

ACD's Report for the year ended 28 February 2021

INVESTMENT OBJECTIVE AND POLICY

The investment objective of WS Charteris Gold and Precious Metals Fund (the "Sub-Fund") is to deliver capital growth.

The Sub-Fund will utilise a diversified portfolio of transferable securities consisting primarily of equities whose core business is involved in the mining, refining, production and marketing of gold and/or precious metals. It may also invest in Exchange Traded Certificates, collective investment schemes (including Exchange Traded Funds), warrants, cash or near cash, deposits and money market instruments.

The Sub-Fund will primarily consist of instruments with direct underlying gold and/or precious metals exposure and shares in companies worldwide whose core business is involved in the mining, refining, production and marketing of gold and/or precious metals. Investment may be undertaken indirectly in other commodities, and minerals.

WAYSTONE MANAGEMENT (UK) LIMITED
ACD of WS Charteris Gold and Precious Metals Fund

ACD's Report for the year ended 28 February 2021 (continued)

INVESTMENT MANAGER'S REPORT

Investment Review

The core strategy of the WS Charteris Gold & Precious Metals Fund (the "Sub-Fund") is to invest in a portfolio of Gold and Silver mining companies with the Sub-Fund having a higher percentage weighting to silver mining companies than most other products on the market. We have had no platinum nor palladium exposure for the reporting period. We also saw another example of M&A activity that affected an important holding inside the fund with the merger of SSR Mining and Alacer Gold despite the backdrop of Covid-19. The majority of holdings within the fund has largely remained the same throughout the reporting period continuing strong positions in stocks like MAG Silver, Fortuna Silver, First Majestic Silver and Wheaton Precious Metals, with the latter being one of the best royalty companies in the world and looked to heighten exposure to European investor base by getting a UK stock market listing. We have sold our Australian exposure in Newcrest but with these proceeds and fresh monies into the Sub-Fund we used these to introduce some new securities to the fund like Aya Gold & Silver, Yamana Gold & Aftermath Silver to add diversification. We had previously seen the Gold price hit all-time highs in some important currencies such as the Australian Dollar, Canadian Dollar, the Euro, Sterling and lastly the US dollar but despite coming off their highs in recent months, demand for the metal continues to be strong. The recovery from the initial impact of coronavirus has been very encouraging to see.

Performance of the Sub-Fund

The Sub-Fund went up 33.6% (I Accumulation) for the reporting period (*Source FE & no benchmarks*).

Market Commentary

Over the course of the reporting period the market experienced several large positive spikes in volatility thanks to Covid-19. This new threat combined with yet more global government printing caused global precious metals prices to hit all-time highs and demand for the metals continue.

Outlook

Throughout the Sub-Fund's existence, it has always been volatile but our global over-view of the world, how it's investing and the part gold, silver and precious metals have to play, has not changed very much. The long term bull market in the precious metals space is still nowhere near its peak.

Charteris Treasury Portfolio Managers Limited
Investment Manager
22 March 2021

ACD's Report for the year ended 28 February 2021 (continued)

COMPARATIVE TABLES

Changes in net asset per share

	'A' Accumulation £	'A' Income £	'B' Accumulation £	'B' Income £	'I' Accumulation £	'I' Income £
28 February 2021						
Opening net asset value per share	1.1616	1.0067	0.4749	0.4674	0.5122	0.5027
Return before operating charges ¹	0.4701	0.4088	0.1923	0.1899	0.2070	0.2038
Operating charges ²	(0.0274)	(0.0237)	(0.0144)	(0.0143)	(0.0100)	(0.0098)
Return after operating charges³	0.4427	0.3851	0.1779	0.1756	0.1970	0.1940
Gross distributions on shares	(0.0132)	(0.0114)	(0.0054)	(0.0053)	(0.0058)	(0.0057)
Accumulation distributions reinvested ⁸	0.0132	-	0.0054	-	0.0058	-
Closing net asset value per share	1.6043	1.3804	0.6528	0.6377	0.7092	0.6910
*After direct transaction costs of ⁴	0.0025	0.0022	0.0010	0.0010	0.0011	0.0011
Performance						
Return after charges ⁵	38.11%	38.25%	37.46%	37.57%	38.46%	38.59%
Other information						
Closing net asset value (£)	1,920,873	174,129	907,837	647,196	21,521,170	2,170,751
Closing number of shares	1,197,321	126,138	1,390,610	1,014,798	30,341,767	3,141,234
Operating charges ⁶	1.58%	1.57%	2.07%	2.08%	1.32%	1.32%
Direct transaction costs ⁷	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
Prices						
Highest share price ⁹	2.1354	1.8506	0.8713	0.8574	0.9426	0.9251
Lowest share price ⁹	0.8967	0.7771	0.3665	0.3607	0.3954	0.3881

Footnotes:

- 1 The "return before operating charges" is calculated as the "return after operating charges" plus the "operating charges".
- 2 The operating charges shows the relevant operating expenses, excluding performance fees, expressed by reference to the average number of shares in issue during the period.
- 3 Calculated as the "closing net asset value per share" plus the "distributions" minus the "opening net asset value per share".
- 4 Total direct transaction costs expressed by reference to the average number of shares in issue at each valuation point during the period.
- 5 The "return after charges" is calculated as the "return after operating charges" per share divided by the "opening net asset value per share".
- 6 The operating charges shows the relevant annualised operating expenses, excluding performance fees, expressed by reference to the average of the net asset values at each valuation point during the period.
- 7 Total direct transaction costs expressed by reference to the average of the net asset values at each valuation point during the period.
- 8 The total amount retained is calculated as the total amount distributed.
- 9 The highest and lowest price from the published net asset value.

ACD's Report for the year ended 28 February 2021 (continued)
COMPARATIVE TABLES continued

Changes in net asset per share

	'A' Accumulation	'A' Income	'B' Accumulation	'B' Income	'I' Accumulation	'I' Income
	£	£	£	£	£	£
29 February 2020						
Opening net asset value per share	1.0407	0.9091	0.4277	0.4242	0.4577	0.4528
Return before operating charges ¹	0.1422	0.1255	0.0583	0.0585	0.0625	0.0623
Operating charges ²	(0.0213)	(0.0189)	(0.0111)	(0.0111)	(0.0080)	(0.0079)
Return after operating charges³	0.1209	0.1066	0.0472	0.0474	0.0545	0.0544
Gross distributions on shares	(0.0103)	(0.0090)	(0.0042)	(0.0042)	(0.0045)	(0.0045)
Accumulation distributions reinvested ⁸	0.0103	-	0.0042	-	0.0045	-
Closing net asset value per share	1.1616	1.0067	0.4749	0.4674	0.5122	0.5027
*After direct transaction costs of ⁴	0.0011	0.0011	0.0005	0.0005	0.0005	0.0005
Performance						
Return after charges ⁵	11.62%	11.73%	11.04%	11.17%	11.91%	12.01%
Other information						
Closing net asset value (£)	1,002,041	73,329	528,539	371,870	12,049,591	1,458,674
Closing number of shares	862,590	72,838	1,112,715	795,560	23,523,404	2,901,530
Operating charges ⁶	1.79%	1.79%	2.28%	2.28%	1.52%	1.52%
Direct transaction costs ⁷	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%
Prices						
Highest share price ⁹	1.4840	1.2911	0.6083	0.6009	0.6536	0.6440
Lowest share price ⁹	0.9032	0.7889	0.3708	0.3678	0.3974	0.3932

Footnotes:

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ACD's Report for the year ended 28 February 2021 (continued)
COMPARATIVE TABLES continued

Changes in net asset per share

	'A' Accumulation £	'A' Income £	'B' Accumulation £	'B' Income £	'I' Accumulation £	'I' Income £
28 February 2019						
Opening net asset value per share	0.9580	0.8417	0.3957	0.3947	0.4203	0.4183
Return before operating charges ¹	0.1027	0.0899	0.0422	0.0420	0.0451	0.0446
Operating charges ²	(0.0200)	(0.0177)	(0.0102)	(0.0102)	(0.0077)	(0.0077)
Return after operating charges³	0.0827	0.0722	0.0320	0.0318	0.0374	0.0369
Gross distributions on shares	(0.0550)	(0.0048)	(0.0023)	(0.0023)	(0.0024)	(0.0024)
Accumulation distributions reinvested ⁸	0.0550	-	0.0023	-	0.0024	-
Closing net asset value per share	1.0407	0.9091	0.4277	0.4242	0.4577	0.4528
*After direct transaction costs of ⁴	0.0005	0.0005	0.0002	0.0002	0.0002	0.0002
Performance						
Return after charges ⁵	8.63%	8.58%	8.09%	8.06%	8.90%	8.82%
Other information						
Closing net asset value (£)	840,787	45,568	619,088	187,747	8,363,164	817,998
Closing number of shares	807,921	50,126	1,447,643	442,606	18,270,940	1,806,390
Operating charges ⁶	2.07%	2.07%	2.57%	2.57%	1.82%	1.82%
Direct transaction costs ⁷	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%
Prices						
Highest share price ⁹	1.1073	0.9729	0.4565	0.4555	0.4862	0.4838
Lowest share price ⁹	0.7909	0.6920	0.3255	0.3233	0.3476	0.3444

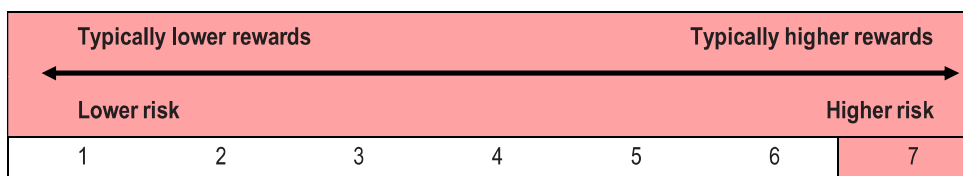
Footnotes:

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ACD's Report for the year ended 28 February 2021 (continued)

FUND INFORMATION

SYNTHETIC RISK AND REWARD INDICATOR



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

This Sub-Fund is ranked 7. This is due to historical price movement of such investments. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

Please note the Sub-Fund's risk category may change in the future.

Any specific risks as a result of investing in this Sub-Fund can be found in the Risk section of the Prospectus.

PERFORMANCE

The Sub-Fund's performance since inception is as follows:

Class	Year to	Year to	Year to	Since inception to
	28/02/2019	29/02/2020	28/02/2021	28/02/2021
WS Charteris Gold and Precious Metals Fund 'A' Accumulation Class in GBP*	8.61%	21.37%	33.59%	32.59%

*Launch date 1 April 2017.

The performance of the Sub-Fund is based on the published price per 'I' Accumulation share which includes reinvested income (Source: Morningstar).

The Sub-Fund is not managed to a benchmark and due to its specialist theme, there is no suitable comparator. Investors can assess performance of the Sub-Fund using Bank of England 1 Year Fixed Rate Bond IUMWTFA.

ACD's Report for the year ended 28 February 2021 (continued)

PORTFOLIO STATEMENT
AS AT 28 FEBRUARY 2021

Holding	Portfolio of Investments	Value	Total Net Assets	
		£	28.02.21	29.02.20
EQUITIES				
	AUSTRALIA	-	-	2.13%
	CANADA			
350,000	Aftermath Silver	237,298	0.87%	
25,000	Agnico Eagle Mines	1,002,866	3.67%	
150,000	Alamos Gold	764,438	2.80%	
330,000	Alexco Resource	658,163	2.41%	
130,000	Americas Gold & Silver Corporation	239,445	0.88%	
350,000	Amex Exploration	577,425	2.11%	
1,200,000	Aurcana Silver	623,754	2.28%	
362,000	Avino Silver & Gold Mines	359,970	1.32%	
100,000	Aya Gold & Silver	268,938	0.98%	
200,000	B2Gold	624,885	2.29%	
200,000	Bear Creek Mining	256,508	0.94%	
100,000	Centerra Gold	694,944	2.54%	
750,000	Defiance Silver	296,623	1.08%	
300,000	Discovery Metals	388,152	1.42%	
190,000	Endeavour Silver	799,751	2.92%	
100,000	Excellon Resources	225,433	0.82%	
110,000	First Majestic Silver	1,423,223	5.20%	
215,000	Fortuna Silver Mines Inc	1,154,003	4.22%	
250,000	Gogold Resources	320,635	1.17%	
40,000	Great Bear Resources	319,787	1.17%	
500,000	Great Panther Mining Limited	327,697	1.20%	
250,000	K92 Mining	896,930	3.28%	
32,000	Kirkland Lake Gold	751,579	2.75%	
1,200,000	Kootenay Silver	261,028	0.95%	
135,000	MAG Silver Corp	1,857,281	6.79%	
67,500	Metalla Royalty & Streaming	411,882	1.51%	
60,000	Pan American Silver	1,424,127	5.21%	
750,000	Silver One Resources	313,572	1.15%	
200,000	Silvercorp Metals	836,193	3.06%	
110,000	Silvercrest Metals	652,570	2.39%	
938,500	Silver Tiger Metals	302,241	1.11%	
60,000	SSR Mining	610,195	2.23%	
101,700	Troilus Gold	50,565	0.18%	
100,000	Victoria Gold	631,665	2.31%	
100,000	Wesdome Gold Mines	472,901	1.73%	
53,000	Wheaton Precious Metal	1,359,492	4.97%	
110,000	Yamaha Gold	313,855	1.15%	
		<u>22,710,014</u>	<u>83.06%</u>	70.07%
	JERSEY			
60,000	Polymetal International Plc	852,900	3.12%	
		<u>852,900</u>	<u>3.12%</u>	9.40%

ACD's Report for the year ended 28 February 2021 (continued)

PORTFOLIO STATEMENT continued
AS AT 28 FEBRUARY 2021

Holding	Portfolio of Investments	Value	Total Net Assets	
		£	28.02.21	29.02.20
EQUITIES (continued)				
UNITED KINGDOM				
300,000	Anglo Asian Mining	420,000	1.54%	
450,000	Hochschild Mining Plc	967,500	3.54%	
1,712,500	Silver Bear Resources Plc	149,971	0.55%	
1,250,000	Solomon Gold	268,750	0.98%	
		<u>1,806,221</u>	<u>6.61%</u>	7.41%
UNITED STATES OF AMERICA				
36,900	Gatos Silver Inc	350,669	1.28%	
12,000	Newmont Corporation	467,816	1.71%	
7,000	Royal Gold	519,067	1.90%	
		<u>1,337,552</u>	<u>4.89%</u>	5.13%
TOTAL EQUITIES		<u>26,706,687</u>	<u>97.68%</u>	<u>94.14%</u>
PORTFOLIO OF INVESTMENTS		<u>26,706,687</u>	<u>97.68%</u>	<u>94.14%</u>
NET OTHER ASSETS		<u>635,269</u>	<u>2.32%</u>	<u>5.86%</u>
NET ASSETS		<u>27,341,956</u>	<u>100.00%</u>	<u>100.00%</u>

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.

ACD's Report for the year ended 28 February 2021 (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES
 FOR THE YEAR ENDED 28 FEBRUARY 2021

Purchases	Cost £
Polymetal International Plc	1,498,655
Fresnillo Plc	1,444,531
Hochschild Mining Plc	1,247,731
Kirkland Lake Gold	870,405
Wheaton Precious Metal	685,496
Centamin	682,839
Aurcana Silver	583,951
Anglo Asian Mining	524,527
Pan American Silver	495,594
MAG Silver Corp	464,616
Solomon Gold	402,040
Great Bear Resources	399,019
Defiance Silver	386,560
Gogold Resources	383,577
Gatos Silver Inc	382,136
Yamaha Gold	382,037
Agnico Eagle Mines	374,723
Discovery Metals	358,918
Highland Gold Mining	332,618
Silver Tiger Metals	332,523
Other Purchases	3,965,907
Total purchases	<u>16,198,403</u>

The summary of material portfolio changes represents all purchases for the year.

ACD's Report for the year ended 28 February 2021 (continued)

SUMMARY OF MATERIAL PORTFOLIO CHANGES continued
FOR THE YEAR ENDED 28 FEBRUARY 2021

Sales	Proceeds £
Fresnillo Plc	1,848,402
Polymetal International Plc	1,247,136
Teranga Gold	1,014,525
Highland Gold Mining	993,250
Centamin	695,766
K92 Mining	583,397
Newcrest Mining	455,394
Osisko Gold Royalties	415,973
Metalla Royalty & Streaming	317,696
Roxgold	289,423
Excellon Resources	233,232
Hochschild Mining Plc	229,160
Anglo Asian Mining	154,020
Maverix Metals	141,699
Pure Gold Mining	89,250
Total sales	<u>8,708,323</u>

The summary of material portfolio changes represents all sales for the year.

Financial Statements

STATEMENT OF TOTAL RETURN

FOR THE YEAR ENDED 28 FEBRUARY 2021

	Note	28.02.21		29.02.20	
		£	£	£	£
Income					
Net capital gains	2		4,640,941		670,822
Revenue	3	213,941		129,012	
Expenses	4	(360,919)		(213,345)	
Interest and similar charges		10		231	
Net expense before taxation		(146,968)		(84,102)	
Taxation	5	(16,915)		(14,021)	
Net expense after taxation			(163,883)		(98,123)
Total return before distributions			4,477,058		572,699
Distributions	6		(197,035)		(115,220)
Change in net assets attributable to shareholders from investment activities			4,280,023		457,479

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

FOR THE YEAR ENDED 28 FEBRUARY 2021

	28.02.21		29.02.20	
	£	£	£	£
Opening net assets attributable to shareholders		15,484,044		10,874,352
Amounts receivable on issue of shares	30,902,926		12,980,417	
Amounts payable on cancellation of shares	(23,520,356)		(8,938,561)	
		7,382,570		4,041,856
Dilution levy		6,339		-
Change in net assets attributable to shareholders from investment activities		4,280,023		457,479
Retained distribution on accumulation shares		188,980		110,357
Closing net assets attributable to shareholders		27,341,956		15,484,044

Financial Statements continued

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Note	28.02.21		29.02.20	
		£	£	£	£
ASSETS					
Fixed assets					
Investment assets			26,706,687		14,577,346
Current assets					
Debtors	7	639,831		392,077	
Cash and bank balances	8	1,309,557		967,150	
Total current assets			<u>1,949,388</u>		<u>1,359,227</u>
Total assets			<u>28,656,075</u>		<u>15,936,573</u>
LIABILITIES					
Creditors					
Distribution payable on income shares		(11,265)		(7,527)	
Other creditors	9	(1,302,854)		(445,002)	
Total creditors			<u>(1,314,119)</u>		<u>(452,529)</u>
Total liabilities			<u>(1,314,119)</u>		<u>(452,529)</u>
Net assets attributable to shareholders	13		<u><u>27,341,956</u></u>		<u><u>15,484,044</u></u>

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021

1. ACCOUNTING POLICIES

Refer to the Statement of Accounting Policies and Combined Notes.

2. NET CAPITAL GAINS

	28.02.21 £	29.02.20 £
The net capital gains during the year comprise:		
Non-derivative securities' gains	4,740,289	669,608
Currency (losses)/gains	(62,017)	14,586
Transaction charges	(37,331)	(13,372)
Net capital gains	4,640,941	670,822

3. REVENUE

	28.02.21 £	29.02.20 £
Franked UK dividends	45,852	20,834
Overseas dividends	168,089	108,178
Total revenue	213,941	129,012

4. EXPENSES

	28.02.21 £	29.02.20 £
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	275,033	143,785
	275,033	143,785
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	6,289	9,027
Safe custody fee	4,121	5,922
	10,410	14,949
Other expenses:		
FCA fee	99	105
Fees paid to auditor - audit of financial statements	10,240	9,245
Fees paid to auditor - tax compliance services	2,472	2,472
Administrative fees	23,901	19,653
Publication costs	-	169
Information and data services costs	10,095	3,723
Other expenses	28,669	19,244
	75,476	54,611
Total expenses	360,919	213,345

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

5. TAXATION

	28.02.21 £	29.02.20 £
(a) Analysis of charge in the year:		
Overseas tax	16,915	14,021
Total tax charge (note 5b)	16,915	14,021
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year differs from the standard rate of corporation tax in the UK for an authorised fund (20%) (2020: 20%). The difference is explained below:		
Net expense before taxation	(146,968)	(84,102)
Corporation tax at 20%	(29,394)	(16,820)
Effects of:		
Non-taxable dividends	(9,170)	(4,167)
Non-taxable overseas dividend	(33,618)	(21,636)
Movement in surplus management expenses	72,182	42,623
Overseas tax (note 5a)	16,915	14,021
Current tax charge	16,915	14,021

(c) Deferred tax

As at the year end, there is a potential deferred tax asset of £205,270 (2020: £133,088) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and, therefore, no deferred tax asset has been recognised in the current or prior period.

6. DISTRIBUTIONS

The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:

	28.02.21 £	29.02.20 £
Interim distributions	113,626	65,243
Final distributions	102,823	60,864
Add income deducted on cancellation of shares	49,605	19,352
Deduct income received on issue of shares	(69,019)	(30,239)
Net distributions for the year	197,035	115,220
Distributions represented by:		
Net revenue after taxation	(163,883)	(98,123)
Expenses transferred to capital for purposes of distributions	360,919	213,345
Net movement in revenue account	(1)	(2)
Net distributions for the year	197,035	115,220

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

7. DEBTORS

	28.02.21	29.02.20
	£	£
Amounts receivable on issue of shares	187,754	372,245
Dividends receivable	11,092	15,469
Sales awaiting settlement	437,841	-
Prepaid fees and other expenses	3,144	4,363
Total debtors	639,831	392,077

8. CASH AND BANK BALANCES

	28.02.21	29.02.20
	£	£
Bank balances:		
Cash account ⁽¹⁾	1,309,557	967,150
Total bank balances	1,309,557	967,150

⁽¹⁾Cash held with CACEIS Bank, UK Branch. There is no distinction between revenue and capital for cash balances held at CACEIS Bank, UK Branch.

9. CREDITORS

	28.02.21	29.02.20
	£	£
Amounts payable on cancellation of shares	1,260,487	408,553
	1,260,487	408,553
Accrued expenses:		
Amounts payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	25,055	14,670
	25,055	14,670
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee	1,174	2,241
Safe custody and other bank charges	349	922
	1,523	3,163
Other accrued expenses:		
Fees payable to auditor - audit of financial statements	9,245	9,245
Fees payable to auditor - tax compliance services	2,245	2,472
Administrative fees	2,952	5,613
Other creditors	1,347	1,286
	15,789	18,616
Total other creditors	1,302,854	445,002

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

10. RELATED PARTY TRANSACTIONS

Disclosure is made in note 2 of the Statement of Accounting Policies and Combined Notes.

11. SHAREHOLDER FUNDS

Disclosure is made in note 3 of the Statement of Accounting Policies and Combined Notes.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contingent liabilities or unrecorded outstanding commitments (2020: same).

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The main risks from the Sub-Fund's holding of financial instruments, together with the ACD's policy for managing these risks are disclosed in Note 4 of the Statement of Accounting Policies and Combined Notes. Disclosure specific to this Sub-Fund are made below in relation to numeric disclosure of interest rate risk, numeric disclosure of foreign currency risk and derivatives.

(i) Interest rate risk

The table below shows the direct interest rate risk profile as at the Balance Sheet date:

	28.02.21 £	29.02.20 £
Floating rate assets:		
Pound Sterling	1,309,557	967,150
	<u>1,309,557</u>	<u>967,150</u>
Assets on which interest is not paid:		
Australian Dollar	-	330,362
Canadian Dollar	23,678,470	11,757,665
Pound Sterling	3,137,889	2,413,413
US Dollar	530,159	-
	<u>27,346,518</u>	<u>-</u>
Liabilities on which interest is not paid:		
Pound Sterling	(1,314,119)	(452,529)
	<u>(1,314,119)</u>	<u>(452,529)</u>
Net assets	<u>27,341,956</u>	<u>15,484,044</u>

The floating rate financial assets comprise bank balance positions which earn or pay interest at rates linked to the Bank of England base rate or its international equivalents. Changes in the market interest rates would have no material impact to the fair value of the floating rate assets if all other variables remain constant.

The Sub-Fund is also exposed to indirect interest rate risk in the form of interest rate risk of the underlying investments.

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

13. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS continued

(ii) Foreign currency risk

The table below shows the direct foreign currency risk profile:

	28.02.21	29.02.20
Currency:	£	£
Australian Dollar	-	330,362
Canadian Dollar	23,678,470	11,757,665
US Dollar	530,159	467,983
	24,208,629	12,556,010
Pound Sterling	3,133,327	2,928,034
	27,341,956	15,484,044

If the value of the pound sterling increased by 1%, the NAV would decrease by £242,086 (2020: £125,560) if all other variables remained constant. If the value of the pound sterling decreased by 1%, it would have resulted in an equal but opposite effect to the amounts shown above, provided that all other variables remain constant.

The Sub-Fund is also exposed to indirect foreign currency risk in the form of foreign currency risk of the underlying investments.

(iii) Derivatives

The Sub-Fund may use derivatives for efficient portfolio management; the Net Asset Value may therefore, at times, increase in volatility and the risk profile may change. However, it is the Investment Manager's intention that the Sub-Fund, owing to its portfolio composition or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of its underlying investments.

The Sub-Fund did not utilise any derivatives during the year. (2020: same).

(iv) Market price risk

Market price risk is the risk that the value of the Sub-Fund's financial instruments will fluctuate as a result of changes in market prices caused by factors other than interest rates or foreign currency movement. Market price risk arises primarily from uncertainty about the future prices of financial instruments that the Sub-Fund holds.

Market price risk represents the potential loss that the Sub-Fund may suffer through holding market positions in the face of price movements. The Sub-Fund's investment portfolio is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements - stock specific risk and market risk. Adherence to investment guidelines and avoidance of excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

If the market prices were to increase or decrease by 1%, the NAV would increase or decrease by £267,067 (2020: £145,773) if all other variables remained constant.

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

14. PORTFOLIO TRANSACTION COSTS

Commissions and taxes as a % of average net assets.

	2021	2020
Commissions	0.14%	0.10%
Taxes	0.00%	0.02%

Commission and taxes as a % of relevant purchase and sales amounts

28 February 2021

Purchases	Base Currency	Value (base)	Commissions	%	Tax	%
Listed equity transactions	GBP	16,167,284	31,119	0.1925%	-	0.0000%

Total purchases including commissions and taxes £16,198,403

Sales	Base Currency	Value (base)	Commissions	%	Tax	%
Listed equity transactions	GBP	8,714,535	6,212	0.0713%	-	0.0000%

Total sales including commissions and taxes £8,708,323

29 February 2020

Purchases	Base Currency	Value (base)	Commissions	%	Tax	%
Listed equity transactions	GBP	7,219,213	9,537	0.1321%	2,927	0.0405%

Total purchases including commissions and taxes £7,231,677

Sales	Base Currency	Value (base)	Commissions	%	Tax	%
Listed equity transactions	GBP	3,730,136	3,835	0.1028%	4	0.0001%

Total sales including commissions and taxes £3,726,297

The average portfolio dealing spread for the year ended 28 February 2021 is 1.3025% (2020: 1.7581%). This spread is the difference between the values determined respectively by reference to the bid and offer prices of the investments.

Financial Statements continued

NOTES TO THE FINANCIAL STATEMENTS 28 February 2021 (continued)

15. VALUATION OF FINANCIAL INSTRUMENTS

Section 11 of FRS 102 and 3.100 of the IMA SORP establishes a hierarchy to be used to estimate the fair value of investments that are publicly traded or whose fair value can be reliably measured if they are not publicly traded.

The levels of the hierarchy are as follows:

4. Fair value based on a quoted price for an identical instrument in an active market and will generally include equities, some highly liquid bonds and exchange traded derivatives.
5. Fair value based on a valuation technique using observable market data and will generally include evaluated pricing techniques using inputs such as quoted prices for similar instruments, interest rates, yield curves or credit spreads.
6. Fair value based on a valuation technique that relies significantly on non-observable market data and will include values not primarily derived from observable market data.

The determination of what constitutes “observable” requires significant judgement by the Sub-Fund. The Sub-Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value in its entirety for this purpose. The significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The following table presents the Sub-Funds' investment assets by level within the valuation hierarchy as at 28 February 2021.

	Level 1 £	Level 2 £	Level 3 £	Total £
Equities	26,706,687	-	-	26,706,687
Investment assets	26,706,687	-	-	26,706,687

The following table presents the Sub-Funds' investment assets by level within the valuation hierarchy as at 29 February 2020.

	Level 1 £	Level 2 £	Level 3 £	Total £
Equities	14,577,346	-	-	14,577,346
Investment assets	14,577,346	-	-	14,577,346

16. RECONCILIATION OF MOVEMENT IN SHARES

	'A' Accumulation	'A' Income	'B' Accumulation	'B' Income	'I' Accumulation	'I' Income
Opening number of shares	862,590	72,838	1,112,715	795,560	23,523,404	2,901,530
Shares created	2,388,660	177,604	1,844,539	1,880,624	27,961,419	3,010,735
Shares cancelled	(2,053,929)	(124,304)	(1,566,644)	(1,661,386)	(21,143,056)	(2,771,031)
Closing number of shares	1,197,321	126,138	1,390,610	1,014,798	30,341,767	3,141,234

Financial Statements continued

DISTRIBUTION TABLE FOR THE YEAR ENDED 28 FEBRUARY 2021 – IN PENCE PER SHARE

Interim Distribution – August 2020

Group 1 Shares purchased prior to 1 March 2020

Group 2 Shares purchased on or after 1 March 2020 to 31 August 2020

'A' Accumulation Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.7148	0.0000	0.7148	0.5726
Group 2	0.4146	0.3002	0.7148	0.5726

'A' Income Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.6195	0.0000	0.6195	0.5003
Group 2	0.2503	0.3692	0.6195	0.5003

'B' Accumulation Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.2919	0.0000	0.2919	0.2351
Group 2	0.0824	0.2095	0.2919	0.2351

'B' Income Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.2872	0.0000	0.2872	0.2331
Group 2	0.1531	0.1341	0.2872	0.2331

'I' Accumulation Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.3154	0.0000	0.3154	0.2521
Group 2	0.1381	0.1773	0.3154	0.2521

'I' Income Shares	Net revenue	Equalisation	Amount Paid 31.10.20	Amount Paid 31.10.19
Group 1	0.3095	0.0000	0.3095	0.2494
Group 2	0.1542	0.1553	0.3095	0.2494

Financial Statements continued

DISTRIBUTION TABLE FOR THE YEAR ENDED 28 FEBRUARY 2021 – IN PENCE PER SHARE continued

Final Distribution – February 2021

Group 1 Shares purchased prior to 1 September 2020

Group 2 Shares purchased on or after 1 September 2020 to 28 February 2021

'A' Accumulation Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.6004	0.0000	0.6004	0.4566
Group 2	0.2325	0.3679	0.6004	0.4566

'A' Income Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.5177	0.0000	0.5177	0.3963
Group 2	0.1717	0.3460	0.5177	0.3963

'B' Accumulation Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.2469	0.0000	0.2469	0.1871
Group 2	0.0736	0.1733	0.2469	0.1871

'B' Income Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.2436	0.0000	0.2436	0.1842
Group 2	0.0750	0.1686	0.2436	0.1842

'I' Accumulation Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.2667	0.0000	0.2667	0.2012
Group 2	0.0930	0.1737	0.2667	0.2012

'I' Income Shares	Net revenue	Equalisation	Amount Paid 30.04.21	Amount Paid 30.04.20
Group 1	0.2591	0.0000	0.2591	0.1990
Group 2	0.0819	0.1772	0.2591	0.1990

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.