

# TM Hearthstone ICVC

Interim Report & Accounts  
(unaudited) for the period ended 31st December 2024



**THESIS UNIT TRUST MANAGEMENT LIMITED**

Authorised and regulated by the Financial Conduct Authority

# TM Hearthstone ICVC

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

# TM Hearthstone ICVC

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## Management and Professional Service Providers' Details

### Authorised Corporate Director:

Thesis Unit Trust Management Limited  
Exchange Building  
St John's Street  
Chichester  
West Sussex PO19 1UP  
Tel: 01243 531 234

*Authorised and regulated by  
The Financial Conduct Authority*

### Investment Manager:

Thesis Asset Management Limited  
Exchange Building  
St John's Street  
Chichester  
West Sussex PO19 1UP

*Authorised and regulated by  
the Financial Conduct Authority*

### Property Investment Adviser:

Hearthstone Asset Management Limited  
29 Throgmorton Street  
London EC2N 2AT

*An appointed representative of  
Thesis Asset Management Limited*

### Administrator, Registrar and Fund Accountant:

Northern Trust Global Services SE, UK Branch  
50 Bank Street  
Canary Wharf  
London E14 5NT

*Authorised by the Prudential  
Regulation Authority and regulated  
by the Financial Conduct Authority  
and the Prudential Regulation Authority*

### Dealing Office:

Thesis Unit Trust Management Limited  
Sunderland SR43 4AZ  
Tel: 0333 300 0375  
Fax: 020 7982 3924

*Authorised and regulated by  
the Financial Conduct Authority*

### Auditor:

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2A 1AG

### The Directors of the ACD are:

S. R. Mugford - Finance Director  
D. W. Tyerman - Chief Executive Officer  
S. E. Noone - Client Service Director  
D. K. Mytnik - Non-Executive Director  
V. R. Smith - Non-Executive Director  
C. A. E. Lawson - Independent Non-Executive Director  
C. J. Willson - Independent Non-Executive Director  
N. C. Palios - Non-Executive Chair

All directors are also directors of ConBrio Fund Partners Limited and members of the governing body of TUTMAN LLP, both authorised fund managers within the same group. D.W. Tyerman, S R Mugford and S.E. Noone perform senior management functions within those entities. D. W. Tyerman and S. R. Mugford also hold directorships of other companies within the Thesis group and perform senior management functions within Thesis Asset Management Limited, which acts as an investment manager for some authorised funds operated by the Authorised Corporate Director.

D.K. Mytnik, V.R. Smith and N.C. Palios also hold non-executive directorships of other companies within the Thesis group. They and C. J. Willson and C. A. E. Lawson are not engaged in other business activities that are of significance to the TM Hearthstone ICVC (the "Company").

### Depository:

NatWest Trustee and Depository Services Limited  
House A, Floor 0  
Gogarburn  
175 Glasgow Road  
Edinburgh EH12 1HQ

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the Financial Conduct Authority*

### Standing Independent Valuer:

CBRE Limited  
St Martin's Court  
10 Paternoster Row  
London EC4M 7HP

### Property Manager:

Connells Limited  
The Bailey  
Skipton  
North Yorkshire BD23 1DN

# TM Hearthstone ICVC

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## **Report of the Authorised Corporate Director (“ACD”)**

*(unaudited) for the period ended 31st December 2024*

Thesis Unit Trust Management Limited (the “ACD”) is pleased to present the ACD’s Interim Report & Accounts for TM Hearthstone ICVC (the “Company”) for the period ended 31st December 2024.

This Company is an umbrella fund with one sub-fund, namely TM home investor fund (the “sub-fund”).

### **Investment Objective and Policy**

It is intended that the TM home investor fund (the “sub-fund”) be a Property Authorised Investment Funds (“PAIF”) at all times, and, as such, its investment objective is to carry on Property Investment Business and to manage cash raised from investors for investment in the Property Investment Business as further described below. HM Revenue & Customs has provided confirmation to the ACD that the sub-fund meets the requirements to qualify as a PAIF under Regulation 69O of the Authorised Investment Funds (Tax) Regulations 2006 (as amended).

The objective of the sub-fund is to establish a residential property fund which provides investors with exposure to the United Kingdom housing market. Returns will derive principally from capital performance, with lettings of sub-fund properties intended to cover costs and provide some additional return. As it is intended that the sub-fund follows the performance of the underlying housing market it will be ungeared apart from occasional borrowings used to support liquidity.

The key investment objective is to maintain a let property portfolio which is diversified according to the geographic distribution of housing stock in England, Scotland and Wales. As far as suitable opportunities allow, the sub-fund will allocate investments to each region on the basis of that region’s market size compared to the United Kingdom as a whole (excluding Northern Ireland). Attention will also be given to maintaining a balance between property types which appropriately reflects the wider market.

There is no explicit income target for the sub-fund but the properties will be selected and managed in such a way as to provide income appropriate to their location while minimising the loss in rental yields due to management and maintenance costs.

The sub-fund will invest primarily in United Kingdom residential Property. Consistent with the sub-fund’s objective to invest in a portfolio which is diversified according to the distribution of housing stock in the United Kingdom mainland, it will aim to identify properties which are in established rental locations within each area and that have exhibited long term house price growth characteristics that are average or above average for the region. Where appropriate, discounts will be sought on purchases that mitigate or eliminate the transactional costs of investment or provide an element of additional performance.

Properties will generally be let on an Assured Shorthold (“AST”) basis apart from units let to specialist operators for use as serviced apartments or units obtained from residential developers on a sale and leaseback basis. Properties subject to non-AST leases will be managed to ensure that the sub-fund is not unduly exposed to counter-party risk.

The sub-fund will invest a small proportion of its assets in liquid instruments and cash in order to obtain appropriate levels of liquidity. To maintain exposure to the United Kingdom residential market, instruments used for this purpose may include property related equities, regulated or unregulated investment funds, and derivatives.

### **Performance Comparator**

The sub-fund uses the Office for National Statistics House Price Index for performance comparison purposes only. The benchmark is not a target benchmark and the sub-fund is not constrained by it.

The Office for National Statistics House Price Index has been chosen as a comparator benchmark as it is firmly established as an official index, and its National Statistic status differentiates it from data series published by commercial organisations. The Office for National Statistics database covers the whole of the UK, being a joint production by HM Land Registry, Land and Property Services Northern Ireland, Office for National Statistics and Registers of Scotland. It uses data at regional and local authority district level, property type, number of rooms, floor area, and whether a new-build or existing property for each completed transaction in its calculation of average house price. With a dataset comprising both cash and mortgaged transactions, it can be considered to produce reliable estimates for house price growth over the medium to long-term. The ACD reserves the right to change the benchmark following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change through an update to the Prospectus and the change noted in the subsequent annual and half yearly reports.

# TM Hearthstone ICVC

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## Report of the Authorised Corporate Director (“ACD”)

*(unaudited) for the period ended 31st December 2024 (continued)*

### Other information

The sub-fund may not invest more than 10% in value of its scheme property in units in other collective investment schemes.

The sub-fund is a fund investing in inherently illiquid assets. For an explanation of the risks associated with the Company investing in inherently illiquid assets and how those may crystallise, please refer to the Prospectus. For a description of the tools and arrangements, the ACD would propose using to mitigate these risks, an explanation of the circumstances in which those tools and arrangements would typically be deployed and the likely consequences for investors, please refer to the Prospectus.

### Important Information

From time to time, major macroeconomic events occur and cause significant short-term volatility to capital markets. Russia’s military action is an example of such an event. The recent sharp increases in inflation were initially due to rising energy and food costs, largely caused by global events such as the war in Ukraine. Other factors, like wage increases in the UK, have also helped keep prices high. High inflation may lead to slower house price growth particularly, when interest rates rise rapidly with the aim of controlling inflation, which makes buying a home more expensive. In addition, when inflation is rising, more is spent on daily necessities such as food, petrol and heating. These factors reduce affordability when purchasing a home which may slow house price growth. We are monitoring the situation closely and will continue to manage the Company in line with its objectives and the PAIF regulations.

In accordance with COLL 8.4.11 [2] [c] [ii] of the Collective Investment Schemes Sourcebook (Release 21, dated November 2017), as published by the Financial Conduct Authority, we can confirm that the ‘immovables’ would, if acquired by the scheme, be capable of being disposed of reasonably expeditiously at the values reported. We have assumed ‘reasonably expeditiously’ to represent a normal marketing period appropriate for the Properties.

We would however draw your attention to the fact that the Material Valuation Uncertainty clause has been attached in respect of the Spectrum Apartments for reasons which are explained in further detail below. The Standing Independent Valuer (SIV) attached a Material Valuation Uncertainty clause to the Spectrum Apartments in Manchester in April 2021 following a failed EWS1 (external wall safety) assessment. These assessments were introduced by the Government to improve fire safety of high-rise buildings including external cladding.

### Market Valuation Uncertainty (Spectrum Apartments, Blackfriars Road, Manchester, M3)

In view of the fact that the information presently available concerning the building safety defects for Spectrum Apartments specifically- the remediation budget costs, impact on service charge and saleability- is limited, we would draw your attention to the fact that less certainty can be attached to the valuation of the 17 long leasehold units within Spectrum Apartments, than would otherwise be the case.

The valuation of these units is therefore reported as being subject to ‘Material Valuation Uncertainty’, as set out in VPS 3 and VPGA 10 of the RICS Valuation Global Standards. Consequently, less certainty- and a higher degree of caution- should be attached to the valuation of these units than would normally be the case.

For the avoidance of doubt, the ‘Material Valuation Uncertainty’ declaration does not mean that the valuation cannot be relied upon, rather, it has been included to ensure transparency of the assumptions made in preparing this valuation.

In view of the documentation provided in relation to the Spectrum Apartments, and the uncertainty around the estimation of any remedial work and the timings of such work, the impact of the waking watch in terms of management costs and any subsequent impact on the service charge and the uncertainty as to impact upon saleability, the above clause has been inserted to the valuation. Please refer to ‘Important Information’ above for more details. There is no material impact or material changes to rental income.

In view of limited market information, such as proceeds achieved from sales of similar properties with fire safety defects in the area, the SIV have made recourse to a ‘Material Valuation Uncertainty’, as set out in VPS 3 and VPGA 10 of the RICS Valuation Global Standards. Therefore, the valuation of the properties has been prepared in accordance with the RICS Valuation Global Standards and COLL.

# TM Hearthstone ICVC

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## **Report of the Authorised Corporate Director (“ACD”)**

*(unaudited) for the period ended 31st December 2024 (continued)*

### **Market Valuation Uncertainty (Spectrum Apartments, Blackfriars Road, Manchester, M3) (continued)**

At the current time, the saleability of the units within the Spectrum Apartments has likely been significantly impacted. Units within the block are likely to be considered unmortgageable, currently only available to cash purchasers. We consider that the time to achieve a sale of the individual units will be extended beyond the usual 3-6 month time frame expected. If the units were to be marketed for sale by auction, a discount to the vacant possession value would be expected to reflect the current uncertainty and safety implications within the building.

There has been some useful evidence reflecting activity in the market, albeit the building is limited to cash buyers. Based on recent sales activity in the block, the SIV’s opinion of value represents a discount of broadly 5%. However, it is important to note that sales evidence is still limited as at the valuation date and consequently the SIV continues to monitor the local market and any listings within the subject schemes. To confirm, the SIV still consider there to be a material uncertainty particularly in relation to what impact the building safety and associated issues will have on the achievable values for the apartments within Spectrum.

Investors should refer to the <https://homeinvestor.fund/> website for further updates.

### **Closure of the TM home investor fund and TM home investor feeder fund, together “the Funds”**

Following a review of the Fund and of its feeder fund, the TM home investor Feeder Fund (the “Feeder Fund”), the ACD along with the Company’s depositary (NatWest Trustee and Depositary Services Limited) agreed to suspend dealing in both the Fund and the Feeder Fund effective from 10:30pm on 31st July 2023 until further notice.

Several factors including ongoing uncertainty over the future of open-ended funds invested in direct (physical) property, and the potential introduction of between 90 and 180 day notice periods for redemptions, together with reduced investor sentiment caused by rising interest rates combined to cause existing investors to redeem their shares and acted as a disincentive to new investors to subscribe for shares.

If the suspension had been lifted, the ACD anticipated increased redemptions in an environment where it would still be difficult to attract new investors and, as a consequence, would not be able to meet these requests and retain liquidity in the funds which would result in another suspension.

After careful consideration, it was agreed that the Funds were no longer commercially viable for them to operate efficiently, as such, it was not in the interests of investors to remain invested in the Fund in the long-term. Additionally, the ACD did not believe that the Funds would attract new investment or grow in the future.

Following the application to terminate the Funds submitted on the 29th September 2023, approval was received from the FCA on the 23rd October 2023.

Thesis Unit Trust Management Limited  
Authorised Corporate Director  
28th February 2025

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024

### Investment Report - Hearthstone Asset Management Limited

#### 1. Residential Market

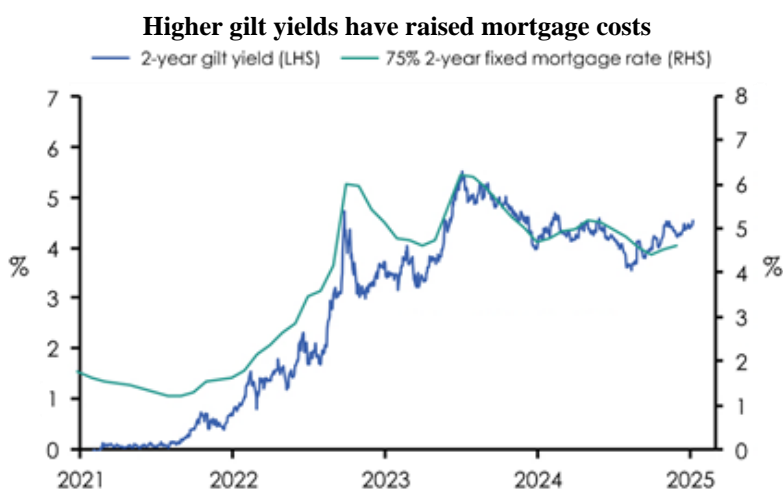
##### Economic commentary

Despite the continuing conflicts in Ukraine and the Middle East, the global economy benefited from falling inflation and interest rate cuts in 2024. Despite the instability, overall growth matched long-term trend levels. Risks that were widely discussed a year ago, such as persistent inflation, an economic hard landing and new geopolitical shocks, did not materialise.

The US performed particularly well, with GDP growth well above expectations, fuelled by improved productivity, cheap energy and loose fiscal policy. By contrast, Germany's economy contracted by 0.2% - a second consecutive year of declining output. Meanwhile, China's economy grew by a healthy 5%, although this was the weakest expansion in any year since 1990, pandemic excepted.

The UK's performance has been less consistent. A mild recession in the second half of 2023 was followed by a rebound in activity in the first half of 2024, then near stagnation thereafter. Business optimism spiked in July after the election, but has deteriorated since. October's budget ushered in the largest tax rises for over 30 years, particularly targeted at the corporate sector, and provoked a strong adverse reaction from businesses.

Gilt yields rose through December and into the first half of January, partly in response to global trends, but also reflecting market worries that higher borrowing costs could erase the £10 billion headroom assumed in the government's budget calculations. This could force further expenditure cuts or more tax increases to balance the books, at a time when the Chancellor has little political room to do either. Mortgage rates edged higher as a consequence.



Source: LSEG Data and Analytics, Capital Economics, January 2025

These tensions eased a little with recent data releases showing that the UK economy grew 0.1% in November, reversing two months of decline, while annual inflation fell slightly to 2.5% in December. The rise in GDP was mostly attributable to service and construction sector activity.

By contrast, manufacturing output fell for the fourth time in five months. December's PMI survey also showed the pressures faced by manufacturing industry, with activity at its lowest ebb since last February as companies cut staffing levels due to higher taxes and weak international demand. The news left the pound at its weakest since May 2024. Businesses are concerned about the impact of higher costs, including a rise in employer national insurance, and patchy Christmas retail figures underlined the fragility of consumer confidence as the year ended.

Conversely, Nationwide's House Price Index, released on the same day as the manufacturing data, showed annual house price growth at its highest level since November 2022. This seems to have been fuelled in part by increased turnover, as first-time buyers try to complete purchases before April, when the current temporary stamp duty concessions end.

# TM Hearthstone ICVC

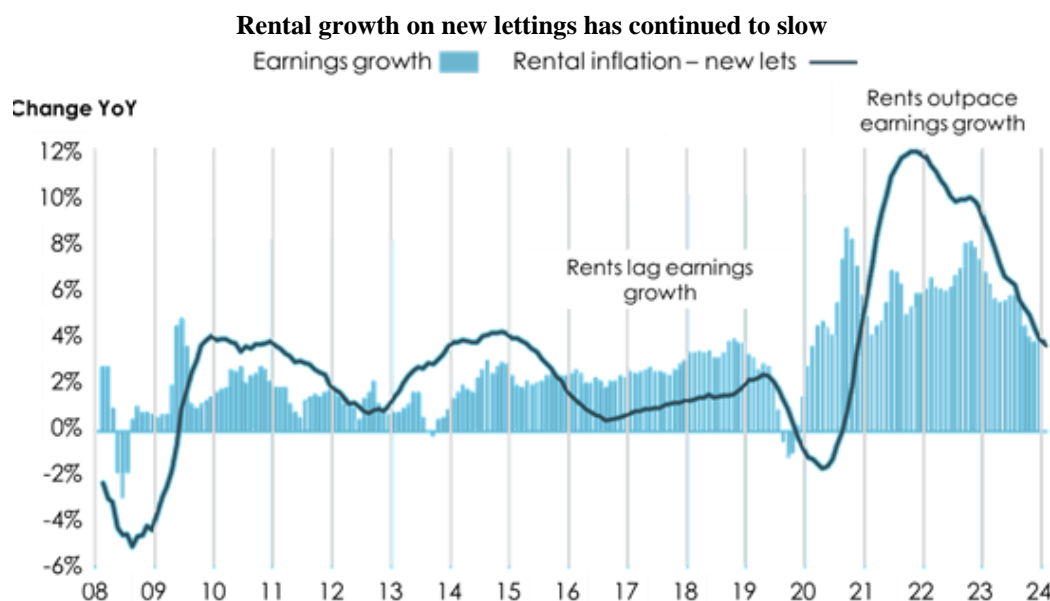
## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 1. Residential Market (continued)

The imbalance between residential rental supply and demand is narrowing, but will remain a feature across much of the country this year. Affordability will be a growing constraint on rental inflation, particularly in areas with the highest rents.



Source: Hometrack, December 2024

For 2025, continued structural problems in Germany, increasing Chinese competition and new US tariffs mean that euro area GDP is likely to significantly lag US rates.

UK economic activity looks likely to remain sluggish in the months ahead. Nevertheless, growth should accelerate into the second half of the year as rising real incomes and falling interest rates bolster consumption. Growth will also be boosted by the increases in public spending announced in October's budget, assuming these are carried through. Despite the slow start, growth for the period seems likely to be broadly similar to 2024, at around 1%.

Most economists expect inflation to fall back to target levels after a limited, short-term increase. In this scenario, most households would benefit from modest real increases in income over the year as a whole.

#### 2. Company Performance

Due to the termination of the Company being approved on 24th October 2023 and commencing on 1st December 2023, Hearthstone is no longer deploying capital and is selling all units down to distribute the proceeds to investors.

We continue to pay close attention to the asset management of the Company during this wind-down period with the aim of realising the best value for investors. Occupancy of the Company's property portfolio on 1st July 2024 was c. 63% but fell to 20% at 31st December 2024 as more units are vacated and marketed for sale rather than re-let. The increased vacancy as units are put to the sales market will result in the occupancy rate and income continuing to fall over the coming periods.

Prior to termination, the objective of the Company was to invest in private rented sector (PRS) housing across mainland UK, aiming to capture UK house price growth plus provide an element of income return. The Company currently uses the ONS UK House Price Index (ONS HPI) for performance comparison purposes only. It is not a target benchmark, and the Company is not constrained by it.



# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 2. Company Performance (continued)

The Property Investment Manager, Hearthstone Asset Management Limited, used quantitative asset allocation methods and qualitative regional stock selection to build a portfolio of assets reflecting the distribution of mainland UK housing stock. These properties are let under assured shorthold tenancy agreements (AST's). Returns comprise both capital growth and rental income.

The Company's performance as at 31st December 2024 is detailed below in Tables 1a and 1b and charted in Figure 1. Performance is on a bid-to-bid price basis, net of charges, assuming income and capital distributions have been reinvested for each share class. The Company's shares have been priced on a Bid basis since 3rd July 2023, this being approximately 2.5% below Mid-pricing to reflect the disposal costs of selling its properties.

*Note 1: The Company changed to single pricing from a dual pricing basis on 10th April 2015.*

**Tables 1a and 1b: Company Performance to 31st December 2024 by Share Class**

#### 1a. Accumulation Classes

	Class C	Class D	Class E	Class F	Class H	Feeder
1 month	-0.26%	-0.27%	-0.25%	-0.26%	-0.17%	-0.36%
3 months	-0.21%	-0.13%	-0.16%	-0.19%	0.11%	-0.24%
6 months	-0.64%	-0.58%	-0.54%	-0.59%	-0.09%	-0.83%
1 year	-1.00%	-1.10%	-0.85%	-1.07%	-0.09%	-1.57%
3 years	1.12%	0.56%	1.54%	0.80%	3.89%	-0.10%
Launch *	5.47%	4.62%	6.13%	5.16%	10.40%	3.82%

#### 1b. Income Classes

	Class C	Class D	Class E	Class G
1 month	-0.28%	-0.28%	-0.28%	-0.20%
3 months	-0.17%	0.03%	-0.17%	-0.28%
6 months	-0.57%	-0.31%	-0.55%	-0.59%
1 year	-0.99%	-0.94%	-0.87%	-1.05%
3 years	0.56%	-0.59%	0.95%	0.53%
Launch *	-	-	-	4.86%

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

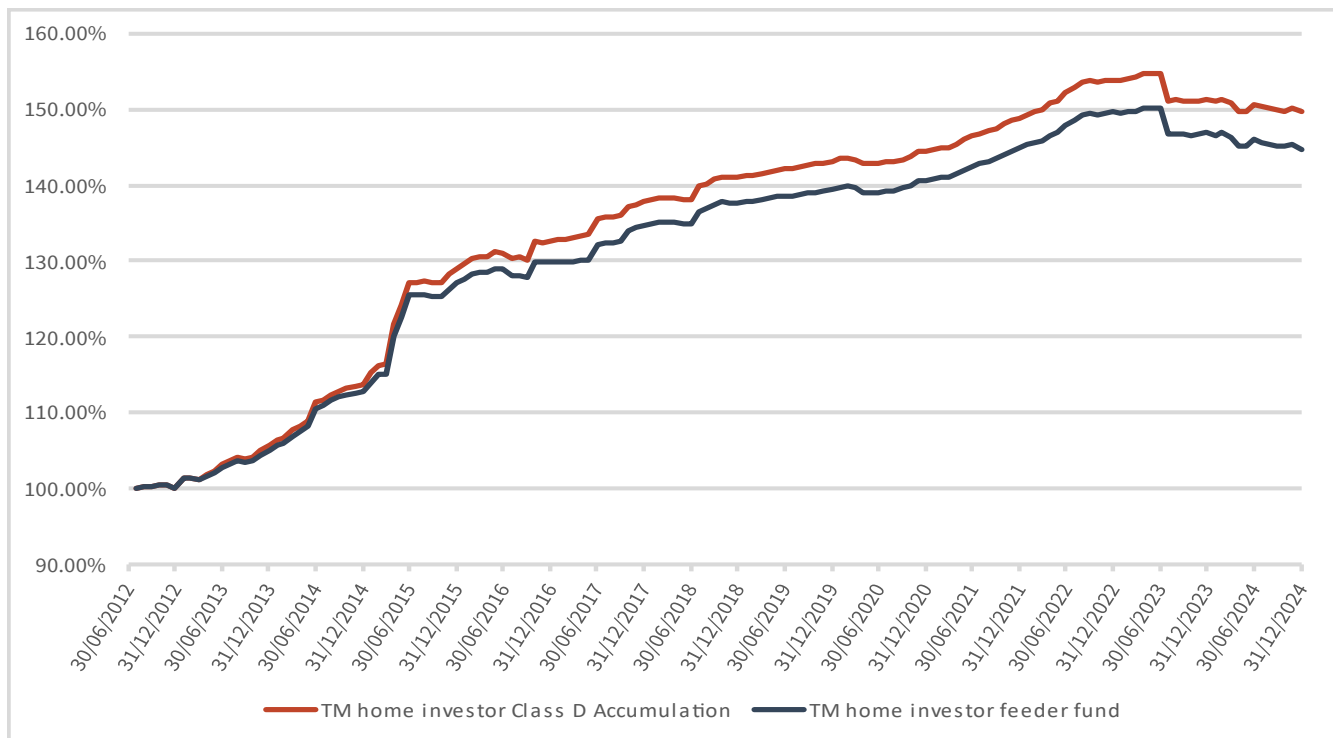
#### 2. Company Performance (continued)

Share Class launch dates:

Class	Accumulation	Income
Class C Unbundled Retail Gross	7th January 2013	20th April 2020
Class D Unbundled Retail Net	7th January 2013	20th April 2020
Class E Institutional Gross	13th August 2012	16th March 2020
Class F Institutional Net	3rd August 2012	-
Class G Institutional Net	-	25th July 2012
Class H Gross	13th July 2018	-
Feeder	29th April 2013	-

Source: Hearthstone Asset Management Limited

Figure 1: Company Performance, Class D and Feeder Fund – Launch to 31st December 2024



Source: Hearthstone Asset Management Limited

Note 2: Basis = 100% at share class launch date. For simplicity, only Class D Accumulation and Feeder performance are plotted on the chart as these are the most widely available classes across investment platforms and product wrappers.

# TM Hearthstone ICVC

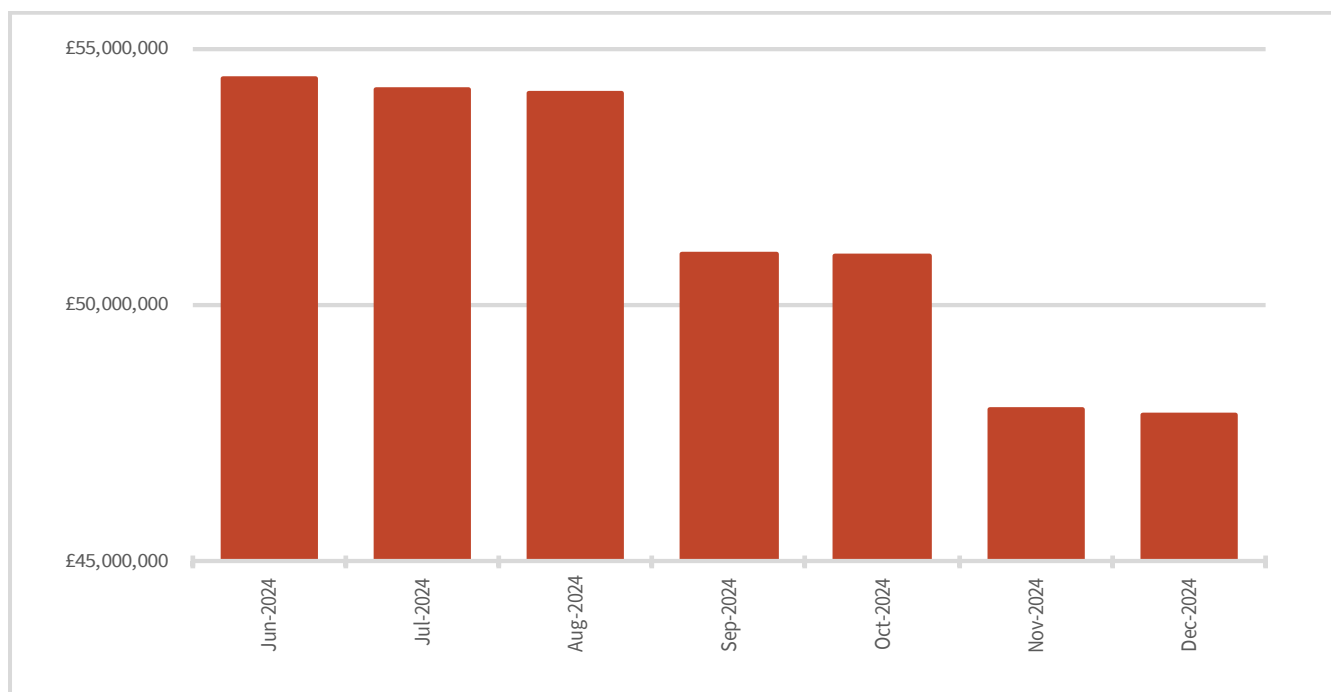
## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

## 2. Company Performance (continued)

**Figure 2: Assets under Management (AUM) 1st July 2024 to 31st December 2024**



As at 31st December 2024, the Company AUM (Mid-pricing basis) was £47,864,033, down 12.1% from £54,439,263 (Mid-pricing basis) on 30th June 2024. The majority of this reduction was due to capital distributions of £3,000,000 (12th September 2024) and £3,000,011 (13th November 2024).

## 3. Contribution to Company Performance

The Company's investment returns comprise capital growth and rental income.

**Table 2: Key Portfolio Statistics to 31st December 2024**

Portfolio Purchase Price	£37,911,021
Investment Value (IV) (subject to tenancies in existence)	£46,567,500
Vacant Possession Value (VP) (assuming vacant possession)	£46,567,500
Number of Properties	181*
Average Unit Value VP	£257,030
Potential Gross Annual Rental Income	£2,368,080
Average Annual Rent	£13,083
Potential Gross Property Yield – Potential gross income (actual annualised)	5.11%
Current Gross Property Yield – After voids i.e. Let properties only (actual annualised)	2.93%
Net Property Yield - After voids & actual property expenditure (actual annualised)	1.27%

\*180 properties, plus 1 set of car parking spaces

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

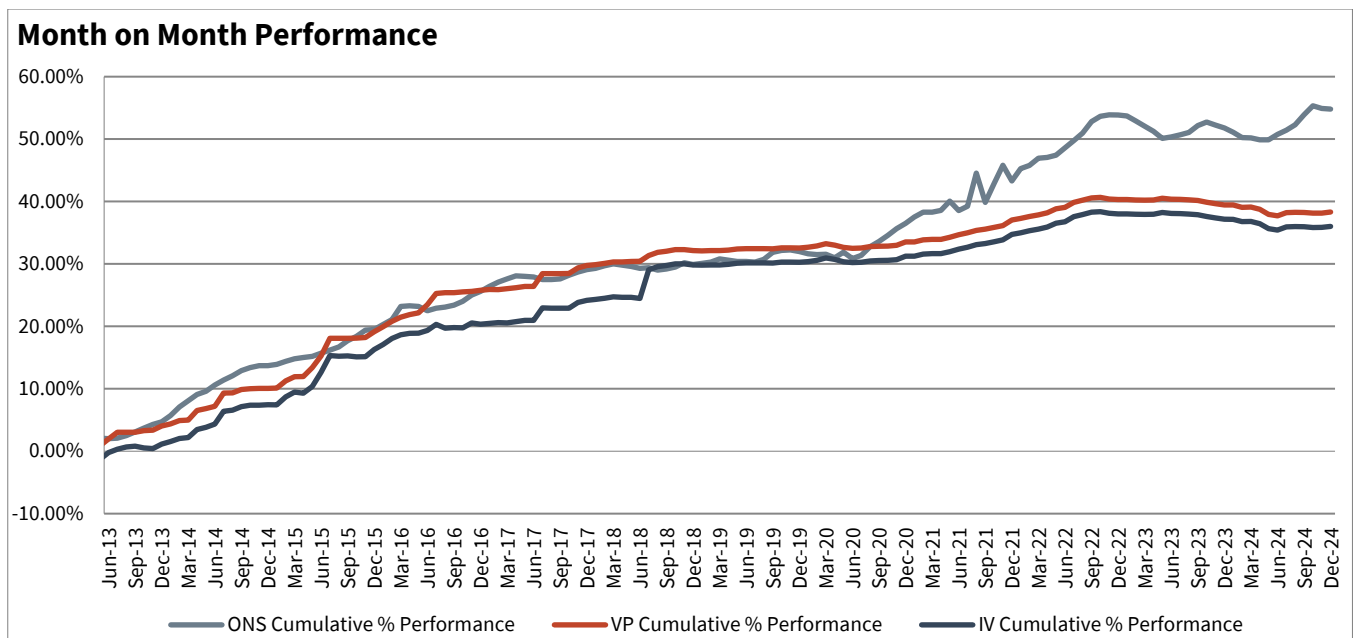
#### 3. Contribution to Company Performance (continued)

##### i. Valuation Movement

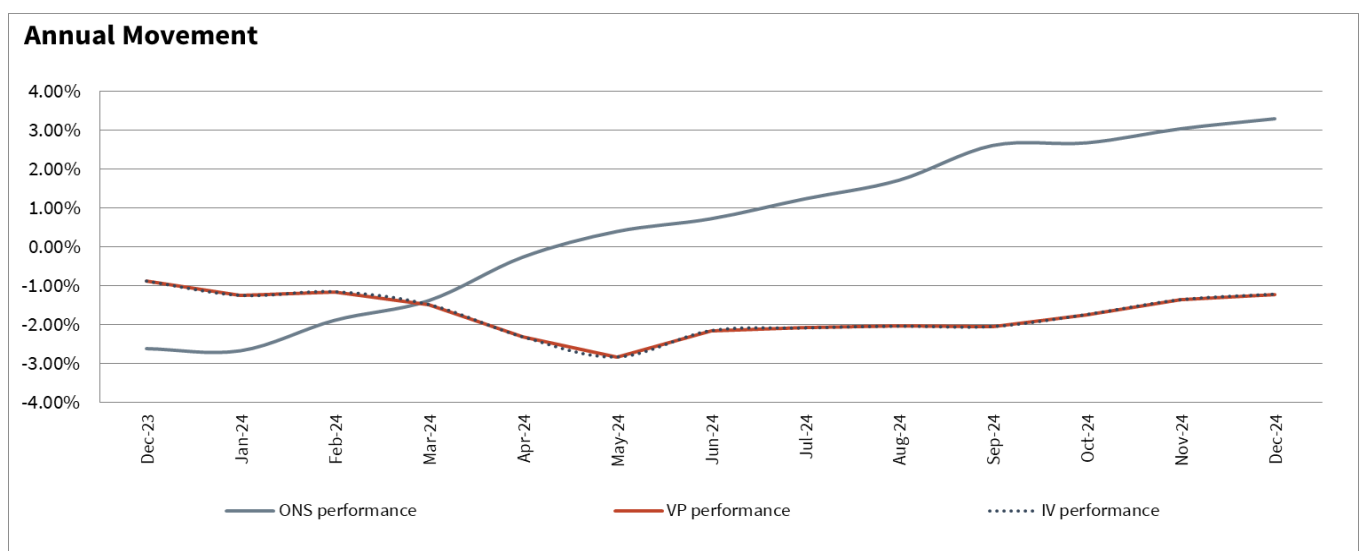
The Standing Independent Valuer (SIV), CBRE Limited, values the property portfolio on a desktop basis each month on both an Investment Value (IV) basis and Vacant Possession (VP) basis, and by physical inspection annually. The IV basis takes into account the tenancies in existence and the VP value assumes vacant possession. The ONS HPI is a capital index based on completed transactions, and these will mainly be vacant possession (VP) values.

Figure 3 shows the valuation movement of the Company's property portfolio (adjusted for acquisitions and disposals) from the launch of the Company to 31st December 2024 against the ONS HPI. Figure 4 shows rolling annual change in the Company's property portfolio over the year to 31st December 2024, versus ONS HPI over the same period.

**Figure 3: Property portfolio valuation change vs ONS UK HPI, from Company launch to 31st December 2024**



**Figure 4: Rolling annual property portfolio valuation change vs ONS UK HPI, year to 31st December 2024**



# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 3. Contribution to Company Performance (continued)

In December 2024, ONS HPI reported a 3.29% annual increase in average house prices. Over the same twelve-month period, the performance of the Company's portfolio is -1.21% (VP and IV).

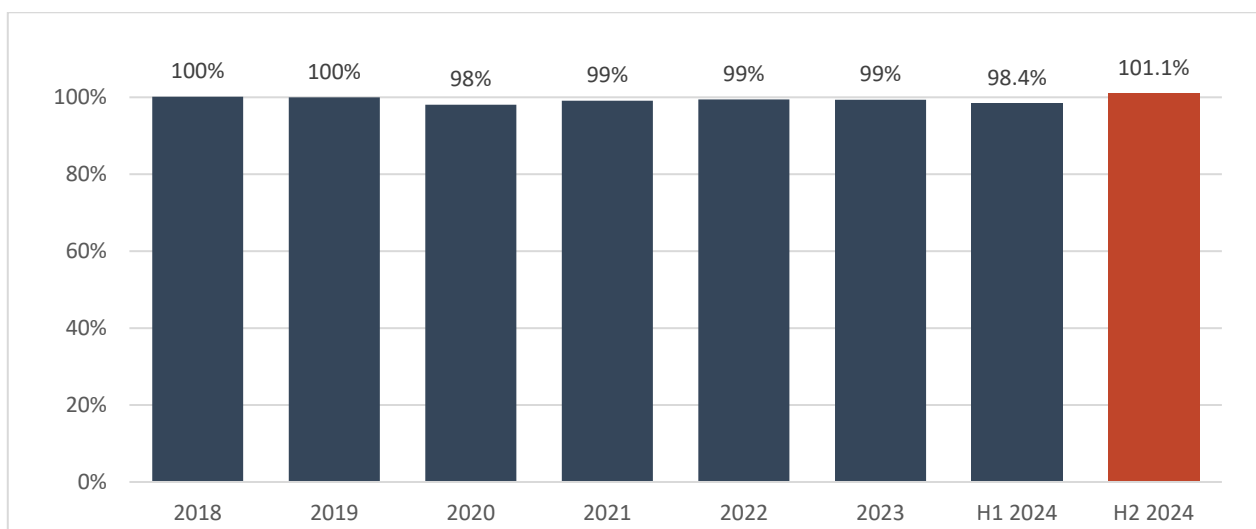
Since launch of the Company, this brings the increase in IV to 35.94%, and to 38.24% on a VP basis. By way of comparison, the ONS Index (which includes the effect of prime central London) reported a change in house prices of 54.38% over the same period.

#### ii. Rental Yield & Income

##### Rent Collection

Rent collection from occupied properties throughout H2 2024 remained high, averaging 101.1%. This is above 100% due to receipt of some rent arrears from the previous reporting period.

**Figure 5: Historical Rent Collection as a Percentage of Rent Demanded**



**Table 3: Accrued Gross Rental Yield December 2024 per region**

Region	Portfolio Gross Yield – December 2024
North West	6.70%
North East	-
Yorkshire & Humber	6.02%
South East	4.44%
South West	4.88%
Wales	-
Scotland	5.19%
East of England	4.70%
East Midlands	4.56%
West Midlands	5.21%
London	5.57%
<b>Overall</b>	<b>5.14%</b>

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 3. Contribution to Company Performance (continued)

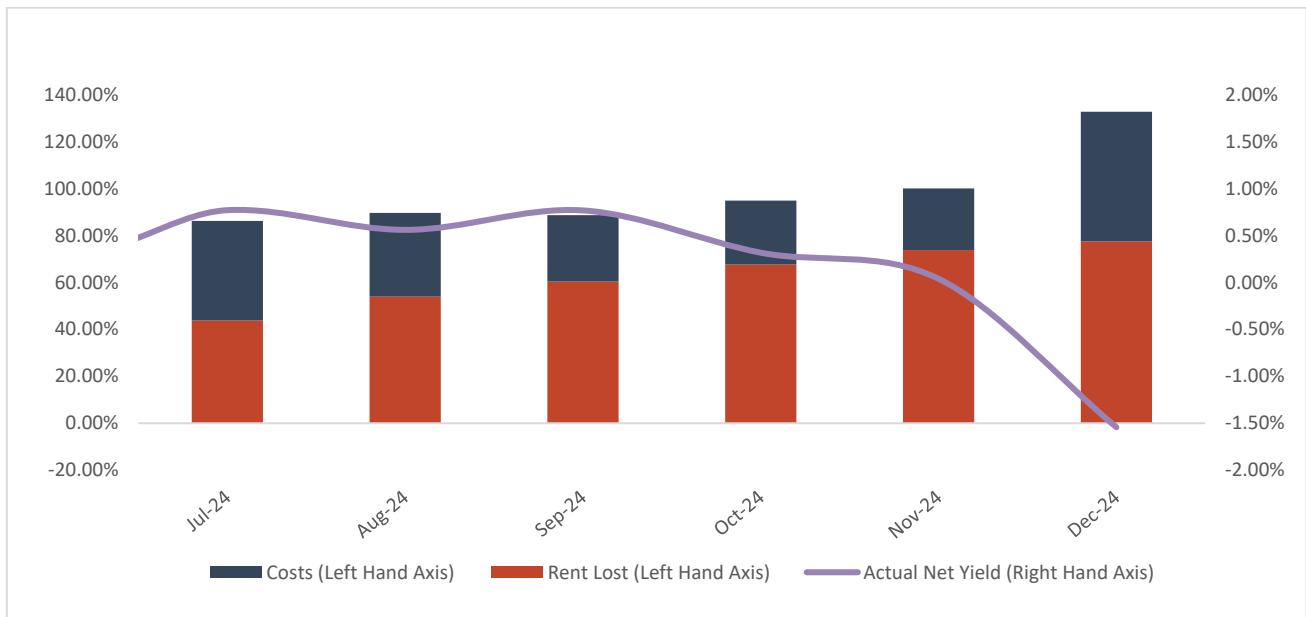
Table 4 shows the gross/net property yield on a monthly basis.

**Table 4: Actual Gross - Net Yield monthly**

Month	Potential Gross Yield	Actual Gross Yield	Actual Net Yield
Jul-24	5.15%	2.90%	0.77%
Aug-24	5.04%	2.32%	0.56%
Sep-24	5.19%	2.06%	0.76%
Oct-24	5.08%	1.65%	0.31%
Nov-24	5.15%	1.35%	0.04%
Dec-24	4.94%	1.12%	-1.54%

Figure 6 below details the impact of rental loss through arrears, voids, and property level costs (as % of potential rent on the left-hand axis) on the net yield (right-hand axis).

**Figure 6: Cost impact on Net Property Yields as a percentage of Potential Rent**



As the Company winds down, rent lost will increase due to increased vacancies whilst properties sell. The net yield turned negative in December 2024 as costs exceeded rents received, the excess costs being paid from the Company's capital cash, and this position is now expected to continue whilst the remaining properties go through the sales process.

# TM Hearthstone ICVC

## Report of the Investment Managers

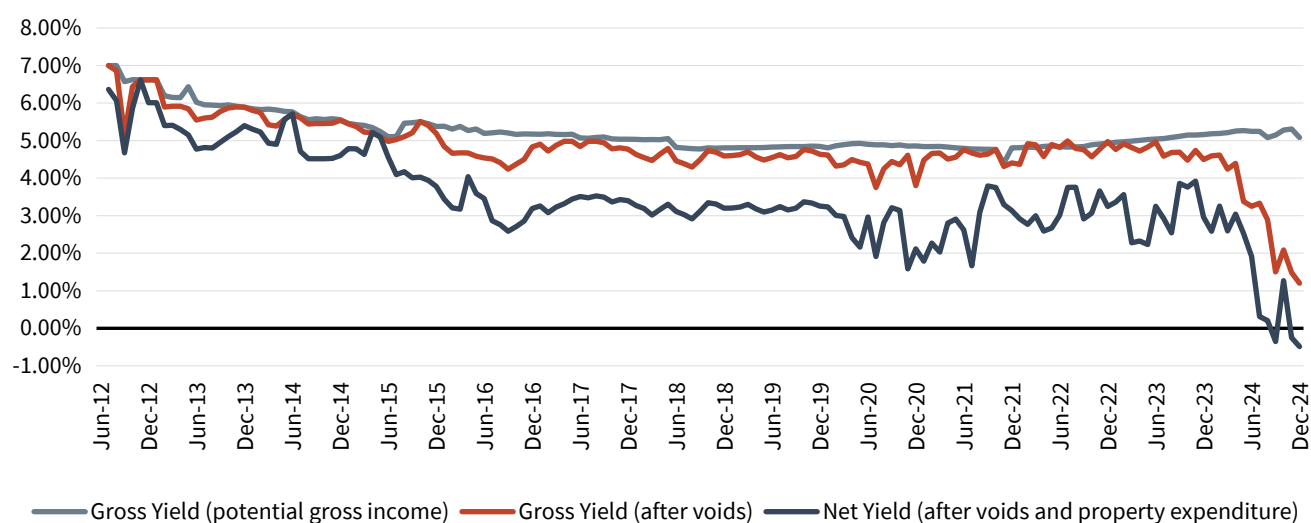
(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 3. Contribution to Company Performance (continued)

Figure 7 shows the movement of the gross/net property yield from inception to 31st December 2024 on an accrual basis.

**Figure 7: Annualised Gross to Net Property Yield (Accrual basis)**



#### 4. Purchases and Sales in the period

Due to the decision to terminate the Company, all units are to be sold.

##### i. Purchases

No new acquisitions were completed due to the Company's termination, Hearthstone is not seeking further acquisitions.

##### ii. Sales

20 units have been sold in the 6 months to 31st December 2024. The purchase price of the remaining assets still held as at 31st December 2024 was £37,911,021.43.

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 4. Purchases and Sales in the period (continued)

Table 5: Summary of completed disposals 1st July 2024 to 31st December 2024

Property	Purchase Price	Sold Price	Uplift	% uplift	Sale Date
2 Merchant Av.	£234,273.40	£287,000.00	£52,726.60	22.51%	03/07/2024
10 Eveas Drive	£185,000.00	£290,000.00	£105,000.00	56.76%	05/07/2024
42 Chester Drive	£199,000.00	£192,100.00	£-6,900.00	-3.47%	19/07/2024
7 Lacey Grove	£125,587.50	£195,000.00	£69,412.50	55.27%	25/07/2024
45 Station Road	£365,000.00	£470,000.00	£105,000.00	28.77%	09/08/2024
Apartment 8, 124 Rea Road	£97,500.00	£145,000.00	£47,500.00	48.72%	23/08/2024
4 De Froschia Close	£264,000.00	£270,000.00	£6,000.00	2.27%	23/08/2024
Flat 1, Henmead House	£291,666.00	£300,000.00	£8,334.00	2.86%	02/09/2024
6 Cygnet Road	£166,500.00	£249,000.00	£82,500.00	49.55%	11/09/2024
28 Portland View	£260,000.00	£275,000.00	£15,000.00	5.77%	13/09/2024
27 De Froschia Close	£264,000.00	£290,000.00	£26,000.00	9.85%	13/09/2024
3 Chilton Field Way	£395,000.00	£525,000.00	£130,000.00	32.91%	20/09/2024
Flat 3 20 Kimmerghame Terrace	£192,100.00	£280,000.00	£87,900.00	45.76%	26/09/2024
85 Carter Drive	£284,098.00	£340,000.00	£55,902.00	19.68%	26/09/2024
18 Olympic Boulevard	£283,500.00	£430,000.00	£146,500.00	51.68%	11/10/2024
32 Bennet Drive	£117,500.00	£185,000.00	£67,500.00	57.45%	21/10/2024
75 Quadrant Court	£262,500.00	£345,000.00	£82,500.00	31.43%	31/10/2024
9 Copse Drive	£281,118.01	£320,000.00	£38,881.99	13.83%	04/11/2024
15 Doveholes Drive	£133,000.00	£187,500.00	£54,500.00	40.98%	15/11/2024
15 Hayburn Road	£190,000.00	£305,000.00	£115,000.00	60.53%	25/11/2024
4 Doveholes Drive	£165,000.00	£244,000.00	£79,000.00	47.88%	29/11/2024
Flat 7, 4 Arneil Drive	£89,250.00	£157,000.00	£67,750.00	75.91%	05/12/2024
28 Fernbeck Close	£65,000.00	£100,000.00	£35,000.00	53.85%	13/12/2024
5 Beale Close	£325,929.00	£395,000.00	£69,071.00	21.19%	18/12/2024
	£5,236,521.91	£6,776,600.00	£1,540,078.09	29.41%	

At the end of December 2024, 50 properties were being offered for sale at a total marketing price of £13,889,500 and a further 86 were sold subject to contract at agreed prices totalling £23,991,500.



# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 4. Purchases and Sales in the period (continued)

##### iii. Holdings

At the end of 2024, 57.94% of the Company's Net Asset Value (NAV) was held across ten sites, and these are set out in Table 6 below.

**Table 6: Top 10 Holdings 31st December 2024**

Property Name	Number of Properties	Value	% of NAV
Quadrant Court, Wembley, London, HA9	21	£6,290,000	13.14%
The Limes, Nottingham, NG8	17	£4,195,000	8.76%
Wickhurst Green, Horsham, RH12	10	£3,510,000	7.33%
Crocketts Lane, Smethwick, B66	12	£3,030,000	6.33%
Whittingham Place, Preston, PR3	13	£2,730,000	5.70%
*Spectrum, Blackfriars Road, Manchester, M3	17	£2,685,000	5.61%
King Georges Park, Rowhedge, CO5	7	£2,205,000	4.61%
Rea Road, Northfield, Birmingham, B31	11	£1,605,000	3.35%
Pandora Close, Locks Heath, SO31	4	£1,482,500	3.10%
Willow Grange, Doncaster, DN4	7	£1,360,000	2.84%
	119	£29,092,500.00	57.94%

\* The Standing Independent Valuer continues to attach a valuation uncertainty clause to the Spectrum flats pending a satisfactory EWS1 (external wall safety) assessment. The original developer of the flats has signed the Government's Buildings Safety Repairs pledge and is working with the site's Residents Management Company to agree a schedule of remediation works.

#### 5. Rental Income

**Table 7: Rent Collection & Expenditure 1st July 2024 to 31st December 2024**

Rent Demanded	£468,509.39
Rent Collected *	£473,473.50
Property Expenditure Paid	£447,230.14
Net Rent Received by Company*	£26,243.36
% collected – 1st July 2024 to 31st December 2024	101.06%

\* Rental income is collected by the Property Manager. In addition to rental income, small amounts of non-rent charges such as retained monies from tenancy deposits for dilapidations and other income such as water re-charges are included as income – this equated to £16,777.98 during this reporting period.

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

### Investment Report - Hearthstone Asset Management Limited (continued)

#### 5. Rental Income (continued)

##### i. Arrears

As at 31st December 2024, arrears totalled £107,951.11, of which all are historical tenant rental arrears. The four largest arrears account for c.£67,000, all of which are going through the appropriate processes to recoup as much monies as possible for investors.

##### ii. Write Offs

During the period 1st July 2024 to 31st December 2024, no debts were written down.

#### 6. Performance Figures

**Table 8: Company Key Financial Figures 31st December 2024**

INCOME		
Gross Income Accrued by the Company from 1st July 2024 to 31st December 2024	£525,758	
Net Annual Company Income at 31st December 2024 (added back in distribution income)	£12,306	September 2024: £1,251 December 2024: £11,055
Gross to Net Adjustment	2.34%	

#### Company Performance vs ONS UK House Price Index

The Company uses the ONS House Price Index for performance comparison purposes only – it is not a target benchmark and the Company is not constrained by it.

Comparing the Company performance for the individual share classes to 31st December 2024 against the ONS HPI, it can be seen that, on an annualised basis, the Company has underperformed that index on all share classes in the past twelve months, with performance varying between share classes from -0.09% to -1.57% against +3.29% reported by the Index.

Tables 9a and 9b, and figure 8 below show performance of the Company versus the ONS House Price Index. Company performance, sourced from Hearthstone, is shown on a price basis of bid to bid, net of charges, assuming income and capital distributions have been reinvested. The ONS HPI is based on capital values only and has no charges or income.

**Table 9: Company Performance vs ONS UK House Price Index to 31st December 2024**

#### 9a. Accumulation Classes

	Class C	Class D	Class E	Class F	Class H	Feeder	ONS
1 month	-0.26%	-0.27%	-0.25%	-0.26%	-0.17%	-0.36%	-0.43%
3 months	-0.21%	-0.13%	-0.16%	-0.19%	0.11%	-0.24%	-0.96%
6 months	-0.64%	-0.58%	-0.54%	-0.59%	-0.09%	-0.83%	2.96%
1 year	-1.00%	-1.10%	-0.85%	-1.07%	-0.09%	-1.57%	3.29%

# TM Hearthstone ICVC

## Report of the Investment Managers

(unaudited) for the period ended 31st December 2024 (continued)

## Investment Report - Hearthstone Asset Management Limited (continued)

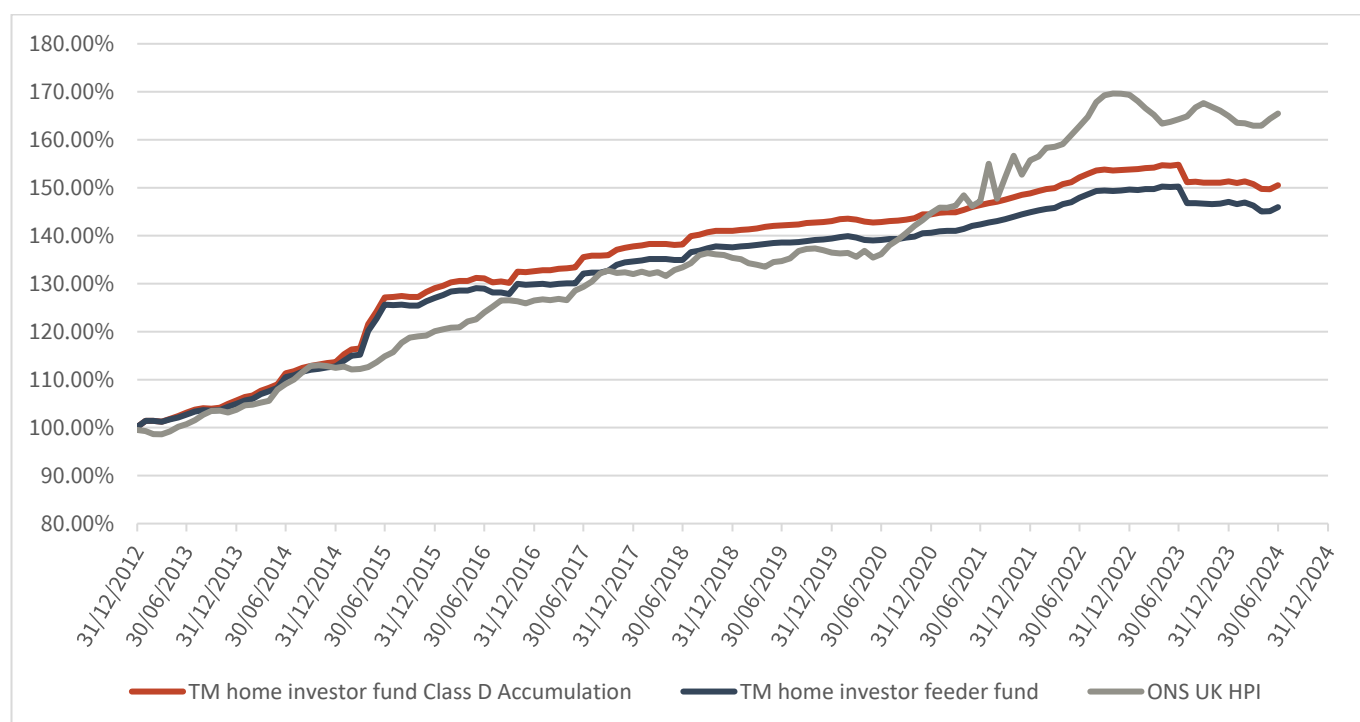
### 6. Performance Figures (continued)

#### Company Performance vs ONS UK House Price Index (continued)

#### 9b. Income Classes

	Class C	Class D	Class E	Class G	ONS
1 month	-0.28%	-0.28%	-0.28%	-0.20%	-0.43%
3 months	-0.17%	0.03%	-0.17%	-0.28%	-0.96%
6 months	-0.57%	-0.31%	-0.55%	-0.59%	2.96%
1 year	-0.99%	-0.94%	-0.87%	-1.05%	3.29%

Figure 8: Performance of Class D Accumulation and Feeder Fund vs ONS UK HPI to 31st December 2024



Note 3: Basis = 100% at share class launch date. For simplicity, only Class D Accumulation and Feeder performance are plotted on the chart as these are the most widely available classes across investment platforms and product wrappers.

Hearthstone Asset Management Limited  
Property Investment Manager  
30th January 2025

# TM Hearthstone ICVC

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## Report of the Investment Managers

*(unaudited) for the period ended 31st December 2024 (continued)*

### Investment Report - Thesis Asset Management Limited

Thesis Asset Management Limited is appointed to manage the cash received from property sales during the winding up of the Company. Over the six-month period, cash has been invested into the Federated Prime Sterling Liquidity Fund Class 08 Accumulation to be held until the next investor distribution date. The current running yield for the Federated Prime Sterling Liquidity Fund Class 08 Accumulation is 4.78% as of 31st December 2024.

Bank of England Base Rate fell to 4.75% at the end of the period, the Federated Prime Sterling Liquidity Fund Class 08 Accumulation gained 2.54% over the 6 months.

Thesis Asset Management Limited  
Investment Manager  
28th January 2025

# TM Hearthstone ICVC

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## **Constitution**

TM Hearthstone ICVC (the "Company") is an investment company with variable capital for the purposes of the Act. The Company is a Non-UCITS Retail Scheme. It is structured as an umbrella company, though currently has only one sub-fund, the TM home investor fund (the "sub-fund"). The Company has an unlimited duration. The Company was authorised by the FCA pursuant to an authorisation order dated 30th April 2012. The Company registration number is IC946. The head office of the Company is at Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. This is the address in the UK for service on the Company of notices or other documents required or authorised to be served on it.

Shareholders are not liable for the debts of the Company.

It is intended that the sub-fund qualifies as a Property Authorised Investment Fund (PAIF) at all times. HM Revenue & Customs has provided confirmation to the ACD that the sub-fund meets the requirements to qualify as a PAIF under Regulation 69O of the Authorised Investment Funds (Tax) Regulations 2006 (as amended).

The base currency of the Company is Pounds Sterling.

## **Regulatory Disclosure**

This document has been issued by Thesis Unit Trust Management Limited (authorised and regulated by the Financial Conduct Authority).

Past performance is not necessarily a guide to future performance. The value of shares can go down as well as up and is not guaranteed. Changes in rates of exchange may also cause the value of shares to fluctuate. Any references in this report to other investments held within this Company should not be read as a recommendation to the investor to buy and sell the same, but are included as illustration only.

# TM Hearthstone ICVC

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## **Certification of Interim Report & Accounts by Directors**

In accordance with the requirements of the Open-Ended Investment Companies Regulations 2001 (the “OEIC Regulations”), the Collective Investment Schemes sourcebook (“COLL Rules”) and the Investment Funds sourcebook (“FUND”), we hereby certify this Interim Report & Accounts on behalf of the ACD, Thesis Unit Trust Management Limited.

D.W. TYERMAN                      Director

S. E. NOONE                        Director

28th February 2025

# TM Hearthstone ICVC

## TM home investor fund

### Portfolio Statement

(unaudited) as at 31st December 2024

Holding	Investments	Market value £	Percentage of total net assets %
<b>INVESTMENTS IN IMMOVABLE PROPERTY 97.24% (101.16%)</b>			
<b>Market value greater than £400,000 5.82% (7.79%)</b>			
2	Sargent Way, Broadbridge Heath, Horsham, West Sussex	825,000	1.77
1	Southfields Green, Gravesend, Kent	580,000	1.25
1	Silk Close, Buckingham, Buckinghamshire	470,000	1.01
1	Broom Field Way, Felpham, West Sussex	425,000	0.91
1	De Froschia Close, Calne, Wiltshire	410,000	0.88
		<b>2,710,000</b>	<b>5.82</b>
<b>Market value from £300,001 to £400,000 38.90% (38.18%)</b>			
13	Quadrant Court, Empire Way, Wembley, Greater London	4,600,000	9.88
6	Carter Drive, Broadbridge Heath, Horsham, West Sussex	2,145,000	4.61
6	Copse Drive, Rowhedge, Colchester, Essex	1,920,000	4.12
4	Pandora Close, Locks Heath, Fareham, Hampshire	1,482,500	3.18
4	Weavers Close, Eastbourne, East Sussex	1,297,500	2.79
2	Gold Furlong, Milton Keynes, Bedfordshire	720,000	1.55
2	Cavalry Road, Colchester, Essex	700,000	1.50
2	Wood Street, Patchway, Bristol, South Gloucestershire	700,000	1.50
2	Sword Grove, Wainscott, Rochester, Kent	680,000	1.46
2	Henmead House, Tall Trees, Bolnore Village, Renfields, Haywards Heath, West Sussex	610,000	1.31
1	Brunel Court, Barnet, Middlesex, London	400,000	0.86
1	Samas Way, Dartford, Kent	400,000	0.86
1	Lake View, Houghton Regis, Bedfordshire	375,000	0.81
1	Mosquito Road, Cambourne, Cambridgeshire	355,000	0.76
1	Dunnock Road, Corby, Northamptonshire	355,000	0.76
1	Blacksmith Lane, Colchester, Essex	350,000	0.75
1	Dragoon Road, Colchester, Essex	350,000	0.75
1	Oakfield Road, Shifnal, Shropshire	350,000	0.75
1	Roman Way, Cranbrook, Devon	325,000	0.70
		<b>18,115,000</b>	<b>38.90</b>
<b>Market value from £200,001 to £300,000 33.39% (39.31%)</b>			
12	John Brooks Avenue, Smethwick, Birmingham, West Midlands	3,030,000	6.51
6	Laxton Close, Nottingham, Nottinghamshire	1,430,000	3.07
6	Meridian Close, Nottingham, Nottinghamshire	1,430,000	3.07
4	Bishop Street, Bristol, South Gloucestershire	1,145,000	2.46
4	Whitehall Drive, Broughton, Lancashire	1,000,000	2.15
2	Sycamore Drive, Calne, Wiltshire	580,000	1.25
2	Elizabethan Way, Teignmouth, Devon	575,000	1.24

# TM Hearthstone ICVC

## TM home investor fund

### Portfolio Statement

(unaudited) as at 31st December 2024 (continued)

Holding	Investments	Market value £	Percentage of total net assets %
	<b>Market value from £200,001 to £300,000 33.39% (39.31%) (continued)</b>		
2	De Froschia Close, Calne, Wiltshire	570,000	1.22
2	Carter Drive, Broadbridge Heath, Horsham, West Sussex	540,000	1.16
2	Quadrant Court, Empire Way, Wembley, Greater London	490,000	1.05
2	Lapins Close, Nottingham, Nottinghamshire	480,000	1.03
2	Betjeman Way, Cleobury Mortimer, Shropshire	435,000	0.93
1	Henmead House, Tall Trees, Bolnore Village, Renfields, Haywards Heath, West Sussex	300,000	0.64
1	Chalfont Drive, Nottingham, Nottinghamshire	285,000	0.61
1	Penny Close, Nottingham, Nottinghamshire	285,000	0.61
1	Merchant Avenue, Nottingham, Nottinghamshire	285,000	0.61
1	Copse Drive, Rowhedge, Colchester, Essex	285,000	0.61
1	Cardinal Drive, Tuffley, Gloucester, Gloucestershire	270,000	0.58
1	Paper Lane, Paulton, Bristol, Somerset	265,000	0.57
1	Brunel Court, Barnet, Middlesex, London	260,000	0.56
1	Mallow Road, Minster, Kent	260,000	0.56
1	Beech Drive, Thornton-Cleveleys, Lancashire	250,000	0.54
1	Rowley Mews, Pocklington, Yorks, East Riding	235,000	0.51
1	Spa House, Hayes, Hillingdon, London	225,000	0.48
1	Featherstone Court, Featherstone Road, Southall, Ealing, London	225,000	0.48
1	Blackberry Road, Doncaster, Yorkshire	210,000	0.45
1	Arneil Drive, Edinburgh, Lothian, Scotland	205,000	0.44
		<b>15,550,000</b>	<b>33.39</b>
	<b>Market value from £100,001 to £200,000 21.36% (15.23%)</b>		
9	Whitehall Drive, Broughton, Lancashire	1,730,000	3.71
12	Blackfriars Road (Block 6), Salford, Greater Manchester*	1,695,000	3.64
11	Rea Road, Northfield, Birmingham, West Midlands	1,605,000	3.45
6	Quadrant Court, Empire Way, Wembley, Greater London	1,200,000	2.58
5	Pond Close, Doncaster, Yorkshire	955,000	2.05
3	Blackfriars Road (Block 1), Salford, Greater Manchester*	560,000	1.20
3	Bennet Drive, Kirkby-in-Ashfield, Nottinghamshire	525,000	1.13
3	Mansion House, Salamanca Way, Colchester, Essex	442,500	0.95
2	Lythalls Lane, Coventry, West Midlands	345,000	0.74
1	Blackberry Road, Doncaster, Yorkshire	195,000	0.42
1	Blackfriars Road (Block 3), Salford, Greater Manchester*	185,000	0.40
1	Blackfriars Road (Block 5), Salford, Greater Manchester*	185,000	0.40
1	Lindleys Lane, Kirkby-in-Ashfield, Nottinghamshire	165,000	0.35
1	Arneil Drive, Edinburgh, Lothian, Scotland	160,000	0.34
		<b>9,947,500</b>	<b>21.36</b>



# TM Hearthstone ICVC

## TM home investor fund

### Portfolio Statement

(unaudited) as at 31st December 2024 (continued)

Holding	Investments	Market value £	Percentage of total net assets %
	<b>Market value lower than £100,001 0.53% (0.65%)</b>		
1	Leopard Lane, West Bromwich, West Midlands	95,000	0.21
1	Hobart Point, Churchfields Way, West Bromwich, West Midlands	90,000	0.19
1	Car parking spaces (No 25, 55, 92 & 94), Blackfriars Road, Salford, Greater Manchester	60,000	0.13
		<b>245,000</b>	<b>0.53</b>
	Estimated costs to sell properties	(1,285,263)	(2.76)
	<b>TOTAL IMMOVABLE PROPERTY</b>	<b>45,282,237</b>	<b>97.24</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 3.03% (0.82%)</b>		
1,174,010	Federated Prime Sterling Liquidity Fund Class 08 Accumulation	<b>1,411,160</b>	<b>3.03</b>
	<b>TOTAL COLLECTIVE INVESTMENT SCHEMES</b>	<b>1,411,160</b>	<b>3.03</b>
	<b>Net investments 100.27% (99.05%)</b>	<b>46,693,397</b>	<b>100.27</b>
	Net other liabilities	(125,691)	(0.27)
	<b>Total net assets</b>	<b>46,567,706</b>	<b>100.00</b>

Note: Comparative figures shown in brackets relate to 30th June 2024.

\* A Material Valuation Uncertainty clause has been attached to the valuation of the property. For further information refer to the 'Important Information' section.

# TM Hearthstone ICVC

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## TM home investor fund

### Sub-fund Information

The Comparative Tables on pages 26 to 35 give the performance of each share class in the sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges and property expenses per share divided by the opening net asset value per share. It differs from the sub-fund's performance disclosed in the ACD's report, which is calculated based on the period-end published price.

Portfolio transaction costs are incurred when investments are bought or sold by a sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information (continued)

### Comparative Tables (continued)

#### Class C Unbundled Gross Income

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
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#### Change in Net Asset Value per Share

Opening net asset value per share	119.91	144.11	149.08
Return before operating charges and property expenses*	(11.97)	(16.33)	2.81
Operating charges <sup>1</sup>	(0.94)	(2.11)	(2.21)
Property expenses <sup>1</sup>	(1.14)	(1.78)	(2.17)
Return after operating charges and property expenses*	(14.05)	(20.22)	(1.57)
Distributions on income shares	(0.05)	(3.98)	(3.40)
Closing net asset value per share	105.81	119.91	144.11

*after direct transaction costs of <sup>2</sup> :	15.06	10.84	1.62
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#### Performance

Return after charges	(11.72)%	(14.03)%	(1.05)%
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#### Other Information

Closing net asset value (£'000)	199	225	271
Closing number of shares	187,939	187,939	187,939
Operating charges <sup>3</sup>	1.60%	1.53%	1.48%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%

#### Prices

Highest share price	123.40	145.10	150.80
Lowest share price	106.10	120.60	148.50

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information (continued)

### Comparative Tables (continued)

#### Class C Unbundled Gross Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	130.52	152.31	153.55
Return before operating charges and property expenses*	(13.09)	(17.63)	3.32
Operating charges <sup>1</sup>	(1.03)	(2.26)	(2.30)
Property expenses <sup>1</sup>	(1.24)	(1.90)	(2.26)
Return after operating charges and property expenses*	(15.36)	(21.79)	(1.24)
Distributions	–	(2.39)	(2.52)
Retained distributions on accumulation shares	–	2.39	2.52
Closing net asset value per share	115.16	130.52	152.31
 *after direct transaction costs of <sup>2</sup> :	 16.38	 11.57	 1.68
<b>Performance</b>			
Return after charges	(11.77)%	(14.31)%	(0.81)%
<b>Other Information</b>			
Closing net asset value (£'000)	10,850	12,297	14,618
Closing number of shares	9,421,094	9,421,094	9,597,585
Operating charges <sup>3</sup>	1.60%	1.53%	1.48%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%
<b>Prices</b>			
Highest share price	134.20	153.30	156.60
Lowest share price	115.40	130.30	153.60

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class D Unbundled Net Income

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
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#### Change in Net Asset Value per Share

Opening net asset value per share	118.49	142.45	147.41
Return before operating charges and property expenses*	(11.53)	(16.87)	2.13
Operating charges <sup>1</sup>	(0.93)	(2.09)	(2.19)
Property expenses <sup>1</sup>	(1.13)	(1.76)	(2.14)
Return after operating charges and property expenses*	(13.59)	(20.72)	(2.20)
Distributions on income shares	(0.34)	(3.24)	(2.76)
Closing net asset value per share	104.56	118.49	142.45

*after direct transaction costs of <sup>2</sup> :	14.89	10.71	1.60
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#### Performance

Return after charges	(11.47)%	(14.55)%	(1.49)%
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#### Other Information

Closing net asset value (£'000)	318	361	540
Closing number of shares	304,476	304,476	379,377
Operating charges <sup>3</sup>	1.60%	1.53%	1.48%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%

#### Prices

Highest share price	121.90	143.30	148.90
Lowest share price	105.10	119.10	146.80

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class D Unbundled Net Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	127.01	148.65	150.19
Return before operating charges and property expenses*	(12.80)	(17.59)	2.91
Operating charges <sup>1</sup>	(1.00)	(2.20)	(2.25)
Property expenses <sup>1</sup>	(1.21)	(1.85)	(2.20)
Return after operating charges and property expenses*	(15.01)	(21.64)	(1.54)
Distributions	–	(1.96)	(2.25)
Retained distributions on accumulation shares	–	1.96	2.25
Closing net asset value per share	112.00	127.01	148.65
 *after direct transaction costs of <sup>2</sup> :	 15.93	 11.28	 1.65
<b>Performance</b>			
Return after charges	(11.82)%	(14.56)%	(1.03)%
<b>Other Information</b>			
Closing net asset value (£'000)	1,598	1,812	2,237
Closing number of shares	1,426,600	1,426,600	1,504,704
Operating charges <sup>3</sup>	1.60%	1.53%	1.48%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%
<b>Prices</b>			
Highest share price	130.50	149.50	152.80
Lowest share price	112.20	126.80	150.20

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information (continued)

### Comparative Tables (continued)

#### Class E Institutional Gross Income

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
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#### Change in Net Asset Value per Share

Opening net asset value per share	121.55	145.87	150.68
Return before operating charges and property expenses*	(12.13)	(16.56)	3.26
Operating charges <sup>1</sup>	(0.87)	(1.93)	(2.01)
Property expenses <sup>1</sup>	(1.16)	(1.80)	(2.19)
Return after operating charges and property expenses*	(14.16)	(20.29)	(0.94)
Distributions on income shares	(0.05)	(4.03)	(3.87)
Closing net asset value per share	107.34	121.55	145.87

*after direct transaction costs of <sup>2</sup> :	15.27	10.98	1.64
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#### Performance

Return after charges	(11.65)%	(13.91)%	(0.62)%
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#### Other Information

Closing net asset value (£'000)	22,643	25,640	32,761
Closing number of shares	21,093,484	21,093,484	22,458,935
Operating charges <sup>3</sup>	1.45%	1.38%	1.33%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%

#### Prices

Highest share price	125.10	131.60	152.50
Lowest share price	107.60	122.30	150.30

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information (continued)

### Comparative Tables (continued)

#### Class E Institutional Gross Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	133.23	155.24	156.28
Return before operating charges and property expenses*	(13.36)	(18.00)	3.36
Operating charges <sup>1</sup>	(0.95)	(2.08)	(2.10)
Property expenses <sup>1</sup>	(1.27)	(1.93)	(2.30)
Return after operating charges and property expenses*	(15.58)	(22.01)	(1.04)
Distributions	–	(2.66)	(2.37)
Retained distributions on accumulation shares	–	2.66	2.37
Closing net asset value per share	117.65	133.23	155.24
 *after direct transaction costs of <sup>2</sup> :	 16.72	 11.80	 1.71
<b>Performance</b>			
Return after charges	(11.69)%	(14.18)%	(0.67)%
<b>Other Information</b>			
Closing net asset value (£'000)	101	115	134
Closing number of shares	86,259	86,259	86,259
Operating charges <sup>3</sup>	1.45%	1.38%	1.33%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%
<b>Prices</b>			
Highest share price	137.00	156.30	159.60
Lowest share price	117.90	133.00	156.30

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.



# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class F Institutional Net Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	129.48	151.36	152.74
Return before operating charges and property expenses*	(13.06)	(17.98)	2.91
Operating charges <sup>1</sup>	(0.92)	(2.02)	(2.05)
Property expenses <sup>1</sup>	(1.23)	(1.88)	(2.24)
Return after operating charges and property expenses*	(15.21)	(21.88)	(1.38)
Distributions	–	(2.17)	(1.91)
Retained distributions on accumulation shares	–	2.17	1.91
Closing net asset value per share	114.27	129.48	151.36
 *after direct transaction costs of <sup>2</sup> :	 16.24	 11.49	 1.67
<b>Performance</b>			
Return after charges	(11.75)%	(14.46)%	(0.90)%
<b>Other Information</b>			
Closing net asset value (£'000)	614	696	1,676
Closing number of shares	537,460	537,460	1,107,116
Operating charges <sup>3</sup>	1.45%	1.38%	1.33%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%
<b>Prices</b>			
Highest share price	133.10	152.30	155.60
Lowest share price	114.50	129.20	152.80

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class G Institutional Net Income

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
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#### Change in Net Asset Value per Share

Opening net asset value per share	112.20	133.18	136.10
Return before operating charges and property expenses*	(11.30)	(15.66)	2.62
Operating charges <sup>1</sup>	(0.80)	(1.77)	(1.82)
Property expenses <sup>1</sup>	(1.07)	(1.65)	(1.99)
Return after operating charges and property expenses*	(13.17)	(19.08)	(1.19)
Distributions on income shares	–	(1.90)	(1.73)
Closing net asset value per share	99.03	112.20	133.18

*after direct transaction costs of <sup>2</sup> :	14.09	10.06	1.48
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#### Performance

Return after charges	(11.74)%	(14.33)%	(0.87)%
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#### Other Information

Closing net asset value (£'000)	86	97	115
Closing number of shares	86,379	86,379	86,379
Operating charges <sup>3</sup>	1.45%	1.38%	1.33%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%

#### Prices

Highest share price	115.40	134.00	137.60
Lowest share price	99.18	112.50	136.20

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information *(continued)*

### Comparative Tables *(continued)*

#### Class H Gross Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 30/06/2023 (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	135.69	156.88	156.76
Return before operating charges and property expenses*	(13.63)	(18.27)	3.35
Operating charges <sup>1</sup>	(0.47)	(0.96)	(0.92)
Property expenses <sup>1</sup>	(1.29)	(1.96)	(2.31)
Return after operating charges and property expenses*	(15.39)	(21.19)	0.12
Distributions	–	(3.84)	(3.58)
Retained distributions on accumulation shares	–	3.84	3.58
Closing net asset value per share	120.30	135.69	156.88
 *after direct transaction costs of <sup>2</sup> :	 17.07	 11.97	 1.73
<b>Performance</b>			
Return after charges	(11.34)%	(13.51)%	0.08%
<b>Other Information</b>			
Closing net asset value (£'000)	10,159	11,458	13,297
Closing number of shares	8,444,540	8,444,540	8,475,426
Operating charges <sup>3</sup>	0.70%	0.63%	0.58%
Property expense ratio <sup>4</sup>	1.93%	1.29%	1.45%
Direct transaction costs	12.85%	7.85%	1.08%
<b>Prices</b>			
Highest share price	139.60	158.40	161.30
Lowest share price	120.40	135.30	156.80

<sup>1</sup> Operating cost and property expense for the six-month period ended 31st December 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Sub-fund Information (continued)

### Comparative Tables (continued)

#### Class X Accumulation

Accounting Period	01/07/2024 - 31/12/2024 (pence per share)	01/07/2023 - 30/06/2024 (pence per share)	01/07/2022 - 02/08/2022 <sup>1</sup> (pence per share)
<b>Change in Net Asset Value per Share</b>			
Opening net asset value per share	—	—	133.78
Return before operating charges and property expenses*	—	—	14.80
Operating charges	—	—	(0.22)
Property expenses	—	—	(0.16)
Return after operating charges and property expenses*	—	—	14.42
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Last net asset value per share	—	—	148.20
Closing net asset value per share	—	—	—
 *after direct transaction costs of <sup>2</sup> :	—	—	0.93
<b>Performance</b>			
Return after charges	—%	—%	10.78%
<b>Other Information</b>			
Closing net asset value (£'000)	—	—	—
Closing number of shares	—	—	—
Operating charges <sup>3</sup>	—%	—%	1.66%
Property expense ratio <sup>4</sup>	—%	—%	1.21%
Direct transaction costs	—%	—%	0.00%
<b>Prices</b>			
Highest share price	—	—	148.20
Lowest share price	—	—	147.60

<sup>1</sup> Class X Accumulation became inactive on 2nd August 2022.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transactions costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the sub-fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion, when a sub-fund has invested 10% or more in other Collective Investment Schemes.

<sup>4</sup> The Property Expense Ratio (PER) shows the ratio of operating costs that relate to the management of the property assets to the average net assets of the sub-fund.

# TM Hearthstone ICVC

## TM home investor fund

### Statement of Total Return

(unaudited) for the period ended 31st December 2024

	£'000	2024 £'000	£'000	2023 £'000
Income				
Net capital (losses)/gains		130		(418)
Revenue	588		1,426	
Expenses	(839)		(791)	
Net (expenses)/revenue before taxation	(251)		635	
Taxation	—		—	
Net (expenses)/revenue after taxation		(251)		635
<b>Total return before distributions</b>		<b>(121)</b>		217
Distributions		(12)		(812)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(133)</b>		<b>(595)</b>

### Statement of Change in Net Assets Attributable to Shareholders

(unaudited) for the period ended 31st December 2024

	£'000	2024 £'000	£'000	2023 £'000
<b>Opening net assets attributable to shareholders*</b>		<b>52,701</b>		65,649
Amounts receivable on issue of shares	—		395	
Amounts payable on cancellation of shares	—		(3,885)	
		—		(3,490)
Dilution levy/adjustment		—		85
Change in net assets attributable to shareholders from investment activities		(133)		(595)
Retained distribution on accumulation shares		—		328
Capital Distribution**		(6,000)		(5,700)
<b>Closing net assets attributable to shareholders</b>		<b>46,568</b>		<b>56,277</b>

\* The opening net assets for the current period do not equal the closing net assets for the comparative period as they are not consecutive periods.

\*\* As part of the Company's winding up, capital distributions were made on 12th September 2024 and 13th November 2024 for the period ended 31st December 2024 (31st December 2023: 4th December 2023).

# TM Hearthstone ICVC

## TM home investor fund

### Balance Sheet

(unaudited) as at 31st December 2024

	31/12/2024 £'000	30/06/2024 £'000
<b>Assets</b>		
Fixed assets:		
Investment Properties <sup>1</sup>	45,282	51,769
Investment in Collective Investment Schemes	1,411	432
Current assets:		
Debtors	54	60
Cash and bank balances	39	772
<b>Total assets</b>	<b>46,786</b>	<b>53,033</b>
<b>Liabilities</b>		
Creditors:		
Bank overdraft	(39)	–
Distributions payable	(13)	(203)
Other creditors	(166)	(129)
<b>Total liabilities</b>	<b>(218)</b>	<b>(332)</b>
<b>Net assets attributable to shareholders</b>	<b>46,568</b>	<b>52,701</b>

<sup>1</sup> A Material Valuation Uncertainty clause has been attached to the valuation of the Spectrum properties which have been certified by the SIV. For further information refer to the 'Important Information' section on page 4.

# TM Hearthstone ICVC

## TM home investor fund

### Cash Flow Statement

(unaudited) for the period ended 31st December 2024

	31/12/2024 £'000	30/06/2024 £'000
<b>Cash flows from operating activities:</b>		
Change in net assets attributable to shareholders from investment activities	(133)	(1,334)
Distributions	12	1,472
Income deficits	(111)	–
<b>Net capital gains:</b>		
Non-derivative gains	(6)	(41)
Immovable properties	131	1,320
Estimated costs to sell properties	(255)	(283)
Increase/(decrease) in creditors	53	(41)
Increase in debtors	19	67
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(290)</b>	<b>1,160</b>
<b>Cash flows from investing activities:</b>		
Payments to acquire investments	(6,652)	(3,280)
Receipts from sales of investments	12,370	14,616
<b>Net cash inflow from investing activities</b>	<b>5,718</b>	<b>11,336</b>
<b>Cash flows from financing activities:</b>		
Amounts received on creations of shares	–	426
Amounts paid on cancellation of shares	–	(3,878)
Capital Distribution	(6,000)	(8,800)
Distributions paid	(200)	(878)
<b>Net cash outflow from financing activities</b>	<b>(6,200)</b>	<b>(13,130)</b>
<b>Net decrease in cash and cash equivalents in period</b>	<b>(772)</b>	<b>(634)</b>
Cash and cash equivalents at the start of the period	772	1,406
<b>Cash and cash equivalents at the end of the period</b>	<b>–</b>	<b>772</b>

## Note to the Financial Statements

### Accounting Policies (unaudited)

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 30th June 2024. They are in accordance with the United Kingdom Generally Accepted Accounting Practice (UK GAAP), as defined within the UK Financial Reporting Standard (FRS 102) and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' (the "SORP"), issued by The Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024

#### First Interim Distribution Class C Unbundled Gross Income (in pence per share)\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Income	Income Tax at 0%	Net Income	Equalisation	2024 Net Distribution Paid	2023 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.9767
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.9767
<b>Interest Stream</b>						
1	0.0057	0.0000	0.0057	—	0.0057	0.0691
2	0.0057	0.0000	0.0057	0.0000	0.0057	0.0691
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### First Interim Accumulation Class C Unbundled Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.5395
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.5395
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0731
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0731
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000



# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### First Interim Distribution Class D Unbundled Net Income (in pence per share)\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Income	Income Tax at 20%	Net Income	Equalisation	2024 Net Distribution Paid	2023 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.7483
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.7483
<b>Interest Stream</b>						
1	0.0056	0.0000	0.0056	—	0.0056	0.0650
2	0.0056	0.0000	0.0056	0.0000	0.0056	0.0650
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### First Interim Accumulation Class D Unbundled Net Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Accumulation	Income Tax at 20%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.3779
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.3779
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0639
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0639
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### First Interim Distribution Class E Institutional Gross Income (in pence per share)\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Income	Income Tax at 0%	Net Income	Equalisation	2024 Net Distribution Paid	2023 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.9826
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.9826
<b>Interest Stream</b>						
1	0.0058	0.0000	0.0058	—	0.0058	0.0692
2	0.0058	0.0000	0.0058	0.0000	0.0058	0.0692
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### First Interim Accumulation Class E Institutional Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.6124
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.6124
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0749
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0749
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### First Interim Accumulation Class F Institutional Net Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Accumulation	Income Tax at 20%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.2795
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.2795
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0413
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0413
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### First Interim Distribution Class G Institutional Net Income (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Income	Income Tax at 20%	Net Income	Equalisation	2024 Net Distribution Paid	2023 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.3871
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.3871
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0591
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0591
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### First Interim Accumulation Class H Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st July 2024

Group 2: Shares purchased on or after 1st July 2024 to 30th September 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.9246
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.9246
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0754
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0754
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### Second Interim Distribution Class C Unbundled Gross Income (in pence per share)\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Income	Income Tax at 0%	Net Income	Equalisation	2025 Net Distribution Payable	2024 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	1.0629
2	0.0000	0.0000	0.0000	0.0000	0.0000	1.0629
<b>Interest Stream</b>						
1	0.0464	0.0000	0.0464	—	0.0464	0.0838
2	0.0464	0.0000	0.0464	0.0000	0.0464	0.0838
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### Second Interim Accumulation Class C Unbundled Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2025 Net Accumulation	2024 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.6497
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.6497
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0892
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0892
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### Second Interim Distribution Class D Unbundled Net Income (in pence per share)\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 20%	Net Income	Equalisation	2025 Net Distribution Payable	2024 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.8417
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.8417
<b>Interest Stream</b>						
1	0.3321	0.0000	0.3321	—	0.3321	0.0827
2	0.3321	0.0000	0.3321	0.0000	0.3321	0.0827
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### Second Interim Accumulation Class D Unbundled Net Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 20%	Net Accumulation	Equalisation	2025 Net Accumulation	2024 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.5075
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.5075
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0869
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0869
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### Second Interim Distribution Class E Institutional Gross Income (in pence per share)\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Income	Income Tax at 0%	Net Income	Equalisation	2025 Net Distribution Payable	2024 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	1.0766
2	0.0000	0.0000	0.0000	0.0000	0.0000	1.0766
<b>Interest Stream</b>						
1	0.0472	0.0000	0.0472	—	0.0472	0.0849
2	0.0472	0.0000	0.0472	0.0000	0.0472	0.0849
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### Second Interim Accumulation Class E Institutional Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2025 Net Accumulation	2024 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.7213
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.7213
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0909
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0909
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### Second Interim Accumulation Class F Institutional Net Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 20%	Net Accumulation	Equalisation	2025 Net Accumulation	2024 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.5628
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.5628
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0885
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0885
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

# TM Hearthstone ICVC

## TM home investor fund

### Distribution Tables

(unaudited) for the period ended 31st December 2024 (continued)

#### Second Interim Distribution Class G Institutional Net Income (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Income	Income Tax at 20%	Net Income	Equalisation	2025 Net Distribution Payable	2024 Net Distribution Paid
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.4937
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.4937
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0776
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0776
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

#### Second Interim Accumulation Class H Gross Accumulation (in pence per share)\*\*

Group 1: Shares purchased prior to 1st October 2024

Group 2: Shares purchased on or after 1st October 2024 to 31st December 2024

Group	Gross Accumulation	Income Tax at 0%	Net Accumulation	Equalisation	2024 Net Accumulation	2023 Net Accumulation
<b>Property Revenue Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	1.0286
2	0.0000	0.0000	0.0000	0.0000	0.0000	1.0286
<b>Interest Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0923
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0923
<b>Dividend Stream</b>						
1	0.0000	0.0000	0.0000	—	0.0000	0.0000
2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

\* There were no group 2 shares for this period.

\*\* Expenses exceeded revenue during the period, as a result no distributions were allocated or paid.





investment architecture

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