



WAY Fund Managers

Assessment of Value

EF Tellsons ICVC

Incorporating sub-fund

EF Tellsons Endeavour Fund

Period ending: 31st March 2024



WAY Fund Managers Limited & Tellsons Investors LLP

WAY Fund Managers Limited (WFM), as the Authorised Fund Manager (AFM) offers an independent fund structuring and fund operation facility to regulated asset management professionals such as investment managers, wealth managers, IFAs, stockbroking firms and other financial institutions, who are looking to establish new, or maintain existing, regulated collective investment schemes in the UK.

WFM's flexible approach is built around a solid core operating model which allows it to adapt its service offering and level of interaction to meet the business needs of its professional clients and in turn, its mutual investors.

WFM, as AFM to the EF Tellsons ICVC, acts with Tellsons Investors LLP, the Sponsor and appointed investment manager of the EF Tellsons Endeavour Fund (hereinafter referred to as the 'sub-fund'), as joint manufacturer.



Assessment of Value-an overview

The assessment of value (AoV) is undertaken annually by WFM to determine whether the payments taken for each class of shares or units of a fund or a sub-fund, are justified in the context of the overall service and value delivered to investors, taking into consideration regulation and guidance from the Financial Conduct Authority.

WFM's Product Governance Committee carries out the initial assessment of a fund/sub-fund taking into consideration the 'Value Factors' detailed below. This assessment is then passed to WFM's independent non-executive directors (iNEDs) for scrutiny and agreement, ensuring that the outcome reflects a clear and fair assessment. A final review is carried out by the WFM Board before publication.

Outcome of the Assessment



To provide a clear presentation of the value assessment outcomes in this report WFM have adopted the grading method that the industry uses for also sharing it with distributors and intermediaries. This is by using two outcomes and to make these outcomes easier to read at the end of this report you will find a table for each fund/sub-fund and share class using the following ratings:


	Charges are justified based on assessment and any action identified or, where the first assessment is not yet due, based on initial product design.
	Charges are not justified; significant action is required.


For each share or unit class, WFM uses a green (justified)/red (not justified) signal for each of the Value Factors, to indicate whether it believes the charges are justified in the context of the overall service and value delivered to investors.


Value factors that contribute to our assessment of value


WFM considers, but is not limited to considering, the following value factors for each class of shares within each fund or sub-fund:


	<p>The range of services provided to investors by the Sponsor</p>	<p>Tellsons' sole activity is the investment management of what has now become the Endeavour World Equity Fund, the new Flexible Allocation fund extension from the original EF Tellsons Endeavour Fund (a Mixed Assets 20-60% equity fund). In our ongoing review of realised outcomes and value to investors of the sub-fund, Tellsons have implemented a range of changes in the new financial year, including investment objective, simplified benchmark, closure of expensive share classes and reduced fees on others, with implications for the sub-fund of lower turnover and lower transaction costs. The risk profile of the sub-fund going forward is designed to capture most of the growth available from world equity investments as well as diversification from limited exposure to less correlated exchange-traded fund exposures to government bonds and precious metals which may reduce much of the downside risks in times of market stress so as to maintain the attractive risk-adjusted return profile of the investment strategy at the heart of the Endeavour process.</p> <p>Product Governance Reviews are conducted at Tellsons annually and the managers are always thoughtful about the utility of the sub-fund to client portfolios, its risk budget and risk management, its performance comparators and its accessibility and adoption in the widest possible marketplace. Growth in the size of the sub-fund and the ability to further reduce costs and drive investor value for money remain the foremost outcomes and focus for the managers in these ongoing reviews.</p>
	<p>Investor Service & Fund Governance from the AFM</p>	<p>As the AFM, WFM is responsible for overseeing any third-party that provides services to its funds/sub-funds. Being based in Wimborne, Dorset allows WFM's operating costs to typically be lower than a London-based organisation and, as a smaller business, WFM has built strong relationships with its third-party service providers. This allows WFM to nimbly exchange expertise and business development ideas for the benefit of investors and to provide a good quality personal service. The Wimborne-based Transfer Agency was originally developed by WFM specifically for its own funds/sub-funds and that close relationship continues, with a dedicated team all experienced in the understanding of the full WFM fund range and typical investor requirements. The Wimborne office also provides in-house corporate governance and oversight expertise in investment, product, compliance, risk, and other operational arrangements.</p>


	<p>Comparable Services</p>	<p>WFM provides a similar range of services across its entire fund range. This means WFM adheres to all applicable financial regulations in the UK and provides the information and dealing services that its investors need. WFM's added value is its customer service and WFM prides itself on high quality personal service compared to other institutions. Charging structures may vary between funds/sub-funds, because the size, investment nature and risk can vary between different funds/sub-funds, depending on its investment objective(s) and policy. However, WFM endeavours to ensure that the ongoing fees paid by a fund/sub-fund are similar to those paid by other comparable funds/sub-funds in its range. Unit/Shareholders can compare the charges across WFM's fund range at: https://www.wayfunds.com/Funds/FundChargesandCosts</p>
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	<p>Economies of Scale</p>	<p>WFM has used its overall asset base to negotiate the best possible terms available with its current outsourced service providers, for the benefit of its entire fund range. Service arrangements are reviewed on an ongoing basis and WFM negotiates fee rates on an appropriate sliding scale, with lower percentage fees applying as the funds/sub-funds reach certain sizes, ensuring all benefits of economies of scale are applied directly to the funds/sub-funds and their investors. This means that as a fund/sub-fund grows, it benefits from the improved economies of scale. Certain services may have fixed or minimum fees, which are applied to each individual fund/sub-fund. WFM seeks to ensure that each fund/sub-fund offers value to investors and is viable considering the impact of any fixed or minimum fees.</p>
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	<p>Performance of a fund/ sub-fund</p>	<p>WFM assesses the value represented by the investment performance achieved by a fund/sub-fund after charges, at the end of each annual review period, taking into consideration the fund's/sub-fund's investment objective(s), its policy, its benchmark, its recommended holding period and, where relevant, its relative exposure to investment risk to achieve this.</p>
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	<p>The Cost of Investing</p>	<p>All expenses and general disbursements paid by a fund/sub-fund, such as the annual management charge, the cost of any investment advisory services, regulatory reporting, accounting, transfer agency, platform services, depository and custody services, together with the synthetic cost arising where investment is made into any underlying funds are reflected in the ongoing charges figure ("OCF"). The cost of investing may be different depending upon the share or unit class selected.</p>
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	<p>Classes of shares or units available</p>	<p>Each fund/sub-fund may have a number of unit/share classes, each with different characteristics and charging structures, to cater for the ways in which they may have been previously, or are currently, offered and are determined by the fund's/sub-fund's Sponsor. The selection of the appropriate unit/share class is made by investors or their financial advisers. During this assessment WFM will review each of the unit/share classes across a fund/sub-fund to ensure, as far as WFM reasonably can, that unit/shareholders are in the correct unit/share class given the size of their holding. However, WFM is unable to determine whether one unit/share class is more suitable for an individual investor than another. A table setting out the characteristics of each unit/share class is provided later in this report.</p>
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	<p>Comparable Market Rates</p>	<p>Given the confidential nature of commercial arrangements, it is not possible to objectively compare the rates that WFM is paying for its services against its competitors. As described above not all unit/share classes can be comparable to each other across different funds/sub-funds. However, all funds/sub-funds have a "primary" unit/share class registered with the Investment Association. WFM has, therefore, used the primary unit/share class in its assessment. Using data supplied to FE Analytics by AFMs for publication, WFM can compare funds/sub-funds of a similar size, structure and Investment Association Sector for an average investment cost. It should be noted that this section is based on the total charges incurred and includes the asset transaction costs charged to the fund/sub-fund, which are not included in the OCF calculation.</p>
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This Assessment of Value is for the period ending 31st March 2024. Please note, however, as of the 3rd June 2024, following shareholders' approval, WFM and the Investment Manager agreed to make significant changes to the sub-fund's Investment Objective and Investment Policy, as well as revisions to the sub-fund's share classes. The sub-fund has been renamed as the Endeavour World Equity Fund. For more information relating to these changes, please see the Investor Circular outlining full details, which can be found here: www.wayfunds.com.

The investment objective of the sub-fund is to target capital growth, with less of the volatility of equities*, at a rate of 3-4% (net of fees) in excess of a composite performance benchmark over a 5-year period. The target performance benchmark represents 50% of UK Consumer Prices Index (CPI) (rolling 5-year average) and 50% of the FTSE Actuaries UK Conventional Gilts up to 5 years Index.

*Volatility is measured against the MSCI World 100% Hedged to GBP Index.

Share/Unit Class	ISIN	Share Class Rating	AFM Investor Service & Governance	Comparable Services	Economies of Scale	Performance of the sub-fund	Cost of Investing	Share/Unit classes Available	Comparable Market Rates
A Accumulation	GB00BJ391H08	●	●	●	●	●	●	●	●
A Income	GB00BJ391G90	●	●	●	●	●	●	●	●
PF Accumulation	GB00BJ391J22	●	●	●	●	●	●	●	●
SP Accumulation	GB00BYWWR883	●	●	●	●	●	●	●	●
Z Accumulation	GB00BJ391F83	●	●	●	●	●	●	●	●
Z Income	GB00BJ391D69	●	●	●	●	●	●	●	●

Summary of Grading:

All share classes have been assessed and graded ●. Charges are justified based on assessment and any action identified.

Performance

The EF Tellsons Endeavour Fund has met its objective to target capital growth. The sub-fund has exceeded its target benchmark, 50% of UK Consumer Prices Index (CPI) (rolling 5-year average) and 50% of the FTSE Actuaries UK Conventional Gilts up to 5 years Index over the standard recommended holding period. Therefore, the sub-fund has been assessed as providing value to investors.

Share Class	Since Launch	5 Year	3 Year	1 Year
IA Mixed Investment 20-60% Shares sector average (comparator benchmark)	47.82%	17.16%	5.34%	7.71%
50% of UK Consumer Prices Index (CPI) (rolling 5-year average) and 50% of the FTSE Actuaries UK Conventional Gilts up to 5 years Index	18.14%	10.11%	8.26%	3.24%
A Accumulation	44.53%	22.53%	4.00%	11.44%
A Income	44.61%	22.50%	4.00%	11.44%
PF Accumulation	43.78%	21.54%	5.06%	12.27%
SP Accumulation	48.18%	24.72%	5.14%	11.84%
Z Accumulation	40.88%	21.02%	3.25%	11.16%
Z Income	40.75%	20.93%	3.23%	11.16%

Classes of shares/units

WFM endeavours to ensure that all shareholders are in the most appropriate share classes. However, the selection of share class is driven by the investor's choice, the intermediary used and the distribution channel. The sub-fund's prospectus permits WFM to convert shareholders' shares to the most appropriate share class, where it can be demonstrated to be in the best interests of the investors, without obtaining their prior permission. However, investors will be notified of the intention beforehand.

Share Class	Distribution Channel
A Accumulation	Primary Accumulation class open to all investors
A Income	Primary Income class open to all investors
PF Accumulation	Restricted class subject to performance fees

SP Accumulation	Restricted Institutional class
Z Accumulation	Restricted to founder investors in the sub-fund
Z Income	Restricted to founder investors in the sub-fund

The Cost of Investing

WFM considers all value factors during the sub-fund’s annual review when assessing whether the costs are justified. The sub-fund is competitive in its charging structure with its IA peer group. WFM has, therefore, determined the overall cost of investing is reflecting the services provided and that the sub-fund is providing value to investors.

Comparable Market Rates

WFM has compared the charges of the sub-fund’s primary share class (the A class) with that of other funds of a similar size found in the IA Mixed Investment 20-60% Shares sector and has determined that its charges are competitive. The sub-fund provides value for its investors.

Quality of Service

A good level of service is provided to shareholders by all parties involved, which is commensurate to the amounts paid by the sub-fund for those services. Therefore, WFM has determined that value has been provided to the sub-fund’s investors.

Comparable Services

All investors are provided with the same services by WFM, and the sub-fund has the same direct service providers as the whole WFM Fund range.

Economies of Scale

All available savings from economies of scale obtained by WFM or the sub-fund are passed to the sub-fund’s investors.