Smith & Williamson UK Equity Growth Fund

Annual Report

for the year ended 15 January 2021

Contents

Smith & Williamson UK Equity Growth Fund

Report of the Manager

Smith & Williamson Fund Administration Limited, as Manager, presents herewith the Annual Report for Smith & Williamson UK Equity Growth Fund for the year ended 15 January 2021.

Smith & Williamson UK Equity Growth Fund ('the Trust' or 'the Fund') is an authorised unit trust scheme further to an authorisation order dated 29 April 1988 and is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the Financial Conduct Authority ('FCA').

The Manager is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Fund consist predominantly of securities which are readily realisable and, accordingly, the Fund has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The EU-UK Trade and Cooperation Agreement concluded between the EU and the UK sets out preferential arrangements in areas such as trade in goods and in services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fisheries, social security coordination, law enforcement and judicial cooperation in criminal matters, thematic cooperation and participation in Union programmes. It is underpinned by provisions ensuring a level playing field and respect for fundamental rights.

The Trade and Cooperation Agreement is provisionally applicable from 1 January 2021, after having been agreed by EU and UK negotiators on 24 December 2020. As at the date of this report, the economic impacts of Brexit and of the Trade and Cooperation Agreement remain uncertain.

The base currency of the Fund is UK sterling.

The Trust Deed can be inspected at the offices of the Manager.

Copies of the Prospectus and Key Investor Information Document ('KIID') are available on request free of charge from the Manager.

Investment objective and policy

The objective of the Trust is to achieve long term growth of capital, primarily through investment in the UK. The Manager may invest in transferable securities, including warrants, in UK and other exchanges as well as collective investment schemes, money market instruments, deposits and cash and near cash.

The Manager's policy in order to achieve the Trust's objective will be to invest in companies where the Manager believes there to be good prospects for above average growth (see 'Eligible Markets' below). The Manager may invest in special situations and new issues, which will necessarily have a higher risk than investments in established companies.

The Manager's investment policy will be to invest primarily in UK equities, but may be also exposed to selected companies that the Manager believes can take advantage of economic conditions worldwide and this will include stocks in other markets of the world in addition to the UK.

The Manager's investment policy may mean that at times it may be appropriate for the Trust not to be fully invested but to hold cash or near cash. In the light of extreme market conditions, the Manager may raise or reduce the liquidity of the Trust from normal working levels.

The Manager may hedge transactions against price or currency fluctuations by back-to-back foreign currency borrowings against sterling or by suitable transactions permitted for Hedging. The extent will depend upon the circumstances. The Manager does not envisage that they will enter into Hedging transactions to a major extent (see 'Eligible Derivatives Markets' below).

Important Note from the Manager

The outbreak of Covid-19, declared by the World Health Organisation as a Public Health Emergency of International Concern on 30 January 2020, has caused disruption to businesses and economic activity. The Manager is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, UK government and general pandemic response best practice.

Report of the Manager (continued)

Changes affecting the Fund in the year

KPMG LLP resigned as auditor and Johnston Carmichael LLP were appointed on 6 July 2020.

The annual management periodic charge for A unit class decreased on 21 December 2020. All unitholders within the Fund were notified of the change.

Further information in relation to the Fund is illustrated on page 41.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook, we hereby certify the Annual Report on behalf of the Manager, Smith & Williamson Fund Administration Limited.

Brian McLean James Gordon
Directors
Smith & Williamson Fund Administration Limited
14 May 2021

Statement of the Manager's responsibilities

The Collective Investment Schemes sourcebook ('COLL') published by the FCA, requires the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Trust and of the net revenue and net capital gains on the property of the Trust for the year.

In preparing the financial statements the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds published by The Investment Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Trust's information on the Manager's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COLL also requires the Manager to carry out an Assessment of Value on the Trust and publish this assessment within the Annual Report.

The Manager is responsible for the management of the Trust in accordance with the Trust Deed, the Prospectus and COLL.

Assessment of Value - Smith & Williamson UK Equity Growth Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Fund Manager ('AFM'), has carried out an Assessment of Value for Smith & Williamson UK Equity Growth Fund ('the Trust'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the Trust for the year ending 15 January 2021, using the seven criteria set by the FCA is set out below:

	A Class Income	B Class Income
1. Quality of Service	🟢	🟢
2. Performance	🟢	🟢
3. AFM Costs	🟡	🟢
4. Economies of Scale	🟢	🟢
5. Comparable Market Rates	🟡	🟢
6. Comparable Services	🟢	🟢
7. Classes of Units	🟢	🟢
Overall Rating	🟡	🟢

SWFAL has adopted a traffic light system to show how it rated the Trust:

🟢 On balance, the Board believes the Trust is delivering value to unitholders, with no material issues noted.

🟡 On balance, the Board believes the Trust is delivering value to unitholders, but may require some action or further monitoring.

🔴 On balance, the Board believes the Trust has not delivered value to unitholders and significant remedial action is now being planned.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages. SWFAL noted that the AMC on the A class is expensive compared to that of the B class. It was agreed with SWIM that they would reduce their investment management fee on the A class by 50 basis points to make the charging more consistent with the B class. This change took effect on 21 December 2020. There was insufficient time between this date and the year-end date for the A unitholders to realise any substantial benefit which resulted in the Amber rating for the A class of the Trust.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all the funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the SWFAL Board (which includes independent directors) to ensure the outcomes of the assessments are clear and fair, before final sign-off by the chair of the SWFAL Board prior to communicating to investors if the fund has delivered value, and if not, where improvements need to be made.

In carrying out the assessment, the SWFAL AVC has separately considered, the following seven criteria stipulated by the FCA. The Committee may also have considered other issues where it was deemed appropriate.

SWFAL believes the Assessment of Value can make it easier for investors to both evaluate whether the fund is providing them with value for money and make more informed decisions when choosing investments.

Assessment of Value - Smith & Williamson UK Equity Growth Fund (continued)

The seven criteria are:

(1) Quality of service – the quality of every aspect of the service provided, including, for example, accounting, administration, customer services and communications;

(2) Performance – how the fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;

(3) Authorised Fund Manager costs – the fairness and value of the fund's costs, including entry and exit fees, early redemption fees, administration charges;

(4) Economies of scale – how costs have been or can be reduced as a result of increased Assets under Management ('AUM'), and whether or not those savings have been passed on to investors;

(5) Comparable market rates – how the costs of a fund compare with others in the marketplace;

(6) Comparable services – how the charges applied to the fund compare with those of other funds administered by SWFAL;

(7) Classes of units – the appropriateness of the classes of units in the fund for investors.

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as AFM, has overall responsibility for the Trust. The Board assessed, amongst other things; the day-to-day administration of the Trust: the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')): the pricing and valuation of units: the calculation of income and distribution payments; the maintenance of accounting and other records: the preparation of annual audited and half-yearly Report & Accounts; the review of tax provisions and submission of tax computations to HMRC; the maintenance of the register of unitholders; the dealing and settlement arrangements. SWFAL delegates the investment management of the Trust to an investment management firm.

The Board reviewed information provided by SWFAL's control functions on the adequacy of its internal services, including governance, operations and monitoring. Elements important to the client experience such as the timely payment of settlement and distribution monies were also reviewed. Over the past year, SWFAL has been audited by internal and external auditors, the Trustee and various SWFAL delegated investment managers.

External Factors

The SWFAL Board assessed the skills, processes, experience, level of breaches and complaints. Also considered were any results from service review meetings as well as the annual due diligence performed by SWFAL on the delegated Investment Manager, Smith & Williamson Investment Management LLP ('SWIM'), where consideration was given to, amongst other things, the delegate's controls around the Trust's liquidity management.

The Board also considered the nature, extent and quality of administrative and unitholder services performed under separate agreements covering trustee services, custodians, as well as services provided with regard to both audit and legal functions.

What was the outcome of the assessment?

Internal Factors

The Board recognised that all distribution and settlement monies were paid in a timely manner and that there were no significant findings as a result of the various audits performed on SWFAL during the year. In addition, SWFAL performs its own independent analysis, using automated software, of the Trust's liquidity. The Board concluded that SWFAL had carried out its duties diligently.

External Factors

The Board concluded that the nature, extent and quality of the services provided by the external parties have benefited unitholders. The Board noted that the Investment Manager of the Trust changed from SWIM to Sanlam Investments UK Limited on the 30 January 2021, shortly following the period of this review.

Were there any follow up actions?

There were no follow-up actions required.

2. Performance

What was assessed in this section?

The Board reviewed the performance of the Trust, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against the benchmarks, are considered over appropriate timescales having regard to the Trust's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk had been taken.

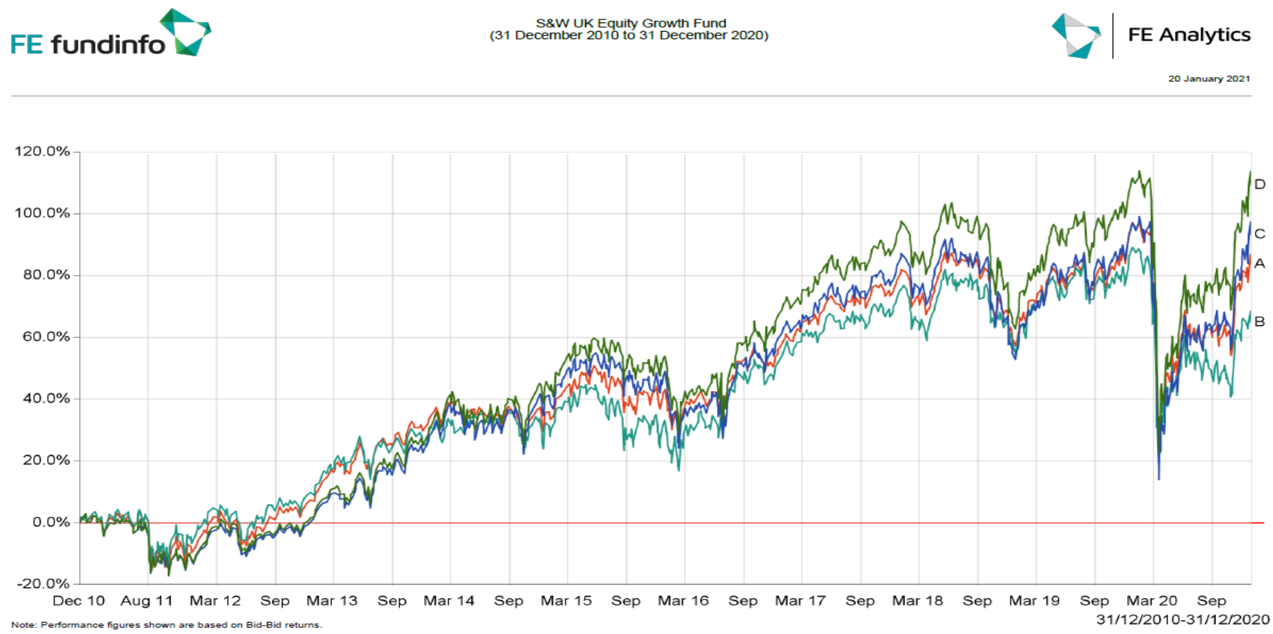
Investment Objectives

The objective of the Trust is to achieve long term growth of capital, primarily through investment in the UK.

Benchmarks

As AFM, SWFAL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

The two benchmarks for the Trust are the MSCI UK Investable Market Index (MSCI UK IMI) and the IA UK All Companies sector, which are both comparators. A 'comparator' benchmark is an index or similar factor against which an investment manager invites investors to compare a fund's performance. Details of how the Trust has performed against its comparator benchmarks over various timescales can be found on the next page. The comparator benchmarks were introduced during 2019 and have been backdated for illustrative purposes.



Cumulative Performance (%) — Cumulative Performance as at 31/12/2020*

Instrument	Currency	3m	6m	1y	3yrs	5yrs	31/12/2010 to 31/12/2020
A IA UK All Companies TR in GB	GBP	15.31	14.21	-6.01	2.04	28.90	83.63
B MSCI United Kingdom IMI TR in GB	GBP	12.17	8.11	-11.78	-5.74	25.06	64.79
C Smith & Williamson - UK Equity Growth A Inc TR in GB	GBX	18.75	21.24	-1.20	4.68	30.30	93.21
D Smith & Williamson - UK Equity Growth B Inc TR in GB	GBX	18.98	21.74	-0.36	7.36	35.90	109.23

*excluding chart selection

Fund data provided by FE fundinfo. Care has been taken to ensure that the information is correct but FE fundinfo neither warrants, represents nor guarantees the contents of the information, nor does FE fundinfo accept any responsibility for errors, inaccuracies, omissions or any inconsistencies herein.

Performance is calculated net of fees.

You should be aware that past performance is not a guide to future performance.

2. Performance (continued)

Benchmarks (continued)

What was the outcome of the assessment?

The Board observed that the Trust performed ahead of its two comparator benchmarks over all periods under consideration and were therefore of the opinion that the Trust had provided value to unitholders.

Consideration was given to the risk metrics associated with the Trust which focus on, amongst other things, volatility and risk adjusted returns where SWFAL were comfortable that the outcomes were in line with expectations.

The Board found that the Trust is investing in the asset classes permitted by the investment policy and that there have been no breaches of the policy in the last twelve months.

Were there any follow up actions?

There were no follow-up actions required.

3. AFM Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflect the services provided. This includes investment management fees, annual management charge ('AMC'), Trustee/Custodian fees, legal fees and audit fees.

The charges should be transparent and understandable to the investor, with no hidden costs.

What was the outcome of the assessment?

The Board received and considered information about each of the Trust's costs, and concluded that they were fair, reasonable and provided on a competitive basis.

However, SWFAL noted and sought to further understand the imbalance between the AMC on the A class and that of the B class. Further analysis was duly carried out after which it was agreed with SWIM to reduce their investment management fee on the A class by 50 basis points to become more in line with the B class. This change took effect on 21 December 2020. There was insufficient time between this date and the year-end date for the A unitholders to realise any benefit and as a result this section was rated Amber. The cheaper B class was rated Green.

Were there any follow up actions?

There were no follow-up actions required.

4. Economies of Scale

What was assessed in this section?

The Board reviewed each separate fee structure and the AUM of the Trust to examine the effect on the Trust to potential and existing investors should the Trust increase or decrease in value.

What was the outcome of the assessment?

As the Trust's AUM grows, investors pay proportionally less for the fixed costs of running the Trust as SWFAL is able to negotiate better terms with its service providers. Similarly, as SWFAL's business grows and costs are distributed across more investors, the costs to each investor reduces. The Board continues to review the ongoing charges figure ('OCF') of all funds to ensure they are appropriate.

The fixed AMC percentages on both classes do not allow for further savings going forward should the Trust grow in size.

Were there any follow up actions?

There were no follow-up actions required.

Assessment of Value - Smith & Williamson UK Equity Growth Fund (continued)

5. Comparable Market Rates

What was assessed in this section?

The OCF was 1.61%^ for the A class and 0.76%^ for the 'B' class. The Board reviewed the ongoing charges of the Trust, and how those charges affect the returns of the Trust. Funds with lower fees may offer better value than those with higher fees.

The OCF of the Trust was compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The Trust's A class charges were found to be higher than those of similar externally managed funds. The AMC on the A share class was reduced from 1.50% to 1.00% on 21 December 2020. However, there was insufficient time between this date and the year-end date for the A unitholders to realise any substantial benefit, and accordingly the A class has been rated Amber.

The Trust's B class charges were found to compare favourably with those of similar externally managed funds.

Note that SWFAL has not charged an entry fee, exit fee or any other event-based fees on the Trust.

Were there any follow up actions?

There were no follow-up actions required.

6. Comparable Services

What was assessed in this section?

The Board compared the Trust's OCF with those of other funds administered by SWFAL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

There were too few SWFAL administered funds displaying the same characteristics as Smith & Williamson UK Equity Growth Fund with which to make a meaningful comparison.

Were there any follow up actions?

There were no follow-up actions required.

7. Classes of Units

What was assessed in this section?

The Board reviewed the Trust's set-up to ensure that where there are multiple unit classes, unitholders are in the correct unit class given the size of their holding.

What was the outcome of the assessment?

There are two unit classes in existence. A review of the unit register took place and it was noted that unitholders were in the most appropriate share class.

Were there any follow up actions?

There were no follow-up actions required.

^ Figure at interim report 15 July 2020.

Assessment of Value - Smith & Williamson UK Equity Growth Fund (continued)

Overall Assessment of Value

The assessment has resulted in two Amber ratings on the A class. The Board acknowledged that both of these were associated with the higher cost of the A class compared with the B class, which was addressed by way of an AMC decrease in December 2020. In light of the remedial action having not taken effect until just prior to the Trust's accounting year end date, the A class was given an overall Amber rating.

The B class attracted all Green ratings and therefore a Green rating overall.

In arriving at an overall conclusion for the A class, the Board were keen not to overlook the performance which over the long term had been of particular benefit to the unitholders. They acknowledged that the AMC reduction had taken effect just prior the Trust's year end, hence the Amber rating, but nevertheless were of the opinion that the performance over the long term was sufficient to make the assertion that the Smith & Williamson UK Equity Growth Fund A class had been of value to unitholders.

The Smith & Williamson UK Equity Growth Fund B class had been rated Green and therefore the Board were also of the opinion that this had been of value to unitholders.

Dean Buckley
Chairman of the Board of Smith & Williamson Fund Administration Limited
14 May 2021

Consumer Feedback

On reviewing this Assessment of Value report, we would welcome invaluable feedback from investors via our short questionnaire which can be found online:

https://smithandwilliamson.com/en/services/fund-administration/assessment-of-value/
Should you be unable to access the questionnaire online please contact us directly on 0141 222 1151 and we will provide you with a paper copy of the questionnaire.

Report of the Trustee to the unitholders of Smith & Williamson UK Equity Growth Fund

Trustee's responsibilities

The Trustee must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Fund's Trust Deed and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Trustee must ensure that:

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

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's revenue in accordance with the Regulations and the Scheme documents of the Fund, and

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

NatWest Trustee and Depositary Services Limited
14 May 2021

Independent Auditor's report to the unitholders of Smith & Williamson UK Equity Growth Fund ('the Trust')

Opinion

We have audited the financial statements of Smith & Williamson UK Equity Growth Fund for the year ended 15 January 2021 which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Unitholders, Balance Sheet, the related Notes to the Financial Statements, including a summary of significant accounting policies and the Distribution Table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust at 15 January 2021 and of the net revenue and the net capital gains on the property of the Trust for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to UK Authorised Funds and the COLL Rules.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the COLL Regulations

In our opinion, based on the work undertaken in the course of the audit:

- Proper accounting records for the Trust have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the Manager's report for the year is consistent with the financial statements.

Independent Auditor’s report to the unitholders of Smith & Williamson UK Equity Growth Fund (continued)

Responsibilities of the Manager

As explained more fully in the Statement of the Manager’s responsibilities set out on page 4, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide the basis for our opinion. We planned and conducted our audit so as to obtain reasonable assurance of detecting any material misstatements in the financial statements resulting from irregularities or fraud.

All engagement team members were briefed on relevant laws and regulations and potential fraud risks at the planning stage of the audit. However, the primary responsibility for the prevention and detection of fraud rest with the Manager.

Independent Auditor's report to the unitholders of Smith & Williamson UK Equity Growth Fund (continued)

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

We evaluated management's incentives for fraudulent activity and determined the key risk of fraud to be management override of controls in order to manipulate the financial statements. We determined that the principal risks in this regard were in relation inappropriate journal entries to increase net revenue or to increase the net asset value.

We considered the principal risks of non-compliance with laws and regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. The most significant risk in relation to non-compliance with laws and regulations was deemed to be compliance with the Collective Investment Schemes Sourcebook and the Trust's Prospectus.

Audit procedures performed in response to these risks included:

- Evaluation of the control environment designed to prevent and detect irregularities which the Manager has in place;
- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur around the key risks of valuation and ownership of investments, and revenue recognition;
- Review of material journal entries during the year;
- Review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity that may indicate management override in the Trust's financial statements; and
- Assessing the Trust's compliance with the key requirements of the Collective Investment Schemes Sourcebook and its Prospectus.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of Our Report

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes Sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Trust's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL
14 May 2021

Accounting policies of Smith & Williamson UK Equity Growth Fund
for the year ended 15 January 2021

a *Basis of accounting*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and in accordance with the Statement of Recommended Practice for UK Authorised Funds ('the SORP') published by The Investment Association in May 2014.

The Manager has considered the impact of the emergence and spread of Covid-19 and potential implications on future operations of the Fund of reasonably possible downside scenarios. The Manager has considered a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

b *Valuation of investments*

The purchase and sale of investments are included up to close of business on 15 January 2021.

Purchases and sales of investments are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver an asset arises.

Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is global close of business on 15 January 2021 with reference to quoted bid prices from reliable external sources.

Where an observable market price is unreliable or does not exist, investments are valued at the Manager's best estimate of the amount that would be received from an immediate transfer at arm's length.

c *Foreign exchange*

The base currency of the Fund is UK sterling which is taken to be the Fund's functional currency.

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. The resulting exchange differences are disclosed in note 2 of the Notes to the financial statements.

Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate prevailing at the balance sheet date.

d *Revenue*

Revenue is recognised in the Statement of total return on the following basis:

Dividends from quoted equity instruments and non equity shares are recognised as revenue, net of attributable tax credits on the date when the securities are quoted ex-dividend.

Overseas dividends are recognised as revenue gross of any withholding tax and the tax consequences are recognised within the tax expense.

Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case.

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

e *Expenses*

All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis.

Bank interest paid is charged to revenue.

f *Allocation of revenue and expenses to multiple unit classes*

All revenue and expenses which are directly attributable to a particular unit class are allocated to that class. All revenue and expenses which are attributable to the Fund are allocated to the Fund and are normally allocated across the unit classes pro rata to the net asset value of each class on a daily basis.

g *Taxation*

Tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available to carry forward are recognised as an asset when it is probable that future taxable profits will be available, against which these losses can be utilised.

UK corporation tax is provided as amounts to be paid/recovered using the tax rates and laws that have been enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at 15 January 2021 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Provision for deferred tax assets are only made to the extent the timing differences are expected to be of future benefit.

All foreign dividend revenue is recognised as a gross amount which includes any withholding tax deducted at source. Where foreign tax is withheld in excess of the applicable treaty rate a tax debtor is recognised to the extent that the overpayment is considered recoverable.

When a disposal of a holding in a non-reporting offshore fund is made, any gain is an offshore income gain and tax will be charged to capital.

h *Efficient Portfolio Management*

Where appropriate, certain permitted instruments such as derivatives or forward currency contracts may be used for Efficient Portfolio Management purposes. Where such instruments are used to protect or enhance revenue, the revenue or expenses derived therefrom are included in the Statement of total return as revenue related items and form part of the distribution. Where such instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in the Statement of total return as capital related items.

i *Dilution levy*

The need to charge a dilution levy will depend on the volume of sales or redemptions. The Manager may charge a discretionary dilution levy on the sale and redemption of units if, in its opinion, the existing unitholders (for sales) or remaining unitholders (for redemptions) might otherwise be adversely affected, and if charging a dilution levy is, so far as practicable, fair to all unitholders and potential unitholders. Please refer to the Prospectus for further information.

j *Distribution policies*

i *Basis of distribution*

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income units are paid to unitholders. Distributions attributable to accumulation units are re-invested in the Fund/relevant class on behalf of the unitholders.

ii *Unclaimed distributions*

Distributions to unitholders outstanding after 6 years are taken to the capital property of the Fund.

iii *Revenue*

All revenue is included in the final distribution with reference to policy d.

iv *Expenses*

Expenses incurred against the revenue of the Fund are included in the final distribution, subject to any expense which may be transferred to capital for the purpose of calculating the distribution, with reference to policy e.

j Distribution policies (continued)

v Equalisation

Group 2 units are units purchased on or after the previous XD date and before the current XD date. Equalisation applies only to group 2 units. Equalisation is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholders but must be deducted from the cost of units for capital gains tax purposes. Equalisation per unit is disclosed in the Distribution table.

Investment Manager's report

Investment performance

Over the year to 15 January 2021, the Fund produced a cumulative return of 1.12%, significantly outperforming the MSCI UK Investable Market Index, which produced a performance of -9.39%. For comparison, the Investment Association (IA) UK All Companies Sector median produced a performance of -5.78%.

	Smith & Williamson UK Equity Growth Fund	MSCI UK Investable Market Index	IA UK All Companies Sector
Performance over the year to 15 January 2021	1.12%	-9.39%	-5.78%

Source: Morningstar Direct, January 2021. Net Asset Value (NAV) to NAV. Fund performance based on A Class Income.

Positive contributors over the year included our positions in Ashtead Group, Ceres Power Holdings and London Stock Exchange Group. Ashtead Group was boosted by news that President Donald Trump had proposed over $1 trillion of infrastructure as a way of helping to mitigate the economic impact of the coronavirus pandemic. Ceres Power Holdings, a developer of next generation fuel cell technology, ended 2020 on a high with two significant pieces of news. First, it announced its collaboration with Bosch was moving from prototyping to mass production in 2024. This was then followed by a new strategic partnership with AVL, an engineering consultancy group. The Democratic Senate in the US and President Biden’s commitment to cleaner forms of energy also provide a supportive backdrop. London Stock Exchange Group rallied as the market began to appreciate the logic of its acquisition of Refinitiv, the financial data giant. European regulators also provided a tonic for the stock by giving their assent to the deal.

Detractors over the period included Melrose Industries, easyJet and Gym Group, which all had a tough year as Covid-19 hit their respective end markets. Industrial turnaround specialist Melrose Industries is a company that has proven it can deliver value to shareholders over the long term but its share price was weak as its auto markets were shuttered due to Covid-19 as car plants around the world were forced to close. It also owns GKN, which makes components for the aerospace industry. easyJet has been impacted by the wider malaise affecting the airlines and wider travel industry but we believe it should be strong enough to survive and emerge in a more dominant market position on the other side of the crisis although the government’s recent discussion of quarantine measures for returning travellers clearly provides another headwind for the stock. Gym Group suffered as a result of the closure of gyms and other fitness facilities to help limit the spread of Covid-19. In the longer term, however, we expect the UK government to place greater emphasis on the fitness and wellbeing of the population, particularly as this will help ease the ongoing burden faced by the National Health Service.

Investment activities

Over the year, the Fund retained its focus on attractively valued stocks with what we judge to be favourable long-term earnings growth prospects. In terms of our sector exposures, we favoured areas with structural growth potential, for example speciality retail and media, whilst retaining a bias against sectors such as banks, tobacco and oil.

In terms of our underlying holdings, we made a number of changes to the portfolio during the period. Purchases over the 12-month period included Reckitt Benckiser Group and JD Wetherspoon. Reckitt Benckiser Group has been one of the major beneficiaries of lockdown due to the huge demand for cleaning and other household products and we expect this demand to spread to the non-consumer sectors as companies strive to provide some assurance to customers and staff that their premises are as safe as possible. The trading environment for pubs (especially wet-led as opposed to food-led pubs) has been extremely challenging over the past year but JD Wetherspoon benefits from a strong balance sheet and we expect it will be one of the industry’s survivors and ultimately a beneficiary as weaker and smaller competitors sadly fall by the wayside due to the impact of Covid-19. Importantly, Wetherspoon’s establishments tend to be larger than average and consequently they are much more easily adaptable to the requirements of social distancing. In a similar vein, we sold out of Associated British Foods (owner of Primark) as we think it will be very difficult for high street retailers to maintain the kinds of sales of densities that were commonplace before Covid-19 struck.

In terms of our more recent activity, we initiated a new position in discount retailer B&M European Value Retail in September 2020 ahead of its second quarter update which confirmed strong trading momentum had continued. We also started a new long in Mondi as paper prices show some signs of bottoming. In October we added positions in Barclays, Secure Income REIT, ITM Power and Ferguson (formerly known as Wolseley), while we exited GlaxoSmithKline and Prudential. We started a new position in Bellway in November. Housebuilding is a sector we like (we already held Persimmon in the Fund) and Bellway is the house builder we think has the most potential to beat analysts’ forecasts in 2021.

Investment activities (continued)

Lastly, in December 2020 we added a new position in Glencore. Glencore has underperformed the other commodity majors over 2020 but we like its diverse mix of products (not just iron ore) which includes exposure to 'transition metals' such as cobalt. Positive changes are also happening in the form of a new CEO and ambitious new Environmental, Social, and Corporate Governance ('ESG') targets.

Investment strategy and outlook

After a very tough 2020 for UK equities, we are more constructive on the outlook for UK equities than we have been for some time, particularly as Brexit is no longer the dominant political issue. Despite the obvious headwinds from Covid-19, we think there is room for a number of UK stocks to re-rate as investors begin to look through depressed calendar year 2020 and 2021 earnings and instead focus on a more 'normal' 2022. We do not underestimate the logistical challenges of rolling out the vaccine, but we think there is a chance that the economy could be getting back to some form of normality in the summer. Moreover, we believe we have exposure to a good range of lockdown survivors that will be well placed to capitalise on normalisation as many of their weaker peers will have fallen by the wayside in the interim.

As an aside, JPMorgan recently released a strategy piece called 2021: a stockpicker's paradise and whilst the title is a little bit over the top (and it's rather long at 157 pages), it is hard to disagree that macroeconomic surprises are unlikely to be as big and influential as they were in 2020. Overall, we think there will be good opportunities for active UK equity managers to add value to portfolios via judicious stock selection decisions over the coming year.

Smith & Williamson Investment Management LLP
29 January 2021

Summary of portfolio changes

for the year ended 15 January 2021

The following represents the major purchases and sales in the year to reflect a clearer picture of the investment activities.

Purchases:	Cost £
Reckitt Benckiser Group	1,058,078
AstraZeneca	614,748
Barclays	593,981
Glencore	574,041
SSE	519,980
International Consolidated Airlines Group	517,501
J D Wetherspoon	460,652
OneSavings Bank	451,058
Bellway	392,494
Secure Income REIT	388,699
Persimmon	352,538
Tesco	352,319
B&M European Value Retail	348,379
Travis Perkins	337,756
BHP Group	333,439
CRH	328,821
Diageo	315,176
Ceres Power Holdings	266,787
Centrica	262,536
National Grid	257,955

Sales:	Proceeds £
Future	630,562
Ashtead Group	605,876
Diageo	605,542
Rio Tinto	584,134
AstraZeneca	537,034
Next	528,872
Barclays	500,824
SSE	487,985
Associated British Foods	485,119
BP	453,400
Lloyds Banking Group	378,217
boohoo Group	347,694
GlaxoSmithKline	339,168
Centrica	328,288
Persimmon	305,125
Applegreen	292,323
Tesco	277,278
BHP Group	272,312
Travis Perkins	270,748
National Grid	265,289

Portfolio statement
as at 15 January 2021

Investment	Nominal value or holding	Market value £	% of total net assets
Equities 97.86% (94.27%)			
Equities - United Kingdom 90.27% (88.34%)			
Equities - incorporated in the United Kingdom 84.49% (85.20%)			
Energy 3.39% (9.01%)			
Energegan	26,000	223,860	0.96
Royal Dutch Shell 'A'	38,000	563,464	2.43
		787,324	3.39
Materials 9.06% (7.04%)			
BHP Group	24,000	512,280	2.21
Mondi	9,000	162,810	0.70
Rio Tinto	24,000	1,426,800	6.15
		2,101,890	9.06
Industrials 13.60% (11.47%)			
Ashtead Group	24,000	876,240	3.78
Ceres Power Holdings	43,000	602,000	2.59
DWF Group	276,000	223,560	0.96
easyJet	36,000	299,376	1.29
Global Ports Holding	54,000	52,920	0.23
ITM Power	75,000	469,500	2.02
Melrose Industries	348,000	632,838	2.73
		3,156,434	13.60
Consumer Discretionary 15.98% (18.42%)			
Bellway	10,000	288,900	1.25
Gym Group	190,000	399,950	1.72
J D Wetherspoon	39,000	437,190	1.88
JD Sports Fashion	100,000	829,600	3.58
Persimmon	24,000	645,360	2.78
Watches of Switzerland Group	95,000	599,450	2.58
WH Smith	32,000	508,800	2.19
		3,709,250	15.98
Consumer Staples 9.08% (10.34%)			
Diageo	24,000	696,720	3.00
Reckitt Benckiser Group	12,000	752,640	3.24
Tesco	273,000	659,295	2.84
		2,108,655	9.08
Health Care 9.27% (8.98%)			
AstraZeneca	20,200	1,533,382	6.60
Dechra Pharmaceuticals	5,275	188,107	0.81
Genus	5,000	215,300	0.93
PureTech Health	57,000	216,885	0.93
		2,153,674	9.27

Portfolio statement (continued)
as at 15 January 2021

Investment	Nominal value or holding	Market value £	% of total net assets
Equities - incorporated in the United Kingdom (continued)			
Financials 13.35% (12.54%)			
3i Group	66,000	753,390	3.25
Barclays	166,000	247,008	1.06
Intermediate Capital Group	44,000	747,560	3.22
London Stock Exchange Group	9,600	876,864	3.78
ITM Power	111,000	473,748	2.04
		3,098,570	13.35
Information Technology 1.05% (0.44%)			
Spectris	8,000	244,800	1.05
Communication Services 8.16% (6.96%)			
Future	49000	871,220	3.75
Kin & Carta	313,000	467,935	2.02
S4 Capital	104,000	555,360	2.39
		1,894,515	8.16
Real Estate 1.55% (0.00%)			
Secure Income REIT	118,000	360,490	1.55
Total equities - incorporated in the United Kingdom		19,615,602	84.49
Equities - incorporated outwith the United Kingdom 5.78% (3.14%)			
Materials 3.62% (1.51%)			
Breedon Group	284,000	241,400	1.04
Glencore	214,000	598,986	2.58
		840,386	3.62
Industrials 0.72% (0.00%)			
Ferguson	1,800	166,788	0.72
Consumer Discretionary 1.44% (1.63%)			
boohoo Group	99,000	334,620	1.44
Total equities - incorporated outwith the United Kingdom		1,341,794	5.78
Total equities - United Kingdom		20,957,396	90.27
Equities - Europe 7.59% (5.93%)			
Equities - Ireland 3.02% (3.04%)			
CRH	21,500	701,545	3.02
Equities - Luxembourg 1.28% (0.00%)			
B&M European Value Retail	59,000	297,478	1.28

Portfolio statement (continued)

as at 15 January 2021

Investment	Nominal value or holding	Market value £	% of total net assets
Equities - Europe (continued)			
Equities - Spain 1.10% (0.00%)			
International Consolidated Airlines Group	158,000	256,276	1.10
Equities - Switzerland 2.19% (2.89%)			
Coca-Cola HBC	22,000	507,100	2.19
Total equities - Europe		1,762,399	7.59
Total equities		22,719,795	97.86
Closed-Ended Funds - incorporated outwith the United Kingdom 0.00% (0.82%)		-	-
Portfolio of investments		22,719,795	97.86
Other net assets		496,505	2.14
Total net assets		23,216,300	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 15 January 2020.

United Kingdom equities are grouped in accordance with Global Industry Classification Standard ('GICS').

GICS was developed by and is the exclusive property and a service mark of MSCI Inc. ('MSCI') and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ('S&P') and is licensed for use by Smith & Williamson Services Ltd. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Risk and reward profile

The risk and reward indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.

← Typically lower rewards, lower risk — Typically higher rewards, higher risk →

1	2	3	4	5	**6**	7

The Fund is in a higher category because the price of its investments have risen or fallen frequently and more dramatically than some other types of investment. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

The price of the Fund and any income from it can go down as well as up and is not guaranteed. Investors may not get back the amount invested. Past performance is not a guide to future performance.

The Fund is entitled to use derivative instruments for Efficient Portfolio Management. Derivatives may not achieve their intended purpose. Their prices may move up or down significantly over relatively short periods of time which may result in losses greater than the amount paid. This could adversely impact the value of the Fund.

The organisation from which the Fund buys a derivative may fail to carry out its obligations, which could also cause losses to the Fund.

The price of gold or other resources may be subject to sudden, unexpected and substantial fluctuations. This may lead to significant declines in the values of any companies developing these resources in which the Fund invests and significantly impact investment performance.

For further information please refer to the KIID.

For full details on risk factors for the Fund, please refer to the Prospectus.

During the year, the risk and reward indicator changed from 5 to 6.

Comparative table

The following disclosures give a unitholder an indication of the performance of a unit in the Fund. It also discloses the operating charges and direct transaction costs applied to each unit. Operating charges are those charges incurred in operating the Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

	A Class Income			B Class Income		
	2021	2020	2019	2021	2020	2019
	p	p	p	p	p	p
Change in net assets per unit						
Opening net asset value per unit	535.17	447.55	519.81	183.52	153.41	178.22
Return before operating charges	11.31	103.59	(59.78)	3.98	35.58	(20.52)
Operating charges	(7.03)	(7.92)	(7.83)	(1.16)	(1.26)	(1.25)
Return after operating charges *	4.28	95.67	(67.61)	2.82	34.32	(21.77)
Distributions^	(4.09)	(8.05)	(4.65)	(2.65)	(4.21)	(3.04)
Closing net asset value per unit	535.36	535.17	447.55	183.69	183.52	153.41
* after direct transaction costs of:	1.33	1.29	1.52	0.45	0.44	0.52
Performance						
Return after charges	0.80%	21.38%	(13.01%)	1.54%	22.37%	(12.22%)
Other information						
Closing net asset value (£)	1,157,444	1,236,682	897,101	21,785,187	22,215,263	17,313,402
Closing number of units	216,201	231,081	200,449	11,859,468	12,104,867	11,285,556
Operating charges^^	1.56%	1.59%	1.58%	0.75%	0.74%	0.73%
Direct transaction costs	0.29%	0.26%	0.30%	0.29%	0.26%	0.30%
Prices						
Highest unit price (p)	547.8	538.7	535.7	188.6	185.5	184.2
Lowest unit price (p)	310.0	445.3	423.3	106.5	152.6	145.7

^ Rounded to 2 decimal places.

^^ The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the Manager's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

On 25 April 2019, Smith & Williamson UK Equity Income Fund merged with Smith & Williamson UK Equity Growth Fund via a Scheme of Arrangement. As a result A Class Income issued 50,124 new units at 508.53p per unit and B Class Income issued 1,729,364 new units at 174.72p per unit.

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

Comparative table (continued)

	B Class Accumulation	
	2021	2020^^
	p	p
Change in net assets per unit		
Opening net asset value per unit	150.80	140.20
Return before operating charges	3.56	11.35
Operating charges	(0.96)	(0.75)
Return after operating charges*	2.60	10.60
Distributions^	(2.19)	(2.39)
Retained distributions on accumulation units^	2.19	2.39
Closing net asset value per unit	153.40	150.80
* after direct transaction costs of:	0.38	0.28
Performance		
Return after charges	1.72%	7.56%
Other information		
Closing net asset value (£)	273,669	288,300
Closing number of units	178,406	191,182
Operating charges^^^^	0.75%	^^^0.74%
Direct transaction costs	0.29%	0.26%
Prices		
Highest unit price (p)	156.5	151.0
Lowest unit price (p)	87.47	131.3

^ Rounded to 2 decimal places.

^^ For the period 25 April 2019 to 15 January 2020.

^^^ Annualised based on the expenses incurred during the period 25 April 2019 to 15 January 2020.

^^ The operating charges are represented by the Ongoing Charges Figure (‘OCF’). The OCF consists principally of the Manager's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

On 25 April 2019, Smith & Williamson UK Equity Income Fund merged with Smith & Williamson UK Equity Growth Fund via a Scheme of Arrangement. As a result B Class Accumulation was launched with 240,675 units at 140.20p per unit.

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

Financial statements - Smith & Williamson UK Equity Growth Fund

Statement of total return
for the year ended 15 January 2021

	Notes	2021		2020	
		£	£	£	£
Income:					
Net capital gains	2		917,892		3,652,278
Revenue	3	547,730		713,329	
Expenses	4	(173,176)		(169,535)	
Net revenue before taxation		374,554		543,794	
Taxation	5	(9,048)		(10,879)	
Net revenue after taxation			365,506		532,915
Total return before distributions			1,283,398		4,185,193
Distributions	6		(365,582)		(532,832)
Change in net assets attributable to unitholders from investment activities			917,816		3,652,361

Statement of change in net assets attributable to unitholders
for the year ended 15 January 2021

	2021		2020	
	£	£	£	£
Opening net assets attributable to unitholders		23,740,245		18,210,503
Scheme of Arrangement *	-		3,555,662	
Amounts receivable on issue of units	7,097,911		152,972	
Amounts payable on cancellation of units	(8,584,351)		(1,837,089)	
		(1,486,440)		1,871,545
Dilution levy		38,143		-
Change in net assets attributable to unitholders from investment activities		917,816		3,652,361
Retained distributions on accumulation units		4,111		4,695
Unclaimed distributions		2,425		1,141
Closing net assets attributable to unitholders		23,216,300		23,740,245

* On 25 April 2019, Smith & Williamson UK Equity Income Fund merged with Smith & Williamson UK Equity Growth Fund via a Scheme of Arrangement.

Balance sheet
as at 15 January 2021

	Notes	2021 £	2020 £
Assets:			
Fixed assets:			
Investments		22,719,795	22,575,217
Current assets:			
Debtors	7	87,297	22,742
Cash and bank balances	8	601,492	1,433,442
Total assets		23,408,584	24,031,401
Liabilities:			
Creditors:			
Distribution payable		(146,121)	(213,238)
Other creditors	9	(46,163)	(77,918)
Total liabilities		(192,284)	(291,156)
Net assets attributable to unitholders		23,216,300	23,740,245

Notes to the financial statements
for the year ended 15 January 2021

1. Accounting policies
   The accounting policies are disclosed on pages 15 to 17.

2. Net capital gains

	2021	2020
	£	£
Non-derivative securities - realised (losses) / gains	(101,665)	537,525
Non-derivative securities - movement in unrealised gains	1,021,068	3,049,123
Currency gains / (losses)	546	(352)
Capital special dividend	-	68,377
Transaction charges	(2,057)	(2,395)
Total net capital gains	917,892	3,652,278

3. Revenue

	2021	2020
	£	£
UK revenue	443,154	586,909
Unfranked revenue	3,650	-
Overseas revenue	100,495	124,518
Bank and deposit interest	431	1,902
Total revenue	547,730	713,329

4. Expenses

	2021	2020
	£	£
Payable to the Manager and associates		
Annual management charge	151,787	152,335
Registration fees	1,157	1,048
	152,944	153,383
Payable to the Trustee		
Trustee fees	9,001	8,999
Other expenses:		
Audit fee	6,528	5,472
Non-executive directors' fees	623	821
Safe custody fees	545	530
Bank interest	3	8
FCA fee	346	322
Publication fee	3,186	-
	11,231	7,153
Total expenses	173,176	169,535

5. Taxation

	2021	2020
	£	£
a. Analysis of the tax charge for the year		
Overseas tax withheld	9,048	10,879
Total taxation (note 5b)	9,048	10,879

Notes to the financial statements (continued)

for the year ended 15 January 2021

5. Taxation (continued)

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2020: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2020: 20%). The differences are explained below:

	2021	2020
	£	£
Net revenue before taxation	374,554	543,794
Corporation tax @ 20%	74,911	108,759
Effects of:		
UK revenue	(88,630)	(117,382)
Overseas revenue	(20,099)	(24,904)
Overseas tax withheld	9,048	10,879
Excess management expenses	33,818	33,527
Total taxation (note 5a)	9,048	10,879

c. Provision for deferred taxation

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £1,094,642 (2020: £1,060,824).

6. Distributions

The distributions take account of revenue added on the issue of units and revenue deducted on the cancellation of units, and comprise:

	2021	2020
	£	£
Interim income distribution	201,130	326,240
Interim accumulation distribution	2,334	2,039
Final income distribution	146,121	213,238
Final accumulation distribution	1,777	2,656
	351,362	544,173
Equalisation:		
Amounts deducted on cancellation of units	64,655	12,568
Amounts added on issue of units	(50,435)	(23,897)
Net equalisation on conversions	-	(12)
Total net distributions	365,582	532,832

Reconciliation between net revenue and distributions:

	2021	2020
Net revenue after taxation per Statement of total return	365,506	532,915
Undistributed revenue brought forward	96	13
Undistributed revenue carried forward	(20)	(96)
Distributions	365,582	532,832

Details of the distribution per unit are disclosed in the Distribution table.

7. Debtors

	2021	2020
	£	£
Amounts receivable on issue of units	63,152	7,654
Accrued revenue	12,530	9,074
Recoverable overseas withholding tax	11,539	5,966
Prepaid expenses	76	48
Total debtors	87,297	22,742

Notes to the financial statements (continued)

for the year ended 15 January 2021

8. Cash and bank balances	2021	2020
	£	£
Bank balances	601,492	511,062
Cash on deposit	-	922,380
Total cash and bank balances	601,492	1,433,442

9. Other creditors	2021	2020
	£	£
Amounts payable on cancellation of units	30,574	64,612
Accrued expenses:		
Payable to the Manager and associates		
Annual management charge	6,369	6,797
Registration fees	48	47
	6,417	6,844
Other expenses:		
Trustee fees	370	369
Safe custody fees	117	112
Audit fee	6,300	5,472
Non-executive directors' fees	434	423
Publication fee	1,625	-
Transaction charges	326	86
	9,172	6,462
Total accrued expenses	15,589	13,306
Total other creditors	46,163	77,918

10. Commitments and contingent liabilities

At the balance sheet date there are no commitments or contingent liabilities.

11. Units

The following reflects the change in units in the year:

	A Class Income
Opening units in issue	231,081
Total units issued in the year	38
Total units cancelled in the year	(14,918)
Closing units in issue	216,201

	B Class Income
Opening units in issue	12,104,867
Total units issued in the year	5,123,630
Total units cancelled in the year	(5,369,029)
Closing units in issue	11,859,468

	B Class Accumulation
Opening units in issue	191,182
Total units issued in the year	13,186
Total units cancelled in the year	(25,962)
Closing units in issue	178,406

Notes to the financial statements (continued)

for the year ended 15 January 2021

11. Units (continued)

For the year ended 15 January 2021, the annual management charge is as follows:

A Class Income	1.00%
B Class Income	0.65%
B Class Accumulation	0.65%

Further information in respect of the return per unit is disclosed in the Comparative table.

On the winding up of a Fund all the assets of the Fund will be realised and apportioned to the unit classes in relation to the net asset value on the closure date. Unitholders will receive their respective share of the proceeds, net of liabilities and the expenses incurred in the termination in accordance with the FCA regulations. Each class of unit has the same rights on winding up.

12. Related party transactions

Smith & Williamson Fund Administration Limited, as Manager is a related party due to its ability to act in respect of the operations of the Fund.

The Manager acts as principal in respect of all transactions of units in the Fund. The aggregate monies received and paid through the creation and cancellation of units are disclosed in the Statement of change in net assets attributable to unitholders of the Fund.

Amounts payable to the Manager and its associates are disclosed in note 4. The amount due to the Manager and its associates at the balance sheet date is disclosed in note 9.

The Investment Manager, Smith & Williamson Investment Management LLP is a related party to the Manager as they are within the same corporate body.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per A Class Income unit has increased from 535.4p to 585.2p, B Class Income unit has increased from 183.7p to 201.0p and the B accumulation unit has increased from 153.4p to 167.8p as at 11 May 2021. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to agents, advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
2021	£	£	%	£	%	£
Equities	13,322,887	5,483	0.04%	51,869	0.39%	13,380,239
Total	13,322,887	5,483	0.04%	51,869	0.39%	13,380,239

14. Transaction costs (continued)
a Direct transaction costs (continued)

2020	Purchases before transaction costs	Commission		Taxes		Purchases after transaction costs
	£	£	%	£	%	£
Equities	10,266,465	4,397	0.04%	46,737	0.45%	10,317,599
Total	10,266,465	4,397	0.04%	46,737	0.45%	10,317,599

Capital events amount of £83,384 (2020: £nil) is excluded from the total purchases as there were no direct transaction costs charged in these transactions.

2020	In specie purchases before transaction costs	Commission		Taxes		In specie purchases after transaction costs
	£	£	%	£	%	£
Equities*	3,578,475	-	-	-	-	3,578,475
Total	3,578,475	-	-	-	-	3,578,475

2021	Sales before transaction costs	Commission		Taxes		Sales after transaction costs
	£	£	%	£	%	£
Equities	14,245,445	(6,899)	0.05%	(98)	0.00%	14,238,448
Total	14,245,445	(6,899)	0.05%	(98)	0.00%	14,238,448

2020	Sales before transaction costs	Commission		Taxes		Sales after transaction costs
	£	£	%	£	%	£
Equities	12,294,301	(5,361)	0.04%	(77)	0.00%	12,288,863
Total	12,294,301	(5,361)	0.04%	(77)	0.00%	12,288,863

Capital events amount of £nil (2020: £494,945) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

* No direct transaction costs were incurred in these transactions.

14. Transaction costs (continued)

a Direct transaction costs (continued)

Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the year:

2021	£	% of average net asset value
Commission	12,382	0.06%
Taxes	51,967	0.23%

2020	£	% of average net asset value
Commission	9,758	0.05%
Taxes	46,814	0.21%

b Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.11% (2020: 0.23%).

15. Risk management policies

In pursuing the Fund's investment objective, as set out in the Prospectus, the following are accepted by the Manager as being the main risks from the Fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the Manager's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the Manager, which sets the risk appetite and ensures continued compliance with the management of all known risks.

a Market risk

Market risk is the risk that the value of the Fund’s financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

(i) Other price risk

The Fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main element of the portfolio of investments which is exposed to this risk is equities which are disclosed in the Portfolio statement.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the Fund is exposed to price fluctuations, which are monitored by the Manager in pursuance of the investment objective and policy.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the Fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 15 January 2021, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders of the Fund would increase or decrease by approximately £1,135,990 (2020: £1,128,761).

Notes to the financial statements (continued)

15. Risk management policies (continued)

a Market risk (continued)

(ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

The Fund had no significant exposure to foreign currency in the current or prior years.

(iii) Interest rate risk

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes.

During the year the Fund's direct exposure to interest rates consisted of cash and bank balances.

The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

In the event of a change in interest rates, there would be no material impact upon the net assets of the Fund.

The Fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

There is no exposure to interest bearing securities at the balance sheet date.

b Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk.

The Trustee has appointed the custodian to provide custody services for the assets of the Fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the Fund. The Fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

The Fund holds cash and cash deposits with financial institutions which potentially exposes the Fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the Fund of default.

c Liquidity risk

A significant risk is the cancellation of units which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of units at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in units in the Fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded share capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

The Fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the Fund may not be able to immediately sell such securities.

To reduce liquidity risk the Manager will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the Fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the Fund.

Notes to the financial statements (continued)

15. Risk management policies (continued)

c Liquidity risk (continued)

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the Fund to meet large redemptions (50% of the net asset value and 80% of the net asset value), while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand.

d Fair value of financial assets and financial liabilities

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

To ensure this, the fair value pricing committee is a body appointed by the Manager to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the Fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

Basis of valuation	Investment assets 2021 £	Investment liabilities 2021 £
Quoted prices	22,719,795	-
Observable market data	-	-
Unobservable data	-	-
	22,719,795	-

Basis of valuation	Investment assets 2020 £	Investment liabilities 2020 £
Quoted prices	22,575,217	-
Observable market data	-	-
Unobservable data	-	-
	22,575,217	-

No securities in the portfolio of investments are valued using valuation techniques.

e Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

f Derivatives

The Fund may employ derivatives with the aim of reducing the Fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The Manager monitors that any exposure is covered globally to ensure adequate cover is available to meet the Fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

For certain derivative transactions cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

During the year there were no derivative transactions.

15. Risk management policies (continued)

f Derivatives (continued)

(i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the Fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the Fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The Fund may transact in derivative contracts which potentially exposes the Fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored. Forward currency transactions are only undertaken with the custodians appointed by the Trustee.

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

(ii) Leverage

The leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach) divided by the net asset value.

There have been no leveraging arrangements in the year.

(iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date there is no global exposure to derivatives.

There have been no collateral arrangements in the year.

Distribution table

for the year ended 15 January 2021

Distributions on A Class Income in pence per unit

Payment date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
10.09.20	group 1	interim	2.380	-	2.380	5.239
10.09.20	group 2	interim	-	2.380	2.380	5.239
10.03.21	group 1	final	1.706	-	1.706	2.807
10.03.21	group 2	final	0.389	1.317	1.706	2.807

Distributions on B Class Income in pence per unit

Payment date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
10.09.20	group 1	interim	1.451	-	1.451	2.503
10.09.20	group 2	interim	0.309	1.142	1.451	2.503
10.03.21	group 1	final	1.201	-	1.201	1.708
10.03.21	group 2	final	0.458	0.743	1.201	1.708

Distributions on B Class Accumulation in pence per unit

Allocation date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
10.09.20	group 1	interim	1.192	-	1.192	1.001
10.09.20	group 2	interim	0.587	0.605	1.192	1.001
10.03.21	group 1	final	0.996	-	0.996	1.389
10.03.21	group 2	final	0.616	0.380	0.996	1.389

Equalisation

Equalisation applies only to group 2 units. It is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholder but must be deducted from the cost of units for capital gains tax purposes.

Accumulation distributions

Holders of accumulation units should add the distributions received thereon to the cost of the units for capital gains tax purposes.

Interim distribution:
Group 1 Units purchased before 16 January 2020
Group 2 Units purchased 16 January 2020 to 15 July 2020

Final distribution:
Group 1 Units purchased before 16 July 2020
Group 2 Units purchased 16 July 2020 to 15 January 2021

Remuneration

Remuneration code disclosure

The remuneration committee is responsible for setting remuneration policy for all partners, directors and employees within the Smith & Williamson Group including individuals designated as Material Risk Takers under the Remuneration Code. The remuneration policy is designed to be compliant with the Code and provides a framework to attract, retain, motivate and reward partners, directors and employees. The overall policy is designed to promote the long-term success of the group and to support prudent risk management, with particular attention to conduct risk.

Remuneration committee

The remuneration committee report contained in pages 46-49 of the Smith & Williamson Report and Financial Statements for the year ended 30 April 2020 (available https://smithandwilliamson.com/en/about-us/financial-reports/) includes details on the remuneration policy. The remuneration committee comprises five non-executive directors and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met seven times during 2019-20.

Remuneration policy

The main principles of the remuneration policy are:

- to align remuneration with the strategy and performance of the business
- to ensure that remuneration is set at an appropriate and competitive level taking into account market rates and practices
- to foster and support conduct and behaviours which are in line with our culture and values
- to maintain a sound risk management framework
- to ensure that the ratio between fixed and variable remuneration is appropriate and does not encourage excessive risk taking
- to comply with all relevant regulatory requirements
- to align incentive plans with the business strategy and shareholder interests.

The policy is designed to reward partners, directors and employees for delivery of both financial and non-financial objectives which are set in line with company strategy. As part of a “balanced scorecard” approach to variable remuneration non-financial criteria including, but not limited to, compliance and risk issues, client management, supervision, leadership and teamwork are considered alongside financial performance.

Remuneration systems

The committee reviews all partners and directors fixed and variable remuneration. In addition, it approves hurdles and awards in respect of equity incentive plans, namely a deferred option plan, Equity Matching Plan, Matching Share Plan, Executive Long Term Incentive Plan and an Investment Management Long Term Incentive Plan.

The remuneration of partners is made up of a fixed profit share, discretionary bonus profit share and non-discretionary bonus profit share. The remuneration of employees typically comprises of a salary with benefits including pension contribution, life assurance, permanent health insurance, private medical insurance, SAYE scheme and a discretionary bonus scheme. Partners, directors and associate directors are also eligible to participate, at the invitation of the committee, in the equity incentive plans described above.

When setting variable remuneration for the executive directors, the committee considers overall business profit for the group and divisions, achievement of both financial and non-financial objectives (including adherence to the principles of treating customers fairly, conduct risk, compliance and regulatory rules), personal performance and any other relevant policy of the board in respect of the year ended 30 April 2020. The committee agrees the individual allocation of variable remuneration and the proportion of that variable remuneration to be awarded as restricted shares.

Aggregate quantitative information

The total amount of remuneration paid by Smith & Williamson Fund Administration Limited (SWFAL) is nil as SWFAL has no employees. However, a number of employees have remuneration costs recharged to SWFAL and the annualised remuneration for these 70 employees is £3,099,931 of which £2,863,541 is fixed remuneration. This is based on the annualised salary and benefits for those identified as working in SWFAL as at 30 April 2020. Any variable remuneration is awarded for the year ending 30 April 2020. This information excludes any senior management or other Material Risk Takers (MRTs) whose remuneration information is detailed on the next page.

Remuneration (continued)

Aggregate quantitative information (continued)

Smith & Williamson reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Smith & Williamson group. It is difficult to apportion remuneration for these individuals in respect of their duties to SWFAL. For this reason, the aggregate total remuneration awarded for the financial year 2019-20 for senior management and other MRTs detailed below has not been apportioned.

Table to show the aggregate remuneration split by Senior Management and other MRTs for SWFAL	Financial Year ending 30 April 2020				
		Variable			
	Fixed	Cash	Equity	Total	No. MRTs
	£'000	£'000	£'000	£'000	
Senior Management	1,846	2,411	-	4,257	9
Other MRTs	1,222	928	-	2,150	9
Total	3,068	3,339	-	6,407	18

Investment Manager - to 29 January 2021

The Manager delegates the management of the Fund’s portfolio of investments to Smith & Williamson Investment Management LLP and pays to Smith & Williamson Investment Management LLP, out of the Manager’s annual management charge, a monthly fee calculated on the total value of the portfolio of investments at each valuation point. Smith & Williamson Investment Management LLP are compliant with the Capital Requirements Directive regarding remuneration and therefore Smith & Williamson Investment Management LLP staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed/allocated semi-annually on 10 March (final) and 10 September (interim). In the event of a distribution, unitholders will receive a tax voucher.

XD dates:	16 January	final
	16 July	interim
Reporting dates:	15 January	annual
	15 July	interim

Buying and selling units

The property of the Fund is valued at 12 noon on every business day, and prices of units are calculated as at that time. Unit dealing is on a forward basis, thus instructions received prior to 12 noon will be dealt at that day's price. All instructions received after 12 noon will be carried out at the price calculated on the next business day.

The minimum initial investment value for A Class Income units is £1,000. The minimum initial investment value for B Class Income units and B Class Accumulation units is £250,000. The minimum subsequent investment for A Class Income units is £100 and for B Class Income units and B Class Accumulation units is £500. The Manager may exceptionally, at their discretion, waive such values from time to time.

When purchasing A Class Income units, the Manager is permitted to include an initial charge of 5% of the value of each unit.

There is no initial charge on the purchase of B Class Income units or B Class Accumulation units.

Prices of units and the estimated yield of the unit classes are published on the following website: www.trustnet.com or may be obtained by calling 0141 222 1151.

On 29 January 2021, Smith & Williamson Investment Management LLP resigned as Investment Manager and Sanlam Investments UK Limited was appointed on 30 January 2021. On the same date the Fund name changed from Smith & Williamson UK Equity Growth Fund to SVS Sanlam UK Equity Growth Fund.

Benchmark

Unitholders may compare the performance of the Trust against the MSCI UK Investable Market Index (MSCI UK IMI) and the IA UK All Companies Sector.

Comparison of the Trust's performance against the IA UK All Companies Sector will give unitholders an indication of how the Trust is performing against other similar funds in this peer group sector. The Manager has selected the MSCI UK IMI as a comparator benchmark as the Manager believes it best reflects the asset allocation of the Trust.

The benchmarks are not targets for the Trust, nor is the Trust constrained by the benchmarks.

Appointments

Manager and Registered office
Smith & Williamson Fund Administration Limited
25 Moorgate
London EC2R 6AY
Telephone: 020 7131 4000
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar
Smith & Williamson Fund Administration Limited
206 St. Vincent Street
Glasgow G2 5SG
Telephone: 0141 222 1151 (Registration)
0141 222 1150 (Dealing)
Authorised and regulated by the Financial Conduct Authority

Directors of the Manager
Brian McLean
David Cobb
James Gordon
Kevin Stopps
Andrew Baddeley – appointed 12 March 2021

Independent Non-Executive Directors of the Manager
Dean Buckley
Linda Robinson
Victoria Muir

Non-Executive Directors of the Manager
Paul Wyse

Investment Manager
Smith & Williamson Investment Management LLP - to 29 January 2021
25 Moorgate
London EC2R 6AY
Authorised and regulated by the Financial Conduct Authority

Sanlam Investments UK Limited - from 30 January 2021
Monument Place
24 Monument Street
London EC3R 8AJ
Authorised and regulated by the Financial Conduct Authority

Trustee
NatWest Trustee and Depositary Services Limited
House A, Floor 0
Gogarburn
175 Glasgow Road
Edinburgh EH12 1HQ
Authorised and regulated by the Financial Conduct Authority

Auditor
Johnston Carmichael LLP
Bishop's Court
29 Albyn Place
Aberdeen AB10 1YL