

S&W Saltus Onshore Portfolios

Annual Report

for the year ended 28 February 2022

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S&W Saltus Onshore Portfolios

Report of the Authorised Corporate Director ('ACD')

Smith & Williamson Fund Administration Limited, as ACD, presents herewith the Annual Report for S&W Saltus Onshore Portfolios for the year ended 28 February 2022.

S&W Saltus Onshore Portfolios ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 2 January 2007. The Company is incorporated under registration number IC000507. It is a non-UCITS retail scheme ('NURS') complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND'), as published by the Financial Conduct Authority ('FCA'). As the Company is a NURS, the ACD also acts as Alternative Investment Fund Manager ('AIFM') in order to comply with the Alternative Investment Fund Manager's Directive ('AIFMD').

The Company has been set up as an umbrella company. Provision exists for an unlimited number of sub-funds to be included within the umbrella and additional sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. The sub-funds represent segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other sub-fund and shall not be available for any such purpose.

The ACD 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 Company consist predominantly of securities which are readily realisable and, accordingly, the Company 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.

On 24 February 2022, Russian troops started invading Ukraine. In response, multiple jurisdictions have imposed economic sanctions on Russia and Belarus. In addition, a growing number of public and private companies have announced voluntary actions to curtail business activities with Russia and Belarus. As ACD we continue to monitor the events as they unfold. In particular, S&W Saltus Onshore Portfolios does not have direct exposure to the Russian market.

The shareholders are not liable for the debts of the Company.

The Company has no Directors other than the ACD.

The Instrument of Incorporation can be inspected at the offices of the ACD.

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

Sub-funds

There are seven sub-funds available in the Company and the associated share classes are disclosed on pages 206 to 207.

S&W Saltus Multi Asset Class Fund

S&W Saltus Wealth Fund

S&W Saltus Global Equity Fund

S&W Saltus Fixed Income Fund

S&W Saltus Real Return Fund

S&W Saltus Income Fund

S&W Saltus Growth Assets Fund

Cross holdings

Both throughout the year and at the year-end, no sub-fund held shares in any other sub-fund of the umbrella.

Investment objective and policy

The investment objectives and policies of each sub-fund are disclosed within the Investment Manager's report of the individual sub-funds.

Report of the Authorised Corporate Director (continued)

Changes affecting the Company in the year

On 27 October 2021, the comparator benchmark for S&W Saltus Income Fund changed from the Investment Association (IA) UK Equity and Bond Income sector to the composite comparator benchmark of 50% IA UK Equity Income and 50% IA £ Corporate Bond after the previous one was retired by the IA.

Changes affecting the Company subsequent to the year end

Tilney and Smith & Williamson merged in September 2020 and the name of the combined business changed to Evelyn Partners on 14 June 2022. As part of the re-brand, Smith & Williamson Fund Administration Limited changed name to Evelyn Partners Fund Solutions Limited on 10 June 2022.

Further information in relation to the Company is illustrated on pages 206 to 207.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook and the Investment Funds sourcebook, we hereby certify the Annual Report on behalf of the ACD, Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited).

James Gordon

Director

Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

30 June 2022

Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes sourcebook ('COLL') and the Investment Funds sourcebook ('FUND') published by the FCA, require the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue/expenses and net capital gains/losses on the property of each of the sub-funds for the year.

In preparing the financial statements the ACD 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 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company'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 Company 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 Company's information on the ACD'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 ACD to carry out an Assessment of Value on the Company and publish these assessments within the Annual Report.

The ACD is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus, COLL and FUND.

Assessment of Value - S&W Saltus Multi Asset Class Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Multi Asset Class Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | I class | C class | S class | X class |
|----------------------------|---|---|---|---|
| 1. Quality of Service |  |  |  |  |
| 2. Performance |  |  |  |  |
| 3. ACD Costs |  |  |  |  |
| 4. Economies of Scale |  |  |  |  |
| 5. Comparable Market Rates |  |  |  |  |
| 6. Comparable Services |  |  |  |  |
| 7. Classes of Shares |  |  |  |  |
| Overall Rating |  |  |  |  |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

-  On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
-  On balance, the Board believes the sub-fund is delivering value to shareholders, but may require some action.
-  On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Multi Asset Class Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to grow capital in excess of inflation (UK CPI) over a rolling 12-month period. Additionally, a volatility measurement of 1/3rd of the Investment Association UK All Companies sector, as measured over rolling 3-year periods, is in place as a means by which to monitor the stability of the portfolio.

Benchmark

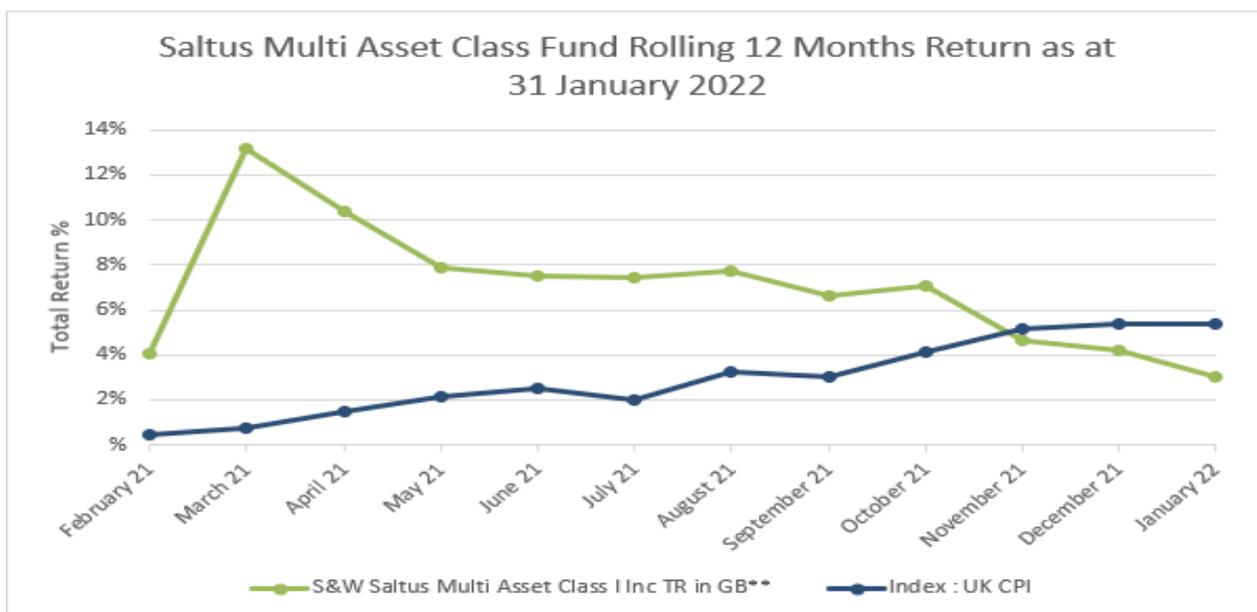
As ACD, SWFAL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

The benchmark for the sub-fund is to exceed the UK CPI (Consumer Price Index) over a rolling 12-month period. This is a 'target' benchmark which is an index or similar factor that is part of a target an investment manager has set for a fund's performance to match or exceed, which includes anything used for performance fee calculation. Details of how the sub-fund has performed against its target benchmark over various timescales can be found on the next page.

Assessment of Value - S&W Saltus Multi Asset Class Fund (continued)

2. Performance (continued)

Benchmark (continued)



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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The I class of the sub-fund is the class incurring the highest charges. The I class demonstrated growth of capital in excess of inflation (UK CPI) over rolling twelve month periods in 9 out of the last 12 monthly data samples. The three remaining share classes, all being cheaper than the I class, delivered superior performance to the I class. The C and S classes also exceeded the target on 9 out of the last 12 monthly data samples. The X class alone, exceeded the target on 10 out of the last 12 monthly data samples.

This had been achieved whilst consistently operating within the volatility target of up to 1/3rd of the Investment Association UK All Companies sector volatility level, as measured over rolling 3-year periods. Once all was considered, the Board concluded that the sub-fund should be Amber rated.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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?

SWFAL will continue to monitor the performance of the sub-fund through the normal course of its oversight.

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian fees and audit fees.

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

Assessment of Value - S&W Saltus Multi Asset Class Fund (continued)

3. ACD Costs (continued)

What was the outcome of the assessment?

The Board observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

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 sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 6 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF for the share classes were:

- 'C' share class, 1.87%^[2]
- 'I' share class, 1.67%^[2]
- 'S' share class, 1.47%^[2]
- 'X' share class, 1.27%^[2]

The OCFs were found to have compared favourably with those of similar externally managed funds.

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 sub-fund's OCFs with those of other funds administered by SWFAL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The OCFs compared favourably with other SWFAL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Multi Asset Class Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the issue raised in section 2, the Board concluded that S&W Saltus Multi Asset Class Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Wealth Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Wealth Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | I class | C class | S class | X class |
|----------------------------|---|---|---|---|
| 1. Quality of Service |  |  |  |  |
| 2. Performance |  |  |  |  |
| 3. ACD Costs |  |  |  |  |
| 4. Economies of Scale |  |  |  |  |
| 5. Comparable Market Rates |  |  |  |  |
| 6. Comparable Services |  |  |  |  |
| 7. Classes of Shares |  |  |  |  |
| Overall Rating |  |  |  |  |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

-  On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
-  On balance, the Board believes the sub-fund is delivering value to shareholders, but may require some action.
-  On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of Shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Wealth Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to generate a return which is the higher of cash (measured by the Bank of England base rate) and inflation (as measured by UK CPI). Additionally, a volatility measurement of 2/3rds of the Investment Association UK All Companies sector, as measured over rolling 3-year periods, is in place as a means by which to monitor the stability of the portfolio.

Benchmark

As ACD, 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.

Both the benchmarks, Bank of England base rate and UK CPI, are targets. A 'target' benchmark is an index or similar factor that is part of a target a fund manager has set for a fund's performance to match or exceed, which includes anything used for performance fee calculation. Details of how the sub-fund has performed against its target benchmarks over various timescales can be found on the next page.

Assessment of Value - S&W Saltus Wealth Fund (continued)

2. Performance (continued)

Benchmark (continued)

Cumulative Performance (%)

Cumulative Performance as at 31/01/2022

| | Currency | 1 year | 3 years | 5 years | 10 years |
|--|----------|--------|---------|---------|----------|
| S&W Saltus Wealth Fund I Accumulation Shares | GBP | 3.24 | 20.27 | 29.58 | 77.64 |
| Bank of England base rate | GBX | 0.12 | 1.04 | 1.99 | 4.44 |
| UK CPI | GBX | 5.41 | 8.09 | 13.31 | 21.46 |

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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The I class of the sub-fund is the class incurring the highest charges. The I class outperformed both benchmarks, cash (as measured by the Bank of England base rate) and inflation (as measured by UK CPI), over the Saltus advised investment horizon of 5+ years. The three remaining share classes, all being cheaper than the I class, have all delivered superior performance to the I class.

The higher of the two benchmarks is UK CPI.

This has all been achieved whilst consistently operating within the target of no more than 2/3rds the volatility of the Investment Association UK All Companies Sector over a rolling 3-year period. Once all was considered, the Board concluded that the sub-fund's objective had been met and that it had been of value to the shareholders.

The minimum recommended holding period is one year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

Were there any follow up actions?

There were no follow-up actions required.

Assessment of Value - S&W Saltus Wealth Fund (continued)

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 7 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCFs for the share classes were:

- 'C' share class, 1.61%^[2]
- 'I' share class, 1.81%^[2]
- 'S' share class, 1.41%^[2]
- 'X' share class, 1.21%^[2]

The OCFs were found to have compared favourably with those of similar externally managed funds.

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 sub-fund's OCFs with those of other funds administered by SWFAL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The OCFs compared favourably with other SWFAL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Wealth Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

The Board concluded that S&W Saltus Wealth Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Global Equity Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Global Equity Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | C class | I class | S class | X class |
|----------------------------|---------|---------|---------|---------|
| 1. Quality of Service | ● | ● | ● | ● |
| 2. Performance | ● | ● | ● | ● |
| 3. ACD Costs | ● | ● | ● | ● |
| 4. Economies of Scale | ● | ● | ● | ● |
| 5. Comparable Market Rates | ● | ● | ● | ● |
| 6. Comparable Services | ● | ● | ● | ● |
| 7. Classes of Shares | ● | ● | ● | ● |
| Overall Rating | ● | ● | ● | ● |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

- On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund is delivering value to shareholders, but may require action.
- On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of Shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Global Equity Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to achieve long term capital growth.

Benchmark

As ACD, 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 benchmark for the sub-fund is ARC Sterling Equity Risk PCI which is a comparator. A 'comparator' benchmark is an index or similar factor against which an investment manager invites investors to compare a sub-fund's performance. Details of how the sub-fund has performed against its comparator benchmark over various timescales can be found on the next page.

Assessment of Value - S&W Saltus Global Equity Fund (continued)

2. Performance (continued)

Benchmark (continued)

Cumulative Performance (%)

Cumulative Performance as at 31/01/2022

| Instrument | Currency | 1 year | 3 years | 5 years | 7 years | 01/02/2012 to 31/01/2022 |
|---|----------|--------|---------|---------|---------|-----------------------------|
| S&W Saltus Global Equity Fund C Accumulation* | GBX | 3.17 | 25.39 | 36.90 | 55.61 | 103.85 |
| S&W Saltus Global Equity Fund I Accumulation | GBX | 2.95 | 24.54 | 36.00 | 54.58 | 102.50 |
| S&W Saltus Global Equity Fund I Income | GBX | 2.99 | 24.57 | 35.96 | 54.58 | 108.49 |
| S&W Saltus Global Equity Fund S Income* | GBX | 3.31 | 25.98 | 38.59 | 58.77 | 108.82 |
| S&W Saltus Global Equity Fund X Income* | GBX | 3.22 | 24.87 | 36.36 | 61.41 | 108.82 |
| ARC Sterling Equity Risk PCI TR | GBP | 9.73 | 31.26 | 41.64 | 56.87 | 112.64 |

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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

* The history of this share class has been extended, at FE fundinfo's discretion, to give a sense of a longer track record of the whole sub-fund.

What was the outcome of the assessment?

The Board observed that, over the Saltus advised investment horizon of 7 years, all share classes have performed more or less in line with the benchmark and have been awarded Green ratings accordingly. It was noted that the X, C and S classes have not existed for the full 7 year period and it was too short a time frame to draw any meaningful conclusions on the X and C classes in particular.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

Were there any follow up actions?

There were no follow-up actions required.

Assessment of Value - S&W Saltus Global Equity Fund (continued)

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 7 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF for the share classes were:

- 'C' share class, 1.48%^[2]
- 'I' share class, 1.68%^[2]
- 'S' share class, 1.28%^[2]
- 'X' share class, 1.08%^[2]

The OCF was found to have compared favourably with those of similar externally managed funds.

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 sub-fund's OCFs with those of other funds administered by SWFAL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The OCF compared favourably with other SWFAL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Global Equity Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

The Board concluded that S&W Saltus Global Equity Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Fixed Income Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Fixed Income Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | C class | I class | S class | X class |
|----------------------------|---|---|---|---|
| 1. Quality of Service |  |  |  |  |
| 2. Performance |  |  |  |  |
| 3. ACD Costs |  |  |  |  |
| 4. Economies of Scale |  |  |  |  |
| 5. Comparable Market Rates |  |  |  |  |
| 6. Comparable Services |  |  |  |  |
| 7. Classes of Shares |  |  |  |  |
| Overall Rating |  |  |  |  |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

-  On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
-  On balance, the Board believes the sub-fund is delivering value to shareholders, but may require some action.
-  On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Fixed Income Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to generate a return which is the higher of cash (measured by the Bank of England base rate) and inflation (as measured by UK CPI), over a rolling 3 year period.

Benchmark

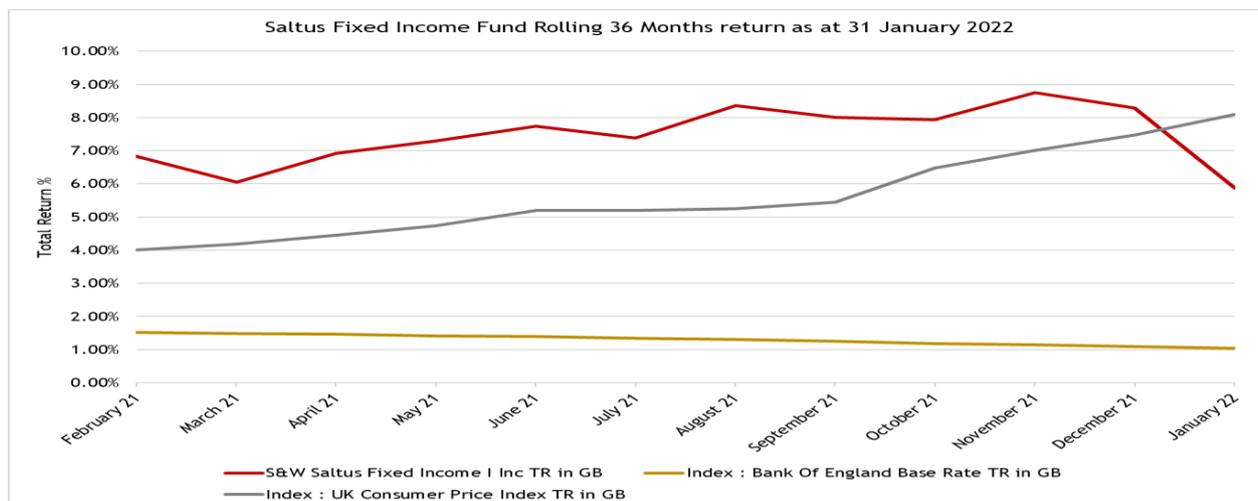
As ACD, SWFAL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

Both the benchmarks, Bank of England base rate and UK CPI, are targets. A 'target' benchmark is an index or similar factor that is part of a target a fund manager has set for a fund's performance to match or exceed, which includes anything used for performance fee calculation. Details of how the sub-fund has performed since the last statement against its target benchmarks over a rolling 3 year period can be found on the next page.

Assessment of Value - S&W Saltus Fixed Income Fund (continued)

2. Performance (continued)

Benchmark (continued)



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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The Board observed that the I class of the sub-fund had out-performed its three-year UK CPI (Consumer Price Index) rolling return benchmark on 11 out of the 12 monthly data samples between February 2021 and January 2022. In respect of the Bank of England base rate rolling return benchmark, the I class had out-performed that on 12 out of the 12 monthly data samples over the same period. As the target of out-performing the UK CPI had not been met on one occasion and the trend was worsening significantly post the data reference point, the Board concluded that this section should be Amber rated. The I class of the sub-fund is the class incurring the highest charges. The C class, S class and X class, being cheaper than the I class, have delivered higher returns than the I class.

The UK CPI (Consumer Price Index) is the higher of the two benchmarks.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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?

SWFAL will continue to monitor the performance of the sub-fund through the normal course of its oversight.

3. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

Assessment of Value - S&W Saltus Fixed Income Fund (continued)

3. ACD Costs (continued)

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 sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 6 basis points^[1]. Some of these costs are fixed and as the Fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the ongoing charges figure ('OCF') of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF for the share classes were:

- 'C' share class, 1.59%^[2]

- 'I' share class, 1.79%^[2]

- 'S' share class, 1.39%^[2]

- 'X' share class, not calculated as no shareholders as at the interim accounting date, 31 August 2021.

The OCFs were found to have compared favourably with those of similar externally managed funds.

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 sub-fund's OCFs with those of other funds administered by SWFAL having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The OCFs compared favourably with other SWFAL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Fixed Income Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the matter raised in section 2, the Board concluded that S&W Saltus Fixed Income Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Real Return Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Real Return Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | I class | C class | S class | X class |
|----------------------------|---|---|---|---|
| 1. Quality of Service |  |  |  |  |
| 2. Performance |  |  |  |  |
| 3. ACD Costs |  |  |  |  |
| 4. Economies of Scale |  |  |  |  |
| 5. Comparable Market Rates |  |  |  |  |
| 6. Comparable Services |  |  |  |  |
| 7. Classes of Shares |  |  |  |  |
| Overall Rating |  |  |  |  |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

-  On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
-  On balance, the Board believes the sub-fund is delivering value to shareholders, but may require action.
-  On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of Shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Real Return Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The objective of the sub-fund is to generate a return which is the higher of cash (measured by the Bank of England base rate) and inflation (as measured by UK CPI), over a rolling 3-year period.

Benchmark

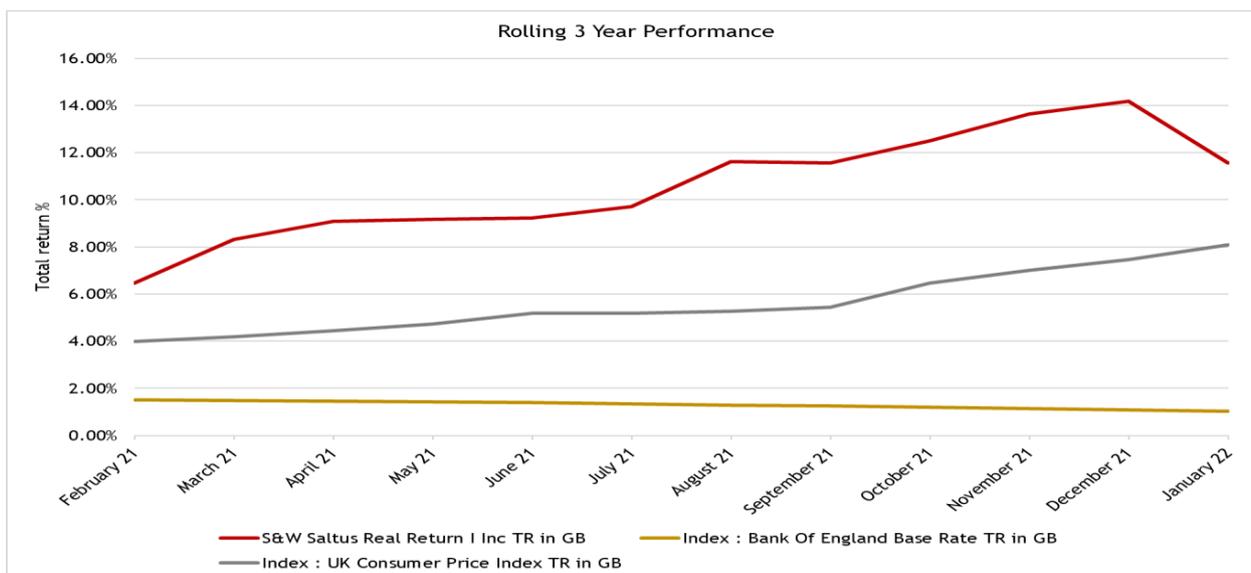
As ACD, SWFAL is required to explain in a fund's scheme documentation why a benchmark is being used or alternatively explain how investors should assess performance of a fund in the absence of a benchmark.

Both of the benchmarks, the Bank of England base rate and the UK Consumer Price Index (CPI) are targets. A 'target' benchmark is an index or similar factor that is part of a target an investment manager has set for a sub-fund's performance to match or exceed, which includes anything used for performance fee calculation. Details of how the sub-fund has performed against its target benchmark over various timescales can be found on the next page.

Assessment of Value - S&W Saltus Real Return Fund (continued)

2. Performance (continued)

Benchmark (continued)



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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The I class of the sub-fund is the class incurring the highest charges. The I class outperformed the Bank of England base rate and the UK CPI target benchmarks over the last 12 months on a rolling 3-year period basis. The C, S and the X share classes being cheaper than the I class, delivered superior performance to the I class.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

Were there any follow up actions?

There were no follow-up actions required.

Assessment of Value - S&W Saltus Real Return Fund (continued)

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 4 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF for the share classes were:

- 'I' share class, 1.97%^[2]

- 'C' share class, 1.77%^[2]

- 'S' share class, 1.57%^[2]

- 'X' share class, not calculated as no shareholders as at the interim accounting date, 31 August 2021.

The OCFs of the C, S and X classes were found to have compared favourably with those of similar externally managed funds.

The OCF of the I class was found to have been more expensive than those of similar externally managed funds and was amber rated.

Were there any follow up actions?

There were no follow-up actions required as there was no single element within the OCF that gave cause for concern.

6. Comparable Services

What was assessed in this section?

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

What was the outcome of the assessment?

The OCFs of the C, S and X classes were found to have compared favourably with those of similar externally managed funds.

The OCF of the I class was found to have been more expensive than those of similar externally managed funds and was amber rated.

Were there any follow up actions?

There were no follow-up actions required as there was no single element within the OCF that gave cause for concern.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Real Return Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the issues raised in sections 5 and 6, the Board concluded that S&W Saltus Real Return Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Income Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Income Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | I class | S class |
|----------------------------|---|---|
| 1. Quality of Service |  |  |
| 2. Performance |  |  |
| 3. ACD Costs |  |  |
| 4. Economies of Scale |  |  |
| 5. Comparable Market Rates |  |  |
| 6. Comparable Services |  |  |
| 7. Classes of Shares |  |  |
| Overall Rating |  |  |

There are no holders of the C and X classes and therefore an assessment has not been conducted on these classes.

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

-  On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
-  On balance, the Board believes the sub-fund is delivering value to shareholders, but may require some action.
-  On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessment will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of Shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Income Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders; and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 benefitted and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against its benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to prioritise an income flow for investors with some capital growth.

Benchmark

As ACD, 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 benchmark for the sub-fund is a composite of 50% IA UK Equity Income and 50% IA £ Corporate Bond (introduced 27/10/2021), which is a comparator. 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 sub-fund has performed against its comparator benchmark over various timescales can be found on the next page.

Assessment of Value - S&W Saltus Income Fund (continued)

2. Performance (continued)

Benchmark (continued)

Income Yield Table

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|-------|-------|-------|
| S&W Saltus Income Fund I Income Shares | 3.59% | 3.98% | 3.89% | 3.18% | 3.06% |
| S&W Saltus Income Fund S Income Shares | 3.58% | 3.97% | 3.93% | 3.18% | 3.06% |

Cumulative Performance (%)

Cumulative Performance as at 31/01/2022

| | Currency | 1 year | 3 years | 5 years | 02/02/2015 to 31/01/2022 |
|---|----------|--------|---------|---------|--------------------------------|
| S&W Saltus Income Fund I Income Shares | GBX | 6.04 | 11.24 | 16.34 | 25.56 |
| S&W Saltus Income Fund S Income Shares | GBX | 6.40 | 12.42 | 18.40 | 28.53 |
| Composite of 50% IA UK Equity Income and 50% IA £ Corporate Bond | GBP | 9.58 | 17.12 | 22.71 | 33.64 |

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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The sub-fund's objective is to prioritise an income flow for investors where it was noted by the Board that a yield in excess of 3% had been paid out to shareholders over recent years.

The sub-fund's benchmark was changed on 27/10/2021 from IA UK Equity and Bond Income sector to the new composite (50% IA UK Equity Income and 50% IA £ Corporate Bond) and there has been insufficient time to assess how the share classes have performed against this new benchmark, though the Board acknowledged that both share classes had underperformed the new benchmark since its introduction.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund 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 sub-fund was 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. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, ACD fee, Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

Were there any follow up actions?

There were no follow-up actions required.

Assessment of Value - S&W Saltus Income Fund (continued)

4. Economies of Scale

What was assessed in this section?

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

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 21 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCF of the most expensive class was then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCFs for the share classes were:

- 'I' share class, 2.01%^[2]
- 'S' share class, 1.61%^[2]

The OCFs were found to be more expensive than those of similar externally managed funds.

Were there any follow up actions?

There were no follow-up actions required as there was no single element within the OCF that gave cause for concern.

6. Comparable Services

What was assessed in this section?

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

What was the outcome of the assessment?

The OCFs compared favourably with other SWFAL administered funds displaying similar characteristics.

Were there any follow up actions?

There were no follow-up actions required.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Income Fund (continued)

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund, two of which have no shareholders. SWFAL can confirm that shareholders are in the correct share class.

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the issue raised in section 5, the Board concluded that S&W Saltus Income Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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.

Assessment of Value - S&W Saltus Growth Assets Fund

In line with the provisions contained within COLL 6.6.20R, the Board of Smith & Williamson Fund Administration Limited ('SWFAL') as Authorised Corporate Director ('ACD'), has carried out an Assessment of Value for S&W Saltus Growth Assets Fund ('the sub-fund'). Furthermore, the rules require that SWFAL publishes these assessments.

A high-level summary of the outcome of SWFAL's rigorous review of the sub-fund, at share class level, for the year ended 28 February 2022, using the seven criteria set by the FCA is set out below:

| | C Class | I Class | S Class | X Class |
|----------------------------|---------|---------|---------|---------|
| 1. Quality of Service | ● | ● | ● | ● |
| 2. Performance | ● | ● | ● | ● |
| 3. ACD Costs | ● | ● | ● | ● |
| 4. Economies of Scale | ● | ● | ● | ● |
| 5. Comparable Market Rates | ● | ● | ● | ● |
| 6. Comparable Services | ● | ● | ● | ● |
| 7. Classes of Shares | ● | ● | ● | ● |
| Overall Rating | ● | ● | ● | ● |

SWFAL has adopted a traffic light system to show how it rated the sub-fund:

- On balance, the Board believes the sub-fund is delivering value to shareholders, with no material issues noted.
- On balance, the Board believes the sub-fund is delivering value to shareholders, but may require some action.
- On balance, the Board believes the sub-fund has not delivered value to shareholders and significant remedial action is now planned by the Board.

How SWFAL assessed each of the seven criteria and the rating arrived at are discussed in greater detail on the following pages.

SWFAL has created an Assessment of Value Committee ('AVC'), for the review, challenge and approval of all funds' Assessments of Value. Ultimately the assessments will be subject to scrutiny by the 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 Board prior to communicating to investors if the sub-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 sub-fund is providing them with value for money and make more informed decisions when choosing investments.

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 sub-fund performed, including whether it met targets and objectives, kept to relevant policy, followed relevant principles, kept to reasonable timescales;
- (3) ACD costs - the fairness and value of the sub-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 the sub-fund compare with others in the marketplace;
- (6) Comparable services - how the charges applied to the sub-fund compare with those of other funds administered by SWFAL;
- (7) Classes of shares - the appropriateness of the classes of shares in the sub-fund for investors.

Assessment of Value - S&W Saltus Growth Assets Fund (continued)

1. Quality of Service

What was assessed in this section?

Internal Factors

SWFAL, as ACD, has overall responsibility for the sub-fund. The Board assessed, amongst other things: the day-to-day administration of the sub-fund; the maintenance of scheme documentation (such as prospectuses and key investor information documents ('KIIDs')); the pricing and valuation of shares; 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 shareholders and the dealing and settlement arrangements. SWFAL delegates the investment management of the sub-fund 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 investor 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 sub-fund's Depositary and various SWFAL delegated Investment Managers.

External Factors

The Board assessed the delegate's 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, Saltus Partners LLP ('Saltus'), where consideration is given to, amongst other things, the delegate's controls around the sub-fund's liquidity management.

The Board also considered the nature, extent and quality of administrative and shareholder services performed under separate agreements covering depositary 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 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 has performed its own independent analysis, using automated systems, of the sub-fund'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 and should continue to benefit the sub-fund and its shareholders.

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 sub-fund, after the deduction of all payments out of the scheme property as set out in the Prospectus. Performance, against the benchmark, was considered over appropriate timescales having regard to the sub-fund's investment objective, policy and strategy. The Board also considered whether an appropriate level of market risk has been taken.

Investment Objective

The sub-fund seeks to achieve growth for investors with the potential for some income flow over a rolling 3 year period.

Assessment of Value - S&W Saltus Growth Assets Fund (continued)

2. Performance (continued)

Benchmark

As ACD, 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 benchmark for the sub-fund is the UK CPI (Consumer Price Index) +1%, which is a comparator. 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 sub-fund has performed against its comparator benchmark over various timescales can be found below.

3 year Rolling Returns

| | Feb-21 | Mar-21 | Apr-21 | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| S&W Saltus Growth Assets I Class TR in GB | 13.34 | 14.34 | 14.75 | 12.89 | 13.61 | 11.95 | 13.86 | 12.94 | 20.55 | 20.66 | 24.53 | 18.95 |
| UK Consumer Price Index +1% TR in GB | 7.15 | 7.35 | 7.62 | 7.90 | 8.39 | 8.38 | 8.45 | 8.64 | 9.69 | 10.25 | 10.73 | 11.37 |

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 shown is representative of all share classes and calculated net of fees.

Past performance is not a guide to future performance.

What was the outcome of the assessment?

The sub-fund's most expensive share class (I class) gave positive capital growth on a 3 year rolling basis over the last 12 months data points while also outperforming the comparator benchmark. The C, S and X classes, all being less expensive than the I class, also outperformed the benchmark.

The minimum recommended holding period is up to 1 year.

Consideration was given to the risk metrics associated with the sub-fund which focused 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 sub-fund 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. ACD Costs

What was assessed in this section?

The Board reviewed each separate charge to ensure that they were reasonable and reflected the services provided. This included investment management fees, annual management charge ('AMC'), Depositary/Custodian 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 observed that Saltus operate a unique model that includes a portfolio management fee within the ongoing charges figure ('OCF'). This inflates the OCF and requires SWFAL to remove this notional fee so that each class can be compared on a like-for-like basis with other similarly run funds.

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

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 sub-fund to examine the effect on the sub-fund to potential and existing investors should it increase or decrease in value.

Assessment of Value - S&W Saltus Growth Assets Fund (continued)

4. Economies of Scale (continued)

What was the outcome of the assessment?

The sub-fund is part of an umbrella structure consisting of seven sub-funds where there exists a tiering structure on the ACD fee based on the aggregated amount under management, meaning there are savings that can be realised should this increase going forward.

The ancillary charges of the sub-fund represent 5 basis points^[1]. Some of these costs are fixed and as the sub-fund grows in size may result in a small reduction in the basis point cost of these services.

Were there any follow up actions?

There were no follow-up actions required.

5. Comparable Market Rates

What was assessed in this section?

The Board reviewed the OCF of the sub-fund, and how those charges affect the returns of the sub-fund.

As mentioned in section 3, for the purposes of comparing against an appropriate peer group, the notional portfolio management fee has been removed from the OCF of all classes. The OCFs were then compared against the 'market rate' of similar external funds.

What was the outcome of the assessment?

The OCF for the share classes were:

- 'C' share class, 1.57%^[2]
- 'I' share class, 1.74%^[2]
- 'S' share class, 1.34%^[2]
- 'X' share class, 1.17%^[2]

The OCF was found to have compared favourably with those of similar externally managed funds.

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 sub-fund's OCFs with those of other funds administered by SWFAL, having regard to size, investment objectives and policies.

What was the outcome of the assessment?

The OCFs of the X class was found to have compared favourably with those of similar externally managed funds.

The OCF of the C, I and S classes was found to have been more expensive than those of similar externally managed funds.

Were there any follow up actions?

There were no follow-up actions required as there was no single element within the OCF of the C, I and S classes that gave cause for concern.

7. Classes of Shares

What was assessed in this section?

The Board reviewed the sub-fund's set-up to ensure that where there are multiple share classes, shareholders are in the correct share class given the size of their holding.

What was the outcome of the assessment?

There are four share classes in the sub-fund. SWFAL can confirm that shareholders are in the correct share class.

^[1] One basis point is equal to 1/100th of 1%, or 0.01%.

^[2] Figure calculated at the interim reporting period, 31 August 2021.

Assessment of Value - S&W Saltus Growth Assets Fund (continued)

7. Classes of Shares (continued)

Were there any follow up actions?

There were no follow-up actions required.

Overall Assessment of Value

Notwithstanding the issue raised in section 6, the Board concluded that S&W Saltus Growth Assets Fund had provided value to shareholders.

Dean Buckley

Chairman of the Board of Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)

23 June 2022

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/>

Investors views are invaluable to the development and delivery of this report.

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 Depositary to the shareholders of S&W Saltus Onshore Portfolios

Depositary's responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Investment Funds sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Company's Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Depositary must ensure that:

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

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

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
30 June 2022

Independent Auditor's report to the shareholders of S&W Saltus Onshore Portfolios

Opinion

We have audited the financial statements of S&W Saltus Onshore Portfolios (the 'Company') for the year ended 28 February 2022 which comprise the Statements of Total Return, Statements of Change in Net Assets Attributable to Shareholders, Balance Sheets, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. 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 each of the sub-funds at 28 February 2022 and of the net revenue/expense and the net capital gains/losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

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 Company 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 Authorised Corporate Director'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 Company'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 Authorised Corporate Director 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 Authorised Corporate Director 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 Collective Investment Schemes sourcebook

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

- Proper accounting records for the Company 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 Authorised Corporate Director's report for the year is consistent with the financial statements.

Independent Auditor's report to the shareholders of S&W Saltus Onshore Portfolios (continued)

Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 5, the Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director is responsible for assessing the Company'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 Authorised Corporate Director either intends to liquidate the Company 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.

Extent to which the audit is 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds
- the Financial Conduct Authority's Collective Investment Schemes sourcebook
- the Financial Conduct Authority's Investment Funds sourcebook
- the Company's Prospectus

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Corporate Director. We corroborated these enquiries through our review of any relevant correspondence with regulatory bodies and the Company's breaches register.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

Independent Auditor's report to the shareholders of S&W Saltus Onshore Portfolios (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

Extent to which the audit is considered capable of detecting irregularities, including fraud (continued)

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director in its calculation of accounting estimates for potential management bias; and
- Assessing the Company's compliance with the key requirements of the Collective Investment Schemes sourcebook and its Prospectus.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that 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 intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the Company's shareholders, 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 the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders 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 Company and the Company's shareholders 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
30 June 2022

Accounting policies of S&W Saltus Onshore Portfolios

for the year ended 28 February 2022

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 and amended in June 2017.

The ACD has considered a detailed assessment of each sub-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 sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have 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 28 February 2022.

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 28 February 2022 with reference to quoted bid prices from reliable external sources.

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at the most recent published price prior to the close of business valuation on 28 February 2022.

Where an observable market price is unreliable or does not exist, investments are valued at the ACD'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 sub-fund is UK sterling which is taken to be the sub-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 of each sub-fund.

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.

Distributions from collective investment schemes are recognised as revenue on the date the securities are quoted ex-dividend. Equalisation on distributions from collective investment schemes is deducted from the cost of the investment and does not form part of the sub-fund's distribution.

Distributions from collective investment schemes which are re-invested on behalf of the sub-fund are recognised as revenue on the date the securities are quoted ex-dividend and form part of the sub-fund's distribution.

Distributions from reporting offshore funds are recognised as revenue when the reported distribution rate is available and forms part of the sub-fund's distribution.

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

Management fee rebates agreed in respect of holdings in other collective investment schemes are recognised on an accruals basis and are allocated to revenue or capital being determined by the allocation of the expense in the collective investment scheme held.

Accounting policies of S&W Saltus Onshore Portfolios (continued)

for the year ended 28 February 2022

e Expenses

In respect of all sub-funds, all expenses, other than those relating to the purchase and sale of investments, are charged to the relevant share class against revenue on an accruals basis and are then reallocated to capital, net of any tax effect.

Bank interest paid is charged to revenue.

f Allocation of revenue and expenses to multiple share classes

All revenue and expenses which are directly attributable to a particular share class are allocated to that class. All revenue and expenses which are attributable to the sub-fund are allocated to the sub-fund and are normally allocated across the share 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 28 February 2022 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 adjustment

A dilution adjustment is an adjustment to the share price which is determined by the ACD in accordance with the COLL sourcebook. The ACD may make a dilution adjustment to the price of a share (which means that the price of a share is above or below that which would have resulted from mid-market valuation) for the purposes of reducing dilution in the sub-fund (or to recover an amount which it has already paid or is reasonably expected to pay in the future) in relation to the issue or cancellation of shares. Please refer to the Prospectus for further information.

Accounting policies of S&W Saltus Onshore Portfolios (continued)

for the year ended 28 February 2022

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 shares are paid to shareholders. Distributions attributable to accumulation shares are re-invested in the relevant class on behalf of the shareholders.

ii Unclaimed distributions

Distributions to shareholders outstanding after 6 years are taken to the capital property of the sub-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 sub-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.

v Equalisation

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

S&W Saltus Multi Asset Class Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to grow capital in excess of inflation (UK Consumer Price Index ('CPI')) over a rolling 12-month period.

The sub-fund aims to achieve its objective with a volatility of returns of up to 1/3rd of the Investment Association UK All Companies sector volatility level, as measured over rolling 3-year periods.

Investors should note that their capital is at risk and that return and volatility goals are intended as targets with no guarantee that they will be achieved over any time period.

The investment policy is to create a widely diversified portfolio of investments across multiple asset classes, geographies, styles and strategies. This will be achieved mainly through investment in other collective investment schemes, which themselves invest in transferable securities, currencies, gold and cash.

The sub-fund may also invest in transferable securities, deposits, money market instruments, gold and cash.

In order to achieve the growth target, the Investment Manager may manage outside the expected volatility parameters.

Investment performance

Over the period the sub-fund delivered a total return of 3.66% (X accumulation shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022) compared to target benchmark return of 6.14% (UK CPI). Over a rolling 3-year period the sub-fund delivered a total return of 13.89% compared to target benchmark return of 8.94% (UK CPI). The sub-fund's volatility over a rolling 3-year period was 35.57% of the Investment Association UK All Companies sector.

Source: Bloomberg.

Investment activities

This reporting period was a very benign one, with the prospect of the reopening of developed market economies propelling most risk assets higher on a wave of earnings momentum and positive sentiment.

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

New positions were added in Lazard Global Investment Funds - Lazard Rathmore Alternative Fund and Vontobel Fund II - Vescore Active Beta Opportunities fund, to take advantage of the pick-up in volatility by adding to alternative and convertible arbitrage strategies. This was funded by a reduction in credit exposure with the sale of Artemis Strategic Bond Fund. In addition, we added TM Tellworth UK Select, as a market neutral exposure to the volatile UK equity market and Kepler Liquid Strategies ICAV - KLS Arete Macro Fund as a means of exploiting the dislocations and macro uncertainty in the Asian region.

Investment Manager's report (continued)

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|---|-----------|
| | £ |
| Purchases: | |
| Vontobel Fund II - Vescore Active Beta Opportunities | 2,518,110 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 2,005,590 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,863,400 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 1,631,320 |
| TM Tellworth UK Select | 1,000,000 |
| iShares Physical Gold ETC | 986,665 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 932,180 |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 932,180 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 932,180 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 758,260 |
| Invesco Bloomberg Commodity UCITS ETF | 745,983 |
| Fidelity Investment Funds ICVC - Index US Fund | 547,230 |
| TM Redwheel Global Equity Income Fund L Accumulation | 466,090 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 466,090 |
| Artemis UK Select Fund | 446,190 |
| Premier Miton European Opportunities Fund | 446,190 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 343,040 |
| | |
| | Proceeds |
| | £ |
| Sales: | |
| WisdomTree Physical Gold | 2,940,235 |
| Muzinich Funds - Global Tactical Credit Fund | 2,407,267 |
| Artemis Strategic Bond Fund | 2,192,111 |
| Trojan Investment Funds - Trojan Fund | 1,885,010 |
| Lazard Global Listed Infrastructure Equity Fund | 1,801,481 |
| BH Macro | 1,761,519 |
| UBS Irl Investor Selection - Currency Allocation Return Strategy | 1,536,533 |
| Legg Mason Global Funds - Legg Mason Western Asset Macro Opportunities Bond Fund GBP Accumulation | 1,340,343 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 980,670 |
| Fidelity Investment Funds ICVC - Index US Fund | 900,000 |
| Fidelity Investment Funds - Index Emerging Markets Fund | 830,962 |
| SPARX Japan Fund | 818,230 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 696,870 |
| MI Chelverton UK Equity Income Fund | 535,410 |
| Capital Gearing Portfolio Fund | 427,160 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 376,630 |
| Angel Oak Multi-Strategy Income UCITS Fund | 365,630 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 326,390 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 277,690 |
| Franklin Templeton Funds II - FTF ClearBridge Global Infrastructure Income Fund X Accumulation | 259,530 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------------|----------------------|--------------------------|
| Closed-Ended Funds 6.00% (8.02%) | | | |
| Closed-Ended Funds - incorporated in the United Kingdom 3.66% (2.73%) | | | |
| RIT Capital Partners | 64,197 | 1,588,876 | 3.66 |
| Closed-Ended Funds - incorporated outwith the United Kingdom 2.34% (5.29%) | | | |
| BH Macro | 27,000 | 1,015,200 | 2.34 |
| Total closed-end funds | | 2,604,076 | 6.00 |
| Collective Investment Schemes 89.51% (82.44%) | | | |
| UK Authorised Collective Investment Schemes 38.42% (34.96%) | | | |
| Allianz UK & European Investment Funds - | | | |
| Allianz Strategic Bond Fund I Accumulation | 1,814,055 | 2,280,811 | 5.26 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 1,905,176 | 1,973,952 | 4.55 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 1,481,537 | 1,593,689 | 3.67 |
| Artemis UK Select Fund | 55,640 | 423,539 | 0.97 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 43,739 | 409,833 | 0.94 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 151,623 | 446,834 | 1.03 |
| Fidelity Investment Funds ICVC - Index US Fund | 1,244,818 | 1,997,560 | 4.60 |
| Franklin Templeton Funds II - | | | |
| FTF ClearBridge Global Infrastructure Income Fund | 630,209 | 1,067,574 | 2.46 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,300,886 | 1,552,347 | 3.58 |
| MI Chelverton UK Equity Income Fund | 383,462 | 437,339 | 1.01 |
| Premier Miton European Opportunities Fund | 152,544 | 422,698 | 0.97 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 124,622 | 1,244,127 | 2.87 |
| TM Redwheel Global Equity Income Fund L Accumulation | 412,834 | 477,237 | 1.10 |
| TM Tellworth UK Select | 825,832 | 998,679 | 2.30 |
| Trojan Investment Funds - Trojan Fund | 428,514 | 1,349,047 | 3.11 |
| Total UK authorised collective investment schemes | | 16,675,266 | 38.42 |
| Offshore Collective Investment Schemes 51.09% (47.48%) | | | |
| Angel Oak Multi-Strategy Income UCITS Fund | 22,259 | 2,658,948 | 6.13 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 9,418 | 1,324,846 | 3.05 |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 87,120 | 954,831 | 2.20 |
| Capital Gearing Portfolio Fund | 17,939 | 3,347,286 | 7.71 |
| CG Portfolio Fund - Dollar Fund | 13,584 | 1,455,975 | 3.37 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 1,493,813 | 1,853,971 | 4.27 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 2,610,016 | 3,130,453 | 7.21 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 6,537 | 6,537 | 0.02 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified | | | |
| Strategy on the Bloomberg Commodity Index Total Return Portfolio | 73,781 | 936,372 | 2.16 |
| Invesco Bloomberg Commodity UCITS ETF | 39,550 | 708,934 | 1.63 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 18,495 | 348,283 | 0.80 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 7,660 | 878,105 | 2.02 |

Portfolio statement (continued)

as at 28 February 2022

| | Nominal value or holding | Market value £ | % of total net assets |
|---|--------------------------------|----------------------|--------------------------|
| Investment | | | |
| Offshore Collective Investment Schemes (continued) | | | |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 13,858 | 1,778,350 | 4.10 |
| SPARX Japan Fund | 4,143 | 600,218 | 1.38 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 20,590 | 2,188,533 | 5.04 |
| Total offshore collective investment schemes | | <u>22,171,642</u> | <u>51.09</u> |
| Total collective investment schemes | | <u>38,846,908</u> | <u>89.51</u> |
| Exchange Traded Commodities 2.41% (5.58%) | | | |
| iShares Physical Gold | | <u>1,044,359</u> | <u>2.41</u> |
| Portfolio of investments | | <u>42,495,343</u> | <u>97.92</u> |
| Other net assets | | 900,584 | 2.08 |
| Total net assets | | <u>43,395,927</u> | <u>100.00</u> |

All investments are listed on recognised stock exchanges or are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.



The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund. Investment trusts and closed ended funds may borrow to purchase additional investments. This can increase returns when stock markets rise but will magnify losses when markets fall. The value of an investment trust or a closed-ended fund moves in line with stock market demand and its unit/share price may be less than or more than the net value of the investments it holds.

The sub-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 sub-fund. The organisation from which the sub-fund buys a derivative may fail to carry out its obligations, which could also cause losses to the sub-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 sub-fund invests and significantly impact investment performance.

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

| | A Income | | A Accumulation | |
|--|------------------------|-----------|------------------------|-----------|
| | 2021 [^] p | 2020 p | 2021 [^] p | 2020 p |
| Change in net assets per share | | | | |
| Opening net asset value per share | 67.92 | 66.14 | 81.91 | 78.90 |
| Return before operating charges | 4.06 | 4.20 | 5.38 | 4.97 |
| Operating charges | (1.68) | (1.68) | (2.02) | (1.96) |
| Return after operating charges * | 2.38 | 2.52 | 3.36 | 3.01 |
| Distributions ^{^^} | - | (0.74) | - | (0.88) |
| Retained distributions on accumulation shares ^{^^} | - | - | - | 0.88 |
| Closing net asset value per share | 70.30 | 67.92 | 85.27 | 81.91 |
| | | | | |
| * after direct transaction costs of: | - | - | - | - |
| | | | | |
| Performance | | | | |
| Return after charges | 3.50% | 3.81% | 4.10% | 3.81% |
| | | | | |
| Other information | | | | |
| Closing net asset value (£) | - | 1,623,806 | - | 606,352 |
| Closing number of shares | - | 2,390,830 | - | 740,235 |
| Operating charges ^{^^^} | **2.45% | 2.39% | **2.45% | 2.39% |
| | | | | |
| Published prices | | | | |
| Highest share price (p) | 73.21 | 70.71 | 87.98 | 84.37 |
| Lowest share price (p) | 60.69 | 66.12 | 73.10 | 78.87 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

On 26 February 2021 A Income and A Accumulation share types closed and all holdings converted to I Income and I Accumulation share types.

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

Comparative table (continued)

| | X Income | | | X Accumulation | | |
|---|------------|-----------|-----------|----------------|-----------|-----------|
| | 2022 p | 2021 p | 2020 p | 2022 p | 2021 p | 2020 p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 75.43 | 73.27 | 70.66 | 92.08 | 88.18 | 84.13 |
| Return before operating charges | 3.92 | 4.24 | 4.36 | 4.73 | 5.11 | 5.18 |
| Operating charges | (1.05) | (1.00) | (0.95) | (1.28) | (1.21) | (1.13) |
| Return after operating charges* | 2.87 | 3.24 | 3.41 | 3.45 | 3.90 | 4.05 |
| Distributions [^] | (0.94) | (1.08) | (0.80) | (1.15) | (1.29) | (0.95) |
| Retained distributions on accumulation shares [^] | - | - | - | 1.15 | 1.29 | 0.95 |
| Closing net asset value per share | 77.36 | 75.43 | 73.27 | 95.53 | 92.08 | 88.18 |
| * after direct transaction costs of: | 0.01 | - | - | 0.01 | - | - |
| Performance | | | | | | |
| Return after charges | 3.80% | 4.42% | 4.83% | 3.75% | 4.42% | 4.81% |
| Other information | | | | | | |
| Closing net asset value (£) | 22,711,340 | 2,462,213 | 5,447,789 | 1,184,200 | 1,366,550 | 1,507,532 |
| Closing number of shares | 29,359,422 | 3,264,276 | 7,435,183 | 1,239,606 | 1,484,155 | 1,709,550 |
| Operating charges ^{^^} | 1.33% | 1.35% | 1.29% | 1.33% | 1.35% | 1.29% |
| Direct transaction costs | 0.01% | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% |
| Published prices | | | | | | |
| Highest share price (p) | 81.34 | 78.72 | 76.33 | 99.29 | 94.75 | 90.88 |
| Lowest share price (p) | 75.51 | 65.58 | 70.66 | 92.18 | 78.83 | 84.12 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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Comparative table (continued)

I Accumulation shares launched on 26 February 2021 at 100.0p per share.

| | I Income | | | I Accumulation | |
|---|------------|------------|------------|----------------|-------------------|
| | 2022 | 2021 | 2020 | 2022 | 2021 [^] |
| | p | p | p | p | p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 72.96 | 71.18 | 68.98 | 99.91 | 100.00 |
| Return before operating charges | 3.86 | 4.23 | 4.34 | 5.27 | (0.09) |
| Operating charges | (1.47) | (1.41) | (1.36) | (2.01) | - |
| Return after operating charges * | 2.39 | 2.82 | 2.98 | 3.26 | (0.09) |
| Distributions ^{^^} | (0.91) | (1.04) | (0.78) | (1.24) | - |
| Retained distributions on accumulation shares ^{^^} | - | - | - | 1.24 | - |
| Closing net asset value per share | 74.44 | 72.96 | 71.18 | 103.17 | 99.91 |
| | | | | | |
| * after direct transaction costs of: | 0.01 | - | - | 0.01 | - |
| | | | | | |
| Performance | | | | | |
| Return after charges | 3.28% | 3.96% | 4.32% | 3.26% | (0.09%) |
| | | | | | |
| Other information | | | | | |
| Closing net asset value (£) | 17,123,263 | 19,201,483 | 14,833,962 | 445,983 | 544,332 |
| Closing number of shares | 23,003,925 | 26,318,025 | 20,841,338 | 432,287 | 544,812 |
| Operating charges ^{^^^} | 1.93% | 1.95% | 1.89% | 1.93% | **1.95% |
| Direct transaction costs | 0.01% | 0.00% | 0.00% | 0.01% | 0.00% |
| | | | | | |
| Published prices | | | | | |
| Highest share price (p) | 78.36 | 76.17 | 74.13 | 107.3 | 100.0 |
| Lowest share price (p) | 73.02 | 63.66 | 68.97 | 100.0 | 99.91 |

[^] For the period 26 February 2021 to 28 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

**Annualised based on the expenses incurred during the period 26 February 2021 to 28 February 2021.

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

Comparative table (continued)

| | Q Income | | S Income | | |
|--------------------------------------|------------------------|------------|-------------------------|------------|-----------|
| | 2021 [^] p | 2020 p | 2022 ^{^^} p | 2021 p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 68.36 | 66.48 | 70.97 | 69.06 | 66.71 |
| Return before operating charges | 4.18 | 4.17 | (0.75) | 4.01 | 4.13 |
| Operating charges | (1.58) | (1.54) | (0.87) | (1.09) | (1.03) |
| Return after operating charges * | 2.60 | 2.63 | (1.62) | 2.92 | 3.10 |
| Distributions ^{^^^} | - | (0.75) | - | (1.01) | (0.75) |
| Closing net asset value per share | 70.96 | 68.36 | 69.35 | 70.97 | 69.06 |
| * after direct transaction costs of: | - | - | 0.01 | - | - |
| Performance | | | | | |
| Return after charges | 3.80% | 3.96% | (2.28%) | 4.23% | 4.65% |
| Other information | | | | | |
| Closing net asset value (£) | - | 26,558,892 | - | 23,312,352 | 780,498 |
| Closing number of shares | - | 38,849,829 | - | 32,848,685 | 1,130,240 |
| Operating charges ^{^^^^} | **2.30% | 2.24% | ***1.53% | 1.55% | 1.49% |
| Direct transaction costs | 0.00% | 0.00% | 0.01% | 0.00% | 0.00% |
| Published prices | | | | | |
| Highest share price (p) | 72.95 | 71.20 | 78.17 | 74.08 | 71.94 |
| Lowest share price (p) | 61.12 | 66.46 | 69.37 | 61.80 | 66.70 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} For the period 1 March 2021 to 2 December 2021.

^{^^^} Rounded to 2 decimal places.

^{^^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

*** Annualised based on the expenses incurred during the period 1 March 2021 to 2 December 2021.

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

Comparative table (continued)

C Accumulation

| | 2022 | 2021 | 2020 |
|---|-----------|-----------|-----------|
| | p | p | p |
| Change in net assets per share | | | |
| Opening net asset value per share | 86.19 | 82.81 | 79.26 |
| Return before operating charges | 4.50 | 4.84 | 4.94 |
| Operating charges | (1.56) | (1.46) | (1.39) |
| Return after operating charges * | 2.94 | 3.38 | 3.55 |
| Distributions [^] | (1.07) | (1.21) | (0.89) |
| Retained distributions on accumulation shares [^] | 1.07 | 1.21 | 0.89 |
| Closing net asset value per share | 89.13 | 86.19 | 82.81 |
| | | | |
| * after direct transaction costs of: | 0.01 | - | - |
| | | | |
| Performance | | | |
| Return after charges | 3.41% | 4.08% | 4.48% |
| | | | |
| Other information | | | |
| Closing net asset value (£) | 1,931,141 | 2,033,820 | 5,857,844 |
| Closing number of shares | 2,166,551 | 2,359,773 | 7,073,945 |
| Operating charges ^{^^} | 1.73% | 1.75% | 1.69% |
| Direct transaction costs | 0.01% | 0.00% | 0.00% |
| | | | |
| Published prices | | | |
| Highest share price (p) | 92.69 | 88.72 | 85.33 |
| Lowest share price (p) | 86.28 | 73.99 | 79.24 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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

Financial statements - S&W Saltus Multi Asset Class Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains | 2 | | 1,604,379 | | 1,734,667 |
| Revenue | 3 | 656,897 | | 913,426 | |
| Expenses | 4 | <u>(416,420)</u> | | <u>(647,033)</u> | |
| Net revenue before taxation | | 240,477 | | 266,393 | |
| Taxation | 5 | <u>-</u> | | <u>-</u> | |
| Net revenue after taxation | | | <u>240,477</u> | | <u>266,393</u> |
| Total return before distributions | | | 1,844,856 | | 2,001,060 |
| Distributions | 6 | | (570,371) | | (759,708) |
| Change in net assets attributable to shareholders from investment activities | | | <u>1,274,485</u> | | <u>1,241,352</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | | 2022 | | 2021 | |
|---|--|---------------------|-------------------|---------------------|-------------------|
| | | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | | 48,920,750 | | 57,216,675 |
| Amounts receivable on issue of shares | | 6,215,692 | | 7,169,377 | |
| Amounts payable on cancellation of shares | | <u>(13,057,709)</u> | | <u>(16,754,507)</u> | |
| | | | (6,842,017) | | (9,585,130) |
| Change in net assets attributable to shareholders from investment activities | | | 1,274,485 | | 1,241,352 |
| Retained distributions on accumulation shares | | | 42,709 | | 47,853 |
| Closing net assets attributable to shareholders | | | <u>43,395,927</u> | | <u>48,920,750</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|-------------------|--------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 42,495,343 | 46,982,192 |
| Current assets: | | | |
| Debtors | 7 | 38,849 | 110,189 |
| Cash and cash equivalents | 8 | 1,453,493 | 2,926,365 |
| Total assets | | <u>43,987,685</u> | <u>50,018,746</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (484,101) | (642,082) |
| Other creditors | 9 | (107,657) | (455,914) |
| Total liabilities | | <u>(591,758)</u> | <u>(1,097,996)</u> |
| Net assets attributable to shareholders | | <u>43,395,927</u> | <u>48,920,750</u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

| | | |
|---|------------------|------------------|
| 2. Net capital gains | 2022 | 2021 |
| | £ | £ |
| Non-derivative securities - realised gains | 3,573,905 | 1,238,275 |
| Non-derivative securities - movement in unrealised (losses) / gains | (1,975,003) | 498,942 |
| Currency gains | 8,868 | 1,100 |
| Transaction charges | (3,391) | (3,650) |
| Total net capital gains | <u>1,604,379</u> | <u>1,734,667</u> |
| 3. Revenue | 2022 | 2021 |
| | £ | £ |
| UK revenue | 155,003 | 101,174 |
| Unfranked revenue | 131,844 | 123,150 |
| Overseas revenue | 369,990 | 685,863 |
| Bank and deposit interest | 60 | 527 |
| Rebates from collective investment schemes | - | 2,712 |
| Total revenue | <u>656,897</u> | <u>913,426</u> |
| 4. Expenses | 2022 | 2021 |
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 40,295 | 52,314 |
| Investment Manager's fees | 348,733 | 564,975 |
| | <u>389,028</u> | <u>617,289</u> |
| Payable to the Depositary | | |
| Depositary fees | 16,002 | 17,399 |
| Other expenses: | | |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 1,204 | 625 |
| Safe custody fees | 1,444 | 1,521 |
| FCA fee | 684 | 833 |
| KIID production fee | 2,094 | 3,426 |
| | <u>11,390</u> | <u>12,345</u> |
| Total expenses | <u>416,420</u> | <u>647,033</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| X Accumulation | 0.48% |
| I Income | 1.08% |
| I Accumulation | 1.08% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| 5. Taxation | 2022 | 2021 |
|---|----------------|-----------------|
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| Total taxation (note 5b) | <u>-</u> | <u>-</u> |
| <i>b. Factors affecting the tax charge for the year</i> | | |
| The tax assessed for the year is lower (2021: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below: | | |
| | 2022 | 2021 |
| | £ | £ |
| Net revenue before taxation | <u>240,477</u> | <u>266,393</u> |
| Corporation tax @ 20% | 48,095 | 53,279 |
| Effects of: | | |
| UK revenue | (31,001) | (20,235) |
| Overseas revenue | (14,005) | (8,777) |
| Utilisation of excess management expenses | <u>(3,089)</u> | <u>(24,267)</u> |
| Total taxation (note 5a) | <u>-</u> | <u>-</u> |

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 £309,193 (2021: £312,282).

6. Distributions

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

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Final income distribution | 484,101 | 642,082 |
| Final accumulation distribution | <u>42,709</u> | <u>47,853</u> |
| | 526,810 | 689,935 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 62,093 | 107,112 |
| Amounts added on issue of shares | (18,397) | (45,676) |
| Net equalisation on conversions | <u>(135)</u> | <u>8,337</u> |
| Total net distributions | <u>570,371</u> | <u>759,708</u> |
| Reconciliation between net revenue and distributions: | | |
| Net revenue after taxation per Statement of total return | 240,477 | 266,393 |
| Undistributed revenue brought forward | 212 | 167 |
| Expenses paid from capital | 416,420 | 647,033 |
| Marginal tax relief | (86,374) | (153,673) |
| Undistributed revenue carried forward | <u>(364)</u> | <u>(212)</u> |
| Distributions | <u>570,371</u> | <u>759,708</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | 6,660 | 72,788 |
| Accrued revenue | 19,729 | 23,587 |
| Prepaid expenses | 57 | 68 |
| Recoverable income tax | 12,403 | 13,746 |
| Total debtors | <u>38,849</u> | <u>110,189</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>1,453,493</u> | <u>2,926,365</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | <u>74,177</u> | <u>410,390</u> |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 2,397 | 3,935 |
| Investment Manager's fees | 22,473 | 32,902 |
| | <u>24,870</u> | <u>36,837</u> |
| Other expenses: | | |
| Depositary fees | 1,123 | 1,381 |
| Safe custody fees | 222 | 246 |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 381 | 571 |
| Transaction charges | 141 | 39 |
| | <u>8,610</u> | <u>8,687</u> |
| Total accrued expenses | <u>33,480</u> | <u>45,524</u> |
| Total other creditors | <u>107,657</u> | <u>455,914</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in the year:

| | |
|------------------------------------|-------------------|
| | X Income |
| Opening shares in issue | 3,264,276 |
| Total shares issued in the year | 242,060 |
| Total shares cancelled in the year | (3,477,412) |
| Total shares converted in the year | 29,330,498 |
| Closing shares in issue | <u>29,359,422</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share types (continued)

| | |
|------------------------------------|---------------------|
| | X Accumulation |
| Opening shares in issue | 1,484,155 |
| Total shares issued in the year | 18,374 |
| Total shares cancelled in the year | <u>(262,923)</u> |
| Closing shares in issue | <u>1,239,606</u> |
| | I Income |
| Opening shares in issue | 26,318,025 |
| Total shares issued in the year | 3,138,548 |
| Total shares cancelled in the year | <u>(6,268,605)</u> |
| Total shares converted in the year | <u>(184,043)</u> |
| Closing shares in issue | <u>23,003,925</u> |
| | I Accumulation |
| Opening shares in issue | 544,812 |
| Total shares issued in the year | 3,259 |
| Total shares cancelled in the year | <u>(115,784)</u> |
| Closing shares in issue | <u>432,287</u> |
| | S Income |
| Opening shares in issue | 32,848,685 |
| Total shares issued in the year | 4,538,355 |
| Total shares cancelled in the year | <u>(6,364,522)</u> |
| Total shares converted in the year | <u>(31,022,518)</u> |
| Closing shares in issue | <u>-</u> |
| | C Accumulation |
| Opening shares in issue | 2,359,773 |
| Total shares issued in the year | 449,294 |
| Total shares cancelled in the year | <u>(642,516)</u> |
| Closing shares in issue | <u>2,166,551</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

Notes to the financial statements (continued)

for the year ended 28 February 2022

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per X Income share has decreased from 77.36p to 75.92p, X Accumulation share has decreased from 99.53p to 93.76p, I Income share has decreased from 74.44p to 72.91p, C Accumulation share has decreased from 89.13p to 87.37p and I Accumulation share has decreased from 103.2p to 101.1p as at 27 June 2022. 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 |
|--------------------------------|------------------------------------|--|------------|-------|-------|---|-----------------------------------|
| | £ | | £ | % | £ | % | £ |
| 2022 | | | | | | | |
| Collective Investment Schemes | 16,033,660 | | 373 | 0.00% | - | - | 16,034,033 |
| Exchange Traded Commodities | 986,172 | | 493 | 0.05% | - | - | 986,665 |
| Total | 17,019,832 | | 866 | 0.05% | - | - | 17,020,698 |
| | | | | | | | |
| | Purchases before transaction costs | | Commission | | Taxes | | Purchases after transaction costs |
| | £ | | £ | % | £ | % | £ |
| 2021 | | | | | | | |
| Collective Investment Schemes* | 8,750,000 | | - | - | - | - | 8,750,000 |
| Total | 8,750,000 | | - | - | - | - | 8,750,000 |

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 28 February 2022

14. Transaction costs (continued)

a Direct transaction costs (continued)

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|-------------------------------|--------------------------------|--|------------|-------|-------|-------|-------------------------------|
| | £ | | £ | % | £ | % | £ |
| 2022 | | | | | | | |
| Equities | 1,762,400 | | (881) | 0.05% | (1) | 0.00% | 1,761,518 |
| Collective Investment Schemes | 18,795,846 | | (111) | 0.00% | - | - | 18,795,735 |
| Exchange Traded Commodities | 2,941,706 | | (1,471) | 0.05% | - | - | 2,940,235 |
| Total | 23,499,952 | | (2,463) | 0.10% | (1) | 0.00% | 23,497,488 |

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|--------------------------------|--------------------------------|---|------------|-------|-------|-------|-------------------------------|
| | £ | % | £ | % | £ | % | £ |
| 2021 | | | | | | | |
| Equities | 970,057 | | (485) | 0.05% | (2) | 0.00% | 969,570 |
| Collective Investment Schemes* | 15,036,530 | | - | - | - | - | 15,036,530 |
| Total | 16,006,587 | | (485) | 0.05% | (2) | 0.00% | 16,006,100 |

* No direct transaction costs were incurred in these transactions.

Summary of direct transaction costs

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

| 2022 | £ | % of average net asset value |
|------------|-------|------------------------------|
| Commission | 3,329 | 0.01% |
| Taxes | 1 | 0.00% |

| 2021 | £ | % of average net asset value |
|------------|-----|------------------------------|
| Commission | 485 | 0.00% |
| Taxes | 2 | 0.00% |

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 0.03% (2021: 0.18%).

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are closed-ended funds, exchange traded commodities and collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £2,124,767 (2021: £2,349,110).

(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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| 2022 | £ | £ | £ |
| US dollar | 70,734 | - | 70,734 |
| Total foreign currency exposure | 70,734 | - | 70,734 |

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

a Market risk (continued)

(ii) Currency risk (continued)

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| 2021 | £ | £ | £ |
| US dollar | 2,796,605 | - | 2,796,605 |
| Total foreign currency exposure | <u>2,796,605</u> | <u>-</u> | <u>2,796,605</u> |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £3,537 (2021: £139,830).

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund's also has indirect exposure to interest rate risk as it invests in bond funds.

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 sub-fund.

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

| Basis of valuation | Investment assets | Investment liabilities |
|------------------------|-------------------|------------------------|
| | 2022 | 2022 |
| | £ | £ |
| Quoted prices | 4,357,369 | - |
| Observable market data | 38,137,974 | - |
| Unobservable data | - | - |
| | <u>42,495,343</u> | <u>-</u> |
| | | |
| Basis of valuation | Investment assets | Investment liabilities |
| | 2021 | 2021 |
| | £ | £ |
| Quoted prices | 6,654,259 | - |
| Observable market data | 40,327,933 | - |
| Unobservable data | - | - |
| | <u>46,982,192</u> | <u>-</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 0.939 | - | 0.939 | 1.075 |
| 30.04.22 | group 2 | final | 0.489 | 0.450 | 0.939 | 1.075 |

Distribution on X Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.146 | - | 1.146 | 1.294 |
| 30.04.22 | group 2 | final | 0.812 | 0.334 | 1.146 | 1.294 |

Distribution on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 0.906 | - | 0.906 | 1.042 |
| 30.04.22 | group 2 | final | 0.641 | 0.265 | 0.906 | 1.042 |

Distribution on I Accumulation in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior period |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|---------------------------|
| 30.04.22 | group 1 | final | 1.241 | - | 1.241 | - |
| 30.04.22 | group 2 | final | 0.661 | 0.580 | 1.241 | - |

Equalisation

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

Accumulation distributions

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

Final distributions:

- Group 1 Shares purchased before 1 March 2021
- Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)*for the year ended 28 February 2022***Distribution on S Income in pence per share**

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | - | - | - | 1.013 |
| 30.04.22 | group 2 | final | - | - | - | 1.013 |

Distribution on C Accumulation shares in pence per share

| Allocation date | Share | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|---------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.068 | - | 1.068 | 1.214 |
| 30.04.22 | group 2 | final | 0.830 | 0.238 | 1.068 | 1.214 |

Equalisation

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

Accumulation distributions

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

Final distributions:

- Group 1 Shares purchased before 1 March 2021
 Group 2 Shares purchased 1 March 2021 to 28 February 2022

S&W Saltus Wealth Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to generate a return which is the higher of cash (measured by the Bank of England ('BoE') base rate) and inflation (as measured by UK Consumer Price Index ('CPI')).

The sub-fund aims to achieve its objective with a target volatility of no more than 2/3rd of the Investment Association UK All Companies sector volatility over a rolling 3-year period irrespective of market conditions.

Investors should note that their capital is at risk and that return and volatility goals are intended as target with no guarantee that they will be achieved over any time period.

The investment policy is to create a widely diversified portfolio of investments across multiple asset classes, geographies, styles and strategies. This will be achieved mainly through investment in other regulated collective investment schemes which themselves invest in transferable securities, currencies, gold and cash.

The sub-fund may also invest in transferable securities and money market instruments.

Derivatives may only be used for the purpose of Efficient Portfolio Management.

In order to achieve the growth target, the Investment Manager may manage outside the expected volatility parameters.

Investment performance

Over the period the sub-fund delivered a total return of 3.21% (X accumulation shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022) compared to target benchmarks return of 6.14% (UK CPI) and 0.16% (BoE base rate). Over a rolling 3-year period the sub-fund delivered a total return of 20.34% compared to target benchmark returns of 8.94% (UK CPI) and 1.07% (BoE base rate). The sub-fund's volatility over a rolling 3-year period was 52.82% of the Investment Association UK All Companies sector.

Source: Bloomberg.

Investment activities

This reporting period was a very benign one, with the prospect of the reopening of developed market economies propelling most risk assets higher on a wave of earnings momentum and positive sentiment.

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

Investment Manager's report

Investment activities (continued)

The principal activities included a broadening out in equity factor exposures, adding in more of the value factor to balance the existing growth factors the sub-fund already had and then also a broadening out of exposure to inflation linked alternative strategies. The introduction of T Rowe Price Funds OEIC - US Large Cap Value Equity Fund and Nomura Funds Ireland - Japan Strategic Value Fund are the best examples of this, funded from reductions in SPARX Japan Fund and T Rowe Price Funds OEIC - Global Focused Growth Equity Fund. New positions were added in Lazard Global Investment Funds - Lazard Rathmore Alternative Fund and Vontobel Fund II - Vescore Active Beta Opportunities, to take advantage of the pick-up in volatility by adding to alternative and convertible arbitrage strategies. UBS Irl Investor Selection - Currency Allocation Return Strategy fund was exited to help fund direct exposures to commodities via Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio.

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP
28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|--|-----------|
| | £ |
| Purchases: | |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 2,600,000 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 2,500,000 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 2,018,026 |
| Premier Miton European Opportunities Fund | 1,790,940 |
| Artemis UK Select Fund | 1,700,000 |
| TM Redwheel Global Equity Income Fund L Accumulation | 1,700,000 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,700,000 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 1,533,800 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 1,466,340 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 1,466,340 |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 1,466,340 |
| Nomura Funds Ireland - Japan Strategic Value Fund | 1,300,000 |
| Fidelity MSCI Japan Index Fund | 1,300,000 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Accumulation | 1,022,530 |
| iShares MSCI World GBP Hedged UCITS ETF Acc | 1,010,769 |
| Invesco Bloomberg Commodity UCITS ETF | 1,009,738 |
| Harrington Cooper UCITS Funds ICAV - HC Snyder US All Cap Equity Fund | 950,700 |
| CG Portfolio Fund - Dollar Fund | 664,650 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 570,420 |
| iShares Physical Gold ETC | 155,604 |
| | |
| | Proceeds |
| | £ |
| Sales: | |
| SPARX Japan Fund | 2,506,630 |
| MI Chelverton UK Equity Income Fund | 2,436,230 |
| WisdomTree Physical Gold | 1,984,170 |
| LF Lindsell Train UK Equity Fund | 1,934,629 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 1,870,250 |
| Legg Mason Global Funds - | |
| Legg Mason Western Asset Macro Opportunities Bond Fund GBP Accumulation | 1,656,920 |
| Fidelity Investment Funds ICVC - Index US Fund | 1,572,810 |
| KLS CDAM Global Opportunities Fund | 1,457,579 |
| UBS Irl Investor Selection - Currency Allocation Return Strategy | 1,446,938 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 1,400,280 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 1,311,710 |
| Fidelity MSCI Japan Index Fund | 1,254,768 |
| Lazard Global Listed Infrastructure Equity Fund | 1,235,683 |
| Artemis UK Select Fund | 1,191,870 |
| Muzinich Funds - Global Tactical Credit Fund | 1,173,441 |
| Artemis Strategic Bond Fund | 980,319 |
| Fidelity Investment Funds - Index Emerging Markets Fund | 903,841 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 802,770 |
| M&G Investment Funds 4 - Global Macro Bond Fund | 773,339 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 451,280 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------|-------------------|-----------------------|
| Closed-Ended Funds 4.09% (3.66%) | | | |
| Closed-Ended Funds - incorporated outwith the United Kingdom 4.09% (3.66%) | | | |
| BH Macro | 49,371 | 1,856,350 | 4.09 |
| Speymill Deutsche Immobilien* | 400,000 | - | - |
| Total closed-end funds | | <u>1,856,350</u> | <u>4.09</u> |
| Collective Investment Schemes 93.20% (86.14%) | | | |
| UK Authorised Collective Investment Schemes 42.08% (43.94%) | | | |
| Allianz UK & European Investment Funds - | | | |
| Allianz Strategic Bond Fund I Accumulation | 763,196 | 959,566 | 2.11 |
| ARC Time:Funds II - ARC TIME Commercial Long Income PAIF | 515,378 | 533,983 | 1.18 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 519,887 | 559,242 | 1.23 |
| Artemis UK Select Fund | 64,668 | 492,263 | 1.09 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 67,963 | 636,814 | 1.40 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 558,326 | 1,645,388 | 3.63 |
| Fidelity Investment Funds ICVC - Index US Fund | 3,077,998 | 4,939,264 | 10.89 |
| Liontrust UK Smaller Companies Fund | 20,249 | 413,298 | 0.91 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,289,637 | 1,538,924 | 3.39 |
| MI Chelverton UK Equity Income Fund | 808,912 | 922,564 | 2.03 |
| Premier Miton European Opportunities Fund | 445,519 | 1,234,534 | 2.72 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 218,963 | 2,185,954 | 4.82 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 101,489 | 1,397,995 | 3.08 |
| TM Redwheel Global Equity Income Fund L Accumulation | 1,414,176 | 1,634,788 | 3.60 |
| Total UK authorised collective investment schemes | | <u>19,094,577</u> | <u>42.08</u> |
| Offshore Collective Investment Schemes 51.12% (42.20%) | | | |
| Angel Oak Multi-Strategy Income UCITS Fund | 9,833 | 1,174,533 | 2.59 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 4,551 | 640,210 | 1.41 |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 128,835 | 1,412,030 | 3.11 |
| Capital Gearing Portfolio Fund | 8,096 | 1,510,633 | 3.33 |
| CG Portfolio Fund - Dollar Fund | 6,000 | 643,051 | 1.42 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 749,049 | 929,645 | 2.05 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 1,136,482 | 1,363,096 | 3.00 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 114 | 114 | 0.00 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified | | | |
| Strategy on the Bloomberg Commodity Index Total Return Portfolio | 130,663 | 1,658,271 | 3.66 |
| Granahan US Smid Select Fund | 5,126 | 956,048 | 2.11 |
| Harrington Cooper Ucits Funds ICAV - HC Snyder US All Cap Equity Fund | 9,372 | 978,722 | 2.16 |
| Invesco Bloomberg Commodity UCITS ETF | 60,048 | 1,076,360 | 2.37 |
| iShares MSCI World GBP Hedged UCITS ETF Acc | 11,754 | 898,593 | 1.98 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 20,086 | 2,016,634 | 4.45 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 54,779 | 1,031,557 | 2.27 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 12,012 | 1,376,967 | 3.03 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 13,641 | 1,750,516 | 3.86 |

* Trading in Speymill Deutsche Immobilien has been suspended and the security is included in the portfolio of investments with no value.

Portfolio statement (continued)

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------------|----------------------|--------------------------|
| Offshore Collective Investment Schemes (continued) | | | |
| Nomura Funds Ireland Public Limited Company - Japan Strategic Value Fund | 11,761 | 1,153,469 | 2.54 |
| SPARX Japan Fund | 8,115 | 1,175,524 | 2.59 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 13,627 | 1,448,362 | 3.19 |
| Total offshore collective investment schemes | | <u>23,194,335</u> | <u>51.12</u> |
| Total collective investment schemes | | <u>42,288,912</u> | <u>93.20</u> |
| Exchange Traded Commodities 0.37% (3.81%) | | | |
| iShares Physical Gold ETC | 6,013 | <u>166,139</u> | <u>0.37</u> |
| Portfolio of investments | | 44,311,401 | 97.66 |
| Other net assets | | 1,062,684 | 2.34 |
| Total net assets | | <u>45,374,085</u> | <u>100.00</u> |

All investments are listed on recognised stock exchanges or are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund.

The sub-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 sub-fund. The organisation from which the sub-fund buys a derivative may fail to carry out its obligations, which could also cause losses to the sub-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 sub-fund invests and significantly impact investment performance.

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

| | A Income | | A Accumulation | |
|--|------------------------|-----------|------------------------|-----------|
| | 2021 [^] p | 2020 p | 2021 [^] p | 2020 p |
| Change in net assets per share | | | | |
| Opening net asset value per share | 119.29 | 117.42 | 136.72 | 132.93 |
| Return before operating charges | 14.99 | 6.36 | 17.43 | 7.24 |
| Operating charges | (2.87) | (3.14) | (3.30) | (3.45) |
| Return after operating charges * | 12.12 | 3.22 | 14.13 | 3.79 |
| Distributions ^{^^} | - | (1.35) | - | (1.54) |
| Retained distributions on accumulation shares ^{^^} | - | - | - | 1.54 |
| Closing net asset value per share | 131.41 | 119.29 | 150.85 | 136.72 |
| * after direct transaction costs of: | - | - | - | - |
| Performance | | | | |
| Return after charges | 10.16% | 2.74% | 10.33% | 2.85% |
| Other information | | | | |
| Closing net asset value (£) | - | 354,580 | - | 192,341 |
| Closing number of shares | - | 297,253 | - | 140,687 |
| Operating charges ^{^^^} | **2.39% | 2.49% | **2.39% | 2.49% |
| Direct transaction costs | - | - | - | - |
| Published prices | | | | |
| Highest share price (p) | 135.9 | 128.0 | 156.0 | 145.2 |
| Lowest share price (p) | 101.7 | 117.1 | 116.6 | 132.7 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

| | X Income | | | X Accumulation | | |
|---|------------|-----------|-----------|----------------|-----------|-----------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | p | p | p | p | p | p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 142.85 | 129.39 | 125.99 | 164.98 | 148.01 | 142.51 |
| Return before operating charges | 6.42 | 16.51 | 6.72 | 7.47 | 18.92 | 7.58 |
| Operating charges | (1.83) | (1.69) | (1.85) | (2.12) | (1.95) | (2.08) |
| Return after operating charges* | 4.59 | 14.82 | 4.87 | 5.35 | 16.97 | 5.50 |
| Distributions [^] | (1.49) | (1.36) | (1.47) | (1.73) | (1.56) | (1.66) |
| Retained distributions on accumulation shares [^] | - | - | - | 1.73 | 1.56 | 1.66 |
| Closing net asset value per share | 145.95 | 142.85 | 129.39 | 170.33 | 164.98 | 148.01 |
| | | | | | | |
| * after direct transaction costs of: | 0.01 | - | - | 0.01 | - | - |
| | | | | | | |
| Performance | | | | | | |
| Return after charges | 3.21% | 11.45% | 3.87% | 3.24% | 11.47% | 3.86% |
| | | | | | | |
| Other information | | | | | | |
| Closing net asset value (£) | 23,167,317 | 1,327,459 | 3,427,487 | 1,225,004 | 1,254,422 | 1,713,696 |
| Closing number of shares | 15,873,423 | 929,289 | 2,649,010 | 719,178 | 760,353 | 1,157,844 |
| Operating charges ^{^^} | 1.22% | 1.29% | 1.39% | 1.22% | 1.29% | 1.39% |
| Direct transaction costs | 0.01% | - | - | 0.01% | - | - |
| | | | | | | |
| Published prices | | | | | | |
| Highest share price (p) | 156.8 | 149.1 | 139.1 | 181.1 | 170.6 | 157.4 |
| Lowest share price (p) | 142.1 | 110.7 | 125.8 | 164.2 | 126.4 | 142.3 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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

Comparative table (continued)

I Accumulation shares launched on 26 February 2021 at 100.0p per share.

| | I Income | | | I Accumulation | |
|--|------------|------------|-----------|----------------|------------------------|
| | 2022 p | 2021 p | 2020 p | 2022 p | 2021 [^] p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 137.45 | 125.16 | 122.50 | 99.93 | 100.00 |
| Return before operating charges | 6.29 | 16.06 | 6.65 | 4.59 | (0.07) |
| Operating charges | (2.62) | (2.45) | (2.56) | (1.91) | - |
| Return after operating charges * | 3.67 | 13.61 | 4.09 | 2.68 | (0.07) |
| Distributions ^{^^} | (1.43) | (1.32) | (1.43) | (1.04) | - |
| Retained distributions on accumulation shares ^{^^} | - | - | - | 1.04 | - |
| Closing net asset value per share | 139.69 | 137.45 | 125.16 | 102.61 | 99.93 |
| * after direct transaction costs of: | 0.01 | - | - | 0.01 | - |
| Performance | | | | | |
| Return after charges | 2.67% | 10.87% | 3.34% | 2.68% | - |
| Other information | | | | | |
| Closing net asset value (£) | 18,999,431 | 19,502,073 | 6,990,487 | 276,661 | 141,619 |
| Closing number of shares | 13,601,353 | 14,188,980 | 5,585,097 | 269,632 | 141,725 |
| Operating charges ^{^^^} | 1.82% | 1.89% | 1.99% | 1.82% | **1.89% |
| Direct transaction costs | 0.01% | - | - | 0.01% | - |
| Published prices | | | | | |
| Highest share price (p) | 150.2 | 143.5 | 134.6 | 109.3 | 100.0 |
| Lowest share price (p) | 136.8 | 107.0 | 122.3 | 99.42 | 99.93 |

[^] For the period 26 February 2021 to 28 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 26 February 2021 to 28 February 2021.

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

Comparative table (continued)

| | Q Income | | S Income | | |
|--------------------------------------|------------------------|------------|-----------|------------|-----------|
| | 2021 [^] p | 2020 p | 2022 p | 2021 p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 122.75 | 120.54 | 133.81 | 121.41 | 118.51 |
| Return before operating charges | 16.09 | 6.56 | 6.22 | 15.59 | 6.34 |
| Operating charges | (2.79) | (2.95) | (1.99) | (1.91) | (1.98) |
| Return after operating charges * | 13.30 | 3.61 | 4.23 | 13.68 | 4.36 |
| Distributions ^{^^} | - | (1.40) | (1.40) | (1.28) | (1.46) |
| Closing net asset value per share | 136.05 | 122.75 | 136.64 | 133.81 | 121.41 |
| | | | | | |
| * after direct transaction costs of: | - | - | 0.01 | - | - |
| | | | | | |
| Performance | | | | | |
| Return after charges | 10.84% | 2.99% | 3.16% | 11.27% | 3.68% |
| | | | | | |
| Other information | | | | | |
| Closing net asset value (£) | - | 19,745,708 | 683,771 | 25,271,474 | 2,810,126 |
| Closing number of shares | - | 16,085,901 | 500,408 | 18,886,553 | 2,314,583 |
| Operating charges ^{^^^} | **2.24% | 2.34% | 1.42% | 1.49% | 1.59% |
| Direct transaction costs | - | - | 0.01% | - | - |
| | | | | | |
| Published prices | | | | | |
| Highest share price (p) | 140.7 | 132.0 | 146.2 | 139.7 | 130.6 |
| Lowest share price (p) | 104.8 | 120.4 | 133.1 | 103.8 | 118.4 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

| | C Accumulation | | |
|---|----------------|-----------|------------|
| | 2022 | 2021 | 2020 |
| | p | p | p |
| Change in net assets per share | | | |
| Opening net asset value per share | 137.01 | 123.33 | 119.17 |
| Return before operating charges | 6.26 | 15.81 | 6.40 |
| Operating charges | (2.33) | (2.13) | (2.24) |
| Return after operating charges * | 3.93 | 13.68 | 4.16 |
| Distributions [^] | (1.43) | (1.30) | (1.39) |
| Retained distributions on accumulation shares [^] | 1.43 | 1.30 | 1.39 |
| Closing net asset value per share | 140.94 | 137.01 | 123.33 |
| | | | |
| * after direct transaction costs of: | 0.01 | - | - |
| | | | |
| Performance | | | |
| Return after charges | 2.87% | 11.09% | 3.49% |
| | | | |
| Other information | | | |
| Closing net asset value (£) | 1,021,901 | 1,004,905 | 11,068,647 |
| Closing number of shares | 725,063 | 733,430 | 8,975,014 |
| Operating charges ^{^^} | 1.62% | 1.69% | 1.79% |
| Direct transaction costs | 0.01% | - | - |
| | | | |
| Published prices | | | |
| Highest share price (p) | 150.0 | 141.7 | 131.1 |
| Lowest share price (p) | 136.3 | 105.3 | 119.0 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the sub-fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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

Financial statements - S&W Saltus Wealth Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains | 2 | | 1,529,131 | | 4,732,362 |
| Revenue | 3 | 547,757 | | 546,239 | |
| Expenses | 4 | <u>(433,351)</u> | | <u>(531,815)</u> | |
| Net revenue before taxation | | 114,406 | | 14,424 | |
| Taxation | 5 | <u>-</u> | | <u>-</u> | |
| Net revenue after taxation | | | <u>114,406</u> | | <u>14,424</u> |
| Total return before distributions | | | 1,643,537 | | 4,746,786 |
| Distributions | 6 | | (490,378) | | (466,063) |
| Change in net assets attributable to shareholders from investment activities | | | <u>1,153,159</u> | | <u>4,280,723</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | 2022 | | 2021 | |
|---|---------------------|-------------------|---------------------|-------------------|
| | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | 48,501,952 | | 46,303,072 |
| Amounts receivable on issue of shares | 9,842,673 | | 10,095,231 | |
| Amounts payable on cancellation of shares | <u>(14,149,277)</u> | | <u>(12,198,448)</u> | |
| | | (4,306,604) | | (2,103,217) |
| Change in net assets attributable to shareholders from investment activities | | 1,153,159 | | 4,280,723 |
| Retained distributions on accumulation shares | | 25,578 | | 21,374 |
| Closing net assets attributable to shareholders | | <u>45,374,085</u> | | <u>48,501,952</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|--------------------------|--------------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 44,311,401 | 45,403,978 |
| Current assets: | | | |
| Debtors | 7 | 19,496 | 313,528 |
| Cash and cash equivalents | 8 | 1,582,279 | 3,338,432 |
| Total assets | | <u>45,913,176</u> | <u>49,055,938</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (439,052) | (441,369) |
| Other creditors | 9 | (100,039) | (112,617) |
| Total liabilities | | <u>(539,091)</u> | <u>(553,986)</u> |
| Net assets attributable to shareholders | | <u><u>45,374,085</u></u> | <u><u>48,501,952</u></u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

| | | |
|---|------------------|------------------|
| 2. Net capital gains | 2022 | 2021 |
| | £ | £ |
| Non-derivative securities - realised gains | 4,587,685 | 1,158,795 |
| Non-derivative securities - movement in unrealised (losses) / gains | (3,055,811) | 3,568,522 |
| Currency gains | 1,104 | 8,443 |
| Transaction charges | (3,847) | (3,398) |
| Total net capital gains | <u>1,529,131</u> | <u>4,732,362</u> |
| 3. Revenue | 2022 | 2021 |
| | £ | £ |
| UK revenue | 205,457 | 112,252 |
| Unfranked revenue | 89,452 | 51,150 |
| Overseas revenue | 252,830 | 374,561 |
| Bank and deposit interest | 18 | 459 |
| Rebates from collective investment schemes | - | 7,817 |
| Total revenue | <u>547,757</u> | <u>546,239</u> |
| 4. Expenses | 2022 | 2021 |
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 41,810 | 45,010 |
| Investment Manager's fees | 363,126 | 459,969 |
| | <u>404,936</u> | <u>504,979</u> |
| Payable to the Depositary | | |
| Depositary fees | 16,558 | 15,117 |
| Other expenses: | | |
| Audit fee | 5,693 | 5,670 |
| Non-executive directors' fees | 1,204 | 625 |
| Safe custody fees | 1,522 | 1,295 |
| Bank interest | 53 | - |
| FCA fee | 625 | 703 |
| KIID production fee | 2,760 | 3,426 |
| | <u>11,857</u> | <u>11,719</u> |
| Total expenses | <u>433,351</u> | <u>531,815</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| X Accumulation | 0.48% |
| I Income | 1.08% |
| I Accumulation | 1.08% |
| S Income | 0.68% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------|------|
| 5. Taxation | 2022 | 2021 |
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| Total taxation (note 5b) | - | - |

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2021: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below:

| | | |
|-----------------------------|----------|----------|
| | 2022 | 2021 |
| | £ | £ |
| Net revenue before taxation | 114,406 | 14,424 |
| Corporation tax @ 20% | 22,881 | 2,885 |
| Effects of: | | |
| UK revenue | (41,091) | (22,450) |
| Overseas revenue | (11,086) | (6,575) |
| Excess management expenses | 29,296 | 26,140 |
| Total taxation (note 5a) | - | - |

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 £390,592 (2021: £361,296).

6. Distributions

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

| | | |
|--|----------|----------|
| | 2022 | 2021 |
| | £ | £ |
| Final income distribution | 439,052 | 441,369 |
| Final accumulation distribution | 25,578 | 21,374 |
| | 464,630 | 462,743 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 50,473 | 52,439 |
| Amounts added on issue of shares | (24,780) | (50,761) |
| Net equalisation on conversions | 55 | 1,642 |
| Total net distributions | 490,378 | 466,063 |

Reconciliation between net revenue and distributions:

| | | |
|--|----------|----------|
| Net revenue after taxation per Statement of total return | 114,406 | 14,424 |
| Undistributed revenue brought forward | 155 | 204 |
| Expenses paid from capital | 433,298 | 531,815 |
| Marginal tax relief | (57,363) | (80,225) |
| Undistributed revenue carried forward | (118) | (155) |
| Distributions | 490,378 | 466,063 |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | - | 287,257 |
| Accrued revenue | 16,421 | 23,090 |
| Prepaid expenses | 53 | 58 |
| Recoverable income tax | 3,022 | 3,123 |
| Total debtors | <u>19,496</u> | <u>313,528</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>1,582,279</u> | <u>3,338,432</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 65,279 | 68,883 |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 2,511 | 3,759 |
| Investment Manager's fees | 23,740 | 31,646 |
| | <u>26,251</u> | <u>35,405</u> |
| Other expenses: | | |
| Depositary fees | 1,175 | 1,351 |
| Safe custody fees | 240 | 223 |
| Audit fee | 5,693 | 5,670 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 476 | 571 |
| Transaction charges | 146 | 4 |
| | <u>8,509</u> | <u>8,329</u> |
| Total accrued expenses | <u>34,760</u> | <u>43,734</u> |
| Total other creditors | <u>100,039</u> | <u>112,617</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in the year:

| | |
|------------------------------------|-------------------|
| | X Income |
| Opening shares in issue | 929,289 |
| Total shares issued in the year | 96,781 |
| Total shares cancelled in the year | (1,522,548) |
| Total shares converted in the year | 16,369,901 |
| Closing shares in issue | <u>15,873,423</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share types (continued)

| | |
|------------------------------------|---------------------|
| | X Accumulation |
| Opening shares in issue | 760,353 |
| Total shares issued in the year | 41,454 |
| Total shares cancelled in the year | <u>(82,629)</u> |
| Closing shares in issue | <u>719,178</u> |
| | I Income |
| Opening shares in issue | 14,188,980 |
| Total shares issued in the year | 3,109,810 |
| Total shares cancelled in the year | <u>(3,480,698)</u> |
| Total shares converted in the year | <u>(216,739)</u> |
| Closing shares in issue | <u>13,601,353</u> |
| | I Accumulation |
| Opening shares in issue | 141,725 |
| Total shares issued in the year | 194,284 |
| Total shares cancelled in the year | <u>(66,377)</u> |
| Closing shares in issue | <u>269,632</u> |
| | S Income |
| Opening shares in issue | 18,886,553 |
| Total shares issued in the year | 3,527,578 |
| Total shares cancelled in the year | <u>(4,638,881)</u> |
| Total shares converted in the year | <u>(17,274,842)</u> |
| Closing shares in issue | <u>500,408</u> |
| | C Accumulation |
| Opening shares in issue | 733,430 |
| Total shares issued in the year | 194,974 |
| Total shares cancelled in the year | <u>(203,341)</u> |
| Closing shares in issue | <u>725,063</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

Notes to the financial statements (continued)

for the year ended 28 February 2022

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per X Income share has decreased from 146.0p to 141.4p, X Accumulation share has decreased from 170.3p to 165.1p, I Income share has decreased from 139.7p to 135.1p, I Accumulation share has decreased from 102.6p to 99.26p, S Income share has decreased from 136.6p to 132.4p and C Accumulation share has decreased from 140.9p to 136.4p as at 27 June 2022. 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 |
|-------------------------------|------------------------------------|-------|------------|---|-------|---|-----------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2022 | | | | | | | |
| Collective Investment Schemes | 27,768,575 | 2,018 | 0.01% | - | - | - | 27,770,593 |
| Exchange Traded Commodities | 155,526 | 78 | 0.05% | - | - | - | 155,604 |
| Total | 27,924,101 | 2,096 | 0.06% | - | - | - | 27,926,197 |

| | Purchases before transaction costs | | Taxes | | Taxes | | Purchases after transaction costs |
|--------------------------------|------------------------------------|---|-------|---|-------|---|-----------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2021 | | | | | | | |
| Collective Investment Schemes* | 13,843,608 | - | - | - | - | - | 13,843,608 |
| Total | 13,843,608 | - | - | - | - | - | 13,843,608 |

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 28 February 2022

14. Transaction costs (continued)

a Direct transaction costs (continued)

| | Sales before transaction costs | Commission | | Taxes | | Sales after transaction costs |
|-------------------------------|---|------------|-------|-------|-------|--|
| 2022 | £ | £ | % | £ | % | £ |
| Equities | 207,391 | (207) | 0.10% | (1) | 0.00% | 207,183 |
| Collective Investment Schemes | 28,698,652 | (141) | 0.00% | - | - | 28,698,511 |
| Exchange Traded Commodities | 1,985,163 | (993) | 0.05% | - | - | 1,984,170 |
| Total | 30,891,206 | (1,341) | 0.15% | (1) | 0.00% | 30,889,864 |

| | Sales before transaction costs | Commission | | Taxes | | Sales after transaction costs |
|--------------------------------|---|------------|---|-------|---|--|
| 2021 | £ | £ | % | £ | % | £ |
| Collective Investment Schemes* | 14,974,506 | - | - | - | - | 14,974,506 |
| Total | 14,974,506 | - | - | - | - | 14,974,506 |

* No direct transaction costs were incurred in these transactions.

Summary of direct transaction costs

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

| | | |
|------------|-------|---------------------------------|
| 2022 | £ | % of average net asset value |
| Commission | 3,437 | 0.01% |
| Taxes | 1 | 0.00% |
| 2021 | £ | % of average net asset value |
| Commission | - | - |
| Taxes | - | - |

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 0.06% (2021: 0.15%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

a Market risk (continued)

(i) Other price risk

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

The main elements of the portfolio of investments exposed to this risk are closed-ended funds and collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £2,215,570 (2021: £2,270,199).

(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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2022 | | | |
| US dollar | 42,440 | - | 42,440 |
| Total foreign currency exposure | 42,440 | - | 42,440 |
| | | | |
| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
| | £ | £ | £ |
| 2021 | | | |
| US dollar | 3,193,623 | - | 3,193,623 |
| Total foreign currency exposure | 3,193,623 | - | 3,193,623 |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £2,122 (2021: £159,681).

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

a Market risk (continued)

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds.

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 sub-fund.

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

| Basis of valuation | Investment assets | Investment liabilities |
|------------------------|-------------------|------------------------|
| | 2022 | 2022 |
| | £ | £ |
| Quoted prices | 6,014,076 | - |
| Observable market data | 38,297,325 | - |
| Unobservable data* | - | - |
| | <u>44,311,401</u> | <u>-</u> |
| | | |
| Basis of valuation | Investment assets | Investment liabilities |
| | 2021 | 2021 |
| | £ | £ |
| Quoted prices | 3,626,939 | - |
| Observable market data | 41,777,039 | - |
| Unobservable data* | - | - |
| | <u>45,403,978</u> | <u>-</u> |

*The following security is valued in the portfolio of investments using a valuation technique:

Speymill Deutsche Immobilien: The fair value pricing committee feels that it is appropriate to include the security in the portfolio of investments with no value as trading in the security is suspended (2021: nil).

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the ACD has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The ACD of the sub-fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other the assumptions used are under continuous review by the ACD with particular attention paid to the carrying value of the investments.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

e Assets subject to special arrangements arising from their illiquid nature

The following assets held in the portfolio of investments are subject to special arrangements arising from their illiquid nature:

| | 2022 | 2021 |
|------------------------------|--------------------------------------|--------------------------------------|
| | % of the total net asset value | % of the total net asset value |
| Speymill Deutsche Immobilien | 0.00% | 0.00% |
| Total | <u>0.00%</u> | <u>0.00%</u> |

f Derivatives

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.494 | - | 1.494 | 1.362 |
| 30.04.22 | group 2 | final | 0.803 | 0.691 | 1.494 | 1.362 |

Distribution on X Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.725 | - | 1.725 | 1.561 |
| 30.04.22 | group 2 | final | 0.881 | 0.844 | 1.725 | 1.561 |

Distribution on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.433 | - | 1.433 | 1.319 |
| 30.04.22 | group 2 | final | 1.063 | 0.370 | 1.433 | 1.319 |

Distribution on I Accumulation shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior period |
|--------------|------------|-------------------|-------------|--------------|---------------------------|---------------------------|
| 30.04.22 | group 1 | final | 1.040 | - | 1.040 | - |
| 30.04.22 | group 2 | final | 0.704 | 0.336 | 1.040 | - |

Equalisation

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

Accumulation distributions

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

Final distributions:

- Group 1 Shares purchased before 1 March 2021
- Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)

for the year ended 28 February 2022

Distribution on S Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.398 | - | 1.398 | 1.279 |
| 30.04.22 | group 2 | final | 1.105 | 0.293 | 1.398 | 1.279 |

Distribution on C Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.296 | - | 1.430 | 1.296 |
| 30.04.22 | group 2 | final | 1.161 | 0.269 | 1.430 | 1.296 |

Equalisation

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

Accumulation distributions

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

Final distributions:

| | |
|---------|---|
| Group 1 | Shares purchased before 1 March 2021 |
| Group 2 | Shares purchased 1 March 2021 to 28 February 2022 |

S&W Saltus Global Equity Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to achieve long term capital growth.

The intention is for the sub-fund to be invested in equity markets mainly via collective investment schemes which themselves invest in transferable securities and currencies.

The sub-fund may also invest directly in transferable securities or indirectly in transferable securities through equity structured products.

The equity structured products referred to above will typically be medium term notes issued by investment banks that reflect the performance of zero coupon bonds, coupled with an option strategy.

The sub-fund may also invest in money market instruments.

It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

Investment performance

Over the period the sub-fund delivered a total return of 1.46% (I accumulation shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022) compared to comparator benchmark return of 6.06% (ARC Sterling Equity Risk PCI).

Source: Bloomberg.

Investment activities

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

A new position was added in Brown Advisory Funds - BA Beutel Goodman US Value Fund to complement existing exposures in Harrington Cooper UCITS Funds ICAV - HC Snyder US All Cap Equity Fund and T Rowe Price Funds OEIC - US Large Cap Value Equity Fund, to help further balance out the portfolio's factor exposure, which was tilted previously towards growth and large cap stocks. A similar reasoning was behind the purchase of Nomura Funds Ireland - Japan Strategic Value Fund. The combination we feel leaves us better positioned for the future, where the style of market leadership is difficult to forecast.

The position in KLS CDAM Global Opportunities Fund was exited after a period of underperformance, which together with our exposure to gold mining shares via Jupiter Asset Management Series - Jupiter Gold & Silver Fund and previous tilts towards growth funds were the major reasons behind lagging the comparator index. In addition, our overweight to the Asian region suffered as a result of the actions of the Chinese government, as described above. The combination made for a year during which we gave back the outperformance of the prior year.

Investment Manager's report (continued)

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|---|------------|
| | £ |
| Purchases: | |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 21,015,090 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 19,935,492 |
| Harrington Cooper UCITS Funds ICAV - HC Snyder US All Cap Equity Fund | 19,601,370 |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 16,936,350 |
| SPARX Japan Fund | 13,497,880 |
| Artemis UK Select Fund | 13,146,190 |
| Nomura Funds Ireland - Japan Strategic Value Fund | 12,557,268 |
| TM Redwheel Global Equity Income Fund L Accumulation | 11,235,780 |
| Fidelity Investment Funds ICVC - Index US Fund | 10,624,840 |
| Premier Miton European Opportunities Fund | 10,552,690 |
| Granahan US SMID Select Fund | 8,548,270 |
| Fidelity MSCI Japan Index Fund | 7,698,230 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 6,775,090 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 6,601,220 |
| Fidelity Investment Funds - Asia Fund | 6,500,000 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 6,370,130 |
| Man UK ICVC - Man GLG Income Fund | 6,038,120 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 4,602,570 |
| iShares MSCI World GBP Hedged UCITS ETF Acc | 4,491,172 |
| MI Chelverton UK Equity Income Fund | 2,890,080 |
| | Proceeds |
| | £ |
| Sales: | |
| SPARX Japan Fund | 15,958,350 |
| LF Lindsell Train UK Equity Fund | 11,586,453 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 10,614,870 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 8,862,830 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 8,189,720 |
| Fidelity MSCI Japan Index Fund | 7,697,198 |
| Artemis UK Select Fund | 7,677,710 |
| Fidelity Investment Funds ICVC - Index US Fund | 7,495,410 |
| Lazard Global Listed Infrastructure Equity Fund | 7,080,894 |
| Fidelity Investment Funds - Asia Fund | 6,181,245 |
| Fidelity Investment Funds - Index Emerging Markets Fund | 5,129,641 |
| Premier Miton European Opportunities Fund | 4,493,270 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 4,185,020 |
| KLS CDAM Global Opportunities Fund | 3,862,641 |
| iShares MSCI World GBP Hedged UCITS ETF Acc | 3,198,302 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 2,991,990 |
| Man UK ICVC - Man GLG Income Fund | 2,943,000 |
| MI Chelverton UK Equity Income Fund | 2,565,100 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 2,470,109 |
| Liontrust UK Smaller Companies Fund | 2,049,730 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------|--------------------|-----------------------|
| Collective Investment Schemes 98.78% (94.09%) | | | |
| UK Authorised Collective Investment Schemes 52.25% (62.83%) | | | |
| Artemis UK Select Fund | 761,174 | 5,794,211 | 2.43 |
| Baillie Gifford Overseas Growth Funds ICVC | | | |
| - Emerging Markets Growth Fund | 552,339 | 5,175,416 | 2.17 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 4,004,229 | 11,800,462 | 4.94 |
| Fidelity Investment Funds ICVC - Index US Fund | 18,908,607 | 30,342,641 | 12.71 |
| Liontrust UK Smaller Companies Fund | 223,907 | 4,570,029 | 1.91 |
| Man UK ICVC - Man GLG Income Fund | 1,096,020 | 3,395,470 | 1.42 |
| MI Chelverton UK Equity Income Fund | 6,059,823 | 6,911,228 | 2.90 |
| Premier Miton European Opportunities Fund | 4,172,612 | 11,562,309 | 4.84 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 1,400,208 | 13,978,559 | 5.86 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 1,038,948 | 14,311,302 | 5.99 |
| TM Redwheel Global Equity Income Fund L Accumulation | 14,612,837 | 16,892,440 | 7.08 |
| Total UK authorised collective investment schemes | | <u>124,734,067</u> | <u>52.25</u> |
| Offshore Collective Investment Schemes 46.53% (31.26%) | | | |
| Brown Advisory Funds - BA Beutel Goodman US Value Fund | 1,557,066 | 17,065,443 | 7.15 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 12,299 | 12,299 | 0.01 |
| Granahan US SMID Select Fund | 54,015 | 10,073,714 | 4.22 |
| Harrington Cooper UCITS Funds ICAV | | | |
| - HC Snyder US All Cap Equity Fund | 189,770 | 19,817,655 | 8.30 |
| iShares MSCI World GBP Hedged UCITS ETF Acc | 170,959 | 13,069,816 | 5.47 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 187,884 | 18,863,554 | 7.90 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 419,028 | 7,890,802 | 3.31 |
| Nomura Funds Ireland Public Limited Company | | | |
| - Japan Strategic Value Fund | 126,681 | 12,423,979 | 5.20 |
| SPARX Japan Fund | 81,933 | 11,868,944 | 4.97 |
| Total offshore collective investment schemes | | <u>111,086,206</u> | <u>46.53</u> |
| Total collective investment schemes | | <u>235,820,273</u> | <u>98.78</u> |
| Portfolio of investments | | 235,820,273 | 98.78 |
| Other net assets | | 2,907,550 | 1.22 |
| Total net assets | | <u>238,727,823</u> | <u>100.00</u> |

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-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/have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund.

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

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

| | A Income | | A Accumulation | |
|---|------------------------|------------|------------------------|-------------------------|
| | 2021 [^] p | 2020 p | 2021 [^] p | 2020 ^{^^} p |
| Change in net assets per share | | | | |
| Opening net asset value per share | 147.71 | 147.55 | 149.05 | 154.50 |
| Return before operating charges | 29.78 | 5.46 | (1.92) | (1.44) |
| Operating charges | (3.55) | (3.94) | (0.93) | (4.01) |
| Return after operating charges * | 26.23 | 1.52 | (2.85) | (5.45) |
| Distributions ^{^^^} | - | (1.36) | - | (0.68) |
| Retained distributions on accumulation shares ^{^^^} | - | - | - | 0.68 |
| Closing net asset value per share | 173.94 | 147.71 | 146.20 | 149.05 |
| | | | | |
| * after direct transaction costs of: | 0.02 | 0.06 | - | 0.06 |
| | | | | |
| Performance | | | | |
| Return after charges | 17.76% | 1.03% | (1.91%) | (3.53%) |
| | | | | |
| Other information | | | | |
| Closing net asset value (£) | - | 12,995,808 | - | 1,732 |
| Closing number of shares | - | 8,798,230 | - | 1,162 |
| Operating charges ^{^^^^} | **2.35% | 2.54% | **2.35% | ***2.54% |
| Direct transaction costs | 0.01% | 0.04% | 0.01% | 0.04% |
| | | | | |
| Published prices | | | | |
| Highest share price (p) | 181.9 | 165.3 | 152.5 | 165.3 |
| Lowest share price (p) | 118.7 | 147.3 | 119.9 | 149.1 |

[^] For the period 1 March 2020 to 26 February 2021

^{^^} For the period 1 October 2019 to 29 February 2020.

^{^^^} Rounded to 2 decimal places.

^{^^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

*** Annualised based on the expenses incurred during the period 1 October 2019 to 29 February 2020.

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

Comparative table (continued)

X Income share launched on 26 August 2021 at 101.1p per share.

| | X Income |
|--------------------------------------|-------------------|
| | 2022 [^] |
| | p |
| Change in net assets per share | |
| Opening net asset value per share | 101.10 |
| Return before operating charges | (5.25) |
| Operating charges | (0.58) |
| Return after operating charges * | (5.83) |
| Distributions ^{^^} | (0.31) |
| Closing net asset value per share | 94.96 |
| | |
| * after direct transaction costs of: | 0.06 |
| | |
| Performance | |
| Return after charges | (5.77%) |
| | |
| Other information | |
| Closing net asset value (£) | 168,179,678 |
| Closing number of shares | 177,102,855 |
| Operating charges ^{^^^} | 1.14% |
| Direct transaction costs | 0.01% |
| | |
| Published prices | |
| Highest share price (p) | 104.2 |
| Lowest share price (p) | 92.05 |

[^] For the period 26 August 2021 to 28 February 2022.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

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

Comparative table (continued)

| | I Income | | | I Accumulation | | |
|---|------------|------------|------------|----------------|-----------|-----------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | p | p | p | p | p | p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 175.67 | 148.60 | 147.70 | 198.00 | 166.73 | 164.20 |
| Return before operating charges | 5.89 | 30.80 | 5.45 | 6.63 | 34.50 | 6.06 |
| Operating charges | (3.21) | (2.90) | (3.18) | (3.64) | (3.23) | (3.53) |
| Return after operating charges * | 2.68 | 27.90 | 2.27 | 2.99 | 31.27 | 2.53 |
| Distributions [^] | (1.37) | (0.83) | (1.37) | (1.54) | (0.93) | (1.52) |
| Retained distributions on accumulation shares [^] | - | - | - | 1.54 | 0.93 | 1.52 |
| Closing net asset value per share | 176.98 | 175.67 | 148.60 | 200.99 | 198.00 | 166.73 |
| | | | | | | |
| * after direct transaction costs of: | 0.01 | 0.01 | 0.06 | 0.02 | 0.01 | 0.06 |
| | | | | | | |
| Performance | | | | | | |
| Return after charges | 1.53% | 18.78% | 1.54% | 1.51% | 18.75% | 1.54% |
| | | | | | | |
| Other information | | | | | | |
| Closing net asset value (£) | 60,361,163 | 68,711,569 | 38,518,642 | 1,518,836 | 2,047,144 | 1,683,403 |
| Closing number of shares | 34,106,027 | 39,113,338 | 25,920,292 | 755,684 | 1,033,913 | 1,009,635 |
| Operating charges ^{^^} | 1.74% | 1.85% | 2.04% | 1.74% | 1.85% | 2.04% |
| Direct transaction costs | 0.01% | 0.01% | 0.04% | 0.01% | 0.01% | 0.04% |
| | | | | | | |
| Published prices | | | | | | |
| Highest share price (p) | 195.5 | 184.5 | 166.3 | 220.3 | 207.0 | 184.9 |
| Lowest share price (p) | 172.3 | 119.4 | 147.5 | 194.2 | 134.1 | 164.0 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

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

Comparative table (continued)

| | Q Income | | S Income | | |
|--------------------------------------|------------------------|------------|-----------|------------|------------|
| | 2021 [^] p | 2020 p | 2022 p | 2021 p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 148.53 | 148.14 | 184.21 | 155.24 | 153.66 |
| Return before operating charges | 30.66 | 5.49 | 6.05 | 32.27 | 5.67 |
| Operating charges | (3.35) | (3.73) | (2.59) | (2.43) | (2.66) |
| Return after operating charges* | 27.31 | 1.76 | 3.46 | 29.84 | 3.01 |
| Distributions ^{^^} | - | (1.37) | (1.44) | (0.87) | (1.43) |
| Closing net asset value per share | 175.84 | 148.53 | 186.23 | 184.21 | 155.24 |
| | | | | | |
| * after direct transaction costs of: | 0.02 | 0.06 | 0.02 | 0.01 | 0.06 |
| | | | | | |
| Performance | | | | | |
| Return after charges | 18.39% | 1.19% | 1.88% | 19.22% | 1.96% |
| | | | | | |
| Other information | | | | | |
| Closing net asset value (£) | - | 21,438,009 | 4,098,042 | 81,678,270 | 18,653,226 |
| Closing number of shares | - | 14,433,633 | 2,200,519 | 44,340,840 | 12,015,979 |
| Operating charges ^{^^^} | **2.20% | 2.39% | 1.34% | 1.45% | 1.64% |
| Direct transaction costs | 0.01% | 0.04% | 0.01% | 0.01% | 0.04% |
| Published prices | | | | | |
| Highest share price (p) | 183.8 | 166.3 | 205.5 | 193.5 | 173.7 |
| Lowest share price (p) | 119.4 | 147.9 | 181.3 | 124.8 | 153.5 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

C Accumulation

| | 2022 | 2021 | 2020 |
|---|-----------|-----------|-----------|
| | p | p | p |
| Change in net assets per share | | | |
| Opening net asset value per share | 181.22 | 152.29 | 149.66 |
| Return before operating charges | 6.07 | 31.53 | 5.54 |
| Operating charges | (2.94) | (2.60) | (2.91) |
| Return after operating charges * | 3.13 | 28.93 | 2.63 |
| Distributions [^] | (1.41) | (0.85) | (1.39) |
| Retained distributions on accumulation shares [^] | 1.41 | 0.85 | 1.39 |
| Closing net asset value per share | 184.35 | 181.22 | 152.29 |
| | | | |
| * after direct transaction costs of: | 0.02 | 0.02 | 0.06 |
| | | | |
| Performance | | | |
| Return after charges | 1.73% | 19.00% | 1.76% |
| | | | |
| Other information | | | |
| Closing net asset value (£) | 4,570,104 | 3,751,114 | 7,243,482 |
| Closing number of shares | 2,479,052 | 2,069,887 | 4,756,514 |
| Operating charges ^{^^} | 1.54% | 1.65% | 1.84% |
| Direct transaction costs | 0.01% | 0.01% | 0.04% |
| | | | |
| Published prices | | | |
| Highest share price (p) | 201.9 | 189.4 | 168.9 |
| Lowest share price (p) | 178.1 | 122.5 | 149.5 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

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

Financial statements - S&W Saltus Global Equity Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|--------------------|--------------------|--------------------|-------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains | 2 | | 400,682 | | 26,215,433 |
| Revenue | 3 | 1,384,446 | | 678,727 | |
| Expenses | 4 | <u>(1,610,386)</u> | | <u>(1,452,651)</u> | |
| Net expense before taxation | | (225,940) | | (773,924) | |
| Taxation | 5 | <u>-</u> | | <u>-</u> | |
| Net expense after taxation | | | <u>(225,940)</u> | | <u>(773,924)</u> |
| Total return before distributions | | | 174,742 | | 25,441,509 |
| Distributions | 6 | | (1,382,533) | | (672,658) |
| Change in net assets attributable to shareholders from investment activities | | | <u>(1,207,791)</u> | | <u>24,768,851</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | | 2022 | | 2021 | |
|---|--|---------------------|--------------------|---------------------|--------------------|
| | | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | | 156,188,097 | | 100,534,302 |
| Amounts receivable on issue of shares | | 102,856,082 | | 107,737,751 | |
| Amounts payable on cancellation of shares | | <u>(19,155,287)</u> | | <u>(76,880,099)</u> | |
| | | | 83,700,795 | | 30,857,652 |
| Change in net assets attributable to shareholders from investment activities | | | (1,207,791) | | 24,768,851 |
| Retained distributions on accumulation shares | | | 46,722 | | 27,292 |
| Closing net assets attributable to shareholders | | | <u>238,727,823</u> | | <u>156,188,097</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|---------------------------|---------------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 235,820,273 | 146,959,471 |
| Current assets: | | | |
| Debtors | 7 | 1,148,144 | 2,059,657 |
| Cash and cash equivalents | 8 | 3,480,368 | 8,113,467 |
| Total assets | | <u>240,448,785</u> | <u>157,132,595</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (1,047,937) | (710,354) |
| Other creditors | 9 | (673,025) | (234,144) |
| Total liabilities | | <u>(1,720,962)</u> | <u>(944,498)</u> |
| Net assets attributable to shareholders | | <u><u>238,727,823</u></u> | <u><u>156,188,097</u></u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

2. Net capital gains

| | 2022 | 2021 |
|---|----------------|-------------------|
| | £ | £ |
| Non-derivative securities - realised gains | 16,702,320 | 5,585,017 |
| Non-derivative securities - movement in unrealised (losses) / gains | (16,289,659) | 20,610,037 |
| Currency (losses) / gains | (2,798) | 25,701 |
| Transaction charges | (9,181) | (5,322) |
| Total net capital gains | <u>400,682</u> | <u>26,215,433</u> |

3. Revenue

| | 2022 | 2021 |
|--|------------------|----------------|
| | £ | £ |
| UK revenue | 1,093,807 | 482,113 |
| Unfranked revenue | 7,040 | - |
| Overseas revenue | 283,601 | 166,940 |
| Bank and deposit interest | 7 | 941 |
| Rebates from collective investment schemes | (9) | 28,733 |
| Total revenue | <u>1,384,446</u> | <u>678,727</u> |

4. Expenses

| | 2022 | 2021 |
|-----------------------------------|------------------|------------------|
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 161,884 | 124,565 |
| Investment Manager's fees | <u>1,376,418</u> | <u>1,275,546</u> |
| | <u>1,538,302</u> | <u>1,400,111</u> |
| Payable to the Depositary | | |
| Depositary fees | <u>54,848</u> | <u>38,010</u> |
| Other expenses: | | |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 1,204 | 624 |
| Safe custody fees | 6,057 | 3,673 |
| FCA fee | 1,822 | 1,438 |
| KIID production fee | 2,189 | 2,855 |
| | <u>17,236</u> | <u>14,530</u> |
| Total expenses | <u>1,610,386</u> | <u>1,452,651</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| I Income | 1.08% |
| I Accumulation | 1.08% |
| S Income | 0.68% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------|------|
| 5. Taxation | 2022 | 2021 |
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| Total taxation (note 5b) | - | - |

b. Factors affecting the tax charge for the year

The tax assessed for the year is higher (2021: higher) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below:

| | | |
|-----------------------------|-----------|-----------|
| | 2022 | 2021 |
| | £ | £ |
| Net expense before taxation | (225,940) | (773,924) |
| Corporation tax @ 20% | (45,188) | (154,785) |
| Effects of: | | |
| UK revenue | (218,761) | (96,422) |
| Overseas revenue | (56,720) | (33,386) |
| Excess management expenses | 320,669 | 284,593 |
| Total taxation (note 5a) | - | - |

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 £1,513,467 (2021: £1,192,798).

6. Distributions

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

| | | |
|--|-----------|-----------|
| | 2022 | 2021 |
| | £ | £ |
| Final income distribution | 1,047,937 | 710,354 |
| Final accumulation distribution | 46,722 | 27,292 |
| | 1,094,659 | 737,646 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 69,050 | 63,113 |
| Amounts added on issue of shares | (355,399) | (128,834) |
| Net equalisation on conversions | 574,223 | 733 |
| Total net distributions | 1,382,533 | 672,658 |
| Reconciliation between net expense and distributions: | | |
| Net expense after taxation per Statement of total return | (225,940) | (773,924) |
| Undistributed revenue brought forward | 581 | 450 |
| Expenses paid from capital | 1,610,386 | 1,452,651 |
| Marginal tax relief | (1,409) | (5,938) |
| Undistributed revenue carried forward | (1,085) | (581) |
| Distributions | 1,382,533 | 672,658 |

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

Notes to the financial statements (continued)
for the year ended 28 February 2022

| | | |
|--|------------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | 1,049,890 | 2,015,672 |
| Accrued revenue | 96,691 | 41,685 |
| Prepaid expenses | 155 | 121 |
| Recoverable income tax | 1,408 | - |
| Accrued rebates from collective investment schemes | - | 2,179 |
| Total debtors | <u>1,148,144</u> | <u>2,059,657</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>3,480,368</u> | <u>8,113,467</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 541,902 | 106,889 |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 12,975 | 11,899 |
| Investment Manager's fees | 104,684 | 103,993 |
| | <u>117,659</u> | <u>115,892</u> |
| Other expenses: | | |
| Depositary fees | 4,992 | 3,725 |
| Safe custody fees | 1,066 | 686 |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 381 | 476 |
| Transaction charges | 281 | 26 |
| Total accrued expenses | <u>131,123</u> | <u>127,255</u> |
| Total other creditors | <u>673,025</u> | <u>234,144</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in issue in the year:

| | |
|------------------------------------|--------------------|
| | X Income |
| Total shares issued in the year | 41,908,651 |
| Total shares cancelled in the year | (1,735,107) |
| Total shares converted in the year | <u>136,929,311</u> |
| Closing shares in issue | <u>177,102,855</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share types (continued)

| | |
|------------------------------------|--------------------------|
| | I Income |
| Opening shares in issue | 39,113,339 |
| Total shares issued in the year | 16,456,634 |
| Total shares cancelled in the year | (4,894,519) |
| Total shares converted in the year | <u>(16,569,427)</u> |
| Closing shares in issue | <u><u>34,106,027</u></u> |
| | I Accumulation |
| Opening shares in issue | 1,033,913 |
| Total shares cancelled in the year | <u>(278,229)</u> |
| Closing shares in issue | <u><u>755,684</u></u> |
| | S Income |
| Opening shares in issue | 44,340,840 |
| Total shares issued in the year | 15,452,775 |
| Total shares cancelled in the year | (3,938,309) |
| Total shares converted in the year | <u>(53,654,787)</u> |
| Closing shares in issue | <u><u>2,200,519</u></u> |
| | C Accumulation |
| Opening shares in issue | 2,069,887 |
| Total shares issued in the year | 693,213 |
| Total shares cancelled in the year | <u>(284,048)</u> |
| Closing shares in issue | <u><u>2,479,052</u></u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per I Income share has decreased from 177.0p to 167.3p, I Accumulation share has decreased from 201.0p to 190.0p, S Income has decreased from 186.2p to 176.3p, C Accumulation has decreased from 184.4p to 174.4p and the X Income share has decreased from 94.96p to 89.95p as at 27 June 2022. This movement takes into account routine transactions but also reflects the market movements of recent months.

Notes to the financial statements (continued)

for the year ended 28 February 2022

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 |
|-------------------------------|------------------------------------|--------|------------|---|-------|---|-----------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2022 | | | | | | | |
| Collective Investment Schemes | 214,421,422 | 12,207 | 0.01% | - | - | - | 214,433,629 |
| Total | 214,421,422 | 12,207 | 0.01% | - | - | - | 214,433,629 |

| | Purchases before transaction costs | | Commission | | Taxes | | Purchases after transaction costs |
|-------------------------------|------------------------------------|-------|------------|---|-------|---|-----------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2021 | | | | | | | |
| Collective Investment Schemes | 82,799,512 | 6,466 | 0.01% | 1 | 0.00% | - | 82,805,979 |
| Total | 82,799,512 | 6,466 | 0.01% | 1 | 0.00% | - | 82,805,979 |

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|-------------------------------|--------------------------------|---------|------------|---|-------|---|-------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2022 | | | | | | | |
| Collective Investment Schemes | 126,788,839 | (2,836) | 0.00% | - | - | - | 126,786,003 |
| Total | 126,788,839 | (2,836) | 0.00% | - | - | - | 126,786,003 |

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|-------------------------------|--------------------------------|---------|------------|---|-------|---|-------------------------------|
| | £ | £ | % | £ | % | £ | |
| 2021 | | | | | | | |
| Collective Investment Schemes | 58,306,653 | (4,289) | 0.01% | - | - | - | 58,302,364 |
| Total | 58,306,653 | (4,289) | 0.01% | - | - | - | 58,302,364 |

Notes to the financial statements (continued)

for the year ended 28 February 2022

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 sub-fund's average net asset value in the year:

| 2022 | £ | % of average net asset value |
|------------|--------|---------------------------------|
| Commission | 15,043 | 0.01% |

| 2021 | £ | % of average net asset value |
|------------|--------|---------------------------------|
| Commission | 10,755 | 0.01% |
| Taxes | 1 | 0.00% |

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 0.07% (2021: 0.09%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-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 exposed to this risk is collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £11,791,014 (2021: £7,347,974).

Notes to the financial statements (continued)

for the year ended 28 February 2022

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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

For the year ended 28 February 2022 there is no significant exposure to foreign currency.

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| 2021 | £ | £ | £ |
| US dollar | 3,290,522 | - | 3,290,522 |
| Total foreign currency exposure | 3,290,522 | - | 3,290,522 |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £nil (2021: £164,526).

(iii) Interest rate risk

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

During the year the sub-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 sub-fund.

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

| | Investment assets | Investment liabilities |
|------------------------|----------------------|---------------------------|
| Basis of valuation | 2022 | 2022 |
| | £ | £ |
| Quoted prices | 31,933,370 | - |
| Observable market data | 203,886,903 | - |
| Unobservable data | - | - |
| | <u>235,820,273</u> | <u>-</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

d Fair value of financial assets and financial liabilities (continued)

| Basis of valuation | Investment assets | Investment liabilities |
|------------------------|----------------------|---------------------------|
| | 2021 | 2021 |
| | £ | £ |
| Quoted prices | 10,872,000 | - |
| Observable market data | 136,087,471 | - |
| Unobservable data | - | - |
| | <u>146,959,471</u> | <u>-</u> |

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|
| 30.04.22 | group 1 | final | 0.310 | - | 0.310 |
| 30.04.22 | group 2 | final | 0.106 | 0.204 | 0.310 |

Equalisation

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

Final distribution:

Group 1 Shares purchased on 26 August 2021

Group 2 Shares purchased 27 August 2021 to 28 February 2022

Distributions on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.370 | - | 1.370 | 0.831 |
| 30.04.22 | group 2 | final | 0.570 | 0.800 | 1.370 | 0.831 |

Distributions on I Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.544 | - | 1.544 | 0.932 |
| 30.04.22 | group 2 | final | 1.544 | - | 1.544 | 0.932 |

Equalisation

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

Accumulation distributions

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

Final distributions:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)*for the year ended 28 February 2022***Distribution on S Income shares in pence per share**

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.439 | - | 1.439 | 0.869 |
| 30.04.22 | group 2 | final | 0.825 | 0.614 | 1.439 | 0.869 |

Distribution on C Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.414 | - | 1.414 | 0.853 |
| 30.04.22 | group 2 | final | 0.324 | 1.090 | 1.414 | 0.853 |

Equalisation

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

Accumulation distributions

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

Final distributions:

- Group 1 Shares purchased before 1 March 2021
Group 2 Shares purchased 1 March 2021 to 28 February 2022

S&W Saltus Fixed Income Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to generate a return which is the higher of cash (measured by the Bank of England ('BoE') base rate)) and inflation (as measured by UK Consumer Price Index ('CPI')), over a rolling 3-year period.

Your capital is at risk and there is no guarantee that a positive return will be obtained over the rolling 3-year period, or any other time period.

The intention is for the sub-fund to be invested in bonds and currency predominantly via collective investment schemes. The sub-fund may also invest in transferable securities and/or credit structured products, and money market instruments all of which will either directly or indirectly have exposure to bonds and currency markets.

It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management. The sub-fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the sub-fund.

Investment performance

Over the period the sub-fund delivered a total return of -2.91% (I Income shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022) compared to target benchmark returns of 6.14% (UK CPI) and 0.16% (BoE base rate). Over a rolling 3-year period, the sub-fund delivered a total return of 4.18% compared to target benchmark returns of 8.94% (UK CPI) and 1.07% (BoE base rate).

Source: Bloomberg.

Investment activities

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

Positions were increased in Lazard Global Investment Funds - Lazard Rathmore Alternative Fund to take advantage of the pick-up in the general levels of volatility which tend to benefit to convertible arbitrage strategies. We expanded this idea by adding a new position in GemCap Investment Funds Ireland - Calamos Global Convertible Fund. This was funded by a reduction in our credit exposure by selling Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged and exiting Muzinich Funds - Global Tactical Credit Fund. We have no direct exposure to conventional government bonds, preferring the inflation protecting credentials of inflation linked securities.

Investment Manager's report (continued)

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|---|------------|
| | £ |
| Purchases: | |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 10,000,000 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Accumulation | 7,319,740 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 7,058,910 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 6,901,890 |
| GemCap Investment Funds Ireland - Calamos Global Convertible Fund | 6,327,380 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 5,341,270 |
| Angel Oak Multi-Strategy Income UCITS Fund | 4,509,140 |
| CG Portfolio Fund - Dollar Fund | 3,587,820 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 3,271,850 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 2,934,320 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 1,676,960 |
| | |
| | Proceeds |
| | £ |
| Sales: | |
| Muzinich Funds - Global Tactical Credit Fund | 10,977,832 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 10,001,120 |
| Artemis Strategic Bond Fund | 7,800,966 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 7,553,440 |
| M&G Investment Funds 4 - Global Macro Bond Fund | 6,744,521 |
| Legg Mason Global Funds - | |
| Legg Mason Western Asset Macro Opportunities Bond Fund GBP Accumulation | 4,215,675 |
| Angel Oak Multi-Strategy Income UCITS Fund | 4,142,850 |
| CG Portfolio Fund - Dollar Fund | 4,024,051 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 3,257,340 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Accumulation | 3,205,150 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,924,420 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 1,261,190 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 671,520 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 579,970 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------------|--------------------------|--------------------------|
| Collective Investment Schemes 92.55% (89.57%) | | | |
| UK Authorised Collective Investment Schemes 32.08% (26.86%) | | | |
| Allianz UK & European Investment Funds - | | | |
| Allianz Strategic Bond Fund I Accumulation | 7,437,822 | 9,351,573 | 12.05 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 4,617,104 | 4,783,781 | 6.16 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 5,807,606 | 6,247,242 | 8.05 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 3,783,487 | 4,514,835 | 5.82 |
| Total UK authorised collective investment schemes | | <u>24,897,431</u> | <u>32.08</u> |
| Offshore Collective Investment Schemes 60.47% (62.71%) | | | |
| Angel Oak Multi-Strategy Income UCITS Fund | 59,321 | 7,086,050 | 9.13 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 33,306 | 4,685,063 | 6.03 |
| Barak Structured Trade Finance Segregated Portfolio* | 12,468 | 2,827,734 | 3.64 |
| CG Portfolio Fund - Dollar Fund | 65,978 | 7,071,531 | 9.10 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 7,732,581 | 9,274,457 | 11.95 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 7,929 | 7,929 | 0.01 |
| GemCap Investment Funds Ireland - Calamos Global Convertible Fund | 380,693 | 6,101,020 | 7.86 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 77,103 | 9,894,701 | 12.75 |
| Total offshore collective investment schemes | | <u>46,948,485</u> | <u>60.47</u> |
| Total collective investment schemes | | <u>71,845,916</u> | <u>92.55</u> |
| Portfolio of investments | | 71,845,916 | 92.55 |
| Other net assets | | 5,787,251 | 7.45 |
| Total net assets | | <u><u>77,633,167</u></u> | <u><u>100.00</u></u> |

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

* Barak Structured Trade Finance Segregated Portfolio has been delisted pending liquidation and the fair value pricing committee feels that it is appropriate to value the shares at \$303.71.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund.

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

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

X Income shares launched on 18 October 2021 at 100.1p per share.

| | A Income | | X Income |
|-----------------------------------|------------------------|-----------|-------------------------|
| | 2021 [^] p | 2020 p | 2022 ^{^^} p |
| Change in net assets per share | | | |
| Opening net asset value per share | 120.14 | 116.63 | 100.10 |
| Return before operating charges | 4.22 | 9.31 | (2.26) |
| Operating charges | (2.66) | (2.95) | (0.47) |
| Return after operating charges | 1.56 | 6.36 | (2.73) |
| Distributions ^{^^^} | - | (2.85) | (1.23) |
| Closing net asset value per share | 121.70 | 120.14 | 96.14 |
| Performance | | | |
| Return after charges | 1.30% | 5.45% | (2.73%) |
| Other information | | | |
| Closing net asset value (£) | - | 2,724,172 | 52,757,586 |
| Closing number of shares | - | 2,267,553 | 54,875,552 |
| Operating charges* | **2.35% | 2.43% | ***1.30% |
| Published prices | | | |
| Highest share price (p) | 122.1 | 123.3 | 100.4 |
| Lowest share price (p) | 110.6 | 116.9 | 97.32 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} For the period 18 October 2021 to 28 February 2022.

^{^^^} Rounded to 2 decimal places.

* The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

*** Annualised based on the expenses incurred during the period 18 October 2021 to 28 February 2022.

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

Comparative table (continued)

| | I Income | | | Q Income | |
|-----------------------------------|------------|------------|------------|------------------------|------------|
| | 2022 p | 2021 p | 2020 p | 2021 [^] p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 120.59 | 122.12 | 117.91 | 120.72 | 116.99 |
| Return before operating charges | (1.23) | 3.41 | 9.47 | 3.32 | 9.35 |
| Operating charges | (2.29) | (2.25) | (2.37) | (2.63) | (2.76) |
| Return after operating charges | (3.52) | 1.16 | 7.10 | 0.69 | 6.59 |
| Distributions ^{^^} | (2.17) | (2.69) | (2.89) | - | (2.86) |
| Closing net asset value per share | 114.90 | 120.59 | 122.12 | 121.41 | 120.72 |
| Performance | | | | | |
| Return after charges | (2.92%) | 0.95% | 6.02% | 0.57% | 5.63% |
| Other information | | | | | |
| Closing net asset value (£) | 19,575,071 | 36,463,124 | 25,209,556 | - | 31,734,763 |
| Closing number of shares | 17,036,702 | 30,236,740 | 20,642,847 | - | 26,288,112 |
| Operating charges ^{^^^} | 1.90% | 1.85% | 1.93% | *2.20% | 2.28% |
| Published prices | | | | | |
| Highest share price (p) | 121.4 | 124.7 | 125.4 | 122.9 | 123.9 |
| Lowest share price (p) | 117.0 | 112.4 | 118.2 | 111.1 | 117.3 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

* Annualised based on expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

| | S Income | | | C Accumulation | | |
|--|-----------|------------|------------|----------------|-----------|-----------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | p | p | p | p | p | p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 125.12 | 126.18 | 121.35 | 127.78 | 126.31 | 119.11 |
| Return before operating charges | (1.78) | 3.54 | 9.75 | (1.32) | 3.54 | 9.34 |
| Operating charges | (1.89) | (1.81) | (1.94) | (2.17) | (2.07) | (2.14) |
| Return after operating charges | (3.67) | 1.73 | 7.81 | (3.49) | 1.47 | 7.20 |
| Distributions [^] | (2.11) | (2.79) | (2.98) | (2.31) | (2.79) | (2.92) |
| Retained distributions on accumulation shares [^] | - | - | - | 2.31 | 2.79 | 2.92 |
| Closing net asset value per share | 119.34 | 125.12 | 126.18 | 124.29 | 127.78 | 126.31 |
| Performance | | | | | | |
| Return after charges | (2.93%) | 1.37% | 6.44% | (2.73%) | 1.16% | 6.04% |
| Other information | | | | | | |
| Closing net asset value (£) | 4,038,025 | 52,041,661 | 12,050,603 | 1,262,485 | 2,015,600 | 4,598,607 |
| Closing number of shares | 3,383,666 | 41,594,717 | 9,550,463 | 1,015,727 | 1,577,455 | 3,640,808 |
| Operating charges ^{^^} | 1.50% | 1.45% | 1.53% | 1.70% | 1.65% | 1.73% |
| Published prices | | | | | | |
| Highest share price (p) | 126.2 | 129.3 | 129.5 | 128.7 | 129.2 | 126.6 |
| Lowest share price (p) | 121.6 | 116.2 | 121.7 | 124.3 | 115.8 | 119.1 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

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

Financial statements - S&W Saltus Fixed Income Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|---------------------------|------------------|-------------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital (losses) / gains | 2 | | (2,692,395) | | 56,509 |
| Revenue | 3 | 1,545,791 | | 1,827,713 | |
| Expenses | 4 | <u>(721,790)</u> | | <u>(970,640)</u> | |
| Net revenue before taxation | | 824,001 | | 857,073 | |
| Taxation | 5 | <u>(20,661)</u> | | <u>(21,430)</u> | |
| Net revenue after taxation | | | <u>803,340</u> | | <u>835,643</u> |
| Total return before distributions | | | (1,889,055) | | 892,152 |
| Distributions | 6 | | (1,525,394) | | (1,806,306) |
| Change in net assets attributable to shareholders from investment activities | | | <u><u>(3,414,449)</u></u> | | <u><u>(914,154)</u></u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | | 2022 | | 2021 | |
|---|--|---------------------|--------------------------|---------------------|--------------------------|
| | | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | | 90,520,385 | | 76,317,701 |
| Amounts receivable on issue of shares | | 31,405,135 | | 26,425,485 | |
| Amounts payable on cancellation of shares | | <u>(40,901,398)</u> | | <u>(11,352,611)</u> | |
| | | | (9,496,263) | | 15,072,874 |
| Change in net assets attributable to shareholders from investment activities | | | (3,414,449) | | (914,154) |
| Retained distributions on accumulation shares | | | 23,494 | | 43,964 |
| Closing net assets attributable to shareholders | | | <u><u>77,633,167</u></u> | | <u><u>90,520,385</u></u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|--------------------|--------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 71,845,916 | 81,082,653 |
| Current assets: | | | |
| Debtors | 7 | 273,220 | 613,592 |
| Cash and cash equivalents | 8 | 6,684,136 | 11,007,633 |
| Total assets | | <u>78,803,272</u> | <u>92,703,878</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (1,115,164) | (1,973,520) |
| Other creditors | 9 | (54,941) | (209,973) |
| Total liabilities | | <u>(1,170,105)</u> | <u>(2,183,493)</u> |
| Net assets attributable to shareholders | | <u>77,633,167</u> | <u>90,520,385</u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

| | | |
|---|--------------------|------------------|
| 2. Net capital (losses) / gains | 2022 | 2021 |
| | £ | £ |
| Non-derivative securities - realised gains | 1,793,206 | 670,752 |
| Non-derivative securities - movement in unrealised losses | (4,482,690) | (611,121) |
| Currency gains | 514 | - |
| Transaction charges | (3,425) | (3,122) |
| Total net capital (losses) / gains | <u>(2,692,395)</u> | <u>56,509</u> |
| 3. Revenue | 2022 | 2021 |
| | £ | £ |
| UK revenue | 38,390 | 14,145 |
| Unfranked revenue | 435,287 | 350,894 |
| Overseas revenue | 1,072,105 | 1,461,686 |
| Bank and deposit interest | 9 | 988 |
| Total revenue | <u>1,545,791</u> | <u>1,827,713</u> |
| 4. Expenses | 2022 | 2021 |
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 72,122 | 81,515 |
| Investment Manager's fees | 609,615 | 850,188 |
| | <u>681,737</u> | <u>931,703</u> |
| Payable to the Depositary | | |
| Depositary fees | <u>27,363</u> | <u>26,402</u> |
| Other expenses: | | |
| Audit fee | 5,692 | 5,670 |
| Non-executive directors' fees | 1,204 | 625 |
| Safe custody fees | 2,465 | 2,333 |
| FCA fee | 1,140 | 1,052 |
| KIID production fee | 2,189 | 2,855 |
| | <u>12,690</u> | <u>12,535</u> |
| Total expenses | <u>721,790</u> | <u>970,640</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| I Income | 1.08% |
| S Income | 0.68% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| 5. Taxation | 2022 | 2021 |
|---|---------------|---------------|
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| UK corporation tax | 20,661 | 21,430 |
| Total taxation (note 5b) | <u>20,661</u> | <u>21,430</u> |

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2021: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below:

| | 2022 | 2021 |
|--|------------------|------------------|
| | £ | £ |
| Net revenue before taxation | <u>824,001</u> | <u>857,073</u> |
| Corporation tax @ 20% | 164,800 | 171,415 |
| Effects of: | | |
| UK revenue | (7,678) | (2,829) |
| Offshore income gains | 294 | - |
| Unrealised gains on non reporting offshore funds | 6,322 | - |
| Movement in short term timing differences | 53 | 62 |
| Tax deductible interest distributions | <u>(143,130)</u> | <u>(147,218)</u> |
| Total taxation (note 5a) | <u>20,661</u> | <u>21,430</u> |

6. Distributions

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

| | 2022 | 2021 |
|--|------------------|------------------|
| | £ | £ |
| Final income distribution | 1,115,164 | 1,973,520 |
| Final accumulation distribution | <u>23,494</u> | <u>43,964</u> |
| | 1,138,658 | 2,017,484 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 241,802 | 106,191 |
| Amounts added on issue of shares | (156,460) | (319,996) |
| Net equalisation on conversions | <u>301,394</u> | <u>2,627</u> |
| Total net distributions | <u>1,525,394</u> | <u>1,806,306</u> |

Reconciliation between net revenue and distributions:

| | | |
|--|------------------|------------------|
| Net revenue after taxation per Statement of total return | 803,340 | 835,643 |
| Undistributed revenue brought forward | 403 | 426 |
| Expenses paid from capital | 721,790 | 970,640 |
| Undistributed revenue carried forward | <u>(139)</u> | <u>(403)</u> |
| Distributions | <u>1,525,394</u> | <u>1,806,306</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------------------|-------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | 108,150 | 587,336 |
| Sales awaiting settlement | 131,243 | - |
| Accrued revenue | 33,732 | 26,169 |
| Prepaid expenses | 95 | 87 |
| Total debtors | <u>273,220</u> | <u>613,592</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>6,684,136</u> | <u>11,007,633</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 6,930 | 133,634 |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 4,256 | 7,068 |
| Investment Manager's fees | <u>34,401</u> | <u>59,787</u> |
| | 38,657 | 66,855 |
| Other expenses: | | |
| Depository fees | 1,927 | 2,410 |
| Safe custody fees | 382 | 402 |
| Audit fee | 5,693 | 5,670 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 381 | 476 |
| Transaction charges | <u>192</u> | <u>16</u> |
| | 9,354 | 9,484 |
| Total accrued expenses | <u>48,011</u> | <u>76,339</u> |
| Total other creditors | <u>54,941</u> | <u>209,973</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in the year:

| | |
|------------------------------------|-------------------|
| | X Income |
| Opening shares in issue | - |
| Total shares issued in the year | 9,711,370 |
| Total shares cancelled in the year | (5,338,011) |
| Total shares converted in the year | <u>50,502,193</u> |
| Closing shares in issue | <u>54,875,552</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share types (continued)

| | |
|------------------------------------|-------------------|
| | I Income |
| Opening shares in issue | 30,236,740 |
| Total shares issued in the year | 8,147,466 |
| Total shares cancelled in the year | (12,323,642) |
| Total shares converted in the year | (9,023,862) |
| Closing shares in issue | <u>17,036,702</u> |
| | S Income |
| Opening shares in issue | 41,594,717 |
| Total shares issued in the year | 9,407,970 |
| Total shares cancelled in the year | (16,010,126) |
| Total shares converted in the year | (31,608,895) |
| Closing shares in issue | <u>3,383,666</u> |
| | C Accumulation |
| Opening shares in issue | 1,577,455 |
| Total shares issued in the year | 48,236 |
| Total shares cancelled in the year | (609,964) |
| Closing shares in issue | <u>1,015,727</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per X Income share has decreased from 96.14p to 92.06p, I Income share has decreased from 114.9p to 109.8p, S Income share has decreased from 119.3p to 114.2p and C Accumulation share has decreased from 124.3p to 118.9p as at 27 June 2022. This movement takes into account routine transactions but also reflects the market movements of recent months.

Notes to the financial statements (continued)

for the year ended 28 February 2022

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.

No commission or taxes were incurred in the purchase and sale of investments.

| | 2022 | 2021 |
|-------------------------------|-------------------|-------------------|
| Purchases: | £ | £ |
| Collective Investment Schemes | <u>58,929,280</u> | <u>17,840,000</u> |
| | 2022 | 2021 |
| Sales: | £ | £ |
| Collective Investment Schemes | <u>66,360,045</u> | <u>10,330,247</u> |

Capital events amount of £204,232 (2021: £nil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

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 0.00% (2021: 0.00%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-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 exposed to this risk are collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £3,592,296 (2021: £4,054,132).

Notes to the financial statements (continued)

for the year ended 28 February 2022

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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2022 | | | |
| US dollar | 2,902,725 | 131,243 | 3,033,968 |
| Total foreign currency exposure | <u>2,902,725</u> | <u>131,243</u> | <u>3,033,968</u> |

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2021 | | | |
| US dollar | 3,050,798 | - | 3,050,798 |
| Total foreign currency exposure | <u>3,050,798</u> | <u>-</u> | <u>3,050,798</u> |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £151,698 (2021: £152,540).

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund's also has indirect exposure to interest rate risk as it invests in bond funds.

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 sub-fund.

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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 and issuer risk.

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

d Fair value of financial assets and financial liabilities (continued)

| | Investment assets | Investment liabilities |
|------------------------|----------------------|---------------------------|
| Basis of valuation | 2022 | 2022 |
| | £ | £ |
| Quoted prices | - | - |
| Observable market data | 69,018,182 | - |
| Unobservable data* | 2,827,734 | - |
| | <u>71,845,916</u> | <u>-</u> |
| | | |
| | Investment assets | Investment liabilities |
| Basis of valuation | 2021 | 2021 |
| | £ | £ |
| Quoted prices | - | - |
| Observable market data | 81,082,653 | - |
| Unobservable data | - | - |
| | <u>81,082,653</u> | <u>-</u> |

*The following security is valued in the portfolio of investments using a valuation technique:

Barak Structured Trade Finance Segregated Portfolio: The fair value pricing committee determined a share price of \$303.71 was appropriate based on committee approval of the last published NAV minus liquidation payments.

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the ACD has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The ACD of the sub-fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other the assumptions used are under continuous review by the ACD with particular attention paid to the carrying value of the investments.

e Assets subject to special arrangements arising from their illiquid nature

The following assets held in the portfolio of investments are subject to special arrangements arising from their illiquid nature:

| | 2022 | 2021 |
|---|--------------------------------------|--------------------------------------|
| | % of the total net asset value | % of the total net asset value |
| Barak Structured Trade Finance Segregated Portfolio | 3.64% | n/a |
| Total | <u>3.64%</u> | <u>n/a</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

f Derivatives

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

Derivatives may be used for investment purposes and as a result could potentially impact upon the risk factors outlined above.

During the year there were no derivative transactions.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|
| 30.04.22 | group 1 | final | 1.227 | - | 1.227 |
| 30.04.22 | group 2 | final | 0.304 | 0.923 | 1.227 |

Equalisation

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

Final distribution:

Group 1 Shares purchased on 18 October 2021

Group 2 Shares purchased 19 October 2021 to 28 February 2022

Distribution on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 2.174 | - | 2.174 | 2.693 |
| 30.04.22 | group 2 | final | 1.672 | 0.502 | 2.174 | 2.693 |

Distribution on S Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 2.112 | - | 2.112 | 2.787 |
| 30.04.22 | group 2 | final | 1.770 | 0.342 | 2.112 | 2.787 |

Equalisation

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

Final distributions:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)*for the year ended 28 February 2022*

Distribution on C Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 2.313 | - | 2.313 | 2.787 |
| 30.04.22 | group 2 | final | 2.069 | 0.244 | 2.313 | 2.787 |

Equalisation

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

Accumulation distributions

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

Final distribution:

| | |
|---------|---|
| Group 1 | Shares purchased before 1 March 2021 |
| Group 2 | Shares purchased 1 March 2021 to 28 February 2022 |

S&W Saltus Real Return Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to generate a return which is the higher of cash (measured by the Bank of England ('BoE') base rate) and inflation (as measured by UK Consumer Price Index ('CPI')), over a rolling 3-year period.

Your capital is at risk and there is no guarantee that a positive return will be obtained over the rolling 3-year period, or any other time period.

The investment policy is to create a widely diversified portfolio of investments across multiple asset classes, geographies, styles and strategies. This will be achieved mainly through investment in other collective investment schemes which themselves invest in transferable securities, currencies, property, gold and cash.

The sub-fund may also invest in transferable securities, money market instruments, gold and cash.

Derivatives may be used for the purposes of Efficient Portfolio Management. The sub-fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the sub-fund.

Investment performance

Over the period the sub-fund delivered a total return of 5.23% (I Income shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022) compared to target benchmark returns of 6.14% (UK CPI) and 0.16% (BoE base rate). Over a rolling three year period the sub-fund delivered a total return of 11.37% compared to target benchmark returns of 8.94% (UK CPI) and 1.07% (BoE base rate).

Source: Bloomberg.

Investment activities

This reporting period was a very benign one, with the prospect of the reopening of developed market economies propelling most risk assets higher on a wave of earnings momentum and positive sentiment.

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

Our overall stance was to increase investment into lower volatility alternatives which may be better positioned for a higher inflation period. This involved, inter alia, the reduction in our emerging markets foreign exchange fund, UBS Irl Investor Selection - Currency Allocation Return Strategy, to fund the purchases of Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio, TM Tellworth UK Select and Kepler Liquid Strategies ICAV - KLS Arete Macro Fund, the latter position was included specifically to take advantage of the volatility in the Asian region.

Investment Manager's report (continued)

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost £ |
|---|---------------|
| Purchases: | |
| Vontobel Fund II - Vescore Active Beta Opportunities | 12,117,380 |
| TM Tellworth UK Select | 5,129,500 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 3,906,670 |
| Invesco Bloomberg Commodity UCITS ETF | 3,648,194 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 3,544,090 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 3,378,310 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 3,308,060 |
| iShares Physical Gold ETC | 3,076,525 |
| BH Macro | 3,037,313 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 2,517,660 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 1,763,990 |
| Angel Oak Multi-Strategy Income UCITS Fund | 1,706,410 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 1,495,970 |
| CG Portfolio Fund - Dollar Fund | 1,413,890 |
| UBS Irl Investor Selection - Currency Allocation Return Strategy | 1,265,010 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Accumulation | 1,229,870 |
| WisdomTree Physical Gold | 1,174,465 |
| Franklin Templeton Funds II - FTF ClearBridge Global Infrastructure Income Fund X Accumulation | 1,035,020 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 889,110 |
| Trojan Investment Funds - Trojan Fund | 882,830 |
| | Proceeds £ |
| Sales: | |
| UBS Irl Investor Selection - Currency Allocation Return Strategy | 5,535,884 |
| WisdomTree Physical Gold | 5,509,863 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 4,682,109 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 4,011,217 |
| iShares Physical Gold ETC | 3,515,375 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Accumulation | 2,672,230 |
| Angel Oak Multi-Strategy Income UCITS Fund | 2,493,530 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 2,390,660 |
| CG Portfolio Fund - Dollar Fund | 1,575,770 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 1,301,910 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 1,091,220 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 914,520 |
| Franklin Templeton Funds II - FTF ClearBridge Global Infrastructure Income Fund X Accumulation | 857,230 |
| Capital Gearing Portfolio Fund | 721,220 |
| Trojan Investment Funds - Trojan Fund | 655,030 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 582,920 |
| Invesco Bloomberg Commodity UCITS ETF | 526,665 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 367,390 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 312,940 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|--|--------------------------|-------------------|-----------------------|
| Closed-Ended Funds 9.37% (6.62%) | | | |
| Closed-Ended Funds - incorporated in the United Kingdom 3.36% (2.93%) | | | |
| RIT Capital Partners | 153,749 | 3,805,288 | 3.36 |
| Closed-Ended Funds - incorporated outwith the United Kingdom 6.01% (3.69%) | | | |
| BH Macro | 181,094 | 6,809,134 | 6.01 |
| Total closed-ended funds | | 10,614,422 | 9.37 |
| Collective Investment Schemes 80.25% (78.88%) | | | |
| UK Authorised Collective Investment Schemes 29.22% (24.57%) | | | |
| Allianz UK & European Investment Funds - | | | |
| Allianz Strategic Bond Fund I Accumulation | 3,079,302 | 3,871,607 | 3.41 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 4,852,487 | 5,027,662 | 4.43 |
| Artemis Investment Funds ICVC - Artemis Target Return Bond Fund | 3,068,680 | 3,300,979 | 2.91 |
| Franklin Templeton Funds II - | | | |
| FTF ClearBridge Global Infrastructure Income Fund X Accumulation | 2,695,632 | 4,566,401 | 4.03 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 1,807,255 | 2,156,597 | 1.90 |
| TM Tellworth UK Select | 4,223,049 | 5,106,933 | 4.50 |
| Trojan Investment Funds - Trojan Fund | 2,897,065 | 9,120,541 | 8.04 |
| Total UK authorised collective investment schemes | | 33,150,720 | 29.22 |
| Offshore Collective Investment Schemes 51.03% (54.31%) | | | |
| Angel Oak Multi-Strategy Income UCITS Fund | 47,228 | 5,641,532 | 4.98 |
| Aviva Investors - Global Convertibles Absolute Return Fund | 15,894 | 2,235,745 | 1.97 |
| Barak Structured Trade Finance Segregated Portfolio* | 15,222 | 3,452,296 | 3.04 |
| Capital Gearing Portfolio Fund | 23,088 | 4,307,987 | 3.80 |
| CG Portfolio Fund - Dollar Fund | 42,588 | 4,564,567 | 4.03 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 7,252,035 | 9,000,501 | 7.94 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 15 | 15 | 0.00 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 323,882 | 4,110,446 | 3.63 |
| Invesco Bloomberg Commodity UCITS ETF | 233,130 | 4,178,855 | 3.69 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 29,406 | 3,370,791 | 2.97 |
| Kestrel Opportunities | 208,351 | 1,270,543 | 1.12 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 35,193 | 4,516,357 | 3.98 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 105,486 | 11,212,142 | 9.88 |
| Total offshore collective investment schemes | | 57,861,777 | 51.03 |
| Total collective investment schemes | | 91,012,497 | 80.25 |

*Barak Structured Trade Finance Segregated Portfolio has been delisted pending liquidation and the fair value pricing committee feels that it is appropriate to value the shares at \$303.71.

Portfolio statement (continued)

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|---|--------------------------------|----------------------|--------------------------|
| Exchange Traded Commodities 3.75% (9.54%) | | | |
| iShares Physical Gold | 153,692 | 4,246,510 | 3.75 |
| Portfolio of investments | | 105,873,429 | 93.37 |
| Other net assets | | 7,516,050 | 6.63 |
| Total net assets | | 113,389,479 | 100.00 |

All investments are listed on recognised stock exchanges or are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund. Investment trusts and closed ended funds may borrow to purchase additional investments. This can increase returns when stock markets rise but will magnify losses when markets fall. The value of an investment trust or a closed-ended fund moves in line with stock market demand and its unit/share price may be less than or more than the net value of the investments it holds.

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

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

During the year, the risk and reward indicator changed from 4 to 3.

Comparative table

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

X Income shares launched on 18 October 2021 at 100.1p per share.

| | A Income | | X Income |
|--------------------------------------|------------------------|------------|-------------------------|
| | 2021 [^] p | 2020 p | 2022 ^{^^} p |
| Change in net assets per share | | | |
| Opening net asset value per share | 113.96 | 109.74 | 100.10 |
| Return before operating charges | 4.24 | 8.47 | 0.66 |
| Operating charges | (2.60) | (2.93) | (0.53) |
| Return after operating charges* | 1.64 | 5.54 | 0.13 |
| Distributions ^{^^^} | - | (1.32) | (0.31) |
| Closing net asset value per share | 115.60 | 113.96 | 99.92 |
| | | | |
| * after direct transaction costs of: | 0.01 | - | 0.02 |
| | | | |
| Performance | | | |
| Return after charges | 1.44% | 5.05% | 0.13% |
| | | | |
| Other information | | | |
| Closing net asset value (£) | - | 14,487,306 | 77,007,556 |
| Closing number of shares | - | 12,712,320 | 77,072,352 |
| Operating charges ^{^^^^} | **2.40% | 2.55% | ***1.44% |
| Direct transaction costs | 0.01% | 0.00% | 0.03% |
| | | | |
| Published prices | | | |
| Highest share price (p) | 117.0 | 118.7 | 101.7 |
| Lowest share price (p) | 104.2 | 109.9 | 99.73 |

[^] For the period 1 March 2020 to 10 February 2021.

^{^^} For the period 18 October 2021 to 28 February 2022.

^{^^^} Rounded to 2 decimal places.

^{^^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share classes may incur in a year as it is calculated on historical data.

^{^^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 10 February 2021.

*** Annualised based on the expenses incurred during the period 18 October 2021 to 28 February 2022.

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

Comparative table (continued)

| | I Income | | | Q Income | |
|--------------------------------------|------------|------------|------------|------------------------|-----------|
| | 2022 p | 2021 p | 2020 p | 2021 [^] p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 114.98 | 116.15 | 111.28 | 114.72 | 110.32 |
| Return before operating charges | 8.36 | 2.50 | 8.60 | 2.69 | 8.51 |
| Operating charges | (2.44) | (2.36) | (2.39) | (2.71) | (2.78) |
| Return after operating charges * | 5.92 | 0.14 | 6.21 | (0.02) | 5.73 |
| Distributions ^{^^} | (0.96) | (1.31) | (1.34) | - | (1.33) |
| Closing net asset value per share | 119.94 | 114.98 | 116.15 | 114.70 | 114.72 |
| | | | | | |
| * after direct transaction costs of: | 0.04 | 0.01 | - | 0.01 | - |
| | | | | | |
| Performance | | | | | |
| Return after charges | 5.15% | 0.12% | 5.58% | (0.02%) | 5.19% |
| | | | | | |
| Other information | | | | | |
| Closing net asset value (£) | 28,641,974 | 35,082,247 | 43,120,748 | - | 6,451,963 |
| Closing number of shares | 23,879,673 | 30,510,406 | 37,124,391 | - | 5,624,271 |
| Operating charges ^{^^^} | 2.04% | 2.03% | 2.05% | **2.36% | 2.40% |
| Direct transaction costs | 0.03% | 0.01% | 0.00% | 0.01% | 0.00% |
| | | | | | |
| Published prices | | | | | |
| Highest share price (p) | 122.9 | 119.7 | 121.0 | 117.9 | 119.5 |
| Lowest share price (p) | 115.1 | 106.2 | 111.5 | 104.9 | 110.5 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share classes may incur in a year as it is calculated on historical data.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

| | S Income | | | C Accumulation | | |
|--|-----------|------------|-----------|----------------|-----------|------------|
| | 2022 | 2021 | 2020 | 2022 | 2021 | 2020 |
| | p | p | p | p | p | p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 118.04 | 118.79 | 113.38 | 118.01 | 117.66 | 111.26 |
| Return before operating charges | 9.29 | 2.53 | 8.75 | 8.56 | 2.51 | 8.56 |
| Operating charges | (2.02) | (1.93) | (1.97) | (2.27) | (2.16) | (2.16) |
| Return after operating charges * | 7.27 | 0.60 | 6.78 | 6.29 | 0.35 | 6.40 |
| Distributions [^] | (0.99) | (1.35) | (1.37) | (0.99) | (1.33) | (1.34) |
| Retained distributions on accumulation shares [^] | - | - | - | 0.99 | 1.33 | 1.34 |
| Closing net asset value per share | 124.32 | 118.04 | 118.79 | 124.30 | 118.01 | 117.66 |
| * after direct transaction costs of: | 0.03 | 0.00 | - | 0.04 | 0.01 | - |
| Performance | | | | | | |
| Return after charges | 6.16% | 0.51% | 5.98% | 5.33% | 0.30% | 5.75% |
| Other information | | | | | | |
| Closing net asset value (£) | 2,816,716 | 47,587,271 | 5,725,413 | 4,923,233 | 4,186,785 | 10,454,625 |
| Closing number of shares | 2,265,691 | 40,314,902 | 4,819,696 | 3,960,816 | 3,547,763 | 8,885,137 |
| Operating charges ^{^^} | 1.64% | 1.63% | 1.65% | 1.84% | 1.83% | 1.85% |
| Direct transaction costs | 0.03% | 0.01% | 0.00% | 0.03% | 0.01% | 0.00% |
| Published prices | | | | | | |
| Highest share price (p) | 127.2 | 122.8 | 123.7 | 126.3 | 121.5 | 121.2 |
| Lowest share price (p) | 118.1 | 108.7 | 113.6 | 118.1 | 107.6 | 111.4 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share classes may incur in a year as it is calculated on historical data.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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

Financial statements - S&W Saltus Real Return Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|------------------|------------------|--------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains / (losses) | 2 | | 4,545,621 | | (183,963) |
| Revenue | 3 | 928,202 | | 1,103,195 | |
| Expenses | 4 | <u>(826,067)</u> | | <u>(974,091)</u> | |
| Net revenue before taxation | | 102,135 | | 129,104 | |
| Taxation | 5 | <u>-</u> | | <u>-</u> | |
| Net revenue after taxation | | | <u>102,135</u> | | <u>129,104</u> |
| Total return before distributions | | | 4,647,756 | | (54,859) |
| Distributions | 6 | | (807,455) | | (949,421) |
| Change in net assets attributable to shareholders from investment activities | | | <u>3,840,301</u> | | <u>(1,004,280)</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | | 2022 | | 2021 | |
|---|--|---------------------|--------------------|---------------------|-------------------|
| | | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | | 86,856,303 | | 80,240,055 |
| Amounts receivable on issue of shares | | 47,223,113 | | 20,025,503 | |
| Amounts payable on cancellation of shares | | <u>(24,569,450)</u> | | <u>(12,452,196)</u> | |
| | | | 22,653,663 | | 7,573,307 |
| Change in net assets attributable to shareholders from investment activities | | | 3,840,301 | | (1,004,280) |
| Retained distributions on accumulation shares | | | 39,212 | | 47,221 |
| Closing net assets attributable to shareholders | | | <u>113,389,479</u> | | <u>86,856,303</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|---------------------------|--------------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 105,873,429 | 82,539,922 |
| Current assets: | | | |
| Debtors | 7 | 151,408 | 436,231 |
| Cash and cash equivalents | 8 | 7,939,010 | 5,457,157 |
| Total assets | | <u>113,963,847</u> | <u>88,433,310</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (494,706) | (942,532) |
| Other creditors | 9 | (79,662) | (634,475) |
| Total liabilities | | <u>(574,368)</u> | <u>(1,577,007)</u> |
| Net assets attributable to shareholders | | <u><u>113,389,479</u></u> | <u><u>86,856,303</u></u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

| | | |
|---|------------------|------------------|
| 2. Net capital gains / (losses) | 2022 | 2021 |
| | £ | £ |
| Non-derivative securities - realised gains | 2,227,129 | 2,348,404 |
| Non-derivative securities - movement in unrealised gains / (losses) | 2,345,905 | (2,486,376) |
| Currency losses | (23,758) | (42,948) |
| Transaction charges | (3,655) | (3,043) |
| Total net capital gains / (losses) | <u>4,545,621</u> | <u>(183,963)</u> |
| 3. Revenue | 2022 | 2021 |
| | £ | £ |
| UK revenue | 267,943 | 229,569 |
| Unfranked revenue | 266,121 | 166,701 |
| Overseas revenue | 393,959 | 705,989 |
| Bank and deposit interest | 179 | 936 |
| Total revenue | <u>928,202</u> | <u>1,103,195</u> |
| 4. Expenses | 2022 | 2021 |
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 82,584 | 83,011 |
| Investment Manager's fees | 699,310 | 851,103 |
| | <u>781,894</u> | <u>934,114</u> |
| Payable to the Depositary | | |
| Depositary fees | <u>31,334</u> | <u>26,816</u> |
| Other expenses: | | |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 1,204 | 624 |
| Safe custody fees | 2,940 | 2,388 |
| Bank interest | 76 | - |
| FCA fee | 1,132 | 1,116 |
| KIID production fee | 1,523 | 3,093 |
| | <u>12,839</u> | <u>13,161</u> |
| Total expenses | <u>826,067</u> | <u>974,091</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| I Income | 1.08% |
| S Income | 0.68% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

5. Taxation

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| <i>a. Analysis of the tax charge for the year</i> | | |
| Total taxation (note 5b) | <u>-</u> | <u>-</u> |

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2021: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below:

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Net revenue before taxation | <u>102,135</u> | <u>129,104</u> |
| Corporation tax @ 20% | 20,427 | 25,821 |
| Effects of: | | |
| UK revenue | (53,589) | (45,914) |
| Overseas revenue | (11,489) | (20,990) |
| Excess management expenses | 120,215 | (44,086) |
| Utilisation of excess management expenses | - | 85,169 |
| Offshore income gains | 343 | - |
| Adjustment in respect of prior years - Change in reporting status | (85,169) | - |
| Adjustment in respect of prior years - Change in unfranked income | 1,886 | - |
| Unrealised gains on non reporting offshore funds | <u>7,376</u> | <u>-</u> |
| Total taxation (note 5a) | <u>-</u> | <u>-</u> |

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 £536,568 (2021: £416,353).

6. Distributions

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

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Final income distribution | 494,706 | 942,532 |
| Final accumulation distribution | <u>39,212</u> | <u>47,221</u> |
| | 533,918 | 989,753 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 66,880 | 61,342 |
| Amounts added on issue of shares | (141,788) | (102,677) |
| Net equalisation on conversions | <u>348,445</u> | <u>1,003</u> |
| Total net distributions | <u>807,455</u> | <u>949,421</u> |
| Reconciliation between net revenue and distributions: | | |
| Net revenue after taxation per Statement of total return | 102,135 | 129,104 |
| Undistributed revenue brought forward | 214 | 174 |
| Expenses paid from capital | 825,991 | 974,091 |
| Marginal tax relief | (120,547) | (153,734) |
| Undistributed revenue carried forward | <u>(338)</u> | <u>(214)</u> |
| Distributions | <u>807,455</u> | <u>949,421</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | 57,771 | 347,420 |
| Accrued revenue | 35,035 | 33,141 |
| Prepaid expenses | 95 | 92 |
| Recoverable income tax | 58,507 | 55,578 |
| Total debtors | <u>151,408</u> | <u>436,231</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>7,939,010</u> | <u>5,457,157</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 13,080 | 560,271 |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 6,138 | 6,905 |
| Investment Manager's fees | 50,054 | 57,573 |
| | <u>56,192</u> | <u>64,478</u> |
| Other expenses: | | |
| Depositary fees | 2,665 | 2,340 |
| Safe custody fees | 527 | 428 |
| Audit fee | 5,964 | 5,940 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 286 | 476 |
| Transaction charges | 169 | 32 |
| | <u>10,390</u> | <u>9,726</u> |
| Total accrued expenses | <u>66,582</u> | <u>74,204</u> |
| Total other creditors | <u>79,662</u> | <u>634,475</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in the year:

| | |
|------------------------------------|-------------------|
| | X Income |
| Opening shares in issue | - |
| Total shares issued in the year | 7,671,197 |
| Total shares cancelled in the year | (2,682,718) |
| Total shares converted in the year | 72,083,873 |
| Closing shares in issue | <u>77,072,352</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share classes (continued)

| | |
|------------------------------------|-------------------|
| | I Income |
| Opening shares in issue | 30,510,406 |
| Total shares issued in the year | 13,159,380 |
| Total shares cancelled in the year | (7,475,921) |
| Total shares converted in the year | (12,314,192) |
| Closing shares in issue | <u>23,879,673</u> |
| | S Income |
| Opening shares in issue | 40,314,902 |
| Total shares issued in the year | 17,852,057 |
| Total shares cancelled in the year | (9,889,287) |
| Total shares converted in the year | (46,011,981) |
| Closing shares in issue | <u>2,265,691</u> |
| | C Accumulation |
| Opening shares in issue | 3,547,763 |
| Total shares issued in the year | 1,201,689 |
| Total shares cancelled in the year | (788,636) |
| Total shares converted in the year | - |
| Closing shares in issue | <u>3,960,816</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per X income share has increased from 99.92p to 101.0p, the I income share has increased from 119.9p to 121.0p, the net asset value per S income share has increased from 124.3p to 125.6p and the net asset value per C accumulation share has increased from 124.3p to 125.5p as at 27 June 2022. 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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

14. Transaction costs (continued)

a Direct transaction costs (continued)

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 |
|-------------------------------|---|--------|------------|-------|-------|------------|--|
| | £ | £ | % | £ | % | £ | |
| 2022 | | | | | | | |
| Equities | 3,872,112 | 5,209 | 0.13% | 2,861 | 0.07% | 3,880,182 | |
| Collective Investment Schemes | 49,807,206 | 18,148 | 0.04% | - | - | 49,825,354 | |
| Exchange Traded Commodities | 4,248,866 | 2,124 | 0.05% | - | - | 4,250,990 | |
| Total | 57,928,184 | 25,481 | 0.22% | 2,861 | 0.07 | 57,956,526 | |

| | Purchases before transaction costs | | Commission | | Taxes | | Purchases after transaction costs |
|--------------------------------|---|-------|------------|---|-------|------------|--|
| | £ | £ | % | £ | % | £ | |
| 2021 | | | | | | | |
| Collective Investment Schemes* | 22,225,000 | - | - | - | - | 22,225,000 | |
| Exchange Traded Commodities | 4,818,407 | 2,409 | 0.05% | - | - | 4,820,816 | |
| Total | 27,043,407 | 2,409 | 0.05% | - | - | 27,045,816 | |

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|-------------------------------|---|---------|------------|---|-------|------------|--|
| | £ | £ | % | £ | % | £ | |
| 2022 | | | | | | | |
| Collective Investment Schemes | 30,692,707 | (263) | 0.00% | - | - | 30,692,444 | |
| Exchange Traded Commodities* | 9,029,754 | (4,515) | 0.05% | - | - | 9,025,239 | |
| Total | 39,722,461 | (4,778) | 0.05% | - | - | 39,717,683 | |

| | Sales before transaction costs | | Commission | | Taxes | | Sales after transaction costs |
|--------------------------------|---|---------|------------|---|-------|------------|--|
| | £ | £ | % | £ | % | £ | |
| 2021 | | | | | | | |
| Collective Investment Schemes* | 16,756,776 | - | - | - | - | 16,756,776 | |
| Exchange Traded Commodities | 3,293,523 | (1,647) | - | - | - | 3,291,876 | |
| Total | 20,050,299 | (1,647) | - | - | - | 20,048,652 | |

* No direct transaction costs were incurred in these transactions.

Capital events amount of £86,899 (2021: Enil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Notes to the financial statements (continued)

for the year ended 28 February 2022

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 sub-fund's average net asset value in the year:

| 2022 | £ | % of average net asset value |
|------------|--------|---------------------------------|
| Commission | 30,259 | 0.03% |
| Taxes | 2,861 | 0.00% |

| 2021 | £ | % of average net asset value |
|------------|-------|---------------------------------|
| Commission | 4,056 | 0.01% |

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 0.05% (2021: 0.13%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are closed-ended funds, exchange traded commodities and collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £5,293,671 (2021: £4,126,996).

Notes to the financial statements (continued)

for the year ended 28 February 2022

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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2022 | | | |
| US dollar | 3,539,785 | - | 3,539,785 |
| Total foreign currency exposure | 3,539,785 | - | 3,539,785 |

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2021 | | | |
| US dollar | 7,622,163 | - | 7,622,163 |
| Total foreign currency exposure | 7,622,163 | - | 7,622,163 |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £176,989 (2021: £381,108).

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from bank balances or payable

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

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

d Fair value of financial assets and financial liabilities (continued)

| Basis of valuation | Investment assets | Investment liabilities |
|------------------------|----------------------|---------------------------|
| | 2022 | 2022 |
| | £ | £ |
| Quoted prices | 19,039,787 | - |
| Observable market data | 83,381,346 | - |
| Unobservable data* | 3,452,296 | - |
| | <u>105,873,429</u> | <u>-</u> |
| Basis of valuation | Investment assets | Investment liabilities |
| | 2021 | 2021 |
| | £ | £ |
| Quoted prices | 14,031,001 | - |
| Observable market data | 68,508,921 | - |
| Unobservable data | - | - |
| | <u>82,539,922</u> | <u>-</u> |

*The following security is valued in the portfolio of investments using a valuation technique:

Barak Structured Trade Finance Segregated Portfolio: The fair value pricing committee determined a share price of \$303.71 was appropriate based on committee approval of the last published NAV minus liquidation payments.

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the ACD has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The ACD of the sub-fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other the assumptions used are under continuous review by the ACD with particular attention paid to the carrying value of the investments.

e Assets subject to special arrangements arising from their illiquid nature

The following assets held in the portfolio of investments are subject to special arrangements arising from their illiquid nature:

| | 2022 | 2021 |
|---|--------------------------------------|--------------------------------------|
| | % of the total net asset value | % of the total net asset value |
| Barak Structured Trade Finance Segregated Portfolio | 3.04% | n/a |
| Total | <u>3.04%</u> | <u>n/a</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

f Derivatives

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|
| 30.04.22 | group 1 | final | 0.314 | - | 0.314 |
| 30.04.22 | group 2 | final | 0.257 | 0.057 | 0.314 |

Equalisation

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

Final distribution:

Group 1 Shares purchased on 18 October 2021

Group 2 Shares purchased 19 October 2021 to 28 February 2022

Distribution on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 0.964 | - | 0.964 | 1.312 |
| 30.04.22 | group 2 | final | 0.542 | 0.422 | 0.964 | 1.312 |

Distribution on S Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 0.993 | - | 0.993 | 1.345 |
| 30.04.22 | group 2 | final | 0.625 | 0.368 | 0.993 | 1.345 |

Equalisation

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

Final distributions:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)

for the year ended 28 February 2022

Distribution on C Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 0.990 | - | 0.990 | 1.331 |
| 30.04.22 | group 2 | final | 0.524 | 0.466 | 0.990 | 1.331 |

Equalisation

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

Accumulation distributions

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

Final distribution:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 28 February 2022

S&W Saltus Income Fund

Investment Manager's report

Investment objective and policy

The primary objective of the sub-fund is to prioritise an income flow for investors with some capital growth.

The intention is for the sub-fund to be invested in a broad range of investments predominantly via collective investment schemes.

The sub-fund may also invest in transferable securities, money market instruments, gold and cash.

It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management.

The sub-fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the sub-fund.

Investment performance

Over the period the sub-fund delivered a total return of 3.42% (I income shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022). This compared to composite comparator benchmark performance of 4.67% (50% IA UK Equity Income and 50% IA £ Corporate Bond).

Source: Bloomberg.

Investment activities

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were relatively few trades in your fund during the period, as we felt we have the 'shape' of exposures we wanted, particularly after the increase to the holding in TM Redwheel Global Equity Income Fund L Income. This was in response to growing conviction that re-opening economies would fuel strong dividend growth globally, which this fund is well positioned to capture. Legg Mason Global Funds - Legg Mason Western Asset Macro Opportunities Bond Fund GBP Income was a notable underperformer due to its exposure to Emerging Market debt and foreign exchange in general and Russia in particular.

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|---|----------|
| Purchases: | £ |
| TM Redwheel Global Equity Income Fund L Income | 601,280 |
| Royal London Asset Management Bond Funds - Sterling Extra Yield Bond Fund | 97,000 |
| J O Hambro Capital Management UK Umbrella Fund - UK Equity Income Fund | 97,000 |
| MI Chelverton UK Equity Income Fund | 97,000 |
| MI TwentyFour Investment Funds - Dynamic Bond Fund | 97,000 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Income | 83,980 |
| Federated Hermes Unconstrained Credit Fund X2 GBP Income Hedged | 65,670 |
| Legg Mason Global Funds - Legg Mason Western Asset Macro Opportunities Bond Fund GBP Income | 48,000 |
| | Proceeds |
| Sales: | £ |
| MI TwentyFour Investment Funds - Dynamic Bond Fund | 414,780 |
| Federated Hermes Unconstrained Credit Fund X2 GBP Income Hedged | 299,580 |
| Premier Miton UK Multi Cap Income Fund | 264,110 |
| MI Chelverton UK Equity Income Fund | 250,870 |
| J O Hambro Capital Management UK Umbrella Fund - UK Equity Income Fund | 250,720 |
| Franklin Templeton Funds II - FTF ClearBridge Global Infrastructure Income Fund S Income | 212,060 |
| TM Redwheel Global Equity Income Fund L Income | 194,190 |
| Royal London Asset Management Bond Funds - Sterling Extra Yield Bond Fund | 189,180 |
| Muzinich Funds - Global Tactical Credit Fund | 178,690 |
| Legg Mason Global Funds - Legg Mason Western Asset Macro Opportunities Bond Fund GBP Income | 130,620 |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Income | 12,570 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|---|--------------------------------|----------------------|--------------------------|
| Collective Investment Schemes 95.88% (85.79%) | | | |
| UK Authorised Collective Investment Schemes 65.58% (55.75%) | | | |
| Allianz UK & European Investment Funds - Allianz Strategic Bond Fund I Income | 427,278 | 515,853 | 5.05 |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 790,616 | 819,157 | 8.03 |
| Franklin Templeton Funds II - | | | |
| FTF ClearBridge Global Infrastructure Income Fund S Income | 764,536 | 1,009,188 | 9.89 |
| J O Hambro Capital Management UK Umbrella Fund - UK Equity Income Fund | 442,548 | 857,216 | 8.40 |
| MI Chelverton UK Equity Income Fund | 759,240 | 865,913 | 8.49 |
| MI TwentyFour Investment Funds - Dynamic Bond Fund | 6,564 | 702,560 | 6.88 |
| Premier Miton UK Multi Cap Income Fund | 414,081 | 884,477 | 8.67 |
| TM Redwheel Global Equity Income Fund L Income | 925,280 | 1,038,164 | 10.17 |
| Total UK authorised collective investment schemes | | <u>6,692,528</u> | <u>65.58</u> |
| Offshore Collective Investment Schemes 30.30% (30.04%) | | | |
| Federated Hermes Unconstrained Credit Fund X2 GBP Income Hedged | 918,325 | 961,119 | 9.42 |
| Legg Mason Global Funds - | | | |
| Legg Mason Western Asset Macro Opportunities Bond Fund | 5,457 | 470,044 | 4.61 |
| Muzinich Funds - Global Tactical Credit Fund | 7,417 | 721,637 | 7.07 |
| Royal London Asset Management Bond Funds - Sterling Extra Yield Bond Fund | 831,629 | 939,159 | 9.20 |
| Total offshore collective investment schemes | | <u>3,091,959</u> | <u>30.30</u> |
| Total collective investment schemes | | <u>9,784,487</u> | <u>95.88</u> |
| Portfolio of investments | | 9,784,487 | 95.88 |
| Other net assets | | 420,387 | 4.12 |
| Total net assets | | <u>10,204,874</u> | <u>100.00</u> |

All investments are regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund.

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

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

X Income launched on 27 October 2021 at 100.00p per share and then closed on 2 February 2022.

| | X Income |
|-----------------------------------|----------------------|
| | 2022 [^] |
| | p |
| Change in net assets per share | |
| Opening net asset value per share | 100.00 |
| Return before operating charges | 0.19 |
| Operating charges | (0.29) |
| Return after operating charges | (0.10) |
| Distributions ^{^^} | (0.01) |
| Closing net asset value per share | ^{^^^} 99.89 |
| Performance | |
| Return after charges | (0.10%) |
| Other information | |
| Closing net asset value (£) | - |
| Closing number of shares | - |
| Operating charges* | ^{**} 1.38% |
| Published prices | |
| Highest share price (p) | 101.9 |
| Lowest share price (p) | 99.06 |

[^] For the period 27 October 2021 to 2 February 2022.

^{^^} Rounded to 2 decimal places.

^{^^^} Closing price 2 February 2022.

* The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

^{^^^} Annualised based on the expenses incurred during the period 27 October 2021 to 2 February 2022.

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

Comparative table (continued)

| | I Income | | | S Income | | |
|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2022 p | 2021 p | 2020 p | 2022 p | 2021 p | 2020 p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 95.98 | 97.16 | 98.36 | 97.91 | 98.79 | 99.69 |
| Return before operating charges | 5.32 | 3.58 | 4.53 | 5.35 | 3.60 | 4.55 |
| Operating charges | | (1.73) | (2.07) | (1.61) | (1.39) | (1.69) |
| Return after operating charges | 3.35 | 1.85 | 2.46 | 3.74 | 2.21 | 2.86 |
| Distributions [^] | (2.98) | (3.03) | (3.66) | (3.04) | (3.09) | (3.76) |
| Closing net asset value per share | 96.35 | 95.98 | 97.16 | 98.61 | 97.91 | 98.79 |
| Performance | | | | | | |
| Return after charges | 3.49% | 1.90% | 2.50% | 3.82% | 2.24% | 2.87% |
| Other information | | | | | | |
| Closing net asset value (£) | 6,029,779 | 8,517,941 | 1,791,777 | 4,175,095 | 4,001,867 | 674,595 |
| Closing number of shares | 6,258,514 | 8,874,801 | 1,844,238 | 4,234,121 | 4,087,360 | 682,849 |
| Operating charges ^{^^} | 1.98% | 1.90% | 2.05% | 1.58% | 1.50% | 1.65% |
| Published prices | | | | | | |
| Highest share price (p) | 101.9 | 98.52 | 104.1 | 104.1 | 100.2 | 105.9 |
| Lowest share price (p) | 96.16 | 78.30 | 98.00 | 98.09 | 79.64 | 99.56 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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.

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

Financial statements - S&W Saltus Income Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|----------------|------------------|-----------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains | 2 | | 192,932 | | 95,588 |
| Revenue | 3 | 384,902 | | 495,555 | |
| Expenses | 4 | <u>(126,484)</u> | | <u>(190,055)</u> | |
| Net revenue before taxation | | 258,418 | | 305,500 | |
| Taxation | 5 | <u>(11,758)</u> | | <u>(25,961)</u> | |
| Net revenue after taxation | | | <u>246,660</u> | | <u>279,539</u> |
| Total return before distributions | | | 439,592 | | 375,127 |
| Distributions | 6 | | (347,878) | | (431,521) |
| Change in net assets attributable to shareholders from investment activities | | | <u>91,714</u> | | <u>(56,394)</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | 2022 | | 2021 | |
|---|--------------------|-------------------|--------------------|-------------------|
| | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | 12,519,808 | | 12,825,202 |
| Amounts receivable on issue of shares | 1,708,672 | | 2,364,150 | |
| Amounts payable on cancellation of shares | <u>(4,115,320)</u> | | <u>(2,613,150)</u> | |
| | | (2,406,648) | | (249,000) |
| Change in net assets attributable to shareholders from investment activities | | 91,714 | | (56,394) |
| Closing net assets attributable to shareholders | | <u>10,204,874</u> | | <u>12,519,808</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|--------------------------|--------------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 9,784,487 | 10,740,566 |
| Current assets: | | | |
| Debtors | 7 | 32,353 | 1,653,841 |
| Cash and cash equivalents | 8 | 496,202 | 874,370 |
| Total assets | | <u>10,313,042</u> | <u>13,268,777</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (83,339) | (109,877) |
| Other creditors | 9 | (24,829) | (639,092) |
| Total liabilities | | <u>(108,168)</u> | <u>(748,969)</u> |
| Net assets attributable to shareholders | | <u><u>10,204,874</u></u> | <u><u>12,519,808</u></u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

2. Net capital gains

| | 2022 | 2021 |
|---|----------------|---------------|
| | £ | £ |
| Non-derivative securities - realised gains / (losses) | 231,973 | (26,843) |
| Non-derivative securities - movement in unrealised (losses) / gains | (36,858) | 124,315 |
| Transaction charges | (2,183) | (1,884) |
| Total net capital gains | <u>192,932</u> | <u>95,588</u> |

3. Revenue

| | 2022 | 2021 |
|---------------------------|----------------|----------------|
| | £ | £ |
| UK revenue | 199,629 | 175,694 |
| Unfranked revenue | 62,737 | 96,993 |
| Overseas revenue | 122,535 | 222,768 |
| Bank and deposit interest | 1 | 100 |
| Total revenue | <u>384,902</u> | <u>495,555</u> |

4. Expenses

| | 2022 | 2021 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 9,492 | 12,705 |
| Investment Manager's fees | 96,933 | 157,856 |
| | <u>106,425</u> | <u>170,561</u> |
| Payable to the Depositary | | |
| Depositary fees | <u>9,000</u> | <u>8,979</u> |
| Other expenses: | | |
| Audit fee | 6,452 | 6,426 |
| Non-executive directors' fees | 1,204 | 625 |
| Safe custody fees | 340 | 373 |
| FCA fee | 208 | 236 |
| KIID production fee | 2,855 | 2,855 |
| | <u>11,059</u> | <u>10,515</u> |
| Total expenses | <u>126,484</u> | <u>190,055</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------|-------|
| I Income | 1.08% |
| S Income | 0.68% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|---------------|---------------|
| 5. Taxation | 2022 | 2021 |
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| UK corporation tax | 11,758 | 25,961 |
| Total taxation (note 5b) | <u>11,758</u> | <u>25,961</u> |

b. Factors affecting the tax charge for the year

The tax assessed for the year is lower (2021: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below:

| | | |
|-----------------------------|----------------|----------------|
| | 2022 | 2021 |
| | £ | £ |
| Net revenue before taxation | <u>258,418</u> | <u>305,500</u> |
| Corporation tax @ 20% | 51,684 | 61,100 |
| Effects of: | | |
| UK revenue | (39,926) | (35,139) |
| Total taxation (note 5a) | <u>11,758</u> | <u>25,961</u> |

6. Distributions

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

| | | |
|--|----------------|----------------|
| | 2022 | 2021 |
| | £ | £ |
| Quarter 1 income distribution | 57,062 | 72,140 |
| Interim income distribution | 102,931 | 153,230 |
| Quarter 3 income distribution | 89,022 | 89,912 |
| Final income distribution | <u>83,339</u> | <u>109,877</u> |
| | 332,354 | 425,159 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 18,352 | 20,059 |
| Amounts added on issue of shares | (5,266) | (13,703) |
| Net equalisation on conversions | 2,438 | 6 |
| Total net distributions | <u>347,878</u> | <u>431,521</u> |

Reconciliation between net revenue and distributions:

| | | |
|--|----------------|----------------|
| Net revenue after taxation per Statement of total return | 246,660 | 279,539 |
| Undistributed revenue brought forward | 104 | 43 |
| Expenses paid from capital | 126,484 | 190,055 |
| Marginal tax relief | (25,292) | (38,012) |
| Undistributed revenue carried forward | <u>(78)</u> | <u>(104)</u> |
| Distributions | <u>347,878</u> | <u>431,521</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|----------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Sales awaiting settlement | - | 1,600,570 |
| Accrued revenue | 32,336 | 53,252 |
| Prepaid expenses | 17 | 19 |
| Total debtors | <u>32,353</u> | <u>1,653,841</u> |
| 8. Cash and cash equivalents | 2022 | 2021 |
| | £ | £ |
| Total cash and cash equivalents | <u>496,202</u> | <u>874,370</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 2,110 | 601,050 |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 565 | 1,014 |
| Investment Manager's fees | 6,700 | 10,796 |
| | <u>7,265</u> | <u>11,810</u> |
| Other expenses: | | |
| Depositary fees | 690 | 740 |
| Safe custody fees | 52 | 63 |
| Audit fee | 6,452 | 6,426 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 476 | 476 |
| Transaction charges | 46 | 55 |
| | <u>8,495</u> | <u>8,270</u> |
| Total accrued expenses | <u>15,760</u> | <u>20,080</u> |
| Corporation tax payable | 6,959 | 17,962 |
| Total other creditors | <u>24,829</u> | <u>639,092</u> |

10. Commitments and contingent liabilities

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

11. Share types

The following reflects the change in shares in the year:

| | |
|------------------------------------|------------------|
| | I Income |
| Opening shares in issue | 8,874,801 |
| Total shares issued in the year | 843,363 |
| Total shares cancelled in the year | (3,143,507) |
| Total shares converted in the year | <u>(316,143)</u> |
| Closing shares in issue | <u>6,258,514</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share types (continued)

| | |
|------------------------------------|------------------|
| | S Income |
| Opening shares in issue | 4,087,360 |
| Total shares issued in the year | 862,627 |
| Total shares cancelled in the year | (1,027,666) |
| Total shares converted in the year | 311,800 |
| Closing shares in issue | <u>4,234,121</u> |
| | X Income |
| Opening shares in issue | - |
| Total shares issued in the year | 316,758 |
| Total shares cancelled in the year | (316,758) |
| Closing shares in issue | <u>-</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per I Income share has decreased from 96.35p to 92.51p and S Income share has decreased from 98.61p to 94.79p as at 27 June 2022. 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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

14. Transaction costs (continued)

a Direct transaction costs (continued)

No commission or taxes were incurred in the purchase and sale of investments.

| | 2022 | 2021 |
|-------------------------------|------------------|------------------|
| Purchases: | £ | £ |
| Collective Investment Schemes | 1,186,930 | 4,377,502 |
| Total | <u>1,186,930</u> | <u>4,377,502</u> |
| | 2022 | 2021 |
| Sales: | £ | £ |
| Collective Investment Schemes | 2,397,370 | 6,054,337 |
| Total | <u>2,397,370</u> | <u>6,054,337</u> |

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 0.00% (2021: 0.00%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are collective investment schemes.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £489,224 (2021: £537,028).

Notes to the financial statements (continued)

for the year ended 28 February 2022

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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The sub-fund had no significant exposure to foreign currency in the year.

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds.

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 sub-fund.

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

c Liquidity risk (continued)

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

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-fund 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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

| Basis of valuation | Investment assets | Investment liabilities |
|------------------------|-------------------|------------------------|
| | 2022 | 2022 |
| | £ | £ |
| Quoted prices | - | - |
| Observable market data | 9,784,487 | - |
| Unobservable data | - | - |
| | <u>9,784,487</u> | <u>-</u> |
| | | |
| Basis of valuation | Investment assets | Investment liabilities |
| | 2021 | 2021 |
| | £ | £ |
| Quoted prices | - | - |
| Observable market data | 10,740,566 | - |
| Unobservable data | - | - |
| | <u>10,740,566</u> | <u>-</u> |

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

f Derivatives (continued)

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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|
| 31.01.22 | group 1 | quarter 3 | 0.005 | - | 0.005 |
| 31.01.22 | group 2 | quarter 3 | 0.005 | - | 0.005 |

Quarter 3 distribution:

Group 1 Shares purchased on 27 October 2021

Group 2 Shares purchased 28 October 2021 to 30 November 2021

Distributions on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 31.07.21 | group 1 | quarter 1 | 0.520 | - | 0.520 | 0.479 |
| 31.07.21 | group 2 | quarter 1 | 0.305 | 0.215 | 0.520 | 0.479 |
| 31.10.21 | group 1 | interim | 0.894 | - | 0.894 | 1.068 |
| 31.10.21 | group 2 | interim | 0.537 | 0.357 | 0.894 | 1.068 |
| 31.01.22 | group 1 | quarter 3 | 0.777 | - | 0.777 | 0.644 |
| 31.01.22 | group 2 | quarter 3 | 0.499 | 0.278 | 0.777 | 0.644 |
| 30.04.22 | group 1 | final | 0.787 | - | 0.787 | 0.842 |
| 30.04.22 | group 2 | final | 0.787 | - | 0.787 | 0.842 |

Equalisation

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

Quarter 1 distribution:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 31 May 2021

Interim distribution:

Group 1 Shares purchased before 1 June 2021

Group 2 Shares purchased 1 June 2021 to 31 August 2021

Quarter 3 distribution:

Group 1 Shares purchased before 1 September 2021

Group 2 Shares purchased 1 September 2021 to 30 November 2021

Final distribution:

Group 1 Shares purchased before 1 December 2021

Group 2 Shares purchased 1 December 2021 to 28 February 2022

Distribution table (continued)

for the year ended 28 February 2022

Distributions on S Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 31.07.21 | group 1 | quarter 1 | 0.530 | - | 0.530 | 0.488 |
| 31.07.21 | group 2 | quarter 1 | 0.291 | 0.239 | 0.530 | 0.488 |
| 31.10.21 | group 1 | interim | 0.914 | - | 0.914 | 1.087 |
| 31.10.21 | | interim | 0.914 | - | 0.914 | 1.087 |
| 31.01.22 | group 1 | quarter 3 | 0.793 | - | 0.793 | 0.656 |
| 31.01.22 | group 2 | quarter 3 | 0.495 | 0.298 | 0.793 | 0.656 |
| 30.04.22 | group 1 | final | 0.805 | - | 0.805 | 0.860 |
| 30.04.22 | group 2 | final | 0.805 | - | 0.805 | 0.860 |

Equalisation

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

Quarter 1 distribution:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 31 May 2021

Interim distribution:

Group 1 Shares purchased before 1 June 2021

Group 2 Shares purchased 1 June 2021 to 31 August 2021

Quarter 3 distribution:

Group 1 Shares purchased before 1 September 2021

Group 2 Shares purchased 1 September 2021 to 30 November 2021

Final distribution:

Group 1 Shares purchased before 1 December 2021

Group 2 Shares purchased 1 December 2021 to 28 February 2022

S&W Saltus Growth Assets Fund

Investment Manager's report

Investment objective and policy

The objective of the sub-fund is to prioritise capital growth for investors with the potential for some income flow over a rolling 3-year period.

The sub-fund aims to achieve this goal by investing in a broad range of investments predominantly via other collective investment schemes which themselves invest in transferable securities, currencies, property, gold, and cash.

The sub-fund may also invest in transferable securities, money market instruments, investment trusts, gold, and cash.

The investment policy is to create a widely diversified portfolio of investments across multiple asset classes, geographies, styles, and strategies.

It is the ACD's intention that derivatives and forward transactions will only be used for Efficient Portfolio Management. The sub-fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the sub-fund.

Investors should note that their capital is at risk and that the investment objective is intended as a target and not any form of guarantee.

Investment performance

Over the period the sub-fund delivered a total return of 3.96% (1 income shares, based on 5pm mid prices on 26 February 2021 and 28 February 2022). This compared to a return of 7.2% from the comparator benchmark (UK Consumer Price Index +1%).

Source: Bloomberg.

Investment activities

The first half of this reporting period was marked by the effects of the unprecedented intervention of global central banks in response to the impact of Covid-19. A wave of liquidity continued to underpin any setbacks in market progression with a 'buy the dip' mentality being very prominent. With the economic recovery came a sharp rise in inflationary pressures and data points, and the macro debate for the second half of this reporting period centered around whether the authorities were correct in their assertion that these inflationary pressures would be 'transitory' (in the language of the Federal Reserve) or stickier in nature. The former environment would allow for a more relaxed tightening in interest rate policy, whereas the latter would need a sharp policy response to rein in inflationary expectations before they became embedded.

Markets ultimately decided that inflation was not only high, but also much longer lasting than the central banks seemed to think and began selling off in the final quarter of 2021. By the end of the reporting period all major central banks had reversed tack and were tightening policy sharply. A regime change from a low to a higher inflationary environment was firmly underway.

There were two other major macro events during the reporting period: one was in the Chinese/Asian region where wide ranging intervention by the Chinese Communist Party in business regulation sent a chill through the region. Many risk assets retreated as the uncertainty created by this and the looming default of a large property lender soured sentiment. The other event was the Russian invasion of Ukraine, which sent another supply shock into the global system via the oil price, exacerbating existing trends of higher inflation and slowing growth.

There were several trades during the period as we reacted to the threats and opportunities presented by the active macro environment described above.

Our overall stance was to reduce our direct exposure to cash, long only equity managers and recycle the money into alternatives which may be better positioned for a higher inflation period. This involved, inter alia, the reduction in our US equity market tracker exposure to fund the purchases of Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio, GemCap Investment Funds Ireland - Calamos Global Convertible Fund and Kepler Liquid Strategies ICAV - KLS Arete Macro Fund, the latter position was included specifically to take advantage of the volatility in the Asian region.

Investment Manager's report (continued)

Investment strategy and outlook

There has been no change in the sub-fund's underlying investment strategy during the reporting period and we will continue to manage investments in line with the existing mandate.

At the time of writing the outlook has an unusually high degree of uncertainty. Growth is still positive but slowing from above trend at a time when inflation is high and monetary policy turning restrictive. The war in Ukraine has injected volatility into commodity markets which acts to exaggerate these trends. Offsetting these risks are pockets of deep value and strong corporate and consumer balance sheets. It seems highly likely that the long period of low inflation and low interest rates is ending, at least for the medium term. This transition makes the outlook unusually difficult to forecast, although we do feel the sub-fund's diversification and active management offers scope for optimism as the outlook clarifies.

Saltus Partners LLP

28 March 2022

Summary of portfolio changes

for the year ended 28 February 2022

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

| | Cost |
|---|------------|
| | £ |
| Purchases: | |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 9,161,500 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 7,988,780 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 7,763,470 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 7,360,430 |
| Invesco Bloomberg Commodity UCITS ETF | 6,961,822 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 5,990,250 |
| SPARX Japan Fund | 5,632,340 |
| iShares Physical Gold ETC | 5,098,910 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 5,026,250 |
| WisdomTree Physical Gold | 4,281,903 |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 3,794,730 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 3,720,295 |
| GemCap Investment Funds Ireland - Calamos Global Convertible Fund | 3,698,470 |
| BH Macro | 3,599,588 |
| Fidelity Investment Funds ICVC - Index US Fund | 3,300,400 |
| TM Tellworth UK Select | 2,600,000 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 2,523,680 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 2,500,000 |
| Nomura Funds Ireland - Japan Strategic Value Fund | 2,434,780 |
| Fidelity MSCI Japan Index Fund | 2,233,210 |
| | Proceeds |
| | £ |
| Sales: | |
| Fidelity Investment Funds ICVC - Index US Fund | 12,862,244 |
| SPARX Japan Fund | 9,873,486 |
| Federated Hermes Unconstrained Credit Fund X GBP Accumulation Hedged | 7,118,861 |
| WisdomTree Physical Gold | 6,433,997 |
| T Rowe Price Funds OEIC - Global Focused Growth Equity Fund | 6,414,270 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 5,510,590 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 4,601,480 |
| Legg Mason Global Funds - Legg Mason Western Asset Macro Opportunities Bond Fund GBP Accumulation | 4,144,830 |
| UBS Irl Investor Selection - Currency Allocation Return Strategy | 4,108,295 |
| iShares S&P 500 GBP Hedged UCITS ETF Acc | 4,095,997 |
| Premier Miton European Opportunities Fund | 4,085,318 |
| MI Chelverton UK Equity Income Fund | 3,246,854 |
| Fidelity Investment Funds - Index Emerging Markets Fund | 3,080,804 |
| KLS CDAM Global Opportunities Fund | 2,780,531 |
| T Rowe Price Funds OEIC - US Large Cap Value Equity Fund | 2,726,818 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 2,587,220 |
| Nomura Funds Ireland - Japan Strategic Value Fund | 2,442,028 |
| Fidelity MSCI Japan Index Fund | 2,308,142 |
| TM Redwheel Global Equity Income Fund L Accumulation | 2,229,559 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 2,119,250 |

Portfolio statement

as at 28 February 2022

| Investment | Nominal value or holding | Market value £ | % of total net assets |
|---|--------------------------------|----------------------|--------------------------|
| Closed-Ended Funds - incorporated outwith the United Kingdom 4.91% (0.29%) | | | |
| BH Macro | 98495 | 3,703,412 | 4.91 |
| Collective Investment Schemes 86.85% (85.10%) | | | |
| UK Authorised Collective Investment Schemes 15.04% (34.99%) | | | |
| ARC TIME:Funds II - ARC TIME Commercial Long Income PAIF | 1,563,351 | 1,619,788 | 2.15 |
| Baillie Gifford Overseas Growth Funds ICVC - Emerging Markets Growth Fund | 146,618 | 1,373,814 | 1.82 |
| Fidelity Investment Funds ICVC - Asia Pacific Opportunities Fund | 990,516 | 2,919,050 | 3.87 |
| M&G Investment Funds 3 - Emerging Markets Bond Fund | 2,360,620 | 2,816,928 | 3.74 |
| TM Tellworth UK Select | 2,154,280 | 2,605,171 | 3.46 |
| Total UK authorised collective investment schemes | | 11,334,751 | 15.04 |
| Offshore Collective Investment Schemes 71.81% (50.11%) | | | |
| DMS UCITS Platform ICAV - Latitude Horizon Fund | 5,566,277 | 6,908,307 | 9.16 |
| Fidelity Institutional Liquidity Fund - The Sterling Fund | 25,377 | 25,377 | 0.04 |
| GemCap Investment Funds Ireland - Calamos Global Convertible Fund | 222,522 | 3,566,157 | 4.73 |
| Goldman Sachs Structured Investments SICAV - GSQuartix Modified Strategy on the Bloomberg Commodity Index Total Return Portfolio | 699,690 | 8,879,912 | 11.78 |
| Granahan US SMID Select Fund | 16,626 | 3,100,768 | 4.11 |
| Invesco Bloomberg Commodity UCITS ETF | 391,400 | 7,015,845 | 9.31 |
| Jupiter Asset Management Series - Jupiter Gold & Silver Fund | 149,921 | 2,823,199 | 3.74 |
| Kepler Liquid Strategies ICAV - KLS Arete Macro Fund | 76,117 | 8,725,092 | 11.57 |
| Lazard Global Investment Funds - Lazard Rathmore Alternative Fund | 51,309 | 6,584,513 | 8.73 |
| Vontobel Fund II - Vescore Active Beta Opportunities | 61,304 | 6,515,995 | 8.64 |
| Total offshore collective investment schemes | | 54,145,165 | 71.81 |
| Total collective investment schemes | | 65,479,916 | 86.85 |
| Exchange Traded Commodities 4.14% (2.78%) | | | |
| iShares Physical Gold | 112,995 | 3,122,052 | 4.14 |
| Portfolio of investments | | 72,305,380 | 95.90 |
| Other net assets | | 3,094,253 | 4.10 |
| Total net assets | | 75,399,633 | 100.00 |

All investments are listed on recognised stock exchanges or are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 28 February 2021.

Risk and reward profile

The risk and reward indicator table demonstrates where the sub-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 sub-fund. The shaded area in the table below shows the sub-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 sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. 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 sub-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.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of the sub-fund.

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

For further information please refer to the KIID.

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Comparative table

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

X Income launched on 26 August 2021 at 100.00p per share.

| | A Income | | X Income |
|--------------------------------------|------------------------|-----------|-------------------------|
| | 2021 [^] p | 2020 p | 2022 ^{^^} p |
| Change in net assets per share | | | |
| Opening net asset value per share | 141.50 | 141.11 | 100.00 |
| Return before operating charges | 26.49 | 5.29 | 0.62 |
| Operating charges | (3.29) | (3.74) | (0.69) |
| Return after operating charges* | 23.20 | 1.55 | (0.07) |
| Distributions ^{^^^} | - | (1.16) | (0.46) |
| Closing net asset value per share | 164.70 | 141.50 | 99.47 |
| | | | |
| * after direct transaction costs of: | - | 0.07 | 0.01 |
| | | | |
| Performance | | | |
| Return after charges | 16.40% | 1.10% | (0.07%) |
| | | | |
| Other information | | | |
| Closing net asset value (£) | - | 5,994,849 | 52,718,726 |
| Closing number of shares | - | 4,236,603 | 52,997,968 |
| Operating charges ^{^^^^} | **2.39% | 2.56% | ***1.35% |
| Direct transaction costs | - | 0.05% | 0.07% |
| | | | |
| Published prices | | | |
| Highest share price (p) | 164.7 | 153.1 | 103.2 |
| Lowest share price (p) | 118.5 | 140.7 | 97.4 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} For the period 26 August 2021 to 28 February 2022.

^{^^^} Rounded to 2 decimal places.

^{^^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share types may incur in a year as it is calculated on historical data.

^{^^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on the expenses incurred during the period 1 March 2020 to 26 February 2021.

*** Annualised based on the expenses incurred during the period 26 August 2021 to 28 February 2022.

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

Comparative table (continued)

| | I Income | | | Q Income | |
|--------------------------------------|------------|------------|------------|------------------------|------------|
| | 2022 p | 2021 p | 2020 p | 2021 [^] p | 2020 p |
| Change in net assets per share | | | | | |
| Opening net asset value per share | 161.21 | 142.84 | 141.72 | 141.84 | 141.23 |
| Return before operating charges | 9.65 | 22.07 | 5.32 | 21.41 | 5.30 |
| Operating charges | (3.24) | (2.81) | (3.04) | (3.25) | (3.53) |
| Return after operating charges * | 6.41 | 19.26 | 2.28 | 18.16 | 1.77 |
| Distributions ^{^^} | (1.35) | (0.89) | (1.16) | - | (1.16) |
| Closing net asset value per share | 166.27 | 161.21 | 142.84 | 160.00 | 141.84 |
| | | | | | |
| * after direct transaction costs of: | 0.14 | - | 0.07 | - | 0.07 |
| | | | | | |
| Performance | | | | | |
| Return after charges | 3.98% | 13.48% | 1.61% | 12.80% | 1.25% |
| | | | | | |
| Other information | | | | | |
| Closing net asset value (£) | 17,056,957 | 29,844,455 | 18,058,056 | 0 | 10,608,243 |
| Closing number of shares | 10,258,475 | 18,512,261 | 12,642,309 | 0 | 7,479,168 |
| Operating charges ^{^^^} | 1.95% | 1.89% | 2.06% | **2.24% | 2.41% |
| Direct transaction costs | 0.07% | 0.00% | 0.05% | 0.00% | 0.05% |
| | | | | | |
| Published prices | | | | | |
| Highest share price (p) | 173.1 | 167.6 | 154.5 | 165.4 | 153.4 |
| Lowest share price (p) | 159.6 | 119.7 | 141.3 | 118.8 | 140.8 |

[^] For the period 1 March 2020 to 26 February 2021.

^{^^} Rounded to 2 decimal places.

^{^^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share types may incur in a year as it is calculated on historical data.

^{^^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

** Annualised based on expenses incurred during the period 1 March 2020 to 26 February 2021.

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

Comparative table (continued)

| | S Income | | | C Accumulation | | |
|---|-----------|------------|------------|----------------|-----------|-----------|
| | 2022 p | 2021 p | 2020 p | 2022 p | 2021 p | 2020 p |
| Change in net assets per share | | | | | | |
| Opening net asset value per share | 163.10 | 144.08 | 142.40 | 164.62 | 144.79 | 142.28 |
| Return before operating charges | 10.34 | 22.15 | 5.31 | 9.73 | 22.33 | 5.26 |
| Operating charges | (2.61) | (2.24) | (2.46) | (2.98) | (2.50) | (2.75) |
| Return after operating charges* | 7.73 | 19.91 | 2.85 | 6.75 | 19.83 | 2.51 |
| Distributions [^] | (1.37) | (0.89) | (1.17) | (1.38) | (0.90) | (1.17) |
| Retained distributions on accumulation shares [^] | - | - | - | 1.38 | 0.90 | 1.17 |
| Closing net asset value per share | 169.46 | 163.10 | 144.08 | 171.37 | 164.62 | 144.79 |
| | | | | | | |
| * after direct transaction costs of: | 0.17 | - | 0.08 | 0.14 | - | 0.08 |
| | | | | | | |
| Performance | | | | | | |
| Return after charges | 4.74% | 13.82% | 2.00% | 4.10% | 13.70% | 0.02 |
| | | | | | | |
| Other information | | | | | | |
| Closing net asset value (£) | 5,453,670 | 45,629,193 | 11,302,239 | 170,280 | 216,041 | 552,428 |
| Closing number of shares | 3,218,224 | 27,976,054 | 7,844,241 | 99,366 | 131,233 | 381,534 |
| Operating charges ^{^^} | 1.55% | 1.49% | 1.66% | 1.75% | 1.69% | 1.86% |
| Direct transaction costs | 0.07% | 0.00% | 0.05% | 0.07% | 0.00% | 0.05% |
| | | | | | | |
| Published prices | | | | | | |
| Highest share price (p) | 175.7 | 169.1 | 155.8 | 176.9 | 170.2 | 155.3 |
| Lowest share price (p) | 161.2 | 120.8 | 142.0 | 163.0 | 121.3 | 141.8 |

[^] Rounded to 2 decimal places.

^{^^} The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD'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 the share types may incur in a year as it is calculated on historical data.

^{^^} Previously, the OCF included expenses incurred by underlying holdings of collective investment schemes in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

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

Financial statements - S&W Saltus Growth Assets Fund

Statement of total return

for the year ended 28 February 2022

| | Notes | 2022 | | 2021 | |
|---|-------|------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Income: | | | | | |
| Net capital gains | 2 | | 3,372,569 | | 9,027,535 |
| Revenue | 3 | 911,410 | | 426,215 | |
| Expenses | 4 | <u>(756,062)</u> | | <u>(679,331)</u> | |
| Net revenue / (expense) before taxation | | 155,348 | | (253,116) | |
| Taxation | 5 | <u>-</u> | | <u>-</u> | |
| Net revenue / (expense) after taxation | | | <u>155,348</u> | | <u>(253,116)</u> |
| Total return before distributions | | | 3,527,917 | | 8,774,419 |
| Distributions | 6 | | (781,330) | | (361,355) |
| Change in net assets attributable to shareholders from investment activities | | | <u>2,746,587</u> | | <u>8,413,064</u> |

Statement of change in net assets attributable to shareholders

for the year ended 28 February 2022

| | 2022 | | 2021 | |
|---|---------------------|-------------------|--------------------|-------------------|
| | £ | £ | £ | £ |
| Opening net assets attributable to shareholders | | 75,689,689 | | 46,515,815 |
| Amounts receivable on issue of shares | 38,857,780 | | 27,741,801 | |
| Amounts payable on cancellation of shares | <u>(41,895,790)</u> | | <u>(6,982,173)</u> | |
| | | (3,038,010) | | 20,759,628 |
| Change in net assets attributable to shareholders from investment activities | | 2,746,587 | | 8,413,064 |
| Retained distributions on accumulation shares | | 1,367 | | 1,182 |
| Closing net assets attributable to shareholders | | <u>75,399,633</u> | | <u>75,689,689</u> |

Balance sheet

as at 28 February 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|--------------------------|--------------------------|
| Assets: | | | |
| Fixed assets: | | | |
| Investments | | 72,305,380 | 66,732,339 |
| Current assets: | | | |
| Debtors | 7 | 300,887 | 1,392,854 |
| Cash and cash equivalents | 8 | 3,476,622 | 8,040,590 |
| Total assets | | <u>76,082,889</u> | <u>76,165,783</u> |
| Liabilities: | | | |
| Creditors: | | | |
| Distribution payable | | (427,421) | (413,647) |
| Other creditors | 9 | (255,835) | (62,447) |
| Total liabilities | | <u>(683,256)</u> | <u>(476,094)</u> |
| Net assets attributable to shareholders | | <u><u>75,399,633</u></u> | <u><u>75,689,689</u></u> |

Notes to the financial statements

for the year ended 28 February 2022

1. Accounting policies

The accounting policies are disclosed on pages 45 to 47.

2. Net capital gains

| | 2022 | 2021 |
|---|------------------|------------------|
| | £ | £ |
| Non-derivative securities - realised gains | 8,874,342 | 428,679 |
| Non-derivative securities - movement in unrealised (losses) / gains | (5,494,605) | 8,612,868 |
| Currency losses | (1,936) | (10,806) |
| Transaction charges | (5,232) | (3,206) |
| Total net capital gains | <u>3,372,569</u> | <u>9,027,535</u> |

3. Revenue

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| UK revenue | 222,012 | 91,784 |
| Unfranked revenue | 213,832 | 42,741 |
| Overseas revenue | 475,513 | 281,932 |
| Bank and deposit interest | 53 | 654 |
| Rebates from collective investment schemes | - | 9,104 |
| Total revenue | <u>911,410</u> | <u>426,215</u> |

4. Expenses

| | 2022 | 2021 |
|-----------------------------------|----------------|----------------|
| | £ | £ |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 77,562 | 58,692 |
| Investment Manager's fees | <u>636,730</u> | <u>589,575</u> |
| | <u>714,292</u> | <u>648,267</u> |
| Payable to the Depositary | | |
| Depositary fees | <u>29,597</u> | <u>19,481</u> |
| Other expenses: | | |
| Audit fee | 5,693 | 5,670 |
| Non-executive directors' fees | 1,204 | 625 |
| Safe custody fees | 2,862 | 1,702 |
| FCA fee | 891 | 660 |
| KIID production fee | <u>1,523</u> | <u>2,926</u> |
| | <u>12,173</u> | <u>11,583</u> |
| Total expenses | <u>756,062</u> | <u>679,331</u> |

For the year ended 28 February 2022, the annual management charge is as follows:

| | |
|----------------|-------|
| X Income | 0.48% |
| I Income | 1.08% |
| S Income | 0.68% |
| C Accumulation | 0.88% |

The annual management charge includes the ACD's periodic charge and the Investment Manager's fees.

Notes to the financial statements (continued)

for the year ended 28 February 2022

| 5. Taxation | 2022 | 2021 |
|--|----------------|------------------|
| | £ | £ |
| <i>a. Analysis of the tax charge for the year</i> | | |
| Total taxation (note 5b) | <u>-</u> | <u>-</u> |
| <i>b. Factors affecting the tax charge for the year</i> | | |
| The tax assessed for the year is lower (2021: higher) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2021: 20%). The differences are explained below: | | |
| | 2022 | 2021 |
| | £ | £ |
| Net revenue / (expense) before taxation | <u>155,348</u> | <u>(253,116)</u> |
| Corporation tax @ 20% | 31,070 | (50,623) |
| Effects of: | | |
| UK revenue | (44,402) | (18,357) |
| Overseas revenue | (8,082) | (2,012) |
| Excess management expenses | 21,414 | 70,884 |
| Adjustment in respect of prior years | - | 108 |
| Total taxation (note 5a) | <u>-</u> | <u>-</u> |

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 £217,411 (2021: £195,997).

6. Distributions

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

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Final income distribution | 427,421 | 413,647 |
| Final accumulation distribution | <u>1,367</u> | <u>1,182</u> |
| | 428,788 | 414,829 |
| Equalisation: | | |
| Amounts deducted on cancellation of shares | 196,940 | 24,769 |
| Amounts added on issue of shares | (88,514) | (80,418) |
| Net equalisation on conversions | <u>244,116</u> | <u>2,175</u> |
| Total net distributions | <u>781,330</u> | <u>361,355</u> |
| Reconciliation between net revenue / (expense) and distributions: | | |
| Net revenue / (expense) after taxation per Statement of total return | 155,348 | (253,116) |
| Undistributed revenue brought forward | 101 | 116 |
| Expenses paid from capital | 756,062 | 679,331 |
| Marginal tax relief | (129,798) | (64,875) |
| Undistributed revenue carried forward | <u>(383)</u> | <u>(101)</u> |
| Distributions | <u>781,330</u> | <u>361,355</u> |

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

| | | |
|---|------------------|------------------|
| 7. Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts receivable on issue of shares | 274,450 | 1,358,559 |
| Accrued revenue | 18,075 | 26,371 |
| Prepaid expenses | 76 | 55 |
| Recoverable income tax | 8,286 | 7,869 |
| Total debtors | <u>300,887</u> | <u>1,392,854</u> |
| 8. Cash and bank balances | 2022 | 2021 |
| | £ | £ |
| Total cash and bank balances | <u>3,476,622</u> | <u>8,040,590</u> |
| 9. Other creditors | 2022 | 2021 |
| | £ | £ |
| Amounts payable on cancellation of shares | 209,651 | - |
| Accrued expenses: | | |
| Payable to the ACD and associates | | |
| ACD's periodic charge | 4,153 | 5,674 |
| Investment Manager's fees | 32,509 | 47,790 |
| | <u>36,662</u> | <u>53,464</u> |
| Other expenses: | | |
| Depository fees | 1,883 | 1,980 |
| Safe custody fees | 493 | 326 |
| Audit fee | 5,693 | 5,670 |
| Non-executive directors' fees | 779 | 510 |
| KIID production fee | 286 | 476 |
| Transaction charges | 388 | 21 |
| | <u>9,522</u> | <u>8,983</u> |
| Total accrued expenses | <u>46,184</u> | <u>62,447</u> |
| Total other creditors | <u>255,835</u> | <u>62,447</u> |

10. Commitments and contingent liabilities

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

11. Share classes

The following reflects the change in shares in the year:

| | |
|------------------------------------|-------------------|
| | X Income |
| Opening shares in issue | - |
| Total shares issued in the year | 6,056,072 |
| Total shares cancelled in the year | (25,430,728) |
| Total shares converted in the year | 72,372,624 |
| Closing shares in issue | <u>52,997,968</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

11. Share classes (continued)

| | |
|------------------------------------|-------------------|
| | I Income |
| Opening shares in issue | 18,512,261 |
| Total shares issued in the year | 8,114,524 |
| Total shares cancelled in the year | (6,439,475) |
| Total shares converted in the year | (9,928,835) |
| Closing shares in issue | <u>10,258,475</u> |
| | S Income |
| Opening shares in issue | 27,976,054 |
| Total shares issued in the year | 11,559,041 |
| Total shares cancelled in the year | (3,580,770) |
| Total shares converted in the year | (32,736,101) |
| Closing shares in issue | <u>3,218,224</u> |
| | C Accumulation |
| Opening shares in issue | 131,233 |
| Total shares issued in the year | 19,302 |
| Total shares cancelled in the year | (51,169) |
| Closing shares in issue | <u>99,366</u> |

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

On the winding up of a sub-fund all the assets of the sub-fund will be realised and apportioned to the share classes in relation to the net asset value on the closure date. Shareholders 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 share type has the same rights on winding up.

12. Related party transactions

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

The ACD acts as principal in respect of all transactions of shares in the sub-fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the sub-fund.

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

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per X Income share has increased from 99.47p to 100.9p, the I Income share has increased from 166.3p to 168.3p, the S Income share has increased from 169.5p to 171.8p and the C Accumulation share has increased from 171.4p to 173.6p as at 27 June 2022. This movement takes into account routine transactions but also reflects the market movements of recent months.

Notes to the financial statements (continued)

for the year ended 28 February 2022

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 |
|--------------------------------|---|------------|-------|-------|-------|--|
| | £ | £ | % | £ | % | £ |
| 2022 | | | | | | |
| Equities | 3,595,989 | 3,596 | 0.10% | 3 | 0.00% | 3,599,588 |
| Collective Investment Schemes | 94,893,171 | 5,338 | 0.01% | - | - | 94,898,509 |
| Exchange Traded Commodities | 9,376,125 | 4,688 | 0.05% | - | - | 9,380,813 |
| Total | 107,865,285 | 13,622 | 0.16% | 3 | 0.00% | 107,878,910 |
| | | | | | | |
| | Purchases before transaction costs | Commission | | Taxes | | Purchases after transaction costs |
| | £ | £ | % | £ | % | £ |
| 2021 | | | | | | |
| Collective Investment Schemes* | 30,606,761 | - | - | - | - | 30,606,761 |
| Total | 30,606,761 | - | - | - | - | 30,606,761 |
| | | | | | | |
| | Sales before transaction costs | Commission | | Taxes | | Sales after transaction costs |
| | £ | £ | % | £ | % | £ |
| 2022 | | | | | | |
| Equities | 167,791 | (168) | 0.10% | (2) | 0.00% | 167,621 |
| Collective Investment Schemes | 97,736,411 | (51,048) | 0.05% | - | - | 97,685,363 |
| Exchange Traded Commodities | 8,546,357 | (4,273) | 0.05% | - | - | 8,542,084 |
| Total | 106,450,559 | (55,489) | 0.20% | (2) | 0.00% | 106,395,068 |
| | | | | | | |
| | Sales before transaction costs | Commission | | Taxes | | Sales after transaction costs |
| | £ | £ | % | £ | % | £ |
| 2021 | | | | | | |
| Collective Investment Schemes* | 15,374,562 | - | - | - | - | 15,374,562 |
| Exchange Traded Commodities | 1,559,746 | (780) | 0.05% | - | - | 1,558,966 |
| Total | 16,934,308 | (780) | 0.05% | - | - | 16,933,528 |

* No direct transaction costs were incurred in these transactions.

Notes to the financial statements (continued)

for the year ended 28 February 2022

14. 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 sub-fund's average net asset value in the year:

| | £ | % of average net asset value |
|------------|--------|---------------------------------|
| 2022 | | |
| Commission | 69,111 | 0.07% |
| Taxes | 5 | 0.00% |
| | | |
| | £ | % of average net asset value |
| 2021 | | |
| Commission | 780 | 0.00% |

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 0.04% (2021: 0.02%).

15. Risk management policies

In pursuing the sub-fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the sub-fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD'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 ACD, 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 sub-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 sub-fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are closed-ended funds, collective investment schemes and exchange traded commodities.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the sub-fund is exposed to price fluctuations, which are monitored by the ACD 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 sub-fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 28 February 2022, if the price of the investments held by the sub-fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £3,615,269 (2021: £3,336,617).

Notes to the financial statements (continued)

for the year ended 28 February 2022

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. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. 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.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the sub-fund's financial instruments and cash holdings at the balance sheet date is as follows:

| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
|---------------------------------|---|------------------------------|--|
| | £ | £ | £ |
| 2022 | | | |
| US dollar | 174,942 | - | 174,942 |
| Total foreign currency exposure | <u>174,942</u> | <u>-</u> | <u>174,942</u> |
| | | | |
| | Financial instruments and cash holdings | Net debtors and creditors | Total net foreign currency exposure |
| | £ | £ | £ |
| 2021 | | | |
| US dollar | 4,566,710 | - | 4,566,710 |
| Total foreign currency exposure | <u>4,566,710</u> | <u>-</u> | <u>4,566,710</u> |

At 28 February 2022, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the sub-fund would increase or decrease by approximately £8,747 (2021: £228,336).

(iii) Interest rate risk

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

During the year the sub-fund's direct exposure to interest rates consisted of cash and bank balances. The sub-fund also has indirect exposure to interest rate risk as it invests in bond funds.

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

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

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

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

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

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

c Liquidity risk

A significant risk is the cancellation of shares 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 shares 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 shares in the sub-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 sub-fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the sub-fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the sub-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 sub-fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the sub-fund to meet large redemptions, 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 ACD 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 sub-fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

| | Investment assets 2022 | Investment liabilities 2022 |
|------------------------|------------------------------|-----------------------------------|
| Basis of valuation | £ | £ |
| Quoted prices | 13,841,309 | - |
| Observable market data | 58,464,071 | - |
| Unobservable data | - | - |
| | <u>72,305,380</u> | <u>-</u> |

Notes to the financial statements (continued)

for the year ended 28 February 2022

15. Risk management policies (continued)

d Fair value of financial assets and financial liabilities (continued)

| | Investment assets | Investment liabilities |
|------------------------|----------------------|---------------------------|
| Basis of valuation | 2021 | 2021 |
| | £ | £ |
| Quoted prices | 2,318,542 | - |
| Observable market data | 64,413,797 | - |
| Unobservable data | - | - |
| | <u>66,732,339</u> | <u>-</u> |

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

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the sub-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.

(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 sub-fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the sub-fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The sub-fund may transact in derivative contracts which potentially exposes the sub-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 Depositary.

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 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 28 February 2022

Distribution on X Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|
| 30.04.22 | group 1 | final | 0.463 | - | 0.463 |
| 30.04.22 | group 2 | final | 0.405 | 0.058 | 0.463 |

Equalisation

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

Final distribution:

Group 1 Shares purchased on 26 August 2021

Group 2 Shares purchased 27 August 2021 to 28 February 2022

Distribution on I Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.346 | - | 1.346 | 0.894 |
| 30.04.22 | group 2 | final | 0.920 | 0.426 | 1.346 | 0.894 |

Distribution on S Income shares in pence per share

| Payment date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|--------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.366 | - | 1.366 | 0.887 |
| 30.04.22 | group 2 | final | 0.985 | 0.381 | 1.366 | 0.887 |

Equalisation

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

Final distribution:

Group 1 Shares purchased before 1 March 2021

Group 2 Shares purchased 1 March 2021 to 28 February 2022

Distribution table (continued)*for the year ended 28 February 2022*

Distribution on C Accumulation shares in pence per share

| Allocation date | Share type | Distribution type | Net revenue | Equalisation | Distribution current year | Distribution prior year |
|-----------------|------------|-------------------|-------------|--------------|---------------------------|-------------------------|
| 30.04.22 | group 1 | final | 1.376 | - | 1.376 | 0.901 |
| 30.04.22 | group 2 | final | 1.054 | 0.322 | 1.376 | 0.901 |

Equalisation

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

Accumulation distributions

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

Final distribution:

Group 1 Shares purchased before 1 March 2021
 Group 2 Shares purchased 1 March 2021 to 28 February 2022

Remuneration

Remuneration code disclosure

The remuneration committee is responsible for setting remuneration policy for all partners, directors and employees within the Tilney 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 the Tilney Smith & Williamson Report and Financial Statements for the year ended 31 December 2021 includes details on the remuneration policy. The remuneration committee comprises four non-executive directors¹ and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met eight times during 2021.

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 31 December 2021. The committee agrees the individual allocation of variable remuneration and the proportion of that variable remuneration to be awarded as restricted shares.

¹ Please note that the data provided for the independent non-executive directors is as at 31 December 2021. The data provided is for independent non-executive directors only.

Remuneration (continued)

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 60 employees is £2.6million of which £2.5million is fixed remuneration. This is based on the annualised salary and benefits for those identified as working in SWFAL as at 31 December 2021. Any variable remuneration is awarded for the period 1 May 2021 to 31 December 2021. This information excludes any senior management or other MRTs whose remuneration information is detailed below.

Tilney Smith & Williamson reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Tilney 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 period 1 May 2021 to 31 December 2021 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 | For the period 1 May 2021 to 31 December 2021 | | | | |
|---|---|---------------|-----------------------------|----------------|----------|
| | Fixed £'000 | Cash £'000 | Variable Equity £'000 | Total £'000 | No. MRTs |
| Senior Management | 3,098 | 1,670 | 11 | 4,779 | 15 |
| Other MRTs | 404 | 218 | - | 622 | 3 |
| Total | 3,502 | 1,888 | 11 | 5,401 | 18 |

Investment Manager

The ACD has appointed Saltus Partners LLP to provide investment management and related advisory services to the ACD. Saltus Partners LLP is paid a monthly fee out of the scheme property of S&W Saltus Onshore Portfolios which is calculated on the total value of the portfolio of investments of each sub-fund at each valuation point. Saltus Partners LLP are compliant with the Capital Requirements Directive regarding remuneration and therefore Saltus Partners LLP staff are covered by remuneration regulatory requirements.

Further information

Distributions and reporting dates

Where net revenue is available it will be distributed/allocated annually on 30 April (final) for all sub-funds except S&W Saltus Income Fund where net revenue is distributed quarterly on 31 July (quarter 1), 31 October (interim), 31 January (quarter 3) and 30 April (final). In the event of a distribution, shareholders will receive a tax voucher.

All sub-funds apart from S&W Saltus Income Fund:

XD dates: 1 March final

S&W Saltus Income Fund:

1 March final
1 June quarter 1
1 September interim
1 December quarter 3

Reporting dates: Last day of February annual
31 August interim

Buying and selling shares

The property of all sub-funds is valued at 5pm on every business day with the exception of any bank holiday in England and Wales or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and Depositary, and the prices of shares are calculated as at that time. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

The minimum initial investment and holding, and the ACD's preliminary charge applicable to all sub-funds are as follows:

| | X share class | I share class | S share class | C share class |
|--|---------------|---------------|---------------|---------------|
| Minimum initial investment and holding | £500,000 | £250,000 | £500,000 | £400,000 |
| ACD's preliminary charge | 7.00% | 7.00% | 7.00% | 7.00% |

Prices of shares and the estimated yields of the share classes of each sub-fund are published on the following website: www.trustnet.com or may be obtained by calling 0141 222 1151.

Benchmarks

Shareholders may compare the performance of the sub-funds against the following benchmarks:

S&W Saltus Multi Asset Class Fund

UK Consumer Price Index ('CPI') is the target set for the sub-fund's performance to exceed over a rolling 12 months period. The ACD has selected this target benchmark as the ACD believes it best reflects the target of returns above inflation over a rolling 12 months period.

1/3rd of the Investment Association ('IA') UK All Companies sector is a volatility measurement for the sub-fund by which to monitor the stability of its portfolio.

S&W Saltus Wealth Fund

UK CPI and Bank of England ('BoE') base rate are the targets set for the sub-fund's performance to exceed over a rolling 3 year period. The ACD has selected these target benchmarks as the ACD believes they best reflect the target of returns above inflation over a rolling 3 year period.

2/3rd of the Investment Association UK All Companies sector is a volatility measurement for the sub-fund by which to monitor the stability of its portfolio.

S&W Saltus Global Equity Fund

Shareholders may compare the performance of the sub-fund against the ARC Sterling Equity Risk PCI. Comparison of the sub-fund's performance against this benchmark will give shareholders an indication of how the sub-fund is performing against an index based on the real performance numbers delivered to discretionary private clients by participating Investment Managers. The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

Further information (continued)

Benchmarks (continued)

S&W Saltus Fixed Income Fund and S&W Saltus Real Return Fund

UK CPI and BoE base rate are the targets set for the sub-funds' performance to exceed over a rolling 3 year period. The ACD has selected these target benchmarks as the ACD believes they best reflect the target of returns above inflation over a rolling 3 year period.

S&W Saltus Income Fund

Shareholders may compare the performance of the sub-fund against the composite comparator benchmark of 50% IA UK Equity Income and 50% IA £ Corporate Bond. Comparison of the sub-fund's performance against this benchmark will give shareholders an indication of how the sub-fund is performing against other similar funds in this peer group sector. The ACD has selected this comparator benchmark as the ACD believes it best reflects the asset allocation of the sub-fund. The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

Saltus Growth Assets Fund

Shareholders may compare the performance of the sub-fund against UK CPI +1%. The ACD has selected this comparator benchmark as it reflects the absolute returns above inflation. The benchmark is not a target for the sub-fund, nor is the sub-fund constrained by the benchmark.

Appointments

ACD and Registered office

Evelyn Partners Fund Solutions Limited (previously Smith & Williamson Fund Administration Limited)
45 Gresham Street
London EC2V 7BG
Telephone: 0207 131 4000
Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar

Evelyn Partners Fund Solutions Limited (previously 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 ACD

Brian McLean
James Gordon
Andrew Baddeley
Mayank Prakash - appointed 16 March 2022

Independent Non-Executive Directors of the ACD

Dean Buckley
Linda Robinson
Victoria Muir
Sally Macdonald - appointed 1 June 2022

Non-Executive Directors of the ACD

Paul Wyse

Investment Manager

Saltus Partners LLP
22-23 Old Burlington Street
London W1S 2JJ
Authorised and regulated by the Financial Conduct Authority

Depository

NatWest Trustee and Depository 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