. Following the announcement of the European QE programme the euro weakened significantly. Over the six months the pound strengthened by 10% against the euro but fell by 3% against the US dollar. In the commodity markets the price of oil continued to fall and ended the period 7% lower at \$65 per barrel and copper drifted by a further 4% during the six months.

Manager's report

continued

Performance

The total return on the Fund's portfolio was +11.5%, measured by the increase in the price of the accumulation units at the end of May 2015, compared with the end of November 2014. This was significantly above the All Share Index total return of +7.5%. Since the Fund's formation in January 2002, the total return on the accumulation units has been +190% and this compares with the All Share Index total return of +135%.

Asset allocation between the various sectors of the market benefitted the portfolio, with the underweighting in the resource sectors of oil and gas and mining, and the overweighting in the electric and leisure sectors being particularly significant. In stock selection our mid-cap and small-cap holdings of Cineworld (+35%), Dechra Pharmaceuticals (+29%), Telford Homes (+32%) and Spectris (+24%) all performed strongly. BG rose after receiving a takeover bid from Royal Dutch Shell and rose by 26% over the half year.

Portfolio

We made few changes in the portfolio. We sold our holding in Daily Mail and General Trust and reinvested in the new issue in Sanne, a Jersey based provider of administrative services to alternative asset managers, financial institutions and corporates. 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 some of our large holdings to manage cash flows relating to redemptions.

Distribution

The interim distribution for the six month period will be the same as last year at 2.1p per income unit.

Outlook

The result of the General Election on 7 May 2015, was followed by strong gains in some of the sectors of the market, including banks, support services, house-builders and utilities. There was a strong bounce on the day following the Election, but subsequently the market drifted back to close the month with a rise of just under 1%. Attention is now moving towards the Budget in early July and clarity over the direction of public spending cuts and tax increases which must be made in order to continue to reduce the fiscal deficit. Growth in the UK economy weakened in the first quarter of 2015, with a particular slowdown in the rate of construction activity ahead of the Election. It is expected to gather pace during the rest of this year, with general expectations of Gross Domestic Product growth of 2.5% for 2015. In the first five months of 2015, dividends grew by 7% compared with the equivalent period in 2014. Consumer spending shows signs of growth, with falling unemployment, low inflation and rising real wage growth. Gilt yields have risen slightly from the very low points of the last year but remain well below the level of the equity market. The valuation of the equity market is slightly above the long term average but we believe that, in comparison with other asset classes, UK equities will deliver superior returns on a medium term view.

Manager's report

continued

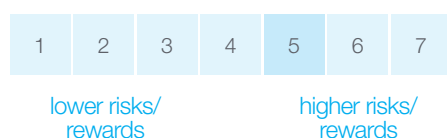
Fund performance to 31 May 2015

	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Close OLIM UK Equity Income Fund X Acc	7.98%	11.29%	34.14%	(4.29)%	19.73%

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).

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 return have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher 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
July 2015

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
31/5/2015			
X Income	£4,971,523	171.62p	2,896,775
X Accumulation	£9,246,868	287.24p	3,219,243
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
30/11/2012			
X Income	£3,839,830	135.82p	2,827,238
X Accumulation	£6,496,194	208.69p	3,112,811

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
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
2010			
X Income	133.61	108.43	4.5966
X Accumulation	187.89	147.37	6.1716

*Highest and lowest price to 31 May 2015 and net revenue to 31 July 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: 237.1p

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)

Period to 31/5/2015		Year to 30/11/2014	
X Income	1.14%	X Income	1.51%
X Accumulation	1.14%	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 period/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 31 May 2015

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	UNITED KINGDOM - 97.60% (2014 - 98.03%)		
	Banks - 3.07% (2014 - 3.35%)		
70,000	HSBC	435,820	3.07
	Chemicals - 4.66% (2014 - 4.48%)		
10,100	Croda	295,425	2.08
10,500	Johnson Matthey	367,185	2.58
		662,610	4.66
	Electronic & Electrical Equipment - 8.52% (2014 - 7.63%)		
73,000	Halma	557,355	3.92
28,000	Spectris	654,640	4.60
		1,211,995	8.52
	Financials - 3.72% (2014 - 3.09%)		
167,000	Legal & General	443,886	3.12
32,000	Sanne	86,000	0.60
		529,886	3.72
	Fixed Line Telecommunications - 3.71% (2014 - 3.63%)		
118,000	BT	527,106	3.71
	Food & Drug Retailers - 1.88% (2014 - 2.02%)		
190,000	Conviviality Retail	267,900	1.88
	Food Producers - 4.42% (2014 - 4.83%)		
21,800	Unilever	629,148	4.42
	Gas, Water & Multiutilities - 6.39% (2014 - 6.67%)		
114,700	Centrica	318,407	2.24
32,300	Pennon	275,519	1.94
31,500	United Utilities	313,740	2.21
		907,666	6.39
	General Retailers - 2.24% (2014 - 2.43%)		
95,000	N Brown	318,250	2.24
	Household Goods & Home Construction - 1.35% (2014 - 1.09%)		
40,000	Telford Homes	192,400	1.35

Portfolio statement

continued

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	Industrial Engineering - 2.85% (2014 - 2.64%)		
160,000	Rotork	405,120	2.85
	Industrial Metals & Mining - 0.13% (2014 - 0.00%)		
17,500	South32	18,900	0.13
	Media - 3.72% (2014 - 4.55%)		
91,000	Informa	528,710	3.72
	Mining - 2.70% (2014 - 3.11%)		
17,500	BHP Billiton	241,325	1.70
5,000	Rio Tinto	142,775	1.00
		384,100	2.70
	Mobile Telecommunications - 4.15% (2014 - 4.05%)		
230,818	Vodafone	589,394	4.15
	Non-life Insurance - 5.13% (2014 - 5.00%)		
55,000	Amlin	268,180	1.89
155,000	Beazley	460,970	3.24
		729,150	5.13
	Oil & Gas Producers - 8.43% (2014 - 8.69%)		
17,000	BG	193,290	1.36
144,000	BP	649,080	4.57
18,000	Royal Dutch Shell class 'B' shares	355,230	2.50
		1,197,600	8.43
	Pharmaceuticals & Biotechnology - 9.34% (2014 - 8.93%)		
74,730	Dechra Pharmaceuticals	768,971	5.41
38,500	GlaxoSmithKline	559,405	3.93
		1,328,376	9.34

Portfolio statement

continued

Holding	Investment	Market Value GBP	Percentage of Net Assets %
	Support Services - 9.62% (2014 - 10.68%)		
28,000	Amec Foster Wheeler	266,000	1.87
38,000	Babcock International	427,120	3.00
106,000	Carillion	351,284	2.47
85,000	SThree	323,850	2.28
		1,368,254	9.62
	Travel & Leisure - 11.57% (2014 - 11.16%)		
100,320	Cineworld	519,156	3.65
21,375	Go-Ahead	566,224	3.98
170,000	Marston's	283,730	2.00
40,000	Restaurant	275,600	1.94
		1,644,710	11.57
	Portfolio of investments	13,877,095	97.60
	Net other assets	341,296	2.40
	Net assets	14,218,391	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 period ended 31 May 2015

	GBP	Period to 31/5/2015 GBP	GBP	Period to 31/5/2014 GBP
Income				
Net capital gains		1,154,556		339,178
Revenue	265,132		262,417	
Expenses	(77,014)		(101,694)	
Finance costs: Interest	(47)		—	
Net revenue before taxation	188,071		160,723	
Taxation	—		(11)	
Net revenue after taxation for the period		188,071		160,712
Total return before distributions		1,342,627		499,890
Finance costs: Distributions		(232,894)		(228,908)
Change in unitholders' funds from investment activities		1,109,733		270,982

Statement of change in net assets attributable to unitholders for the period ended 31 May 2015

	GBP	Period to 31/5/2015 GBP	GBP	Period to 31/5/2014 GBP
Opening net assets attributable to unitholders		13,326,395		13,603,518
Amounts received on issue of units	68,060		336,188	
Amounts paid on cancellation of units	(456,819)		(379,711)	
		(388,759)		(43,523)
Stamp Duty Reserve Tax		99		(751)
Change in unitholders' funds from investment activities		1,109,733		270,982
Retained distribution on accumulation units		170,923		161,253
Closing net assets attributable to unitholders		14,218,391		13,991,479

The difference between the net assets at the start of the period and the comparative net assets at the end of the period is the movement in the second half of the year.

Financial statements

continued

Balance sheet as at 31 May 2015

	GBP	As at 31/5/2015 GBP	GBP	As at 30/11/2014 GBP
ASSETS				
Investment assets		13,877,095		13,063,704
Debtors	111,946		50,011	
Cash and bank balances	322,725		366,992	
Total other assets		434,671		417,003
Total assets		14,311,766		13,480,707
LIABILITIES				
Creditors	(32,543)		(29,219)	
Distribution payable on income units	(60,832)		(125,093)	
Total other liabilities		(93,375)		(154,312)
Total liabilities		(93,375)		(154,312)
Net assets attributable to unitholders		14,218,391		13,326,395

Notes to the Financial statements

as at 31 May 2015

1. Accounting policies

a Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Authorised Funds issued by The Investment Association in October 2010 ('the IMA SORP 2010').

The accounting policies are consistent with those disclosed within the annual Financial statements for the year ended 30 November 2014.

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.

Distribution table

for the period ended 31 May 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

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.

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.



E.B. Davis (Director)



R.I. Curry (Director)

Close Asset Management (UK) Limited
20 July 2015

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 **0870 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 shares. 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 0870 606 6402*

Directors

M. Andrew

G. M. Clarke

R. I. Curry

E. B. Davis

D. Muncaster (Resigned 24 October 2014)

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

2 New Street Square

London EC4A 3TR

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 period and the results of those activities at the period-end.

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

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

**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.

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Close Brothers Asset Management

10 Exchange Square

Primrose Street

London

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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 31/5/2015