

SVM Funds ICVC
Annual Report
31 December 2020

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SVM Funds ICVC

The Company

SVM Funds ICVC

Head Office:

7 Castle Street

Edinburgh

EH2 3AH

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Authorised Corporate Director (ACD) and Investment Manager

SVM Asset Management Limited

Head Office:

7 Castle Street

Edinburgh

EH2 3AH

Custodian

State Street Bank and Trust Company

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Depository

State Street Trustees Limited

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Registrar

SS&C Financial Services International Limited*

Registered Office:

DST House

St. Nicholas Lane

Basildon, SS15 5FS

The United Kingdom

*Formerly DST Financial Services International Limited.

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Independent Auditor

Azets Audit Services

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

Authorised Corporate Director's Report

We present our Annual Report for the SVM Funds ICVC ('the ICVC' or the 'Funds') for the year ended 31 December 2020.

2020 was a good year for global stockmarkets, despite the shock the pandemic caused to global growth. As the year progressed, trade frictions abated and in December the UK and EU reached agreement on trade. This helped UK shares to recover. Central bank policy in the US, Europe and UK continues to support growth. Global economic activity should begin to recover as lockdowns ease.

The performance of the funds for each of the last five years is shown in the table below.

Percentage growth for 12 months to	31/12/2016 %	31/12/2017 %	31/12/2018 %	31/12/2019 %	31/12/2020 %
All Europe SRI Fund	9.3	18.3	(17.2)	23.6	1.0
Continental Europe Fund	13.0	17.0	(12.6)	18.3	36.7
UK Growth Fund	(3.6)	23.7	(16.2)	26.1	6.2
UK Opportunities Fund	7.8	13.7	(12.4)	30.4	(8.8)
World Equity Fund	21.1	12.0	(13.6)	29.6	13.3

Source: Lipper Hindsight, mid to mid, UK net, to 31 December 2020. Figures are for the A share class.

Information on share prices and monthly factsheets for each of the sub-funds giving stock, performance and market information can be found at www.svmonline.co.uk

Authorised Status

The ICVC is an investment company with variable capital incorporated in United Kingdom and registered under the OEIC Regulations with the Financial Conduct Authority ("FCA") and has its head office at 7 Castle Street, Edinburgh EH2 3AH. It has an umbrella structure and each sub-fund is invested as a Securities Scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("the COLL") Rules.

The Instrument of Incorporation of the ICVC permits the scheme to operate as a UCITS scheme which complies with the COLL. The Prospectus is dated 1 November 2020.

Shareholders are not liable for the debts of the ICVC.

This report covers the year ending 31 December 2020 including the financial statements which show the financial position of each of the sub-funds.

About the ICVC

The ICVC is valued on a daily basis and currently has five active Funds, all of which have two share classes. The share classes are subject to different charging structures and subscription limits. All shares are single priced. Details of the Funds and the share classes are contained in the Prospectus. Copies of the Prospectus, Supplementary Information Document, Key Investor Information Document and Instrument of Incorporation can be obtained from the Authorised Corporate Director (ACD).

Remuneration

SVM Asset Management ('the Manager') is the Investment Manager and the Authorised Corporate Director of the Company. Staff providing services to the Manager are subject to the SVM Remuneration Policy which reflects the remuneration requirements of the UCITS V Directive. It is available through the website www.svmonline.co.uk and is updated periodically to reflect changes to the policy.

Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UCITS Managers are required to comply with the UCITS V Remuneration Code. Under the UCITS V Directive, the Manager is required to disclosure information relating to the remuneration paid to its staff for the financial year (2020), split into fixed and variable remuneration as set out in the table below. The average number of staff during the year was 21.

	Total Remuneration £000
Total staff of the Manager	1,874
Of which:	
Fixed remuneration	1,642
Variable remuneration	232
Identified code staff of the Manager ⁽¹⁾	1,006
Of which:	
Senior management	546
Other identified staff	460

(1) Identified code staff are those whose activities have a material impact on the risk profile of the Company or the Manager.

Share Class Information and Expenses Cap

Each fund has Class A Shares (retail) and Class B Shares (institutional) available for subscription. The annual management fees of the ACD borne by, and the level at which the ACD has agreed to cap the expenses for the year ended 31 December 2020 of, the share classes are given in the following table:

Percentage charge per share class	Annual Fee		Expense Cap	
	A	B	A	B
All Europe SRI Fund	1.50	0.75	1.98	1.23
Continental Europe Fund	1.50	0.75	1.98	1.23
UK Growth Fund	1.50	0.75	1.98	1.23
UK Opportunities Fund	1.50	0.75	1.98	1.23
World Equity Fund	1.50	0.75	1.98	1.23

Rights on Winding Up

All classes of shares have the same rights on winding up.

Prospectus Changes

A copy of the Prospectus is available on request from the ACD.

Risks

If you invest in the ICVC you should be aware that there are certain risks involved:

- Your investment can be affected by changing conditions on the stockmarkets in which the ICVC invests. Both the value of your investment and any revenue the ICVC may pay, may go down as well as up.
- You are not certain to make a profit and you may make a loss.
- Past performance should not be seen as an indication of future performance.
- If the ICVC invests in overseas securities it may be affected by currency fluctuations. These can have a negative or positive impact on the value of your investment.
- The effect of the initial charge means that, even in the absence of a fall in the share price, if you sell your shares after a short period you may not get back the amount originally invested. You should therefore regard your investment as medium to long term.
- Tax rates, as well as the tax treatment of the ICVC, could change at any time in the future.

Further information on the risks associated with investing in the ICVC can be found in the Prospectus.

The ACD has expressed its own views and opinions in this Report and these may change. None of the views expressed in this Report should be construed as advice to buy or sell a particular investment.

SVM Asset Management Limited

5 March 2021

Statement of the Authorised Corporate Director's Responsibilities

The FCA Collective Investment Schemes rules (the COLL) require the ACD to prepare Financial Statements for each annual and interim accounting period, which give a true and fair view of the financial position of the ICVC and of its net revenue/expense and the net capital gains/losses for the period/year.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds;
- keep proper accounting records which enable it to demonstrate that the financial statements comply with the above requirements;
- take reasonable steps for the prevention and detection of fraud and irregularities; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

Report of the Authorised Corporate Director

The Annual Report and Financial Statements have been approved and signed on behalf of the ACD by :

Colin W McLean
Director

Margaret Lawson
Director

SVM Asset Management Limited
Authorised Corporate Director
5 March 2021

Statement of Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Shareholders of the SVM Funds ICVC

for the year ended 31 December 2020

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the COLL, the OEIC Regulations and the Company's Instrument of Incorporation, in relation to the pricing of, and dealings in, shares in the Company; the application of revenue of the Company; and the investment and borrowing powers of the Company.

Report of the Depositary

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 ACD:

- has carried out the creation, cancellation and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the COLL and, where applicable, the OEIC Regulations and the Instrument of Incorporation of the Company; and
- has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

5 March 2021

Independent Auditor's Report to the Members of SVM Funds ICVC

for the year ended 31 December 2020

Opinion

We have audited the financial statements of SVM Funds ICVC (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes, and the Distribution Table for each sub-fund. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association in May 2014, the FCA COLL and the Instrument of Incorporation.

In our opinion the financial statements:

- give a true and fair view of the financial position of each sub-fund at 31 December 2020 and the net revenue and the net capital gains or losses of the scheme property of each sub-fund for the year ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice: "Financial Statements of Authorised Funds", the COLL 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 further described 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 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 audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the ACD'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 twelve months from when

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

Other information

The ACD is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 rules of the FCA COLL

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

- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- we have received all the information and explanation which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the ACD's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the ACD and Depositary

As explained more fully in the Depositary's Responsibilities Statement on page 6 and ACD's Responsibilities Statement set out on page 5, the Depositary is responsible for safeguarding the property of the Company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the ACD and other management, and from our commercial knowledge and experience of the financial sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, financial conduct authority specific regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

For and on behalf of Azets Audit services, Statutory Auditor

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

dd/mm/yyyy

Notes to the Financial Statements

as at 31 December 2020

1. Accounting and distribution policies

The accounting policies are applicable to the aggregated and individual sub-fund financial statements.

- (a) The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the revised Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association (IA) in May 2014, in compliance with FRS 102 and United Kingdom Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis.

- (b) Dividends receivable from equity and non equity shares are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is received. Interest on debt securities is recognised on an effective interest basis. Bank interest is recognised on an accrual basis. Distributions receivable from onshore Collective Investment Schemes are recognised when the security is quoted ex-dividend. Distributions from Offshore Collective Investment Schemes are recognised at its ex-dividend date and any additional reported income is recognised on the underlying funds reporting date. Equalisation on accumulations do not form part of the distribution.
- (c) Dividends from the UK Real Estate Investment Trusts ("REITs") are recognised as distributable revenue when the securities are quoted ex-dividend.
- (d) Special dividends and the proceeds from share buy-backs are reviewed on a case by case basis in determining whether the amount is capital or revenue in nature.
- (e) Underwriting commission is recognised when the issue takes place. Where the sub-fund is required to take up some or all of the shares underwritten, an appropriate proportion of the commission earned is deducted from the cost of those shares.
- (f) All expenses, including management expenses, are dealt with on an accruals basis and charged against revenue except for dealing costs which are charged against capital.
- (g) All listed investments have been valued at bid market prices at 12 noon on 31 December 2020. Collective Investment Schemes have been valued at the last sale price available at the valuation point. Unlisted investments are valued at fair value by the ACD, based on the latest available information, principally net asset value, and with reference to the Institutional Private Equity and Venture Capital Valuation Guidelines.
- (h) The ACD has agreed to cap the expenses of the sub-funds as described on page 3. Any reimbursement due back to the Funds is calculated and accrued on a daily basis and is shown as a deduction to expenses in note 4.
- (i) All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates ruling on that date.
- (j) The charge for taxation is 20% of revenue less expenses, and is based on the results for the year. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted.
- (k) Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions are used for efficient portfolio management and investment purposes. Revenue and expenses derived from the derivative instruments such as Contracts for Difference ("CFDs") are included in the statement of total return. Returns on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Any CFD positions open at the year end are reflected in the Balance sheet at their marked to market value.
- (l) The distribution policy of the sub-funds is to accumulate all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.
- (m) The allocation of revenue and expenses (including taxation) to each share class is based on the proportion of a Fund's assets attributable to each share class on the day the revenue is earned or the expense is incurred. The ACD's periodic charge is allocated on a share class specific basis.
- (n) Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. This revenue forms part of any distribution. In the case of enhanced scrip dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.
- (o) Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of income included in the purchase of group 2 shares and is refunded to the shareholders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

All Europe SRI Fund

Authorised Fund Manager's Report

for the year ended 31 December 2020

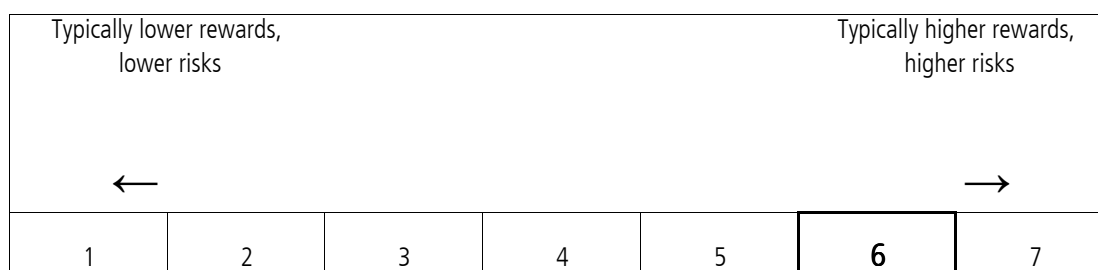
Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI Europe Index. Whilst focused on profitability and investor returns, the ACD is also aware of the environmental, social and corporate governance aspects of its investments and the fund will invest in companies that meet SVM's socially responsible criteria. Although the Fund may negatively screen out some companies the approach is one of positive screening and active engagement with the management of investee companies. Information on this strategy is available from the ACD on request and is also available in the Responsible Investing area on the ACD's website at <https://www.svmonline.co.uk/InvestmentProfessional/About-SVM/Responsible-Investing>.

The Fund will invest at least 80% of its assets in equities and equities related instruments which are dealt in or traded on all European Eligible Securities Markets. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferable securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for the Fund.

The MSCI Europe Index has been selected as the target benchmark for the Fund; its constituents make it an appropriate benchmark given the investment policy for the Fund.

Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 6 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

Investment Review

Performance	31/12/2015 to 31/12/16 %	31/12/2016 to 31/12/17 %	31/12/2017 to 31/12/18 %	31/12/2018 to 31/12/19 %	31/12/2019 to 31/12/20 %
All Europe SRI Fund	9.3	18.3	(17.2)	23.6	1.0

Source: Lipper Hindsight, mid to mid, UK net to 31 December 2020.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

for the year ended 31 December 2020

Market Review

After a strong finish to the previous year, global equity markets made a solid start in 2020 on the back of robust economic data and an optimistic outlook for the year ahead. In a US Presidential election year, it was widely believed that President Trump would seek to boost economic growth to maximise his re-election prospects. In the UK, the sizable Conservative majority elected in the recent General Election was expected to make swift progress on Brexit. The Covid-19 pandemic upended everything.

When initial reports about a novel flu-like illness were made, there was little market reaction. Recent experience suggested that such outbreaks tended to be limited in nature and while it might have some impact on the Asian regional economy, there was little reason to fret about the global outlook. In late February, it became clear that Covid had gained a foothold in Europe and travel-related stocks took a leg down. A couple of weeks later, as much of the world entered a first pandemic lockdown, equity markets around the world crashed. Government and central bank responses around the world were swift, with unprecedented support packages implemented to support economies, businesses, and individuals. This helped reassure investors and stabilise markets. Positive news on vaccine development provided a further boost for markets towards the year-end, despite a second wave of the virus leading to renewed lockdowns.

The Fund returned 1.0% versus the MSCI Europe that returned 2.7% and the average fund that returned 7.1%. Over three, five and ten years the Fund has returned 3.3%, 33.5%, and 90.2% versus the MSCI Europe which has returned 11.9%, 54.2%, and 104%.

Portfolio Review

At a stock-specific level, the largest positive contributor to Fund performance was Uniphar, the Irish pharmaceutical and medical technology services business. The stock outperformed as the company continued to deliver on the promises made at the initial public offering. With a resilient, cash-generative pharmacy business in Ireland allowing the business to reinvest in the faster-growing, niche medtech market, the company is still under the radar of many investors. Va-Q-Tec, the German developer and manufacturer of insulation products, rose as both Covid and regulatory changes led to increasing demand for the company's products. Va-Q-Tec's expertise in 'cold-chain' technology using environmentally friendly insulation panels has been used to help transport vaccines around the globe. Synthomer, the UK chemicals company, increased as demand for nitrile latex (used to make surgical gloves) surged.

Menzies, the UK aviation services provider, was the single largest negative contributor to fund performance. As the pandemic led to lockdowns and travel restrictions across the globe, flight demand evaporated. Operationally Menzies has handled the crisis well, and seen some benefit from increasing air cargo rates, but a full recovery is reliant on recovery in global flight volumes. The fund's airline holdings were negatively impacted in a similar fashion. Norcros, the UK manufacturer of kitchen and bathroom products, underperformed. While the company was impacted by the pandemic, it demonstrated a strong recovery through the second half with cashflow generation particularly impressive.

Outlook

After one of the most challenging years any of us will ever face, on a personal and professional level, we are constructive about the outlook for 2021. We believe that there will be a synchronised global economic recovery through 2021 as both fiscal and monetary policy remain extremely supportive. While there is a risk of further lockdowns, the market will likely look through these as long as progress continues to be made on the vaccination front. There is also the potential during the year for a sharp reversal in market leadership, as investors look for those stocks likely to be beneficiaries of any reflation trade.

The fund remains overweight in the UK versus continental Europe. UK stocks continue to trade at a discount to European peers. With the UK making good progress on vaccinations and with a relatively stable political backdrop, we believe that the intrinsic strengths of the UK economy will become more apparent as the year progresses. We expect both Sterling and UK markets to outperform consensus expectations during 2021. We believe that the portfolio offers a very attractive risk vs reward profile at current levels although volatility may remain elevated as investors react to newsflow about both the pandemic and global economy.

SVM Asset Management Limited

February 2021

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

All Europe SRI Fund

Portfolio Statement

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (5.77%*)		1,253	6.05
Synthomer	279,500	1,253	6.05
CONSUMER DISCRETIONARY (9.09%*‡)		1,827	8.83
JOST Werke	15,559	600	2.90
TI Fluid Systems	312,000	760	3.67
Vistry	50,000	467	2.26
CONSUMER STAPLES (12.50%*‡)		2,362	11.42
Tesco	352,000	819	3.96
Unilever	9,000	397	1.92
Uniphar	540,000	1,146	5.54
FINANCIALS (24.95%*)		3,818	18.44
Allianz	2,000	363	1.75
AXA	50,000	881	4.26
Lloyds Banking	1,870,000	685	3.31
OSB	176,235	750	3.62
Prudential	84,000	1,139	5.50
HEALTH CARE (1.94%*)		2,071	10.00
AstraZeneca	9,000	669	3.23
Creo Medical	345,724	657	3.17
Roche	2,900	745	3.60
INDUSTRIALS (36.40%*)		7,581	36.62
Alpha Financial Markets Consulting	308,480	691	3.34
CRH	23,000	708	3.42
DCC	14,000	731	3.53
Forterra	332,496	806	3.89
John Menzies	90,000	234	1.13
Koninklijke Philips	11,223	446	2.15
Norcros	461,416	902	4.36
Rexel	60,000	701	3.39
RWS	117,731	629	3.04
Smurfit Kappa	32,080	1,105	5.34
STO Preference Shares	2,900	336	1.62
Volusion	105,000	292	1.41
TECHNOLOGY (5.62%*)		853	4.12
Barco	21,000	339	1.64
Capgemini	4,500	514	2.48
Portfolio of investments		19,765	95.48
Net other assets (3.42%*)		933	4.51
Total net assets		20,698	99.99

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2019.

‡ Since the previous report the Industry Sector Classification headings have been updated by data providers. Where the portfolio statement shows Industry Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

All Europe SRI Fund

Material Portfolio Changes

for the year ended 31 December 2020

	Cost £000		Proceeds £000
Major purchases		Major sales	
CRH	908	Nestle	1,039
Nestle	872	va-Q-tec	764
Roche	871	Legal & General	743
EssilorLuxottica	611	Melrose Industries	664
Rexel	605	EssilorLuxottica	637
AstraZeneca	586	Biffa	635
Koninklijke DSM	493	Koninklijke DSM	622
Vistry	447	Unilever	607
Barco	434	Wizz Air	591
Koninklijke Philips	391	IWG	542

All Europe SRI Fund

Comparative table

as at 31 December 2020

Net Asset Value and Ongoing Charges Figure

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	305.28	247.23	300.07
Return before operating charges*	7.76	63.56	(47.08)
Operating charges	(5.40)	(5.51)	(5.76)
Return after operating charges*	2.36	58.05	(52.84)
Distributions on accumulation shares	-	(2.96)	(0.82)
Retained distributions on accumulation shares	-	2.96	0.82
Closing net asset value per share	307.64	305.28	247.23
*after direct transaction costs of:	0.56	0.60	0.65
Performance			
Return after charges	0.77%	23.48%	(17.61%)
Other information			
Closing net asset value (£'000)	1,030	1,207	1,289
Closing number of shares	334,813	395,332	521,150
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
Direct transaction costs	0.21%	0.22%	0.23%
Prices			
Highest share price	318.20	311.50	307.50
Lowest share price	201.70	250.90	248.10
Price at year end	313.10	310.10	251.00

All Europe SRI Fund

Comparative table

(continued)

as at 31 December 2020

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	341.80	274.45	329.51
Return before operating charges*	9.88	71.13	(51.16)
Operating charges	(3.73)	(3.78)	(3.90)
Return after operating charges*	6.15	67.35	(55.06)
Distributions on accumulation shares	(0.38)	(5.63)	(3.20)
Retained distributions on accumulation shares	0.38	5.63	3.20
Closing net asset value per share	347.95	341.80	274.45
*after direct transaction costs of:	0.62	0.66	0.71
Performance			
Return after charges	1.80%	24.54%	(16.71%)
Other information			
Closing net asset value (£'000)	19,668	22,715	21,609
Closing number of shares	5,652,563	6,645,656	7,873,743
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
Direct transaction costs	0.21%	0.22%	0.23%
Prices			
Highest share price	354.20	344.00	336.30
Lowest share price	223.20	275.10	272.00
Price at year end	348.60	342.50	275.20

All Europe SRI Fund

Statement of Total Return

for the year ended 31 December 2020

	Notes	Year Ended 31 December 2020		Year Ended 31 December 2019	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(31)		4,635
Revenue	3	282		753	
Expenses	4	(255)		(300)	
Interest payable and similar charges		(7)		(10)	
Net revenue before taxation		20		443	
Taxation	5	3		(13)	
Net revenue after taxation			23		430
Total return before distribution			(8)		5,065
Distribution	6		(29)		(430)
Change in net assets attributable to shareholders from investment activities			(37)		4,635

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		23,922		22,898
Amounts receivable on creation of shares	2,228		2,361	
Less: Amounts payable on cancellation of shares	(5,437)		(6,358)	
		(3,209)		(3,997)
Change in net assets attributable to shareholders from investment activities		(37)		4,635
Retained distribution on accumulation shares		22		386
Closing net assets attributable to shareholders		20,698		23,922

Notes to the Financial Statements are on pages 19 to 24.

All Europe SRI Fund

Balance Sheet

as at 31 December 2020

	Notes	31/12/2020 £000	31/12/2019 £000
Fixed Assets			
Investments		<u>19,765</u>	<u>23,103</u>
Current assets:			
Debtors	8	469	137
Cash and bank balances		<u>509</u>	<u>731</u>
Total assets		<u>20,743</u>	<u>23,971</u>
Liabilities:			
Creditors:			
Other creditors	9	<u>(45)</u>	<u>(49)</u>
Total liabilities		<u>(45)</u>	<u>(49)</u>
Net assets attributable to shareholders		<u>20,698</u>	<u>23,922</u>

Notes to the Financial Statements are on pages 19 to 24.

Notes to the Financial Statements

as at 31 December 2020

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Non-derivative securities	(147)	4,670
Currency gains/(losses)	117	(34)
Handling charges	(1)	(1)
Net capital (losses)/gains	<u>(31)</u>	<u>4,635</u>

3. Revenue

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
UK dividends	92	460
Overseas taxable revenue	(1)	-
Overseas non-taxable revenue	191	293
Total revenue	<u>282</u>	<u>753</u>

4. Expenses

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	159	186
Registration fees	40	92
	<u>199</u>	<u>278</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	18	18
Safe custody fees	1	1
	<u>19</u>	<u>19</u>
Other expenses:		
Administration fee	32	32
Audit fee	9	9
Printing, publishing and postage fees	(3)	1
Other expenses	1	1
	<u>39</u>	<u>43</u>
Expenses rebate *	(2)	(40)
	<u>255</u>	<u>300</u>

*The ACD has agreed to cap the expenses as described in the ACD's report (see page 3).

Notes to the Financial Statements

(continued)

as at 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	(3)	13
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:		
Net revenue before taxation	20	443
Corporation tax of 20% (2019: 20%)	4	89
Effects of:		
UK dividends*	(18)	(92)
Overseas non-taxable revenue*	(38)	(59)
Movement in excess management expenses	52	62
Irrecoverable overseas tax	(3)	13
Current tax charge for year (note 5a)	(3)	13

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £530,068 (2019: £477,613) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Final	22	386
Add: Revenue deducted on cancellation of shares	8	69
Deduct: Revenue received on creation of shares	(1)	(25)
Net distribution for the year	29	430

Details of the distribution per share is set out in the Distribution Tables on page 25.

7. Movement between net revenue and net distribution

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Net revenue after taxation	23	430
Share class A shortfall funded from capital	6	-
Net distribution for the year	29	430

Notes to the Financial Statements

(continued)

as at 31 December 2020

8. Debtors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts receivable for issue of shares	432	90
Accrued revenue	-	17
Accrued expenses rebate due from ACD*	-	4
Overseas tax recoverable	37	26
Total debtors	469	137

*This is a related party (see note 10).

9. Creditors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts payable for cancellation of shares	8	-
Accrued ACD's periodic charge*	13	16
Accrued depositary fee*	3	2
Accrued other expenses	21	31
Total creditors	45	49

*This is a related party (see note 10).

10. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £424,185 (2019: £89,718) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £13,745 (2019: £11,473) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £3,000 (2019: £1,529) due at the year end.

Shares held by associates of the ACD

On 31 December 2020, the shares held by the ACD as a percentage of the Fund's shares were:

	% held	
	Year Ended 31 December 2020	Year Ended 31 December 2019
Share Class B - Accumulation:	nil%	1.8%

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2020	Year Ended 31 December 2019
Pershing Nominees Limited	12.90%	19.49%

as at 31 December 2020

11. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 15 to 16.

The distribution per share class is given in the Distribution Tables on page 25.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2019	01/01/20 to 31/12/20		31/12/2020	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation	395,332	33,911	(94,430)	-	334,813
Share Class B - Accumulation	6,645,656	709,977	(1,703,070)	-	5,652,563
Total	<u>7,040,988</u>	<u>743,888</u>	<u>(1,797,500)</u>	-	<u>5,987,376</u>

12. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

13. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 11. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

Foreign currency risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

As at 31 December the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure Year Ended 31 December 2020 £000	Currency exposure Year Ended 31 December 2019 £000
Euro	7,934	6,647
Swedish krona	669	-
Swiss franc	767	13
Total	<u>9,370</u>	<u>6,660</u>

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

(b) Interest rate risk profile of financial assets and liabilities

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

The sub-fund's net cash holding of £508,717 at 31 December (2019: holding £730,506) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

as at 31 December 2020

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

The main liability of each sub-fund is the redemption of any shares that investors wish to sell. Assets of a sub-fund may need to be sold if insufficient cash is available to finance such redemptions. It is therefore important to ensure that the sub-fund's assets comprise mainly readily realisable securities.

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation and in the rules of the COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depository receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Equities	9,878	8,236	13,111	9,045
Commissions				
Equities	9	7	(13)	(9)
Taxes				
Equities	20	34	-	-
Total costs	29	41	(13)	(9)
Total net trades in the year after transaction costs	9,907	8,277	13,098	9,036

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions				
Equities	0.09	0.08	0.10	0.10
Taxes				
Equities	0.20	0.41	-	-

Notes to the Financial Statements

(continued)

as at 31 December 2020

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2020	Year Ended 31 December 2019
	%	%
Commissions	0.11	0.07
Taxes	0.10	0.15
Total costs	<u>0.21</u>	<u>0.22</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.74% (2019: 0.56%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

15. Fair value

Valuation technique	Year Ended		Year Ended	
	31 December 2020		31 December 2019	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	19,765	-	23,103	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	<u>19,765</u>	<u>-</u>	<u>23,103</u>	<u>-</u>

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

All Europe SRI Fund

Distribution Tables

for the year ended 31 December 2020

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	2.9562
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	2.9562

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1	(p)	(p)	(p)	(p)
Final	0.3840	-	0.3840	5.6319
Group 2	(p)	(p)	(p)	(p)
Final	0.0812	0.3028	0.3840	5.6319

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Continental Europe Fund

Authorised Fund Manager's Report

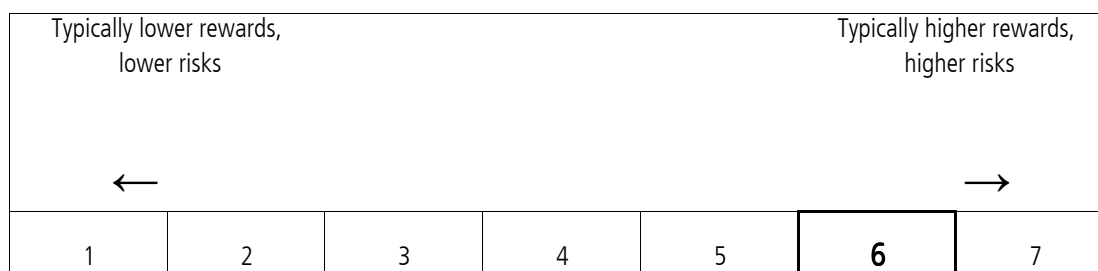
for the year ended 31 December 2020

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI Europe ex UK Index. This Fund will identify investment opportunities in undervalued companies in European equity markets which will not necessarily be prominent in mainstream indices. This Fund will invest at least 80% in equities and equity related instruments which are dealt in or traded on European Eligible Securities Markets. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in transferable securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for this Fund.

The MSCI Europe ex UK Index has been selected as the target benchmark for the Fund; its constituents make it an appropriate benchmark given the investment policy for the Fund.

Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 6 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

Investment Review

Performance	31/12/2015 to 31/12/16 %	31/12/2016 to 31/12/17 %	31/12/2017 to 31/12/18 %	31/12/2018 to 31/12/19 %	31/12/2019 to 31/12/20 %
Continental Europe Fund	13.0	17.0	(12.6)	18.3	36.7

Source: Lipper Hindsight, mid to mid, UK net to 31 December 2020.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

for the year ended 31 December 2020

Market Review

The trajectory of equity markets in 2020 was almost exclusively driven by news flow of the global pandemic which emerged out of the Chinese province of Wuhan in late 2019. The initial market reaction was swift and severe but the nadir for market pessimism came early, with the 16th of March proving to be the low point for the Fund's index which saw a year to date fall to this date of almost 25%. From then onwards there was a remarkable recovery, likely a result of the indiscriminate nature of the sell off which failed to distinguish between those companies most impacted by Covid-19 and those whose business models could not only survive the economic damage inflicted, but in some cases even thrive. The cataclysmic fall also appeared to suggest it would be many years before economies could recover from the fall out from the virus, while, as the year progressed, not only did the reality dawn that governments would do all they could to avoid this, at the same time successfully trialled vaccines became available bringing hopes of a near term solution to the problem.

While it is difficult to underestimate the significance of the impact of the pandemic on stock markets there were other momentous, potentially market moving, events taking place in tandem, not least the US presidential elections and the UK's exit from the European Union. The former was a hard-fought contest, but the eventual outcome was likely the most market friendly. Joe Biden is clearly supportive of further fiscal stimulus while at the same time his timid hold of Congresses will avoid more profligate ventures. The UK's trade deal with Europe was also a reasonably neutral affair with considerable relief that a deal could be done with at least an element of certainty for markets following what was a long and messy divorce. The end result for the MSCI Europe ex UK Index was an increase of +8.20%.

Portfolio Review

The Fund outperformed the index with an increase of 36.7%. The most successful stocks were those whose business models were least impacted by the global pandemic and in some cases where the nature of the business meant the uncertain and unusual situation provided a boost to revenues and profits. In the latter category we would place the likes of medical technology company Sedana Healthcare as well as refrigerated packaging company va-Q-Tec whose products will help distribute Covid-19 vaccines. IT names also tended to outperform with the likes of Crayon, a supplier of software for businesses, Sesa an IT hardware distributor and Lime Technologies an innovative developer of software products all outperforming as their businesses adapted and thrived in the new work from home environment. There were of course other stock specific reasons behind the performance including Allgeier which outperformed as the company planned to spin-out its most innovative division, IT services company Nagarro. Underperformers included the likes of Barco a supplier of projection equipment to cinemas whose market almost disappeared overnight as lockdowns were announced. High beta financials also performed poorly in what was an uncertain environment.

Buying and selling activity was separated into two distinct phases. First, at the onset of the pandemic, we sold those companies whose business models were most at threat including car rental firm Sixt and defence contractor Leonardo whose business has exposure to commercial airlines. Secondly, we redeployed the cash later in the year into more cyclically exposed sectors in particular financials with positions initiated in Allianz, BNP and Banca Mediolanum. Where necessary profits were taken when price targets were reached including va-Q-Tec and Scout 24.

Outlook

The outlook for 2021 is still very dependent on the rate of infection of Covid-19, the success or otherwise of the vaccine program and the willingness of central banks and governments to continue to provide economic support. Our central scenario is the pandemic will abate as vaccines are distributed globally and there is no short-term reason for stimulus packages to be removed as the alternative would be too severe for most economies to weather. This, combined with savings rates at historically low levels and, as yet, no sign of runaway inflation, makes us happy to be positioned for relatively buoyant equity markets as the potential economic rebound unfolds.

SVM Asset Management Limited

February 2021

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

Continental Europe Fund

Portfolio Statement

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (1.70%*)		-	-
CONSUMER DISCRETIONARY (13.19%*‡)		3,284	13.26
Adevinta	32,731	405	1.64
Dustin	100,440	578	2.33
JOST - Werke	16,266	627	2.53
Nacon	66,724	479	1.94
Pirelli	143,986	575	2.32
Schibsted	22,560	620	2.50
CONSUMER STAPLES (0.00%*)		530	2.14
JDE Peet's	16,385	530	2.14
ENERGY (3.96%*‡)		323	1.30
TOTAL	10,117	323	1.30
FINANCIALS (30.49%*)		6,293	25.42
Allianz	2,464	448	1.81
AXA	37,012	652	2.63
Banca Mediolanum	100,827	642	2.59
BNP Paribas	11,614	455	1.84
Hypoport	656	304	1.23
LEG Immobilien	4,078	467	1.89
Mediobanca	140,636	955	3.86
Partners	481	416	1.68
PATRIZIA	33,231	782	3.16
Ringkjoebing Landbobank	11,723	782	3.16
S IMMO	25,486	390	1.57
HEALTH CARE (5.00%*)		1,589	6.42
Novartis	4,667	325	1.31
Roche	2,095	538	2.18
Sedana Medical	23,597	726	2.93
INDUSTRIALS (15.19%*)		2,033	8.21
Aluflexpack	28,769	814	3.29
H+H International	37,125	592	2.39
Thales	9,260	627	2.53
TECHNOLOGY (19.89%*‡)		5,818	23.52
Allgeier	14,701	245	0.99
Barco	18,676	302	1.22
Capgemini	6,874	785	3.17
Crayon	86,933	940	3.80
Lime Technologies	21,614	791	3.20
Nagarro	14,701	1,182	4.77
SeSa	7,423	688	2.78
United Internet	28,326	885	3.59
TELECOMMUNICATIONS (3.95%*‡)		664	2.68
Hexatronic	58,899	402	1.62
Orange	30,020	262	1.06

Portfolio Statement

(continued)

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
UTILITIES (4.29%*)		2,980	12.04
Energiekontor	34,791	1,821	7.36
PNE	98,000	706	2.85
Veolia Environnement	25,228	453	1.83
Portfolio of investments		23,514	94.99
Net other assets (2.34%*)		1,241	5.01
Total net assets		24,755	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2019.

‡ Since the previous report the Industry Sector Classification headings have been updated by data providers. Where the portfolio statement shows Industry Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

Continental Europe Fund

Material Portfolio Changes

for the year ended 31 December 2020

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
Mediobanca	742	Allgeier	742
Banca Mediolanum	652	SeSa	652
JDE Peet's	488	va-Q-tec	488
Pirelli	462	Scout24	462
BNP Paribas	416	Crayon	416
Allianz	415	Hypoport	415
Thales	405	Orange	405
PNE	377	Partners	377
Hexatronic	331	Mediobanca	331
Nacon	307	Hella	307

Continental Europe Fund

Comparative table

as at 31 December 2020

Net Asset Value and Ongoing Charges Figure

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	547.99	463.24	530.32
Return before operating charges*	211.94	94.91	(56.76)
Operating charges	(11.37)	(10.16)	(10.32)
Return after operating charges*	200.57	84.75	(67.08)
Distributions on accumulation shares	-	(2.68)	(3.08)
Retained distributions on accumulation shares	-	2.68	3.08
Closing net asset value per share	748.56	547.99	463.24
*after direct transaction costs of:	0.70	0.38	0.33
Performance			
Return after charges	36.60%	18.30%	(12.65%)
Other information			
Closing net asset value (£'000)	10,442	8,216	7,922
Closing number of shares	1,394,947	1,499,340	1,710,190
Operating charges (ongoing charges figure)	1.99%	1.98%	1.98%
Direct transaction costs	0.12%	0.08%	0.06%
Prices			
Highest share price	755.00	553.70	557.60
Lowest share price	388.80	464.20	459.60
Price at year end	750.10	548.90	464.20

Continental Europe Fund

Comparative table

(continued)

as at 31 December 2020

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	622.53	522.37	593.46
Return before operating charges*	242.08	107.30	(63.89)
Operating charges	(8.10)	(7.14)	(7.20)
Return after operating charges*	233.98	100.16	(71.09)
Distributions on accumulation shares	(1.11)	(7.37)	(7.62)
Retained distributions on accumulation shares	1.11	7.37	7.62
Closing net asset value per share	856.51	622.53	522.37
*after direct transaction costs of:	0.80	0.43	0.37
Performance			
Return after charges	37.59%	19.17%	(11.98%)
Other information			
Closing net asset value (£'000)	14,313	9,297	9,699
Closing number of shares	1,671,042	1,493,354	1,856,654
Operating charges (ongoing charges figure)	1.24%	1.23%	1.23%
Direct transaction costs	0.12%	0.08%	0.06%
Prices			
Highest share price	862.80	628.00	623.60
Lowest share price	441.80	522.60	517.40
Price at year end	857.30	622.70	522.60

Continental Europe Fund

Statement of Total Return

for the year ended 31 December 2020

	Notes	Year Ended 31 December 2020		Year Ended 31 December 2019	
		£000	£000	£000	£000
Income					
Net capital gains	2		6,974		2,884
Revenue	3	247		476	
Expenses	4	(293)		(279)	
Interest payable and similar charges		(1)		(8)	
Net (expenses)/revenue before taxation		(47)		189	
Taxation	5	13		(24)	
Net (expenses)/revenue after taxation			(34)		165
Total return before distribution			6,940		3,049
Distribution	6		(17)		(165)
Change in net assets attributable to shareholders from investment activities			6,923		2,884

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		17,513		17,621
Amounts receivable on creation of shares	6,826		568	
Less: Amounts payable on cancellation of shares	(6,526)		(3,710)	
		300		(3,142)
Change in net assets attributable to shareholders from investment activities		6,923		2,884
Retained distribution on accumulation shares		19		150
Closing net assets attributable to shareholders		24,755		17,513

Notes to the Financial Statements are on pages 35 to 40.

Continental Europe Fund

Balance Sheet

as at 31 December 2020

	Notes	31/12/2020 £000	31/12/2019 £000
Fixed Assets			
Investments		<u>23,514</u>	<u>17,103</u>
Current assets:			
Debtors	8	382	77
Cash and bank balances		<u>928</u>	<u>412</u>
Total assets		<u>24,824</u>	<u>17,592</u>
Liabilities:			
Creditors:			
Other creditors	9	<u>(69)</u>	<u>(79)</u>
Total liabilities		<u>(69)</u>	<u>(79)</u>
Net assets attributable to shareholders		<u><u>24,755</u></u>	<u><u>17,513</u></u>

Notes to the Financial Statements are on pages 35 to 40.

Notes to the Financial Statements

as at 31 December 2020

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains

The net capital gains during the year comprise:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Non-derivative securities	6,977	3,014
Currency losses	(1)	(129)
Handling charges	(2)	(1)
Net capital gains	<u>6,974</u>	<u>2,884</u>

3. Revenue

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Overseas taxable revenue	(1)	-
Overseas non-taxable revenue	247	476
Bank interest	1	-
Total revenue	<u>247</u>	<u>476</u>

4. Expenses

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	203	194
Registration fees	32	60
	<u>235</u>	<u>254</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	18	18
Safe custody fees	3	3
	<u>21</u>	<u>21</u>
Other expenses:		
Administration fee	32	32
Audit fee	9	9
Printing, publishing and postage fees	(3)	1
Other expenses	1	-
	<u>39</u>	<u>42</u>
Expenses rebate *	(2)	(38)
	<u>293</u>	<u>279</u>

*The ACD has agreed to cap the expenses as described in the ACD's report (see page 3).

as at 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	(13)	24
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:		
Net (expenses)/revenue before taxation	(47)	189
Corporation tax of 20% (2019: 20%)	(9)	38
Effects of:		
Overseas non-taxable revenue*	(49)	(95)
Movement in excess management expenses	58	57
Irrecoverable overseas tax	(13)	24
Current tax charge for year (note 5a)	(13)	24

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £701,980 (2019: £643,666) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Final	19	150
Add: Revenue deducted on cancellation of shares	5	17
Deduct: Revenue received on creation of shares	(7)	(2)
Net distribution for the year	17	165

Details of the distribution per share is set out in the Distribution Tables on page 41.

7. Movement between net (expenses) / revenue and net distribution

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Net (expenses) / revenue after taxation	(34)	165
Share class A shortfall funded from capital	51	-
Net distribution for the year	17	165

Notes to the Financial Statements

(continued)

as at 31 December 2020

8. Debtors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts receivable for issue of shares	282	-
Accrued expenses rebate due from ACD*	(1)	4
Overseas tax recoverable	101	73
Total debtors	382	77

*This is a related party (see note 10).

9. Creditors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts payable for cancellation of shares	22	34
Accrued ACD's periodic charge*	21	16
Accrued depositary fee*	3	2
Accrued other expenses	23	27
Total creditors	69	79

*This is a related party (see note 10).

10. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £260,082 (2019: £34,353) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £22,168 (2019: £12,261) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £3,000 (2019: £1,529) due at the year end.

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2020	Year Ended 31 December 2019
Canada Life Limited	23.0%	24.7%

as at 31 December 2020

11. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 31 to 32.

The distribution per share class is given in the Distribution Tables on page 41.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2019	01/01/20 to 31/12/20		31/12/2020	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation	1,499,340	132,261	(236,654)		1,394,947
Share Class B - Accumulation	1,493,354	971,691	(794,003)		1,671,042
Total	<u>2,992,694</u>	<u>1,103,952</u>	<u>(1,030,657)</u>	-	<u>3,065,989</u>

12. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

13. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 26. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

Foreign currency risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

As at 31 December the sub-fund had the following net currency exposure (excluding Sterling):

	Currency exposure Year Ended 31 December 2020 £000	Currency exposure Year Ended 31 December 2019 £000
Currency		
Danish krone	1,400	1,193
Euro	15,626	12,336
Norwegian krone	1,966	1,222
Swedish krona	2,497	848
Swiss franc	<u>2,130</u>	<u>1,777</u>
Total	<u>23,619</u>	<u>17,376</u>

(b) Interest rate risk profile of financial assets and liabilities

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

The sub-fund's net cash holding of £927,507 at 31 December (2019: holding £411,758) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depository.

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

The main liability of each sub-fund is the redemption of any shares that investors wish to sell. Assets of a sub-fund may need to be sold if insufficient cash is available to finance such redemptions. It is therefore important to ensure that the sub-fund's assets comprise mainly readily realisable securities.

as at 31 December 2020

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation and in the rules of the COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Street Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Street Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depositary receives and reviews an annual report on the internal controls in place at State Street Bank and Trust Company.

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Equities	8,069	4,536	8,658	5,024
Commissions				
Equities	8	4	(9)	(5)
Taxes				
Equities	6	4	-	-
Total costs	14	8	(9)	(5)
Total net trades in the year after transaction costs	8,083	4,544	8,649	5,019

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions				
Equities	0.10	0.09	0.10	0.10
Taxes				
Equities	0.07	0.09	-	-

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions	0.09	0.05
Taxes	0.03	0.03
Total costs	0.12	0.08

as at 31 December 2020

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.30% (2019: 0.39%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

15. Fair value

Valuation technique	Year Ended 31 December		Year Ended 31 December	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	23,514	-	17,103	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	23,514	-	17,103	-

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Continental Europe Fund

Distribution Tables

for the year ended 31 December 2020

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1 Final	(p) -	(p) -	(p) -	(p) 2.6816
Group 2 Final	(p) -	(p) -	(p) -	(p) 2.6816

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1 Final	(p) 1.1123	(p) -	(p) 1.1123	(p) 7.3705
Group 2 Final	(p) 0.2733	(p) 0.8390	(p) 1.1123	(p) 7.3705

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 0.00% of the dividend, is received as franked investment income.

Final - 100.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Authorised Fund Manager's Report

for the year ended 31 December 2020

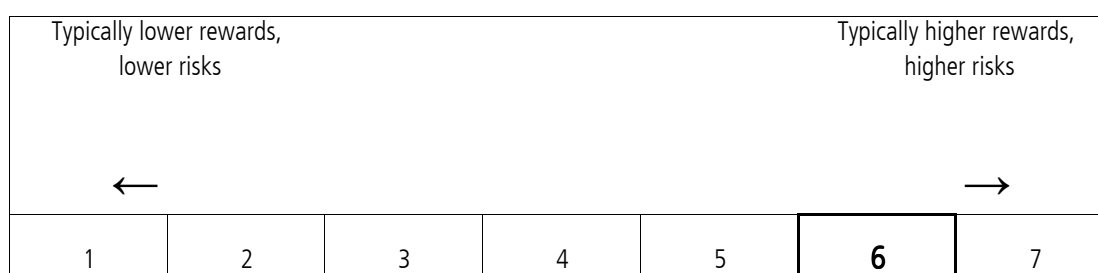
Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI United Kingdom IMI.

This Fund will identify investment opportunities in UK companies that can grow faster than the wider markets and are capable of sustained growth. This Fund will invest at least 80% in equities and equity related instruments in UK companies. These are companies in any economic sector that may be listed, quoted or traded in the UK or elsewhere but which are incorporated or domiciled or conduct a significant portion of their business in the UK. Some companies may however have overseas earnings as part of their trading profits. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferable securities which are otherwise permitted for the Fund.

The MSCI United Kingdom IMI has been selected as the target benchmark for the Fund; its constituents make it an appropriate benchmark given the investment policy for the Fund.

Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 6 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses Contracts for Difference (CFDs) for efficient portfolio management (EPM) purposes. This may create gearing and could lead to greater fluctuations in the Net Asset Value of the Fund. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

Due to global and UK market fluctuations trading may become difficult and the Fund may not be able to realise some of the investments it has made nor may prices be readily available that are a reliable indication of value of the investments.

Investment Review

Performance	31/12/2015 to 31/12/16 %	31/12/2016 to 31/12/17 %	31/12/2017 to 31/12/18 %	31/12/2018 to 31/12/19 %	31/12/2019 to 31/12/20 %
UK Growth Fund	(3.6)	23.7	(16.2)	26.1	6.2

Source: Lipper Hindsight, mid to mid, UK net to 31 December 2020.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

for the year ended 31 December 2020

Market Review

The UK stockmarket was volatile over the twelve months under review, although within this many growth businesses performed well. After sharp falls when the pandemic began, shares began to recover from late March, following significant stimulus from the Government and Bank of England. Investors do not expect full economic recovery until after 2021.

The Bank of England is exploring the possibility of negative interest rates, which in 2020 added to the concern of international investors about Brexit. In late December, the EU and UK announced a trade and co-operation agreement, which set a basis for trading from 1st January 2021. It did not resolve all issues in detail, such as financial services, but has provided reassurance to the stockmarket and international investors. One sign of confidence returning to investment in the UK is the strength of the Pound since the agreement was announced. The London stockmarket and Pound have underperformed over the last four years and there is some potential for recovery now that the trading position is clearer.

Portfolio Review

Over the 12 months, the SVM UK Growth Fund ("A" share class) returned +6.2%, versus a return of -11.7% for the MSCI UK IMI and -6.0% for the average fund in the IA UK All Companies Sector. Over five years, the Fund has returned +33.9% versus a return for the MSCI UK IMI of +25.5% and +30.7% for the IA UK All Companies Sector average. The Fund is top quartile over one, three, five and ten years to 31 December

Over the 12month period under review, there were good contributions to performance from Ceres Power, Ocado, Games Workshop, Kainos Group, and Blue Prism. The main disappointments in the period were Beazley, WH Smith, Johnson Service, SSP Group and Watkin Jones. During the 12 months under review, the emphasis on travel and consumer services was reduced in the first half of the year. The surviving airlines such as Wizz Air and Jet2 have recapitalised and may face less competition when travel picks up. Gains by fuel cell technology group, Ceres and ITM reflect growing investor interest in renewable energy businesses; the UK has relatively few investments focused on sustainable energy. ITM Power is developing technology to support green hydrogen to decarbonise industry and transport. The Fund emphasises growth, but as the year progressed there was some recovery in value sectors, such as commodities, oil and industrials.

There was a bid for Applegreen which, with its more recent investments in the US and potential for deploying further capital, looked in hindsight as an ideal candidate for a private equity buyer. Last year's bid for William Hill highlighted the value of US gaming assets held within London-listed groups. In early January 2021, Entain rejected a bid from its US partner, MGM.

New and additional portfolio investments included XP Power, Premier Foods, Games Workshop, Ceres Power and ITM. To fund these, profit was taken on part of the holdings in AB Dynamics, Johnson Services and Blue Prism Group. All of the position in Diageo was sold.

A new investment was made in Ashtead, recognising its further growth potential in the US. Specialist tools are growing within a market that is steadily moving to rental and shows pricing discipline. An addition was made to the position in Aveva; a growth business that has not performed as strongly as some others. Aveva should benefit if IT spending by industrial clients grows. Next has been held back by its high street retail operations, but is growing online and has considerable further potential, both to increase its own online sales and also to act as an e-commerce platform for other brands.

Outlook

The Fund has a growth-oriented portfolio based on fundamental analysis. The forces favouring growth businesses have been in place for more than 20 years. In contrast, the biggest global companies have been more impacted by disinflation and, more recently, disruption. This trend seems likely to continue due to ongoing technology change and global competition.

The boom in online businesses and the services supporting that may not end with better news on the pandemic. Many companies recognise they need to do much more to embed resilience in their online operations with relevant customer data and this will continue to drive cloud business services. Most surviving businesses in challenged sectors have raised equity and will enter the economic recovery facing less competition and with greater pricing power. The Fund includes some businesses with recovery potential in 2021 and beyond.

Pockets of inflation are emerging and a strong economic recovery as 2021 progresses may bring more generalised inflation. Your Fund remains fully invested with modest additional gearing, focused on resilient growing businesses. These are typically scalable businesses with a competitive edge that can deliver above average growth.

SVM Asset Management Limited

February 2021

Past performance is not a guide to future performance. The value of shares and the income from them can go down as well as up and the original investment is not guaranteed. The basis of taxation may change.

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

UK Growth Fund

Portfolio Statement

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (2.56%*)		6,130	3.43
Croda International	93,703	6,130	3.43
CONSUMER DISCRETIONARY (24.94%*‡)		46,748	26.25
4Imprint	17,685	457	0.26
AO World	673,000	2,793	1.57
Applegreen	201,526	1,028	0.58
ASOS	1,610	77	0.04
Delivery Hero	21,740	2,477	1.39
Dunelm	50,000	617	0.35
Flutter Entertainment	16,028	2,405	1.35
Frontier Developments	14,750	457	0.26
Future	103,600	1,825	1.02
Games Workshop	46,168	5,217	2.93
GlobalData	90,500	1,222	0.69
GVC	251,700	2,857	1.60
HomeServe	241,362	2,476	1.39
JD Sports Fashion	751,850	6,443	3.62
JET2	230,381	3,336	1.86
Next	25,490	1,802	1.01
On the Beach	449,755	1,705	0.96
Pets at Home	287,145	1,224	0.69
Team17	401,350	3,171	1.78
Wizz Air	112,200	5,159	2.90
CONSUMER STAPLES (10.23%*‡)		18,351	10.31
Cranswick	115,235	4,075	2.29
Fevertree Drinks	47,900	1,205	0.68
Hilton Food	236,500	2,625	1.47
Kerry	23,660	2,568	1.44
Ocado	309,120	7,033	3.96
Premier Foods	635,000	641	0.36
THG	26,100	204	0.11
ENERGY (0.00%)		11,233	6.29
Ceres Power	644,604	8,483	4.76
ITM Power	544,545	2,750	1.53
FINANCIALS (17.68%*)		18,541	10.41
Beazley	956,400	3,520	1.98
Draper Esprit	233,310	1,540	0.86
Impax Asset Management	274,000	1,902	1.07
Intermediate Capital	239,000	4,125	2.32
K3 Capital	846,364	2,124	1.19
London Stock Exchange	50,545	4,562	2.56
Manolete Partners	307,385	768	0.43

Portfolio Statement

(continued)

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
HEALTH CARE (6.49%*)		7,213	4.06
Dechra Pharmaceuticals	158,218	5,519	3.10
Hikma Pharmaceuticals	54,200	1,365	0.77
Indivior	310,000	329	0.19
INDUSTRIALS (24.87%*‡)		32,809	18.40
AB Dynamics	247,253	5,069	2.85
Boku	1,313,695	1,865	1.05
Diploma	153,761	3,376	1.89
FDM	157,000	1,771	0.99
Johnson Service	2,719,482	3,818	2.14
Keystone Law	956,000	4,780	2.68
Knights	400,000	1,544	0.87
Mpac	23,000	97	0.05
Renishaw	40,000	2,322	1.29
Rentokil Initial	823,000	4,201	2.36
RWS	275,700	1,472	0.83
Volex	200,000	618	0.35
XP Power	40,000	1,876	1.05
REAL ESTATE (6.64%*‡)		10,257	5.77
LondonMetric Property	810,200	1,867	1.05
Safestore	195,006	1,520	0.86
Segro	312,440	2,958	1.66
UNITE	377,252	3,912	2.20
TECHNOLOGY (1.54%*‡)		16,053	9.03
AVEVA	75,221	2,421	1.36
Blue Prism	54,868	947	0.53
discoverIE	298,560	2,018	1.14
First Derivatives	31,500	1,002	0.56
Just Eat Takeaway	22,444	1,858	1.05
Kainos	361,364	4,380	2.46
Kape Technologies	266,666	485	0.27
Kooth	356,500	873	0.49
Softcat	150,000	2,069	1.17

Portfolio Statement

(continued)

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
TELECOMMUNICATIONS (2.56%*)		6,242	3.49
Gamma Communications	332,288	5,450	3.06
Spirent Communications	300,000	792	0.43
DERIVATIVES (1.73%*)		1,451	0.80
CONTRACTS FOR DIFFERENCE			
ASOS - CFD	32,450	(127)	(0.07)
AstraZeneca - CFD	20,425	(223)	(0.13)
Avon Rubber - CFD	39,819	(281)	(0.16)
Ceres Power - CFD	81,300	515	0.29
Genus - CFD	5,401	37	0.02
Entain - CFD	32,500	44	0.02
Experian - CFD	185,959	(185)	(0.10)
Flutter Entertainment - CFD	17,800	561	0.31
ITM Power - CFD	171,625	442	0.25
Kingspan - CFD	50,230	191	0.11
Oxford Instruments - CFD	120,091	899	0.50
THG - CFD	100,000	132	0.07
Watkin Jones - CFD	1,220,222	(554)	(0.31)
Portfolio of investments[^]		175,028	98.24
Net other assets (0.76%*)		3,132	1.76
Total net assets		178,160	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

* Comparative figures shown in brackets relate to 31 December 2019.

[^] Including investment liabilities of £1,370,093.

‡ Since the previous report the Industry Sector Classification headings have been updated by data providers. Where the portfolio statement shows Industry Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

UK Growth Fund

Material Portfolio Changes

for the year ended 31 December 2020

	Cost £000		Proceeds £000
Major purchases		Major sales	
Games Workshop	3,142	AstraZeneca	5,495
Ceres Power	2,757	Experian	5,406
Next	2,359	Kerry	3,381
Team17	2,320	Applegreen	3,062
Just Eat Takeaway	1,940	UNITE	2,880
Delivery Hero	1,931	Kingspan	2,019
AVEVA	1,881	London Stock Exchange	1,996
RWS	1,730	Flutter Entertainment	1,995
Softcat	1,660	Trainline	1,925
Hikma Pharmaceuticals	1,622	Ashteda	1,917

UK Growth Fund

Comparative table

as at 31 December 2020

Net Asset Value and Ongoing Charges Figure

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	502.16	395.93	476.18
Return before operating charges*	38.63	114.40	(71.94)
Operating charges	(7.81)	(8.17)	(8.31)
Return after operating charges*	30.82	106.23	(80.25)
Distributions on accumulation shares	-	(0.89)	(0.72)
Retained distributions on accumulation shares	-	0.89	0.72
Closing net asset value per share	532.98	502.16	395.93
*after direct transaction costs of:	0.62	0.59	0.66
Performance			
Return after charges	6.14%	26.83%	(16.85%)
Other information			
Closing net asset value (£'000)	10,739	11,776	11,204
Closing number of shares	2,014,912	2,345,037	2,829,925
Operating charges (ongoing charges figure)	1.71%	1.79%	1.77%
Direct transaction costs	0.14%	0.13%	0.14%
Prices			
Highest share price	544.40	508.60	506.50
Lowest share price	295.40	400.80	395.80
Price at year end	537.00	505.70	399.60

UK Growth Fund

Comparative table

(continued)

as at 31 December 2020

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	562.87	440.84	525.28
Return before operating charges*	44.61	127.30	(79.19)
Operating charges	(4.93)	(5.27)	(5.25)
Return after operating charges*	39.68	122.03	(84.44)
Distributions on accumulation shares	(0.51)	(4.81)	(4.72)
Retained distributions on accumulation shares	0.51	4.81	4.72
Closing net asset value per share	602.55	562.87	440.84
*after direct transaction costs of:	0.70	0.66	0.72
Performance			
Return after charges	7.05%	27.68%	(16.08%)
Other information			
Closing net asset value (£'000)	167,421	161,569	167,285
Closing number of shares	27,785,444	28,704,601	37,946,761
Operating charges (ongoing charges figure)	0.96%	1.04%	1.02%
Direct transaction costs	0.14%	0.13%	0.14%
Prices			
Highest share price	612.50	567.80	559.50
Lowest share price	330.40	444.30	438.60
Price at year end	604.20	564.70	442.80

UK Growth Fund

Statement of Total Return

for the year ended 31 December 2020

	Notes	Year Ended 31 December 2020		Year Ended 31 December 2019	
		£000	£000	£000	£000
Income					
Net capital gains	2		13,244		41,971
Revenue	3	1,748		3,932	
Expenses	4	(1,564)		(1,973)	
Interest payable and similar charges		(91)		(253)	
Net revenue before taxation		93		1,706	
Taxation	5	(24)		(18)	
Net revenue after taxation			69		1,688
Total return before distribution			13,313		43,659
Distribution	6		(134)		(1,688)
Change in net assets attributable to shareholders from investment activities			13,179		41,971

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		173,345		178,489
Amounts receivable on creation of shares	23,027		14,699	
Less: Amounts payable on cancellation of shares	(31,532)		(63,214)	
		(8,505)		(48,515)
Change in net assets attributable to shareholders from investment activities		13,179		41,971
Retained distribution on accumulation shares		141		1,400
Closing net assets attributable to shareholders		178,160		173,345

Notes to the Financial Statements are on pages 52 to 57.

UK Growth Fund

Balance Sheet

as at 31 December 2020

	Notes	31/12/2020 £000	31/12/2019 £000
Fixed Assets			
Investments		<u>176,398</u>	<u>172,067</u>
Current assets:			
Debtors	8	550	1,902
Cash and bank balances	9	<u>3,302</u>	<u>827</u>
Total assets		<u>180,250</u>	<u>174,796</u>
Liabilities:			
Investment liabilities		<u>(1,370)</u>	<u>(38)</u>
Creditors:			
Bank overdrafts		(14)	(12)
Other creditors	10	<u>(706)</u>	<u>(1,401)</u>
Total other liabilities		<u>(720)</u>	<u>(1,413)</u>
Total liabilities		<u>(2,090)</u>	<u>(1,451)</u>
Net assets attributable to shareholders		<u>178,160</u>	<u>173,345</u>

Notes to the Financial Statements are on pages 52 to 57.

Notes to the Financial Statements

as at 31 December 2020

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains

The net capital gains during the year comprise:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Non-derivative securities	14,580	37,615
Derivative contracts	(1,017)	4,571
Currency losses	(316)	(212)
Handling charges	(3)	(3)
Net capital gains	<u>13,244</u>	<u>41,971</u>

3. Revenue

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
UK dividends	1,360	2,425
Overseas taxable revenue	-	(1)
Overseas non-taxable revenue	87	699
Property revenue from UK REITs - PID	160	263
Property revenue from UK REITs - Non PID	40	59
Bank interest	-	2
Revenue from CFDs	101	485
Total revenue	<u>1,748</u>	<u>3,932</u>

4. Expenses

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,236	1,456
Registration fees	225	404
	<u>1,461</u>	<u>1,860</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	52	59
Safe custody fees	1	2
	<u>53</u>	<u>61</u>
Other expenses:		
Administration fee	39	40
Audit fee	9	9
Printing, publishing and postage fees	(3)	1
Other expenses	5	2
	<u>50</u>	<u>52</u>
	<u>1,564</u>	<u>1,973</u>

Notes to the Financial Statements

(continued)

as at 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	24	18
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:		
Net revenue before taxation	94	1,706
Corporation tax of 20% (2019: 20%)	19	341
Effects of:		
UK dividends*	(272)	(485)
Overseas non-taxable revenue*	(17)	(140)
Movement in excess management expenses	278	296
Irrecoverable overseas tax	24	18
Property revenue from UK REITs - Non PID	(8)	(12)
Current tax charge for year (note 5a)	24	18

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,599,978 (2019: £2,321,091) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Final	141	1,400
Add: Revenue deducted on cancellation of shares	28	371
Deduct: Revenue received on creation of shares	(35)	(83)
Net distribution for the year	134	1,688

Details of the distribution per share is set out in the Distribution Tables on page 58.

7. Movement between net revenue and net distribution

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Net revenue after taxation	69	1,688
Share class A shortfall funded from capital	65	-
Net distribution for the year	134	1,688

Notes to the Financial Statements

(continued)

as at 31 December 2020

8. Debtors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Sales awaiting settlement	-	1,722
Amounts receivable for issue of shares	377	32
Accrued revenue	173	129
Overseas tax recoverable	-	19
Total debtors	<u>550</u>	<u>1,902</u>

9. Cash and bank balances

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Cash and bank balances	1,293	395
Amounts held at futures clearing houses and brokers	2,009	432
Total cash and bank balances	<u>3,302</u>	<u>827</u>

10. Creditors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts payable for cancellation of shares	539	1,194
Accrued ACD's periodic charge*	116	116
Accrued depositary fee*	10	5
Accrued other expenses	41	86
Total creditors	<u>706</u>	<u>1,401</u>

*This is a related party (see note 11).

11. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £161,930 (2019: £1,162,299) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £116,121 (2019: £116,463) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £9,409 (2019: £4,816) due at the year end.

At the balance sheet date there were no investors holding over 20% of the shares in the fund.

as at 31 December 2020

12. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 48 to 49.

The distribution per share class is given in the Distribution Tables on page 58.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2019	01/01/20 to 31/12/20		31/12/2020	
	Opening shares in issue	Creations	Cancellations	Shares converted	Closing shares in issue
Share Class A - Accumulation	2,345,037	191,732	(521,857)	-	2,014,912
Share Class B - Accumulation	28,704,601	4,622,025	(5,541,182)	-	27,785,444
Total	31,049,638	4,813,757	(6,063,039)	-	29,800,356

13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

14. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 42. The risks inherent in the sub-fund's investment portfolio are as follows:

The UK Growth Fund utilises CFDs for effective portfolio management (EPM). The benefit of CFDs is that the Fund can gain exposure to price movements in underlying securities by making a margin payment rather than paying the full amount for the investment. This may result in the fund being leveraged beyond the net asset value and hence market movements may have a greater impact on the fund in this scenario. The use of derivatives may lead to an increase in the fund's volatility and may also increase counterparty risk within the fund. The UK Growth Fund restricts its exposure to counterparty risk on derivative instruments by trading via an International Swap Derivative Association (ISDA) Master Agreement with derivative counterparties.

Under CFDs the Fund has long positions with exposure to underlying securities with a total market value of £22,900,837 (2019: £17,948,135). The counterparty is UBS AG. The Fund has a cash collateral position of £1,995,277 (2019: £420,293) on deposit.

(a) Currency risk

Foreign currency risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

As at 31 December the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure Year Ended 31 December 2020 £000	Currency exposure Year Ended 31 December 2019 £000
	Euro	5,030
Polish zloty	845	(18)
US dollar	-	10
Total	<u>5,875</u>	<u>9,146</u>

as at 31 December 2020

(b) *Interest rate risk profile of financial assets and liabilities*

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

The sub-fund's net cash holding of £1,292,433 (2019: holding £394,991) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

The Fund holds net cash at futures brokers of £1,995,277 (2019: cash £420,293), whose rates are determined by reference to rates supplied by the broker.

(c) *Liquidity risk*

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

The main liability of each sub-fund is the redemption of any shares that investors wish to sell. Assets of a sub-fund may need to be sold if insufficient cash is available to finance such redemptions. It is therefore important to ensure that the sub-fund's assets comprise mainly readily realisable securities.

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) *Market price risk and fair value of financial assets and liabilities*

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation and in the rules of the COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

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

(e) *Counterparty risk*

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depositary receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The sub-funds only buy and sell investments and trades CFD's through brokers which have been approved by the ACD as an acceptable counterparty; the broker through which CFD's are transacted requires a cash margin to be maintained with them as collateral for those positions. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' credit ratings are reviewed.

15. **Portfolio transaction costs**

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Equities	50,111	33,860	60,065	71,493
Commissions				
Equities	51	31	(48)	(89)
Collective Investment Schemes	-	1	(2)	(2)
Taxes				
Equities	110	113	-	-
Total costs	161	145	(50)	(91)
Total net trades in the year after transaction costs	50,272	34,005	60,015	71,402

Notes to the Financial Statements

(continued)

as at 31 December 2020

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions				
Equities	0.10	0.09	0.08	0.12
Taxes				
Equities	0.22	0.33	-	-
Total transaction cost expressed as a percentage of average net asset value.				
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %		
Commissions	0.07	0.07		
Taxes	0.07	0.06		
Total costs	0.14	0.13		

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.60% (2019: 0.69%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

16. Fair value

Valuation technique	Year Ended 31 December		Year Ended 31 December	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	173,577	-	169,025	-
Level 2	2,821	(1,370)	3,042	(38)
Level 3	-	-	-	-
Total fair value	176,398	(1,370)	172,067	(38)

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e for which market data is unavailable) for the asset or liability.

UK Growth Fund

Distribution Tables

for the year ended 31 December 2020

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1 Final	(p) -	(p) -	(p) -	(p) 0.8864
Group 2 Final	(p) -	(p) -	(p) -	(p) 0.8864

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1 Final	(p) 0.5069	(p) -	(p) 0.5069	(p) 4.8058
Group 2 Final	(p) -	(p) 0.5069	(p) 0.5069	(p) 4.8058

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

UK Opportunities Fund

Authorised Fund Manager's Report

for the year ended 31 December 2020

Investment Objective and Policy

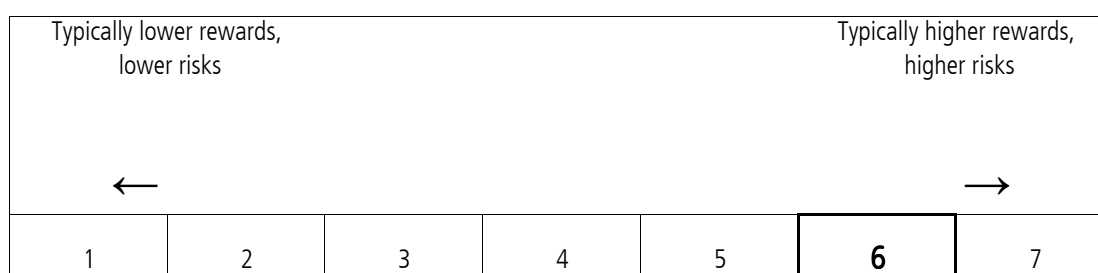
The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI United Kingdom IMI.

This Fund will identify investment opportunities in UK companies whose future growth is not reflected in current market expectations. The Fund will invest at least 80% in equities and equity related instruments in UK companies. These are companies in any economic sector that may be listed, quoted or traded in the UK or elsewhere but which are incorporated or domiciled or conduct a significant portion of their business in the UK. Some companies may however have overseas earnings as part of their trading profits. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in other permitted transferable securities.

The Fund will seek to invest in the full range of opportunities available to it, which will include shares on the Alternative Investment Market.

The MSCI United Kingdom IMI has been selected as the target benchmark for the Fund; its constituents make it an appropriate benchmark given the investment policy for the Fund.

Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 6 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses Contracts for Difference (CFDs) for efficient portfolio management (EPM) purposes. This may create gearing and could lead to greater fluctuations in the Net Asset Value of the Fund. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

Investment Review

Performance	31/12/2015 to 31/12/16 %	31/12/2016 to 31/12/17 %	31/12/2017 to 31/12/18 %	31/12/2018 to 31/12/19 %	31/12/2019 to 31/12/20 %
UK Opportunities Fund	7.8	13.7	(12.4)	30.4	(8.8)

Source: Lipper Hindsight, mid to mid, UK net to 31 December 2020.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

for the year ended 31 December 2020

Market Review

After a strong finish to the previous year, global equity markets made a solid start in 2020 on the back of robust economic data and an optimistic outlook for the year ahead. In the UK, the sizable Conservative majority elected in the recent General Election was expected to make swift progress on Brexit. In a US Presidential election year, it was widely believed that President Trump would seek to boost economic growth to maximise his re-election prospects. The Covid-19 pandemic upended everything.

When initial reports about a novel flu-like illness were made, there was little market reaction. Recent experience suggested that such outbreaks tended to be limited in nature and while it might have some impact on the Asian regional economy, there was little reason to fret about the global outlook. In late February, it became clear that Covid had gained a foothold in Europe and travel-related stocks took a leg down. A couple of weeks later, as much of the world entered a first pandemic lockdown, equity markets around the world crashed. Government and central bank responses around the world were swift, with unprecedented support packages implemented to support economies, businesses, and individuals. This helped reassure investors and stabilise markets. Positive news on vaccine development provided a further boost for markets towards the year-end, despite a second wave of the virus leading to renewed lockdowns.

The Fund returned -8.8% versus the MSCI United Kingdom IMI that returned -11.7% and the IA UK All Companies Sector Average that returned -6.0%. Over three, five and ten years the Fund has returned +4.3%, +27.7%, and +99.0% versus the MSCI United Kingdom IMI which has returned -5.6%, +25.4%, and +65.6%.

Portfolio Review

William Hill, the betting company, was the largest positive contributor to fund performance during the year. The bookmaking sector came under heavy pressure early in the pandemic as investors worried about the impact of sporting event cancellations. We used this opportunity to take a position as we were more optimistic about both the resilience of William Hill's business in the near-term and its longer-term opportunities in the US market. In September, Caesars Entertainment made a successful bid for the company. Pantheon Resources, the US oil & gas company, also outperformed as the potential scope of its Alaskan assets were underlined by successful appraisal newsflow. Team 17, a developer and publisher of computer games, delivered a string of revenue and profit upgrades throughout the year. The market still underestimates the strength of the company's back-catalogue, development pipeline and lower-risk approach to game development.

Norcros, the manufacturer of kitchen and bathroom products, was the single largest negative contributor to fund performance. While the company was impacted by the pandemic, it demonstrated a strong recovery through the second half with cashflow generation particularly impressive. We believe that the stock remains significantly undervalued. Jadestone Energy, the South-East Asian oil & gas company, declined as Covid delayed some well workover projects and the timing of an acquisition. The company delivered an impressive cash performance and we remain convinced about the longer-term opportunity. Menzies, the aviation services provider, and the Fund's airline holdings were all significantly impacted as demand evaporated and travel restrictions were imposed.

Outlook

After one of the most challenging years any of us will ever face, on a personal and professional level, we are constructive about the outlook for 2021. We believe that there will be a synchronised global economic recovery through 2021 as both fiscal and monetary policy remain extremely supportive. While there is a risk of further lockdowns, the market will likely look through these as long as progress continues to be made on the vaccination front. There is also the potential during the year for a sharp reversal in market leadership, as investors look for those stocks likely to be beneficiaries of any reflation trade.

UK stocks continue to trade at a discount to international peers. With the UK making good progress on vaccinations and with a relatively stable political backdrop, we believe that the intrinsic strengths of the UK economy will become more apparent as the year progresses. We expect both Sterling and UK markets to outperform consensus expectations during 2021. We believe that the portfolio offers a very attractive risk vs reward profile at current levels although volatility may remain elevated as investors react to newsflow about both the pandemic and global economy.

SVM Asset Management Limited

February 2021

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

UK Opportunities Fund

Portfolio Statement

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
UNITED KINGDOM (67.52%*)		86,419	57.17
BASIC MATERIALS (4.65%*)		6,108	4.04
Synthomer	1,362,096	6,108	4.04
CONSUMER DISCRETIONARY (12.74%*‡)		8,713	5.77
Team17	378,508	2,990	1.98
TI Fluid Systems	1,200,000	2,922	1.94
Vistry	300,000	2,801	1.85
CONSUMER STAPLES (0.00%*)		5,955	3.94
Tesco	2,560,000	5,955	3.94
ENERGY (8.89%*‡)		9,929	6.57
Deltic Energy	42,857,142	557	0.37
Energean Oil & Gas	387,244	2,799	1.85
Jersey Oil & Gas	574,487	701	0.46
Longboat Energy	500,000	385	0.25
Pantheon Resources	10,823,752	4,557	3.02
Savannah Energy	6,942,000	930	0.62
FINANCIALS (16.72%*‡)		14,680	9.72
Arden Partners	812,500	81	0.06
Lloyds Banking	13,838,000	5,065	3.35
OSB	719,442	3,063	2.03
Prudential	477,000	6,471	4.28
HEALTH CARE (2.14%*)		9,159	6.05
AstraZeneca	20,000	1,467	0.97
Creo Medical	2,127,683	4,043	2.68
GlaxoSmithKline	270,000	3,649	2.40
INDUSTRIALS (20.36%*)		25,193	16.66
Alpha Financial Markets Consulting	1,683,491	3,771	2.50
Balfour Beatty	1,540,000	4,176	2.76
Forterra	1,327,294	3,219	2.13
John Menzies	809,054	2,108	1.38
Norcros	2,972,020	5,810	3.84
Serco	2,500,000	3,000	1.99
Speedy Hire	2,749,931	1,914	1.27
Volution	430,000	1,195	0.79
REAL ESTATE (2.02%*‡)		2,347	1.55
St Modwen Properties	588,174	2,347	1.55
UTILITIES (0.00%*)		4,335	2.87
National Grid	500,000	4,335	2.87
CANADA (6.00%*)		5,773	3.82
Jadestone Energy	9,622,436	5,773	3.82
IRELAND (9.89%*)		16,167	10.70
DCC	88,705	4,629	3.06
Ryanair	385,000	5,645	3.74
Smurfit Kappa	170,920	5,893	3.90
ISLE OF MAN (4.19%*)		7,812	5.17
GVC	650,000	7,378	4.88
Petro Matad	10,849,614	434	0.29
SINGAPORE (0.26%*)		-	-

Portfolio Statement

(continued)

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
DERIVATIVES (3.39%*)		3,205	2.13
CONTRACTS FOR DIFFERENCE			
BP - CFD	660,000	(357)	(0.24)
Bytes Technology - CFD	305,556	213	0.14
CRH - CFD	160,413	(9)	(0.01)
easyJet - CFD	330,000	252	0.17
Games Workshop - CFD	21,000	411	0.27
Grafton - CFD	425,000	862	0.57
Halma - CFD†	99,000	(178)	(0.12)
Howden Joinery - CFD†	272,250	(431)	(0.29)
IMI - CFD	235,000	244	0.16
Inchcape - CFD	395,000	538	0.36
IWG - CFD	622,150	279	0.19
Keywords Studios - CFD†	58,183	(399)	(0.26)
Koninklijke Philips - CFD	65,000	(15)	(0.01)
Legal & General - CFD	1,945,000	911	0.60
Lookers - CFD	975,000	(5)	-
Marks And Spencer Group - CFD	1,700,000	239	0.16
Next - CFD	38,000	393	0.26
Rightmove - CFD†	320,000	(68)	(0.04)
Roche Holding Par Ag - CFD	15,000	(48)	(0.03)
RWS - CFD	931,236	461	0.31
Spirax Sarco Engineering - CFD†	15,286	(88)	(0.06)
Portfolio of investments[^]		119,376	78.99
Net other assets (8.75%*)		31,755	21.01
Total net assets		151,131	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

* Comparative figures shown in brackets relate to 31 December 2019.

† Short positions

[^] Including investment liabilities of £1,597,434.

‡ Since the previous report the Industry Sector Classification headings have been updated by data providers. Where the portfolio statement shows Industry Sectors, the new sector names have been reflected in the report in respect of the current holdings and comparative holdings have been restated where appropriate.

UK Opportunities Fund

Material Portfolio Changes

for the year ended 31 December 2020

	Cost £000		Proceeds £000
Major purchases		Major sales	
Tesco	6,553	Informa	8,006
Micron Technology	5,174	Micron Technology	7,058
Smurfit Kappa	4,263	William Hill	5,727
National Grid	4,249	Team17	5,711
Unilever	4,096	Unilever	4,654
GlaxoSmithKline	3,903	RSA Insurance	4,050
Serco	3,368	Ryanair	3,798
Balfour Beatty	3,335	Biffa	3,753
Informa	2,895	Melrose Industries	3,450
Lloyds Banking	2,844	Lloyds Banking	2,846

UK Opportunities Fund

Comparative table

as at 31 December 2020

Net Asset Value and Ongoing Charges Figure

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	588.16	447.94	514.95
Return before operating charges*	(45.15)	149.28	(57.80)
Operating charges	(8.12)	(9.06)	(9.21)
Return after operating charges*	(53.27)	140.22	(67.01)
Distributions on accumulation shares	-	(5.16)	(2.52)
Retained distributions on accumulation shares	-	5.16	2.52
Closing net asset value per share	534.89	588.16	447.94
*after direct transaction costs of:	1.41	0.46	1.44
Performance			
Return after charges	(9.06%)	31.30%	(13.01%)
Other information			
Closing net asset value (£'000)	24,581	30,350	26,158
Closing number of shares	4,595,403	5,160,137	5,839,768
Operating charges (ongoing charges figure)	1.74%	1.80%	1.78%
Direct transaction costs	0.30%	0.09%	0.28%
Prices			
Highest share price	596.10	592.20	562.90
Lowest share price	327.80	452.30	444.60
Price at year end	539.20	590.90	451.30

UK Opportunities Fund

Comparative table

(continued)

as at 31 December 2020

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	670.09	507.55	578.38
Return before operating charges*	(49.78)	168.50	(64.85)
Operating charges	(5.25)	(5.96)	(5.98)
Return after operating charges*	(55.03)	162.54	(70.83)
Distributions on accumulation shares	(0.39)	(10.10)	(7.24)
Retained distributions on accumulation shares	0.39	10.10	7.24
Closing net asset value per share	615.06	670.09	507.55
*after direct transaction costs of:	1.61	0.52	1.62
Performance			
Return after charges	(8.21%)	32.02%	(12.24%)
Other information			
Closing net asset value (£'000)	126,550	115,632	136,141
Closing number of shares	20,575,276	17,256,295	26,823,062
Operating charges (ongoing charges figure)	0.99%	1.05%	1.03%
Direct transaction costs	0.30%	0.09%	0.28%
Prices			
Highest share price	677.80	673.30	632.60
Lowest share price	373.30	510.40	501.70
Price at year end	617.70	671.80	509.30

UK Opportunities Fund

Statement of Total Return

for the year ended 31 December 2020

	Notes	Year Ended 31 December 2020		Year Ended 31 December 2019	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	2		(7,737)		38,778
Revenue	3	1,545		5,062	
Expenses	4	(1,351)		(1,798)	
Interest payable and similar charges		(264)		(699)	
Net (expenses)/revenue before taxation		(70)		2,565	
Taxation	5	(10)		-	
Net (expenses)/revenue after taxation			(80)		2,565
Total return before distribution			(7,817)		41,343
Distribution	6		(77)		(2,565)
Change in net assets attributable to shareholders from investment activities			(7,894)		38,778

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		145,982		162,299
Amounts receivable on creation of shares	33,580		6,568	
Less: Amounts payable on cancellation of shares	(20,618)		(63,672)	
		12,962		(57,104)
Change in net assets attributable to shareholders from investment activities		(7,894)		38,778
Retained distribution on accumulation shares		81		2,009
Closing net assets attributable to shareholders		151,131		145,982

Notes to the Financial Statements are on pages 68 to 73.

UK Opportunities Fund

Balance Sheet

as at 31 December 2020

	Notes	31/12/2020 £000	31/12/2019 £000
Fixed Assets			
Investments		<u>120,974</u>	<u>137,084</u>
Current assets:			
Debtors	8	333	268
Cash and bank balances	9	<u>32,239</u>	<u>14,663</u>
Total assets		<u>153,546</u>	<u>152,015</u>
Liabilities:			
Investment liabilities		<u>(1,598)</u>	<u>(3,872)</u>
Creditors:			
Bank overdrafts		(380)	(1,617)
Other creditors	10	<u>(437)</u>	<u>(544)</u>
Total other liabilities		<u>(817)</u>	<u>(2,161)</u>
Total liabilities		<u>(2,415)</u>	<u>(6,033)</u>
Net assets attributable to shareholders		<u><u>151,131</u></u>	<u><u>145,982</u></u>

Notes to the Financial Statements are on pages 68 to 73.

Notes to the Financial Statements

as at 31 December 2020

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Non-derivative securities	(3,048)	30,770
Derivative contracts	(4,454)	7,900
Currency (losses)/gains	(220)	121
Handling charges	(15)	(13)
Net capital (losses)/gains	<u>(7,737)</u>	<u>38,778</u>

3. Revenue

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
UK dividends	1,140	3,483
Overseas non-taxable revenue	477	477
Bank interest	1	9
Interest on amounts held at futures clearing houses and brokers	69	-
Interest on debt securities	1	-
Revenue from CFDs	(143)	1,093
Total revenue	<u>1,545</u>	<u>5,062</u>

4. Expenses

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,081	1,352
Registration fees	184	344
	<u>1,265</u>	<u>1,696</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	42	51
Safe custody fees	1	1
	<u>43</u>	<u>52</u>
Other expenses:		
Administration fee	37	38
Audit fee	9	9
Printing, publishing and postage fees	(3)	1
Other expenses	-	2
	<u>43</u>	<u>50</u>
	<u>1,351</u>	<u>1,798</u>

as at 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	10	-
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:		
Net (expenses)/revenue before taxation	(70)	2,565
Corporation tax of 20% (2019: 20%)	(14)	513
Effects of:		
UK dividends*	(228)	(697)
Overseas non-taxable revenue*	(95)	(95)
Movement in excess management expenses	337	279
Irrecoverable overseas tax	10	-
Current tax charge for year (note 5a)	10	-

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,170,067 (2019: £2,832,660) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Final	81	2,009
Add: Revenue deducted on cancellation of shares	6	613
Deduct: Revenue received on creation of shares	(10)	(57)
Net distribution for the year	77	2,565

Details of the distribution per share is set out in the Distribution Tables on page 74.

7. Movement between net (expenses) / revenue and net distribution

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Net (expenses) / revenue after taxation	(80)	2,565
Share class A shortfall funded from capital	157	-
Net distribution for the year	77	2,565

as at 31 December 2020

8. Debtors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts receivable for issue of shares	235	233
Accrued revenue	97	34
Overseas tax recoverable	1	1
Total debtors	<u>333</u>	<u>268</u>

9. Cash and bank balances

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Cash and bank balances	27,227	6,741
Amounts held at futures clearing houses and brokers	5,012	7,922
Total cash and bank balances	<u>32,239</u>	<u>14,663</u>

10. Creditors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Purchases awaiting settlement	261	-
Amounts payable for cancellation of shares	15	360
Accrued ACD's periodic charge*	109	107
Accrued depositary fee*	8	4
Accrued other expenses	44	73
Total creditors	<u>437</u>	<u>544</u>

*This is a related party (see note 11).

11. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £220,052 (2019: £127,277) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £109,228 (2019: £106,664) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £8,035 (2019: £4,042) due at the year end.

At the balance sheet date there were no investors holding over 20% of the shares in the fund.

as at 31 December 2020

12. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 64 to 65.

The distribution per share class is given in the Distribution Tables on page 74.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2019	01/01/20 to 31/12/20		31/12/2020
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	5,160,137	77,570	(642,304)	4,595,403
Share Class B - Accumulation	17,256,295	6,599,959	(3,280,978)	20,575,276
Total	<u>22,416,432</u>	<u>6,677,529</u>	<u>(3,923,282)</u>	<u>- 25,170,679</u>

13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

14. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 59. The risks inherent in the sub-fund's investment portfolio are as follows:

The UK Opportunities Fund utilises CFDs for effective portfolio management (EPM). The benefit of CFDs is that the Fund can gain exposure to price movements in underlying securities by making a margin payment rather than paying the full amount for the investment. This may result in the fund being leveraged beyond the net asset value and hence market movements may have a greater impact on the fund in this scenario. The use of derivatives may lead to an increase in the fund's volatility and may also increase counterparty risk within the fund. The UK Opportunities Fund restricts its exposure to counterparty risk on derivative instruments by trading via an International Swap Derivative Association (ISDA) Master Agreement with derivative counterparties.

Under CFDs the Fund has long positions with exposure to underlying securities with a total market value of £46,020,990 (2019: £47,363,347) and short positions with an exposure to underlying securities with a total market value of £9,830,190 (2019: £16,850,242). The counterparty is UBS AG. The Fund currently has a cash collateral position of £4,632,666 (2019: £6,304,640) on deposit.

(a) Currency risk

Foreign currency risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

As at 31 December the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure Year Ended 31 December 2020 £000	Currency exposure Year Ended 31 December 2019 £000
	Danish krone	(1)
Euro	5,267	6,691
Swiss franc	31	227
US dollar	4	4
Total	<u>5,301</u>	<u>8,044</u>

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

as at 31 December 2020

(b) *Interest rate risk profile of financial assets and liabilities*

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

The sub-fund's net cash holding of £27,226,707 (2019: holding £6,741,219) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

The Fund holds net cash at futures brokers of £4,632,666 (2019: cash £6,304,640), whose rates are determined by reference to rates supplied by the broker.

(c) *Liquidity risk*

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

The main liability of each sub-fund is the redemption of any shares that investors wish to sell. Assets of a sub-fund may need to be sold if insufficient cash is available to finance such redemptions. It is therefore important to ensure that the sub-fund's assets comprise mainly readily realisable securities.

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) *Market price risk and fair value of financial assets and liabilities*

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation and in the rules of the COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

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

(e) *Counterparty risk*

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depositary receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The sub-funds only buy and sell investments and trades CFD's through brokers which have been approved by the ACD as an acceptable counterparty; the broker through which CFD's are transacted requires a cash margin to be maintained with them as collateral for those positions. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' credit ratings are reviewed.

15. **Portfolio transaction costs**

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Equities	61,548	22,377	70,960	54,294
Commissions				
Equities	38	20	(66)	(55)
Taxes				
Equities	262	64	-	-
Total costs	300	84	(66)	(55)
Total net trades in the year after transaction costs	61,848	22,461	70,894	54,239

as at 31 December 2020

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions				
Equities	0.06	0.09	0.09	0.10
Taxes				
Equities	0.43	0.29	-	-
Total transaction cost expressed as a percentage of average net asset value.				
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %		
Commissions	0.09	0.05		
Taxes	0.21	0.04		
Total costs	0.30	0.09		

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 1.23% (31/12/2019: 0.87%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

16. Fair value

Valuation technique	Year Ended 31 December		Year Ended 31 December	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	116,171	-	128,265	-
Level 2	4,803	(1,598)	8,819	(3,872)
Level 3	-	-	-	-
Total fair value	120,974	(1,598)	137,084	(3,872)

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

UK Opportunities Fund

Distribution Tables

for the year ended 31 December 2020

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1	(p)	(p)	(p)	(p)
Final	-	-	-	5.1644
Group 2	(p)	(p)	(p)	(p)
Final	-	-	-	5.1644

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1	(p)	(p)	(p)	(p)
Final	0.3928	-	0.3928	10.0983
Group 2	(p)	(p)	(p)	(p)
Final	0.2312	0.1616	0.3928	10.0983

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

World Equity Fund

Authorised Fund Manager's Report

for the year ended 31 December 2020

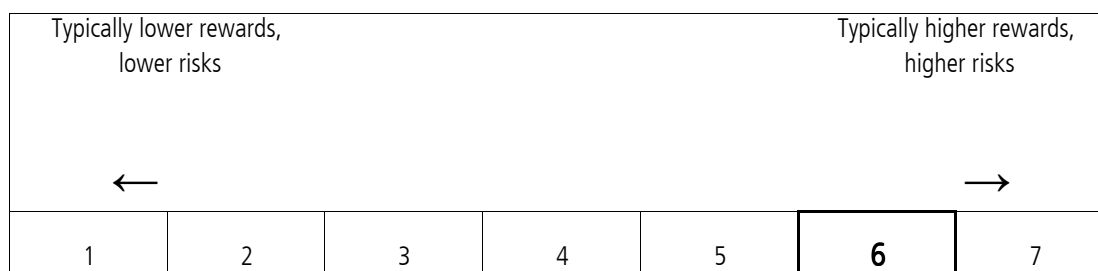
Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI ACWI IMI.

This Fund will identify investment opportunities in companies globally whose future growth is not reflected in current market expectations. The Fund will invest at least 80% in global equities and other equity related instruments such as Exchange Traded Funds. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferable securities which are otherwise permitted for the Fund.

The MSCI ACWI IMI has been selected as the target benchmark for the fund; its constituents make it an appropriate benchmark given the investment policy for the Fund.

Synthetic Risk and Reward Indicator



This profile is a historical indication of the Fund's volatility. The higher the number, the greater the risk that the Fund will make losses as well as gains.

- This Fund has been classed as 6 because its volatility has been measured as high.
- The historical data used for this purpose may not be a reliable indication of the future risk and reward profile for this Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest risk number does not mean risk free.

The following risks are relevant for this Fund:

- The Fund should generally be regarded as a longer term investment. The price of shares in the Fund can go down as well as up and is not
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund is exposed to currency risk. The Fund may use currency management techniques, including hedging and entering into derivatives contracts, for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. Full details on EPM can be found in Appendix A of the Prospectus.

Investment Review

Performance	31/12/2015 to 31/12/16 %	31/12/2016 to 31/12/17 %	31/12/2017 to 31/12/18 %	31/12/2018 to 31/12/19 %	31/12/2019 to 31/12/20 %
World Equity Fund	21.1	12.0	(13.6)	29.6	13.3

Source: Lipper Hindsight, mid to mid, UK net to 31 December 2020.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

for the year ended 31 December 2020

Market Review

After a strong finish to the previous year, global equity markets made a solid start in 2020 on the back of robust economic data and an optimistic outlook for the year ahead. In a US Presidential election year, it was widely believed that President Trump would seek to boost economic growth to maximise his re-election prospects. In the UK, the sizable Conservative majority elected in the recent General Election was expected to make swift progress on Brexit. The Covid-19 pandemic upended everything.

When initial reports about a novel flu-like illness were made, there was little market reaction. Recent experience suggested that such outbreaks tended to be limited in nature and while it might have some impact on the Asian regional economy, there was little reason to fret about the global outlook. In late February, it became clear that Covid had gained a foothold in Europe and travel-related stocks took a leg down. A couple of weeks later, as much of the world entered a first pandemic lockdown, equity markets around the world crashed. Government and central bank responses around the world were swift, with unprecedented support packages implemented to support economies, businesses, and individuals. This helped reassure investors and stabilise markets. Positive news on vaccine development provided a further boost for markets towards the year-end, despite a second wave of the virus leading to renewed lockdowns.

The Fund returned 13.3% versus the Global Average that returned 15.2%.

Portfolio Review

At a stock-specific level, the largest positive contributor to Fund performance was software company, Microsoft. In recent years, Microsoft has repositioned itself by diversifying into enterprise-based and cloud-based software solutions. We believe it is one of the highest quality companies in the world and it has delivered another year of strong revenue and earnings growth. Microsoft's collaborative work and cloud solutions are well suited to an era of greater workplace flexibility. Alphabet, the parent company of Google, also outperformed as it developed another strong year of revenue and earnings growth. Uniphar, the Irish pharmaceutical and medical technology services business, increased as the company continued to deliver on the promises made at IPO. With a resilient, cash-generative pharmacy business in Ireland allowing the business to reinvest in the faster-growing, niche medtech market, the company is still under the radar of many investors.

Wizz Air, the European low-cost airline, was the single largest negative contributor to fund performance. As the pandemic led to lockdowns and travel restrictions across Europe, flight demand evaporated. Although Wizz Air is arguably one of the most financially secure and operationally efficient airlines in Europe, the near-term outlook remains highly uncertain. Jadestone Energy, the South-East Asian oil & gas company, declined as Covid delayed some well workover projects and the timing of an acquisition. The company delivered an impressive cash performance and we remain convinced about the longer-term opportunity.

Outlook

After one of the most challenging years any of us will ever face, on a personal and professional level, we are constructive about the outlook for 2021. We believe that there will be a synchronised global economic recovery through 2021 as both fiscal and monetary policy remain extremely supportive. While there is a risk of further lockdowns, the market will likely look through these as long as progress continues to be made on the vaccination front. There is also the potential during the year for a sharp reversal in market leadership, as investors look for those stocks likely to be beneficiaries of any reflation trade.

UK stocks continue to trade at a discount to international peers. With the UK making good progress on vaccinations and with a relatively stable political backdrop, we believe that the intrinsic strengths of the UK economy will become more apparent as the year progresses. We expect both Sterling and UK markets to outperform consensus expectations during 2021. We believe that the portfolio offers a very attractive risk vs reward profile at current levels although volatility may remain elevated as investors react to newsflow about both the pandemic and global economy.

SVM Asset Management Limited

February 2021

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

World Equity Fund

Portfolio Statement

as at 31 December 2020

	Holdings	Market Value £000	Total Net Assets %
UNITED KINGDOM (28.87%*)		4,026	27.13
Alpha Financial Markets Consulting	182,528	409	2.76
Creo Medical	245,000	465	3.13
Energear Oil & Gas	45,000	325	2.19
Luxfer	14,580	170	1.15
Norcros	179,232	350	2.36
Pantheon Resources	439,634	185	1.25
Prudential	42,600	578	3.89
Savannah Energy	750,000	100	0.67
Synthomer	156,452	702	4.73
Team17	48,340	382	2.57
TI Fluid Systems	148,000	360	2.43
CANADA (8.64%*)		417	2.81
Jadestone Energy	694,500	417	2.81
CAYMAN ISLANDS (1.35%*)		139	0.94
JHL Biotech	250,000	139	0.94
HONG KONG (5.85%*)		-	-
IRELAND (8.08%*)		1,527	10.29
CRH	9,500	293	1.98
Ryanair	45,100	661	4.45
Uniphar	270,000	573	3.86
ISLE OF MAN (3.77%*)		789	5.32
GVC	69,500	789	5.32
JAPAN (8.67%*)		1,164	7.84
Denka	20,300	581	3.91
Hitachi	20,190	583	3.93
JERSEY (3.75%*)		-	-
SOUTH KOREA (4.77%*)		831	5.60
SK Hynix	10,445	831	5.60
SWEDEN (0.00%)		299	2.01
Lundin Energy	15,000	299	2.01
SWITZERLAND (0.00%*)		514	3.46
Roche	2,000	514	3.46
UNITED STATES (26.18%*)		4,231	28.50
Alphabet	869	1,106	7.45
MagnaChip Semiconductor	50,000	493	3.32
Microsoft	7,710	1,252	8.43
Trimble	6,000	292	1.97
Visa	6,800	1,088	7.33
Portfolio of investments		13,937	93.90
Net other assets (0.07%*)		906	6.10
Total net assets		14,843	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2019.

World Equity Fund

Material Portfolio Changes

for the year ended 31 December 2020

	Cost		Proceeds
	£000		£000
Major purchases		Major sales	
CRH	819	AIA	1,119
Micron Technology	698	Canadian Pacific Railway	1,046
DCC	622	Micron Technology	904
Roche	490	DCC	865
National Grid	488	Luxfer	864
Diageo	483	Microsoft	808
Merck	469	Team17	782
Alphabet	417	Walt Disney	725
Capgemini	380	Ryanair	712
Koninklijke Kpn	326	Wizz Air	656

World Equity Fund

Comparative table

as at 31 December 2020

Net Asset Value and Ongoing Charges Figure

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	336.00	258.87	299.92
Return before operating charges*	51.09	83.10	(35.17)
Operating charges	(6.49)	(5.97)	(5.88)
Return after operating charges*	44.60	77.13	(41.05)
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	380.60	336.00	258.87
*after direct transaction costs of:	0.98	0.29	0.62
Performance			
Return after charges	13.27%	29.79%	(13.69%)
Other information			
Closing net asset value (£'000)	2,526	2,083	1,980
Closing number of shares	663,553	619,959	764,717
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
Direct transaction costs	0.30%	0.10%	0.21%
Prices			
Highest share price	384.90	339.00	323.20
Lowest share price	253.90	258.60	257.30
Price at year end	382.40	337.40	260.30

World Equity Fund

Comparative table

(continued)

as at 31 December 2020

	Final 31/12/20 (p)	Final 31/12/19 (p)	Final 31/12/18 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	374.32	286.30	329.06
Return before operating charges*	56.42	92.13	(38.74)
Operating charges	(4.47)	(4.11)	(4.02)
Return after operating charges*	51.95	88.02	(42.76)
Distributions on accumulation shares	-	(1.96)	(1.47)
Retained distributions on accumulation shares	-	1.96	1.47
Closing net asset value per share	426.27	374.32	286.30
*after direct transaction costs of:	1.09	0.33	0.68
Performance			
Return after charges	13.88%	30.74%	(12.99%)
Other information			
Closing net asset value (£'000)	12,317	19,425	18,166
Closing number of shares	2,889,684	5,189,363	6,345,390
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
Direct transaction costs	0.30%	0.10%	0.21%
Prices			
Highest share price	430.60	376.40	355.20
Lowest share price	282.40	285.00	283.50
Price at year end	427.80	374.60	286.90

World Equity Fund

Statement of Total Return

for the year ended 31 December 2020

	Notes	Year Ended 31 December 2020		Year Ended 31 December 2019	
		£000	£000	£000	£000
Income					
Net capital gains	2		1,008		5,570
Revenue	3	154		420	
Expenses	4	(207)		(281)	
Interest payable and similar charges		(1)		-	
Net (expenses)/revenue before taxation		(54)		139	
Taxation	5	(14)		(24)	
Net (expenses)/revenue after taxation			(68)		115
Total return before distribution			940		5,685
Distribution	6		-		(119)
Change in net assets attributable to shareholders from investment activities			940		5,566

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		21,508		20,146
Amounts receivable on creation of shares	1,756		713	
Less: Amounts payable on cancellation of shares	(9,361)		(5,019)	
		(7,605)		(4,306)
Change in net assets attributable to shareholders from investment activities		940		5,566
Retained distribution on accumulation shares		-		102
Closing net assets attributable to shareholders		14,843		21,508

Notes to the Financial Statements are on pages 83 to 88.

World Equity Fund

Balance Sheet

as at 31 December 2020

	Notes	31/12/2020 £000	31/12/2019 £000
Fixed Assets			
Investments		<u>13,937</u>	<u>21,494</u>
Current assets:			
Debtors	8	11	29
Cash and bank balances		<u>942</u>	<u>61</u>
Total assets		<u>14,890</u>	<u>21,584</u>
Liabilities:			
Creditors:			
Other creditors	9	<u>(47)</u>	<u>(76)</u>
Total liabilities		<u>(47)</u>	<u>(76)</u>
Net assets attributable to shareholders		<u>14,843</u>	<u>21,508</u>

Notes to the Financial Statements are on pages 83 to 88.

World Equity Fund

Notes to the Financial Statements

as at 31 December 2020

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains

The net capital gains during the year comprise:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Non-derivative securities	820	5,601
Forward foreign exchange currency contracts	-	86
Currency gains/(losses)	189	(116)
Handling charges	(1)	(1)
Net capital gains	<u>1,008</u>	<u>5,570</u>

3. Revenue

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
UK dividends	37	189
Overseas taxable revenue	1	(1)
Overseas non-taxable revenue	115	231
Bank interest	1	1
Total revenue	<u>154</u>	<u>420</u>

4. Expenses

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	133	177
Registration fees	24	64
	<u>157</u>	<u>241</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	18	18
Safe custody fees	1	1
	<u>19</u>	<u>19</u>
Other expenses:		
Administration fee	32	32
Audit fee	9	9
Printing, publishing and postage fees	(3)	1
Other expenses	4	3
	<u>42</u>	<u>45</u>
Expenses rebate *	(11)	(24)
	<u>207</u>	<u>281</u>

*The ACD has agreed to cap the expenses as described in the ACD's report (see page 3).

as at 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	14	24
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:		
Net (expenses)/revenue before taxation	(54)	139
Corporation tax of 20% (2019: 20%)	(11)	28
Effects of:		
UK dividends*	(7)	(38)
Overseas non-taxable revenue*	(23)	(46)
Movement in excess management expenses	41	56
Irrecoverable overseas tax	14	24
Current tax charge for year (note 5a)	14	24

*As an authorised OEIC these items are not subject to corporation tax.

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

(c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £845,946 (2019: £804,742) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Final	-	102
Add: Revenue deducted on cancellation of shares	-	20
Deduct: Revenue received on creation of shares	-	(3)
Net distribution for the year	-	119

Details of the distribution per share is set out in the Distribution Tables on page 89.

7. Movement between net (expenses) / revenue and net distribution

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Net (expenses) / revenue after taxation	(68)	115
Share class A shortfall funded from capital	68	4
Net distribution for the year	-	119

as at 31 December 2020

8. Debtors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts receivable for issue of shares	-	13
Accrued revenue	3	11
Accrued expenses rebate due from ACD*	2	3
Overseas tax recoverable	6	2
Total debtors	<u>11</u>	<u>29</u>

*This is a related party (see note 10).

9. Creditors

	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Amounts payable for cancellation of shares	14	32
Accrued ACD's periodic charge*	11	15
Accrued depositary fee*	3	2
Accrued other expenses	19	27
Total creditors	<u>47</u>	<u>76</u>

*This is a related party (see note 10).

10. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £13,435 (2019: £19,461) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £8,640 (2019: £11,345) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £3,000 (2019: £1,529) due at the year end.

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2020	Year Ended 31 December 2019
The Bank of New York (Nominees) Limited	nil%	34.9%

11. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 79 to 80.

The distribution per share class is given in the Distribution Tables on page 89.

All share classes have the same rights on winding up.

as at 31 December 2020

Reconciliation of the share movement in the year:

	31/12/2019	01/01/20 to 31/12/20		31/12/2020
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	619,959	107,512	(63,918)	- 663,553
Share Class B - Accumulation	5,189,363	363,048	(2,662,726)	- 2,889,685
Total	5,809,322	470,560	(2,726,644)	- 3,553,238

12. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

13. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 75. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

Foreign currency risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

As at 31 December the sub-fund had the following net currency exposure (excluding Sterling):

Currency	Currency exposure Year Ended	Currency exposure Year Ended
	31 December 2020 £000	31 December 2019 £000
Canadian dollar	-	2
Euro	1,530	1,740
Hong Kong dollar	-	1,258
Japanese yen	1,164	1,863
South Korean won	831	1,026
Swedish krona	299	-
Swiss franc	517	-
Taiwanese dollar	139	291
US dollar	5,063	7,986
Total	9,543	14,166

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

(b) Interest rate risk profile of financial assets and liabilities

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

The sub-fund's net cash holding of £942,498 (2019: holding £60,616) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

The main liability of each sub-fund is the redemption of any shares that investors wish to sell. Assets of a sub-fund may need to be sold if insufficient cash is available to finance such redemptions. It is therefore important to ensure that the sub-fund's assets comprise mainly readily realisable securities.

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

as at 31 December 2020

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation and in the rules of the COLL mitigates the risk of excessive exposure to any particular type of security or issuer.

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depository receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000	Year Ended 31 December 2020 £000	Year Ended 31 December 2019 £000
Equities	7,191	5,676	15,615	9,860
Commissions				
Equities	6	5	(14)	(10)
Taxes				
Equities	24	5	(3)	(1)
Total costs	30	10	(17)	(11)
Total net trades in the year after transaction costs	7,221	5,686	15,598	9,849

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions				
Equities	0.08	0.09	0.09	0.10
Taxes				
Equities	0.33	0.09	0.02	0.01

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2020 %	Year Ended 31 December 2019 %
Commissions	0.13	0.07
Taxes	0.17	0.03
Total costs	0.30	0.10

as at 31 December 2020

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.82% (2019: 0.40%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

15. Fair value

Valuation technique	Year Ended 31 December		Year Ended 31 December	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	13,798	-	21,203	-
Level 2	-	-	-	-
Level 3	139	-	291	-
Total fair value	13,937	-	21,494	-

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

World Equity Fund

Distribution Tables

for the year ended 31 December 2020

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

Share Class A - Accumulation

There is no distribution in respect of the current and prior periods.

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/21	Distributions paid on 30/04/20
Group 1 Final	(p) -	(p) -	(p) -	(p) 1.9621
Group 2 Final	(p) -	(p) -	(p) -	(p) 1.9621

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

General Information

About OEICs

The SVM Funds ICVC (the "ICVC") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital. Investments in OEIC funds are pooled with those of other investors. This means investments can be spread across a far wider range of securities, helping investors to spread the risk to their money. The ICVC has separate sub-funds. Each sub-fund is managed in accordance with the investment objectives set out in the Prospectus and the FCA Collective Investment Schemes ("COLL").

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long-term.

Please contact us on 0845 358 1100 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as schemes which comply with Chapter 5 of the COLL.

The base currency of the Company is Sterling.

Shares

The Company currently offers 2 share classes; Class A and Class B. Each share class has a different ACD fee.

Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

The latest prices are obtainable from the Dealing Desk on 0845 066 1110.

Shares may be bought or sold between 9.00am and 5.00pm on Mondays to Fridays inclusive.

Protected Cell Regime

The ICVC has adopted a 'protected cell regime' which means that the liabilities of each sub-fund are now segregated from the other sub-funds, so the debts of each sub-fund cannot therefore be passed to another. This has the benefit of providing stronger investor protection.

Cross Holdings

There were no cross holdings between sub-funds in SVM ICVC as at 31 December 2020.

Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the ICVC is managed and gives details of the types of assets in which each sub-fund may invest. The Prospectus and (where applicable) the Instrument of Incorporation have been amended during the year to 31 December 2020 (as noted in the ACD's Report). Full terms and conditions are available from the ACD.

Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisors if they are in any doubt about their position.

Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).

FTSE

None of the sub-funds of the Company are in any way sponsored, endorsed, sold or promoted by FTSE International Limited ("FTSE") or by the London Stock Exchange Plc (the "Exchange") or by The Financial Times Limited ("FT") and neither FTSE nor Exchange nor FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of any FTSE Index ("the Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE nor the Exchange nor FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein.

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