

A close-up photograph of a yellow industrial robotic arm, likely a KUKA model, in a factory setting. The arm is the central focus, with its various joints, cables, and mechanical components visible. The background is blurred, showing other parts of the machinery and a factory floor.

# RATHBONE UK OPPORTUNITIES FUND

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# RATHBONE UK OPPORTUNITIES FUND

## **AUTHORISED FUND MANAGER (THE MANAGER)**

Rathbones Asset Management Limited  
30 Gresham Street  
London EC2V 7QN  
Telephone 020 7399 0399

**A member of the Rathbones Group  
Authorised and regulated by the  
Financial Conduct Authority and member  
of The Investment Association**

Prior to 15 July 2024 the registered address for  
Rathbones Asset Management Limited was:  
8 Finsbury Circus  
London EC2M 7AZ

Effective 30 November 2023, Rathbone Unit  
Trust Management Limited changed its name to  
Rathbones Asset Management Limited.

## **DEALING OFFICE**

SS&C Financial Services Europe Limited  
SS&C House  
St Nicholas Lane  
Basildon  
Essex SS15 5FS  
Telephone 0330 123 3810  
Facsimile 0330 123 3812

## **REGISTRAR**

SS&C Financial Services International Limited  
SS&C House  
St Nicholas Lane  
Basildon  
Essex SS15 5FS  
Telephone 0330 123 3810  
Facsimile 0330 123 3812  
**Authorised and regulated by the  
Financial Conduct Authority**

## **INDEPENDENT AUDITOR**

Deloitte LLP  
Statutory Auditor  
110 Queen Street  
Glasgow G1 3BX

## **DIRECTORS OF THE MANAGER**

RP Stockton – Chairman  
(resigned 1 December 2023)  
MM Webb – Chief Executive Officer  
(resigned 1 December 2023)  
T Carroll – Chief Investment Officer and  
Chief Executive Officer  
E Renals – Chief Operating Officer  
(resigned 2 December 2024)  
JA Rogers – Chief Distribution Officer and  
Chair of the Board (appointed 1 December 2023)  
MS Warren – Non-Executive Director  
J Lowe – Non-Executive Director

## **ADMINISTRATOR**

HSBC Securities Services  
1-2 Lochside Way  
Edinburgh Park  
Edinburgh EH12 9DT  
**Authorised and regulated by the  
Financial Conduct Authority**

## **TRUSTEE**

NatWest Trustee and Depositary Services Limited  
250 Bishopsgate  
London EC2M 4AA  
**Authorised and regulated by the  
Financial Conduct Authority**

# INVESTMENT OBJECTIVE AND POLICY

## INVESTMENT OBJECTIVE

The objective of the fund is to deliver a greater total return than the FTSE All-Share Index, after fees, over any five-year period.

There is no guarantee that this investment objective will be achieved over five years, or any other time period.

We use the FTSE All-Share Index as a target for our fund's return because we want to offer you a better return than the UK stock market.

## INVESTMENT STRATEGY

To meet the objective, the fund manager will invest at least 80% of our fund in UK-listed companies which are domiciled, incorporated or have a significant part of their business in the UK, with the remainder in global shares, cash, short-term deposits and UK government debt.

Derivatives may be used by the fund for the purposes of efficient portfolio management and hedging.

The manager may use all investment powers as permitted by the prospectus, outside the ranges described above, to ensure the fund is managed in the best interest of investors in times of market irregularities or stress.

The fund may invest at the fund manager's discretion in other transferable securities, money market instruments, warrants, cash and near cash and deposits and units in collective investment schemes. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted by the FCA Rules.

## INVESTMENT POLICY

This is a stock-picking fund, which means we invest in a small number of UK-listed stocks. We search the UK for exciting businesses that are growing fast yet their value is unrecognised by other investors.

While we invest in companies of all sizes, we gravitate towards medium sized businesses because they tend to meet our criteria and often provide the best reward for the amount of risk we take. Our criteria ensures we buy companies with a durable business model and capable management who can take advantage of growth opportunities in their industry. We don't take coin-toss chances on businesses that can't make a profit in the near future or which are dependent on one or two risky ventures.

We use our Scorecard criteria to regularly check our investments, testing whether the reasons we bought them still hold true. It also helps us sell our holdings at the right time: when growth is exhausted or risks have risen.

# INVESTMENT REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

## PERFORMANCE

In the 12 months ended 30 September 2024, your fund (I-class accumulation units) gained 19.2%, while the IA All Companies Sector peer group returned 14.2% and our FTSE All-Share benchmark index returned 13.4%.

## MARKET OVERVIEW

It was a bumpy year for equity markets, as economic data, central bank pronouncements and investor sentiment drove several sharp rallies and pull-backs. Overall, stock markets kept trending higher, with large US companies in the vanguard. Larger UK stocks lagged their global peers, as they have done for some time.

Something that doesn't get nearly as much attention is the performance of UK assets beneath the headline FTSE 100 index. The FTSE 250 small and mid cap index and FTSE Small Caps significantly outperformed the FTSE 100 over the period and both came close to matching the S&P's return. A simple but effective combination of low valuations and rapidly improving macro momentum has helped both professional and individual investors, as well as currency traders, recognise the value on offer in UK assets. Sterling strength is also worth watching, and correlates positively with mid cap outperformance. Thanks to still-attractive valuations and the lack of broad ownership, we think there's lots more to go.

## PORTFOLIO ACTIVITY

In the first half, we started a holding in market research business YouGov. The perception from outside is that YouGov is a UK political polling company. In our view, it was much more than that as an international research data and analytics group. This has supported its tremendous growth in revenue since it listed on the AIM market in 2005 and helped drive its impressive profitability over the past decade.

In June, YouGov announced an unexpected profit warning just six weeks shy of its financial year-end, sending the stock plunging by half. YouGov had spoken of new competition in its markets, clearly leading to pricing pressure, something which we have no visibility over. With other high-quality ideas on the bench, we felt the opportunity cost was too high to stick with this recovery story from here and we sold the shares.

After many years of owning self-storage business Safestore, we sold the shares in the first quarter of 2024. We moved on from this high-quality property company because we felt there were alternatives that could deliver better profit growth for the risks posed over the coming year. Safestore has enjoyed many years of strong unit occupancy and price rises, which are likely to normalise over the next few quarters as the housing market adjusts.

We added to Boku, a global mobile payment tools developer operating at the intersection of the rapidly growing digital economy and an ever-expanding mobile user base. Historically, Boku focused on providing direct carrier billing to the world's largest digital companies, enabling the likes of Netflix to charge people without bank accounts through their mobile phone bill or prepaid balance. Looking ahead, Boku's growth should come from helping large businesses sell to customers using the countless new mobile-based, digital payment services that have popped up all over the world as alternatives to credit and debit cards. We see Boku as a compelling and widely misunderstood investment opportunity with the potential for strong growth over the medium term.

We also added to our position in alternatives asset manager Intermediate Capital Group (ICG). Strong results included better-than-expected deployment in its private debt funds. As interest rates have increased, many investors see the private debt asset class as an effective way to earn a guaranteed yield spread above the 'risk-free' rate of government bonds, and ICG plays favourably into this tailwind.

# INVESTMENT REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

(continued)

In June we participated in the successful London float of Raspberry Pi, a technology hardware business that designs single board modular computers. It initially started life to make sure children were playing with computers rather than just on them and has morphed into selling to industrial companies who want a simple, cost-effective computers. Our meeting with management ahead of the listing gave us conviction in the quality and potential here, so we bought at the IPO. The deal was extremely popular, so many investors received zero shares. We were pleased with our allocation and subsequently added to our position.

And in July, we bought greeting card and gift company Moonpig, which we've been monitoring closely ever since we participated in its IPO in 2021. We sold out of Moonpig in June of that year because its price-to-earnings multiple got untethered from reality, with a share price baking in earnings growth that simply couldn't be sustained. We decided to buy the shares again after its very strong results in the year to April. We felt these revealed the business's underlying growth potential following years of technology investment and believe there is plenty more growth to come.

We sold our holding in US-based construction equipment rental company Ashtead Group (not to be confused with subsea specialist rental business Ashtead Technology). We became concerned after results indicated a slight softening around the edges in their end markets. Management commented on a lack of storms during the year (so fewer generators required), and the Hollywood writers' strike (it also rents out film production gear). These are two very small items to call out for a company so large (Ashtead's yearly revenue is \$10bn).

Another sale was business-to-business digital communications provider Gamma Communications. We were concerned that it will suffer from a slowdown in telco spending as its customers feel the growing need to manage costs. The upside we'd envisaged from BT switching off a legacy telco network is likely to be delayed. And Gamma's foray into Europe is also lagging expectations.

We trimmed our holding in computer game development outsourcer Keywords Studios mid-year in anticipation that a takeover offer from Swedish private equity firm EQT will be finalised at £24.50. That's slightly lower than the initial offer of £25.50, a fair (if not knock-out) price for a company that has many structural advantages but also a perceived headwind from AI. We believe it will be easier to navigate in private ownership. We also trimmed cabling and connectors business Diploma to keep the position size in check as the share price rose.

**Alexandra Jackson**  
Fund Manager

# NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES

## R-CLASS INCOME UNITS<sup>#</sup>

	<b>30.09.24</b> pence per unit	30.09.23 pence per unit	30.09.22 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	<b>396.41p</b>	366.55p	575.78p
Return before operating charges*	<b>23.55p</b>	46.22p	(192.62p)
Operating charges	<b>(2.14p)</b>	(6.79p)	(8.04p)
Return after operating charges*	<b>21.41p</b>	39.43p	(200.66p)
Distributions on income units	–	(9.57p)	(8.57p)
Redemption price <sup>#</sup>	<b>(417.82p)</b>	–	–
Closing net asset value per unit	–	396.41p	366.55p
*after direct transaction costs <sup>1</sup> of:	<b>0.06p</b>	0.07p	0.20p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

## PERFORMANCE

Return after charges	<b>5.40%</b>	10.76%	(34.85%)
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## OTHER INFORMATION

Closing net asset value	–	£859,192	£1,140,978
Closing number of units	–	216,743	311,277
Operating charges**	–	1.63%	1.61%
Direct transaction costs	<b>0.01%</b>	0.02%	0.04%

## PRICES\*\*\*

Highest unit price	<b>432.86p</b>	450.19p	601.33p
Lowest unit price	<b>366.64p</b>	354.85p	366.74p

<sup>#</sup> R-class income was merged into I-class income on 26 January 2024.

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

# NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES (continued)

## R-CLASS ACCUMULATION UNITS\*

	<b>30.09.24</b> pence per unit	30.09.23 pence per unit	30.09.22 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	<b>566.18p</b>	511.39p	786.67p
Return before operating charges*	<b>33.62p</b>	64.29p	(264.27p)
Operating charges	<b>(3.05p)</b>	(9.50p)	(11.01p)
Return after operating charges*	<b>30.57p</b>	54.79p	(275.28p)
Distributions on accumulation units	–	(13.43p)	(11.76p)
Retained distributions on accumulation units	–	13.43p	11.76p
Redemption price <sup>#</sup>	<b>(596.75p)</b>	–	–
Closing net asset value per unit	–	566.18p	511.39p
*after direct transaction costs <sup>1</sup> of:	<b>0.09p</b>	0.10p	0.28p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

## PERFORMANCE

Return after charges	<b>5.40%</b>	10.71%	(34.99%)
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## OTHER INFORMATION

Closing net asset value	–	£2,878,745	£4,155,107
Closing number of units	–	508,454	812,505
Operating charges**	–	1.63%	1.61%
Direct transaction costs	<b>0.01%</b>	0.02%	0.04%

## PRICES\*\*\*

Highest unit price	<b>618.24p</b>	628.08p	821.58p
Lowest unit price	<b>523.65p</b>	495.06p	504.39p

# R-class accumulation was merged into I-class accumulation on 26 January 2024.

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.



# NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES (continued)

## I-CLASS INCOME UNITS

	<b>30.09.24</b> pence per unit	30.09.23 pence per unit	30.09.22 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	<b>441.75p</b>	404.18p	628.20p
Return before operating charges*	<b>85.74p</b>	50.87p	(211.55p)
Operating charges	<b>(2.63p)</b>	(2.68p)	(3.06p)
Return after operating charges*	<b>83.11p</b>	48.19p	(214.61p)
Distributions on income units	<b>(11.55p)</b>	(10.62p)	(9.41p)
Closing net asset value per unit	<b>513.31p</b>	441.75p	404.18p
*after direct transaction costs <sup>1</sup> of:	<b>0.07p</b>	0.08p	0.22p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

## PERFORMANCE

Return after charges	<b>18.81%</b>	11.92%	(34.16%)
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## OTHER INFORMATION

Closing net asset value	<b>£9,214,781</b>	£8,357,184	£8,898,723
Closing number of units	<b>1,795,154</b>	1,891,832	2,201,661
Operating charges**	<b>0.61%</b>	0.58%	0.56%
Direct transaction costs	<b>0.01%</b>	0.02%	0.04%

## PRICES\*\*\*

Highest unit price	<b>530.64p</b>	498.21p	657.90p
Lowest unit price	<b>408.89p</b>	391.43p	404.37p

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

# NET ASSET VALUE PER UNIT AND COMPARATIVE TABLES (continued)

## I-CLASS ACCUMULATION UNITS

	30.09.24 pence per unit	30.09.23 pence per unit	30.09.22 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	<b>624.54p</b>	558.20p	849.67p
Return before operating charges*	<b>121.67p</b>	70.06p	(287.35p)
Operating charges	<b>(3.75p)</b>	(3.72p)	(4.12p)
Return after operating charges*	<b>117.92p</b>	66.34p	(291.47p)
Distributions on accumulation units	<b>(16.42p)</b>	(14.75p)	(12.78p)
Retained distributions on accumulation units	<b>16.42p</b>	14.75p	12.78p
Closing net asset value per unit	<b>742.46p</b>	624.54p	558.20p

\*after direct transaction costs<sup>1</sup> of: **0.10p**      0.11p      0.30p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

## PERFORMANCE

Return after charges **18.88%**      11.88%      (34.30%)

## OTHER INFORMATION

Closing net asset value	<b>£36,289,880</b>	£35,992,039	£30,274,265
Closing number of units	<b>4,887,813</b>	5,763,000	5,423,506
Operating charges**	<b>0.61%</b>	0.58%	0.56%
Direct transaction costs	<b>0.01%</b>	0.02%	0.04%

## PRICES\*\*\*

Highest unit price	<b>756.56p</b>	688.06p	889.84p
Lowest unit price	<b>578.07p</b>	540.58p	550.56p

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

# RISK AND REWARD PROFILE

## RISK AND REWARD PROFILE AS PUBLISHED IN THE FUND'S MOST RECENT KEY INVESTOR INFORMATION DOCUMENT



Lower potential risk/reward  
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

## DISCRETE ANNUAL PERFORMANCE

### QUARTER ENDING 30 SEPTEMBER 2024

	2020	2021	2022	2023	2024
R-class units	2.76%	35.84%	-36.33%	12.36%	N/A
I-class units	3.72%	37.21%	-35.66%	13.53%	19.19%
FTSE All-Share Index	-16.59%	27.90%	-4.00%	13.84%	13.40%

Source performance data Financial Express, mid to mid, net income reinvested.

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

# PORTFOLIO AND NET OTHER ASSETS AS AT 30 SEPTEMBER 2024

Holding		Value (note 1e) £	Percentage of total net assets
<b>Oil and Gas Producers</b> (30.09.23: 3.59%)			
90,000	Ashtead Technology*	509,400	1.12
250,000	Volution	1,532,500	3.37
		<b>2,041,900</b>	<b>4.49</b>
<b>Chemicals</b> (30.09.23: 3.00%)			
18,000	Croda International	758,880	1.67
110,000	Treatt	492,250	1.08
		<b>1,251,130</b>	<b>2.75</b>
<b>Construction and Materials</b> (30.09.23: 4.16%)			
180,000	Breedon	770,400	1.69
20,000	CRH	1,363,600	3.00
		<b>2,134,000</b>	<b>4.69</b>
<b>Aerospace and Defence</b> (30.09.23: 1.62%)			
280,000	Chemring	1,027,600	2.26
<b>Electronic and Electrical Equipment</b> (30.09.23: 7.88%)			
120,000	discoverIE	727,200	1.60
50,000	Halma	1,303,500	2.86
40,000	Oxford Instruments	850,000	1.87
270,000	Rotork	900,180	1.98
		<b>3,780,880</b>	<b>8.31</b>
<b>Industrial Engineering</b> (30.09.23: 4.02%)			
36,000	AB Dynamics	702,000	1.54
90,000	Ceres Power	252,360	0.55
60,000	Hill & Smith	1,227,000	2.70
		<b>2,181,360</b>	<b>4.79</b>
<b>Healthcare Equipment and Services</b> (30.09.23: 1.12%)			
330,000	Advanced Medical Solutions*	716,100	1.57
<b>Automobiles &amp; Parts</b> (30.09.23: 0.52%)			
233,333	Dowlais	136,033	0.30
<b>Food and Drug Retailers</b> (30.09.23: 7.12%)			
32,000	Diageo	832,960	1.83
45,000	Fevertree Drinks	371,250	0.82
30,000	Greggs	936,600	2.06
350,000	Tesco	1,255,450	2.76
		<b>3,396,260</b>	<b>7.47</b>

# PORTFOLIO AND NET OTHER ASSETS AS AT 30 SEPTEMBER 2024

(continued)

Holding	Value (note 1e) £	Percentage of total net assets
<b>Food Producers</b> (30.09.23: 2.59%)		
32,000 Cranswick	<b>1,606,400</b>	<b>3.53</b>
<b>General Retailers</b> (30.09.23: 5.62%)		
600,000 JD Sports Fashion	924,300	2.03
110,000 Keystone Law	627,000	1.38
70,000 WH Smith	1,020,600	2.24
	<b>2,571,900</b>	<b>5.65</b>
<b>Leisure Goods</b> (30.09.23: 2.42%)		
11,000 Games Workshop	<b>1,181,400</b>	<b>2.60</b>
<b>Travel and Leisure</b> (30.09.23: 1.90%)		
900,000 Patisserie*	–	–
450,000 SSP	716,400	1.57
	<b>716,400</b>	<b>1.57</b>
<b>Life Insurance</b> (30.09.23: 1.60%)		
160,000 Phoenix	<b>894,400</b>	<b>1.97</b>
<b>Non-Life Insurance</b> (30.09.23: 1.49%)		
120,000 Beazley	<b>913,200</b>	<b>2.01</b>
<b>Real Estate</b> (30.09.23: 9.81%)		
350,000 Grainger	859,250	1.89
100,000 Segro REIT	873,800	1.92
900,000 Sirius Real Estate	877,500	1.93
100,000 Unite	939,500	2.06
700,000 Warehouse REIT	615,300	1.35
	<b>4,165,350</b>	<b>9.15</b>
<b>General Financial</b> (30.09.23: 5.91%)		
200,000 AJ Bell	898,000	1.97
65,000 Intermediate Capital	1,446,900	3.18
135,000 JTC	1,428,300	3.14
190,000 Molten Ventures	766,650	1.69
9,892 Thomas Murray Network*	17,806	0.04
942 Thomas Murray Network Bonus shares*	–	–
	<b>4,557,656</b>	<b>10.02</b>

# PORTFOLIO AND NET OTHER ASSETS AS AT 30 SEPTEMBER 2024

(continued)

Holding	Value (note 1e) £	Percentage of total net assets
<b>Support Services (30.09.23: 11.41%)</b>		
350,000 Boku	560,000	1.23
20,000 Diploma	886,400	1.95
100,000 Howdens Joinery	907,000	1.99
150,000 Melrose Industries	683,550	1.50
	<b>3,036,950</b>	<b>6.67</b>
<b>Software and Computer Services (30.09.23: 14.20%)</b>		
200,000 Bytes Technology	1,029,000	2.26
110,000 FDM	422,950	0.93
180,000 GB*	559,440	1.23
100,000 Kainos	883,000	1.94
230,000 Moonpig Group	470,350	1.03
60,000 Raspberry	231,600	0.51
180,000 Rightmove	1,111,320	2.44
70,000 Softcat	1,085,700	2.39
210,000 Team17+	525,000	1.15
	<b>6,318,360</b>	<b>13.88</b>
<b>Media (30.09.23: 2.17%)</b>		
140,000 Bloomsbury Publishing	943,600	2.07
50,000 Future	505,000	1.11
	<b>1,448,600</b>	<b>3.18</b>
<b>Total value of investments (30.09.23: 93.27%)</b>	<b>44,075,879</b>	<b>96.86</b>
<b>Net other assets (30.09.23: 6.73%)</b>	<b>1,428,782</b>	<b>3.14</b>
<b>Total value of the fund as at 30 September 2024</b>	<b>45,504,661</b>	<b>100.00</b>

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

Sector eliminated since the beginning of the year:

Pharmaceuticals and Biotechnology 1.12%

\* Unquoted Security

+Quoted on the Alternative Investment Market

## STATEMENT OF TOTAL RETURN FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Note	30.09.24 £	30.09.24 £	30.09.23 £	30.09.23 £
Income					
Net capital gains	3		<b>7,073,787</b>		4,478,166
Revenue	4	<b>1,130,207</b>		1,210,886	
Expenses	5	<b>(250,872)</b>		(344,533)	
Net revenue before taxation		<b>879,335</b>		866,353	
Taxation	6	<b>(3,877)</b>		–	
Net revenue after taxation			<b>875,458</b>		866,353
<b>Total return before distributions</b>			<b>7,949,245</b>		5,344,519
Distributions	7		<b>(1,096,585)</b>		(1,145,821)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>6,852,660</b>		4,198,698

## STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	30.09.24 £	30.09.24 £	30.09.23 £	30.09.23 £
<b>Opening net assets attributable to unitholders</b>		<b>48,087,160</b>		44,469,073
Amounts receivable on issue of units	<b>2,200,072</b>		8,432,847	
Amounts payable on cancellation of units	<b>(12,479,968)</b>		(9,939,661)	
		<b>(10,279,896)</b>		(1,506,814)
Change in net assets attributable to unitholders from investment activities (see Statement of total return above)		<b>6,852,660</b>		4,198,698
Retained distributions on accumulation units		<b>832,202</b>		915,065
Unclaimed distributions		<b>12,535</b>		11,138
<b>Closing net assets attributable to unitholders</b>		<b>45,504,661</b>		48,087,160

## BALANCE SHEET AS AT 30 SEPTEMBER 2024

	Note	30.09.24 £	30.09.24 £	30.09.23 £	30.09.23 £
<b>Assets</b>					
<b>Fixed assets:</b>					
Investments			<b>44,075,879</b>		44,848,515
<b>Current assets:</b>					
Debtors	8	<b>160,939</b>		217,950	
Cash and bank balances		<b>1,514,454</b>		3,389,860	
<b>Total current assets</b>			<b>1,675,393</b>		3,607,810
<b>Total assets</b>			<b>45,751,272</b>		48,456,325
<b>Liabilities</b>					
<b>Creditors:</b>					
Other creditors	9	<b>(113,052)</b>		(236,025)	
Distribution payable on income units		<b>(133,559)</b>		(133,140)	
<b>Total liabilities</b>			<b>(246,611)</b>		(369,165)
<b>Net assets attributable to unitholders</b>			<b>45,504,661</b>		48,087,160



# NOTES TO THE FINANCIAL STATEMENTS

## 1 ACCOUNTING POLICIES

### a) Basis of accounting

The annual financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by The Investment Association in May 2014 (and amended in June 2017).

As stated in the Statement of the Manager's responsibilities in relation to the report and accounts of the fund on page 30, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the fund.

There are no significant judgments or sources of estimation uncertainty.

### b) Recognition of revenue

All dividends on investments marked ex-dividend up to the accounting date are included in revenue inclusive of any tax deducted at source and net of attributable tax credits. Bank and other interest receivable is accrued up to the accounting date, and this forms part of the distribution.

### c) Treatment of scrip and special dividends

Any stock received in lieu of cash dividends is credited to capital in the first instance, followed by a transfer to revenue of the cash equivalent being offered, and this forms part of the distribution made by the fund.

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

### d) Treatment of expenses

All expenses (other than management fees, direct costs of purchase and sale of investments) are charged against revenue.

### e) Basis of valuation of investments

The quoted investments of the fund have been valued at the closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year. If no market price is available assets will be priced at cost until a market price becomes available.

If the Stock Exchange quotation of an investment has been suspended, and in the opinion of the Manager, it is unlikely to be reinstated, this has been indicated in the portfolio of investments. Suspended investments are value based on the latest financial statements of the respective company and agreed with the Trustee.

All assets are recognised and derecognised on trade date. Any trades occurring between valuation point and close of business are included in the financial statements.

Unquoted investments are valued at fair value, which represents the Manager's view of the amount for which an asset could be exchanged between knowledgeable and willing parties in an arm's length transaction at the maximum price a buyer is willing to pay for the asset. This does not assume that the underlying business is saleable at the reporting date or that its current shareholders have an intention to sell their holding in the near future.

The unquoted investments are valued by the Manager based upon information from an independent valuation firm, taking into account, where appropriate, latest dealing prices, achievement or not of key milestones, valuations from reliable sources, financial performance, and other relevant factors.

### f) Exchange rates

The functional currency of the fund is pound sterling. Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting year are translated into Sterling at the closing mid exchange rates ruling on that date.

### g) Taxation/Deferred Tax

i) Corporation tax is provided for at 20% on taxable revenue, after deduction of expenses.

ii) Where overseas tax has been deducted from taxable overseas revenue, that tax can, in some instances, be set off against the corporation tax payable by the fund, by way of double taxation relief.

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 1 ACCOUNTING POLICIES (continued)

### g) Taxation/Deferred Tax (continued)

iii) The charge for deferred tax is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse.

Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax assets can be offset. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

### h) Unit classes rights on termination, allocation of tax and distributable income

The fund may be terminated if an order declaring the fund to be an authorised unit trust scheme is revoked, or the Financial Conduct Authority (FCA) determines to revoke the order at the request of the Trustee or the Manager. In the case of a reconstruction or an amalgamation of the fund with another body or trust, on the passing of an extraordinary resolution of holders of units approving the amalgamation. The Trustee shall wind up the fund in accordance with that resolution.

On the termination of the fund in any other case, the Trustee shall sell the investments, and out of the proceeds of the sale shall settle the fund's liabilities and pay the costs and expenses of the winding up before distributing the proceeds of the realisation to unitholders and the Manager proportionally to their respective interests in the fund. Any unclaimed proceeds or cash held by the Trustee after the expiration of 12 months from the date on which the same became payable shall be paid by the Trustee into court subject to the Trustee having a right to retain any expenses incurred by it in making such payment into court.

On the completion of the winding-up the trustee must notify the FCA to revoke the relevant authorisation order.

Allocation of tax and distributable income is done proportionally to the unitholders respective interests in the fund.

## 2 DISTRIBUTION POLICY

Revenue arising from the fund's investments accumulates during each accounting period. If, at the end of the accounting period, revenue exceeds expenses, the net revenue of the fund is available to be distributed to unitholders.

For the purpose of calculating the distribution available to unitholders, the Manager's charge (net of any tax relief) is deducted from capital, offsetting expenses against capital may constrain future growth in revenue and capital.

A reconciliation of the net distribution to the net revenue of the fund as reported total return is shown in note 7.

In order to conduct a controlled dividend flow to unitholders, interim distributions will be made at the Managers' discretion, up to a maximum of the distributable revenue available for the year. All remaining revenue is distributed in accordance with the regulations.

Distributions remaining unclaimed after 6 years are paid into the fund as part of the capital property.

There may be instances where marginal tax relief is due to/from revenue for the utilisation of allowable expense.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3 NET CAPITAL GAINS

	30.09.24 £	30.09.23 £
The net capital gains during the year comprise:		
Non-derivative securities	<b>7,075,854</b>	4,478,606
Transaction charges	<b>(2,067)</b>	(440)
Net capital gains	<b>7,073,787</b>	4,478,166

### 4 REVENUE

	30.09.24 £	30.09.23 £
Dividends – UK Ordinary	<b>858,604</b>	916,491
– Overseas	<b>72,871</b>	98,466
– Property income distributions	<b>133,543</b>	116,275
Bank interest	<b>65,189</b>	79,654
Total revenue	<b>1,130,207</b>	1,210,886

### 5 EXPENSES

	30.09.24 £	30.09.24 £	30.09.23 £	30.09.23 £
Payable to the Manager, associates of the Manager and agents of either of them:				
Manager's periodic charge		<b>221,194</b>		279,183
Payable to the Trustee, associates of the Trustee and agents of either of them:				
Trustee's fees	<b>9,768</b>		10,369	
Safe custody and other bank charges	<b>(2,905)</b>		2,689	
		<b>6,863</b>		13,058
Other expenses:				
Administration fees	<b>7,094</b>		6,996	
Audit fee*	<b>12,512</b>		11,640	
Printing and publication costs	<b>2,411</b>		2,485	
Registration fees	<b>798</b>		31,171	
		<b>22,815</b>		52,292
Total expenses		<b>250,872</b>		344,533

\* Audit fees for 2024 are £10,250 excluding VAT (30.09.23: £9,750 excluding VAT).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6 TAXATION

	30.09.24 £	30.09.23 £
a) Analysis of charge in the year		
Irrecoverable overseas tax	<b>3,877</b>	—
Current tax charge (note 6b)	<b>3,877</b>	—
Deferred tax – origination and reversal of timing differences (note 5c)	—	—
<b>Total tax charge for the year (note 6b)</b>	<b>3,877</b>	—

#### b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an Authorised Unit Trust (20%) (30.09.23: 20%). The differences are explained below.

	30.09.24 £	30.09.23 £
Net revenue before taxation	<b>879,335</b>	866,353
Corporation tax at 20%	<b>175,867</b>	173,271
Effects of:		
Revenue not subject to taxation	<b>(186,295)</b>	(202,992)
Current year expenses not utilised	<b>10,428</b>	29,721
Corporate tax charge	—	—
Irrecoverable overseas tax	<b>3,877</b>	—
<b>Total tax charge for the year (note 6a)</b>	<b>3,877</b>	—

#### c) Deferred tax

At the year end the fund had surplus management expenses of £15,449,041 (30.09.23: £15,396,901). It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £3,089,808 (30.09.23: £3,079,380) has not been recognised in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7 DISTRIBUTIONS

The distributions take account of amounts received on the issue of units and amounts deducted on the cancellation of units, and comprise:

	30.09.24 £	30.09.23 £
Interim	389,899	455,838
Final	652,645	687,181
	<b>1,042,544</b>	1,143,019
Add: Amounts deducted on cancellation of units	67,490	63,273
Deduct: Amounts received on issue of units	(13,449)	(60,471)
Net distribution for the year	<b>1,096,585</b>	1,145,821

#### Reconciliation of net distribution for the year to net revenue after tax:

Net distribution for the year	1,096,585	1,145,821
Expenses charged to capital:		
Manager's periodic charge	(221,194)	(279,183)
Equalisation on conversions	41	25
Balance brought forward	(146)	(456)
Balance carried forward	172	146
Net revenue after taxation	<b>875,458</b>	866,353

### 8 DEBTORS

	30.09.24 £	30.09.23 £
Amounts receivable for issue of units	66,947	14,794
Accrued revenue	92,548	203,156
Taxation recoverable	1,444	—
Total debtors	<b>160,939</b>	217,950

### 9 OTHER CREDITORS

	30.09.24 £	30.09.23 £
Amounts payable for cancellation of units	35,730	19,024
Purchases awaiting settlement	38,200	150,228
Accrued expenses	21,752	45,553
Accrued Manager's periodic charge	17,370	21,220
Total other creditors	<b>113,052</b>	236,025

# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 10 RECONCILIATION OF UNITS

	R-class income	R-class accumulation	I-class income	I-class accumulation
Opening units issued at 01.10.23	216,743	508,454	1,891,832	5,763,000
Unit movements 01.10.23 to 30.09.24				
Units issued	898	29	55,671	282,004
Units cancelled	(4,273)	(26,599)	(343,186)	(1,592,590)
Units converted	(213,368)	(481,884)	190,837	435,399
Closing units issued at 30.09.24	—	—	1,795,154	4,887,813

## 11 RELATED PARTY TRANSACTIONS

Management fees paid to Rathbones Asset Management Limited (the Manager) are disclosed in note 5 and amounts outstanding at the year end in note 9.

Details of units created and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and note 7.

There were no commissions paid to stockbroking of the Manager in respect of dealings in the investments of Rathbone UK Opportunities Fund during the year (30.09.23: nil).

All other amounts paid to or received from the related parties, together with the outstanding balances are disclosed in the financial statements.

At the year end there were no significant unitholders (30.09.23: nil).

## 12 CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (30.09.23: nil).

## 13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS

In pursuing the investment objective a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for liquidations and debtors for accrued revenue.

There is little exposure to credit or cash flow risk. There are no net borrowings and little exposure to liquidity risk because assets can be readily realised to meet redemptions.

The fund does not make use of derivatives.

The main risks arising from the financial instruments are:

(i) **Foreign currency risk**, being the risk that the value of assets and liabilities will fluctuate as a result of exchange rate movements. The value of the fund's underlying investments will be affected by movements in exchange rate against sterling, in respect of non-sterling denominated rates.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS (continued)

#### (i) Foreign currency risk (continued)

The table below shows the foreign currency risk profile at the balance sheet date:

	30.09.24 £	30.09.23 £
Currency:		
Euro	–	6
US dollar	16,469	–
Pound sterling	45,486,748	48,087,154
	<b>45,503,217</b>	48,087,160
Other net assets not categorised as financial instruments	1,444	–
Net assets	<b>45,504,661</b>	48,087,160

If GBP to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the fund would have decreased by £1,497 (30.09.23: £1). If GBP to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the fund would have increased by £1,830 (30.09.23:£1). These calculations assume all other variables remain constant.

(ii) Interest rate risk, being the risk that the value of assets and liabilities will fluctuate as a result of interest rate changes.

The table below shows the interest rate risk profile at the balance sheet date:

	30.09.24 £	30.09.23 £
Floating rate assets:	1,514,454	–
Assets on which no interest is paid:	44,235,374	48,456,325
Liabilities on which no interest is paid:	(246,611)	(369,165)
	<b>45,503,217</b>	48,087,160
Other net assets not categorised as financial instruments	1,444	–
Net assets	<b>45,504,661</b>	48,087,160

Due to the proportion of interest bearing assets held within the portfolio, no sensitivity analysis has been prepared illustrating the impact changes in yields would have on the value of the fund's portfolio.

The floating rate financial assets and liabilities comprise bank balances, that earn or pay interest at rates linked to the UK base rate or its international equivalents.

(iii) Market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than currency or interest rate movements.

The investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy set out in the Prospectus. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed and Prospectus and the rules of the FCA's Collective Investment Scheme Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 13 RISK DISCLOSURES ON FINANCIAL INSTRUMENTS (continued)

#### (ii) Market price risk (continued)

If market prices had increased by 10% as at the balance sheet date the net asset value of the fund would have increased by £4,407,588 (30.09.23: £4,484,852). If market prices had decreased by 10% as at the balance sheet date the net asset value of the fund would have decreased by £4,407,588 (30.09.23: £4,484,852). These calculations assume all other variables remain constant.

(iv) **Credit risk/Counterparty risk.** Credit risk arises firstly from the issuer of a security not being able to pay interest and principal in a timely manner and also from counterparty risk, where the counterparty will not fulfil its obligations or commitments to deliver the investments for a purchase or the cash for a sale after the fund has fulfilled its responsibilities. In order to manage the risk, the fund will only buy and sell investments through brokers which have been approved as an acceptable counterparty. Brokers are monitored on an on-going basis for suitability and creditworthiness. In addition, the fund is subject to investment limits for issuers of securities and issuer credit ratings are evaluated periodically.

(v) **Fair value.** There is no material difference between the carrying value and fair value of the financial instruments disclosed in the balance sheet.

(vi) **Leverage.** There is no significant leverage in the fund which would increase its exposure.

### 14 PORTFOLIO TRANSACTION COST

For the year ended 30 September 2024

#### Analysis of total purchase costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	1,534,903	463	0.03	3,183	0.21
Total purchases before transaction costs	1,534,903	463		3,183	
Total purchases including commission and taxes	1,538,549				

#### Analysis of total sales costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	8,850,629	3,540	0.04	49	—
Corporate actions	540,000	—	—	—	—
Total sales including transaction costs	9,390,629	3,540		49	
Total sales net of commission and taxes	9,387,040				

Commissions and taxes as % of average net assets

Commissions 0.01%

Taxes 0.00%



# NOTES TO THE FINANCIAL STATEMENTS (continued)

## 14 PORTFOLIO TRANSACTION COST (continued)

For the year ended 30 September 2023

### Analysis of total purchase costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	2,931,622	1,173	0.04	5,055	0.17
Total purchases before transaction costs	2,931,622	1,173		5,055	
Total purchases including commission and taxes	2,937,850				

### Analysis of total sales costs

	Value £	Commissions £	%	Taxes £	%
Equity transactions	5,058,054	2,263	0.04	20	—
Corporate actions	838,500	—	—	—	—
Total sales including transaction costs	5,896,554	2,263		20	
Total sales net of commission and taxes	5,894,271				

Commissions and taxes as % of average net assets

Commissions 0.01%

Taxes 0.01%

In the case of shares, commissions and taxes are paid by the fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.25% (30.09.23: 0.30%).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 15 FAIR VALUE OF INVESTMENTS

The fair value of investments has been determined using the following hierarchy:

- Level 1 The unadjusted quoted 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.

#### For the year ended 30 September 2024

Category	1	2	3	Total
Investment assets	£	£	£	£
Equities	44,058,073	–	17,806	44,075,879
	44,058,073	–	17,806	44,075,879

#### For the year ended 30 September 2023

Category	1	2	3	Total
Investment assets	£	£	£	£
Equities	44,830,709	–	17,806	44,848,515
	44,830,709	–	17,806	44,848,515

The level 3 Thomas Murray assets are priced by Rathbones and updated with the last known price. These assets are reviewed on a quarterly basis.

### 16 CHANGE OF INVESTMENT OBJECTIVE AND INVESTMENT POLICY

From 22 November 2024, the investment objective and investment policy changed to:

#### Investment Objective

The objective of the fund is to deliver a greater total return than the FTSE All-Share Index, after fees, over any seven-year period.

There is no guarantee that this investment objective will be achieved over seven years, or any other time period.

We use the FTSE All-Share Index as a target for our fund's return because we want to offer you a better return than the UK stock market.

#### Investment Policy

To meet the objective, the fund manager will invest at least 80% of our fund in UK-listed companies which are domiciled, incorporated or have a significant part of their business in the UK, with the remainder in global shares, cash, short-term deposits and UK government debt. While we invest in companies of all sizes, we gravitate towards small- and medium-size businesses. We define small- and medium-businesses as those outside the FTSE 100, however, this does not preclude the fund from investing in those businesses within the FTSE 100.

Derivatives may be used by the fund for the purposes of efficient portfolio management and hedging.

The manager may use all investment powers as permitted by the prospectus, outside the ranges described above, to ensure the fund is managed in the best interest of investors in times of market irregularities or stress.

The fund may invest at the fund manager's discretion in other transferable securities, money market instruments, warrants, cash and near cash and deposits and units in collective investment schemes. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted by the FCA Rules.

We actively manage our fund which means we can choose what we invest in as long as it is in line with the investment objective and policy. Because of this, the fund's performance can diverge significantly from its benchmark.

# DISTRIBUTION TABLES FOR THE YEAR ENDED 30 SEPTEMBER 2024

## DIVIDEND DISTRIBUTION (PENCE PER UNIT)

Interim

Group 1 – Units purchased prior to 1 October 2023

Group 2 – Units purchased on or after 1 October 2023 and on or before 31 March 2024

<b>R-class income* units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Paid 31.05.24</b>	<b>Paid 31.05.23</b>
Group 1	n/a	–	n/a	3.83
Group 2	n/a	n/a	n/a	3.83

  

<b>R-class accumulation** units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Accumulated 31.05.24</b>	<b>Accumulated 31.05.23</b>
Group 1	n/a	–	n/a	5.34
Group 2	n/a	n/a	n/a	5.34

  

<b>I-class income units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Paid 31.05.24</b>	<b>Paid 31.05.23</b>
Group 1	4.11	–	4.11	4.24
Group 2	2.01	2.10	4.11	4.24

  

<b>I-class accumulation units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Accumulated 31.05.24</b>	<b>Accumulated 31.05.23</b>
Group 1	5.80	–	5.80	5.85
Group 2	3.45	2.35	5.80	5.85

# DISTRIBUTION TABLES FOR THE YEAR ENDED 30 SEPTEMBER 2024 (continued)

## DIVIDEND DISTRIBUTION (PENCE PER UNIT) (continued)

Final

Group 1 – Units purchased prior to 1 April 2024

Group 2 – Units purchased on or after 1 April 2024 and on or before 30 September 2024

<b>R-class income* units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Payable 29.11.24</b>	<b>Paid 30.11.23</b>
Group 1	n/a	–	n/a	5.74
Group 2	n/a	n/a	n/a	5.74
<b>R-class accumulation** units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Allocated 29.11.24</b>	<b>Accumulated 30.11.23</b>
Group 1	n/a	–	n/a	8.09
Group 2	n/a	n/a	n/a	8.09
<b>I-class income units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Payable 29.11.24</b>	<b>Paid 30.11.23</b>
Group 1	7.44	–	7.44	6.38
Group 2	2.81	4.63	7.44	6.38
<b>I-class accumulation units</b>	<b>Income</b>	<b>Equalisation</b>	<b>Allocated 29.11.24</b>	<b>Accumulated 30.11.23</b>
Group 1	10.62	–	10.62	8.90
Group 2	4.88	5.74	10.62	8.90

\* R-class income was merged into I-class income on 26 January 2024.

\*\* R-class accumulation was merged into I-class accumulation on 26 January 2024.

### Equalisation

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

## DIRECTORS' STATEMENT

This report is approved in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

JA Rogers                      T Carroll  
for Rathbones Asset Management Limited  
Manager of Rathbone UK Opportunities Fund  
*12 December 2024*

# STATEMENT OF THE MANAGER'S RESPONSIBILITIES IN RELATION TO THE ANNUAL REPORT AND ACCOUNTS OF THE RATHBONE UK OPPORTUNITIES FUND

The Financial Conduct Authority's Collective Investment Schemes Sourcebook requires the Manager to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the fund and of the net revenue and of the net capital gains or losses on the property of the fund for that year. In preparing those financial statements, the Manager is required to:

1. select suitable accounting policies, as described in the attached financial statements, and then apply them consistently;
2. make judgements and estimates that are reasonable and prudent;
3. comply with the disclosure requirements of the SORP relating to financial statements of UK authorised funds issued by The Investment Association;
4. follow UK generally accepted accounting principles, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: 'Financial Statements of UK Authorised Funds' issued by The Investment Association in May 2014;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the fund will continue in operation; and
6. keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the fund and which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and the Financial Conduct Authority's Collective Investment Schemes Sourcebook, and for the system of internal controls and for safeguarding the assets of the fund. The Manager has general responsibility for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Manager is aware:

1. there is no relevant audit information of which the fund's auditor is unaware; and
2. the Manager has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information; and
3. the Manager is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the fund consist predominantly of securities that are readily realisable and, accordingly, the fund has adequate resources to continue in operational existence for the period of at least twelve months from when the financial statements are authorised for issue.

Additionally, the Manager monitors developments in Ukraine, making adjustments to investments where deemed appropriate and they also monitor sanctions and their implications on individual holdings. Also, the investment processes and risk and compliance procedures continue to operate as normal.

In accordance with COLL 4.5.8 R, the Annual Report and the audited financial statements were approved by the board of directors of the Manager of the fund and authorised for issue on 12 December 2024.

# STATEMENT OF THE TRUSTEE'S RESPONSIBILITIES AND REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF RATHBONE UK OPPORTUNITIES FUND ('THE FUND') FOR THE YEAR ENDED 30 SEPTEMBER 2024

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

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

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

The Trustee must ensure that:

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

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

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

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

**NatWest Trustee and Depositary Services Limited**  
Trustee of Rathbone UK Opportunities Fund  
*12 December 2024*



# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE UK OPPORTUNITIES FUND

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

In our opinion the financial statements of Rathbone UK Opportunities Fund (the 'fund'):

- give a true and fair view of the financial position of the fund as at 30 September 2024 and of the net revenue and the net capital gains on the property of the fund for the year ended 30 September 2024; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Trust Deed.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of change in net assets attributable to unitholders;
- the balance sheet;
- the distribution table; and
- the notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014, as amended in June 2017, the Collective Investment Schemes Sourcebook and the Trust Deed.

### 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 fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

### OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The manager is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE UK OPPORTUNITIES FUND (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## RESPONSIBILITIES OF TRUSTEE AND MANAGER

As explained more fully in the trustee's responsibilities statement and the manager's responsibilities statement, the trustee is responsible for the safeguarding the property of the fund and the manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK)

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

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

We considered the nature of the fund's industry and its control environment, and reviewed the fund's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the Authorised Fund Manager about their own identification and assessment of the risks of irregularities, including those that are specific to funds.

We obtained an understanding of the legal and regulatory frameworks that the fund operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Collective Investment Schemes Sourcebook and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the fund's ability to operate or to avoid a material penalty.

# INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF RATHBONE UK OPPORTUNITIES FUND (continued)

We discussed among the audit engagement teams regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments. There is an incentive to manipulate holdings and prices used in closing value of investments due to their significance to the net asset values of the sub-funds. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent source.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COLLECTIVE INVESTMENT SCHEMES SOURCEBOOK

In our opinion:

- proper accounting records for the fund have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the annual report for the year ended 30 September 2024 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

## USE OF OUR REPORT

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

Deloitte LLP  
Statutory Auditor  
Glasgow, United Kingdom  
12 December 2024

# GENERAL INFORMATION

## MANAGER NAME

Effective 30 November 2023, Rathbone Unit Trust Management Limited changed its name to Rathbones Asset Management Limited.

## R-CLASS UNITS

On 26 January 2024, the R-class Income Units merged into the I-class Income Units and the R-class Accumulation Units merged into the I-class Accumulation Units.

## AUTHORISED STATUS

The Rathbone UK Opportunities Fund is an authorised unit trust scheme, established by a Trust Deed dated 25 August 1993 and launched on 13 July 2009 following the merger of Rathbone Special Situations Fund with the Rathbone Smaller Companies Fund.

It is a 'UCITS Scheme' authorised under Section 243 of the Financial Services and Markets Act 2000, and the currency of the fund is pound sterling.

## VALUATION OF THE FUND

The fund is valued on each business day at 12 noon for the purpose of determining prices at which units in the fund may be bought or sold. Valuations may be made at other times on business days with the Trustee's approval.

## STEWARDSHIP CODE

Rathbones Asset Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council.

## BUYING AND SELLING OF UNITS

The Manager is available to receive requests for the buying and selling of units on normal business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for the purchase of units (obtainable from the Manager) should be completed and sent to the dealing office. In respect of telephoned orders, remittances should be sent

on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of units are required to enter their registration details on the form supplied with their contract note. Once units are paid for these details will be entered on the unit register.

Units can be sold by telephone, fax or letter followed by despatch to the dealing office of the authorisation to sell duly completed by all unitholders.

In the absence of clear written instructions signed by all the registered holders, a Form of Renunciation will be sent out together with the repurchase contract note. This will need to be signed by all registered holders, and returned to our dealing office before settlement can be made. Settlement will be made on whichever is the later of four business days after the dealing date or four days after the receipt of written confirmation.

Unitholders may sell units on submitting the purchase contract note and a duly executed Deed of Transfer. The issue and redemption of units will not take place if dealing in the units is suspended by operation of law or any statute for the time being in place.

The minimum initial investment for I-class units is £1,000. Thereafter holders may invest additional amounts to the value of £500 or more from time to time as they wish. Any number of units may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

There is no preliminary charge for I-class units.

The Manager received an annual remuneration for managing the R-class property of the fund at the rate of 1.50%.

The Manager currently receives an annual remuneration for managing the I-class property of the fund at the rate of 0.45%.

For more information on our charges, please visit the fund-specific pages of our website: [rathbonesam.com](http://rathbonesam.com)

## GENERAL INFORMATION (continued)

### STATEMENTS

A distribution statement showing the rate per unit and your unit holding will be sent semi-annually on 31 May and 30 November.

The current value of your units is shown on a valuation statement, which shows the number of units bought over the previous six months, the total number of units in your account and their current value.

Twice yearly on 30 June and 31 December, unitholders will receive a consolidated statement showing, where applicable, their Unit Trust, ICVC and ISA holdings for each fund held.

### PRICES

Prices are available on our website [rathbonesam.com](http://rathbonesam.com)

### OTHER INFORMATION

Copies of the Prospectus, Key Investor Information Document, Supplementary Information Document and the most recent Annual and Interim Reports may be obtained free of charge on application to the Manager or seen by visiting their registered office.

The Register of Unitholders can be inspected during normal business hours at the office of the Registrar, SS&C Financial Services International Limited, SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbones Asset Management Limited, 30 Gresham Street, London EC2V 7QN.

If you have any queries or complaints about the operation of the fund you should put them to the Compliance Officer, Rathbones Asset Management Limited, 30 Gresham Street, London EC2V 7QN. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

If you have occasion to complain, and in the unlikely event that you do not receive a satisfactory response, you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk).

### ISA ELIGIBILITY

The fund has been managed throughout the year to ensure that it is eligible to qualify and be included in an Individual Savings Account (ISA). The fund will at all times be invested in such a way that the units will constitute 'Qualifying Investments' for the purposes of the Individual Savings Account (ISA) Regulations 1998, as amended from time to time.

### RISK FACTORS

An investment in a unit trust should be regarded as a medium to long term investment. Investors should be aware that the price of units and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

### OTHER FUNDS

Rathbones Asset Management Limited is also the Manager of the following funds:

Rathbone Active Income and Growth Fund  
Rathbone Core Investment Fund for Charities  
Rathbone Ethical Bond Fund  
Rathbone Global Opportunities Fund  
Rathbone Income Fund  
Rathbone Strategic Bond Fund

and the Authorised Corporate Director of:

Rathbone Defensive Growth Portfolio  
Rathbone Dynamic Growth Portfolio  
Rathbone Enhanced Growth Portfolio  
Rathbone Greenbank Defensive Growth Portfolio  
Rathbone Greenbank Dynamic Growth Portfolio  
Rathbone Greenbank Global Sustainability Fund  
Rathbone Greenbank Global Sustainable Bond Fund  
Rathbone Greenbank Strategic Growth Portfolio  
Rathbone Greenbank Total Return Portfolio  
Rathbone High Quality Bond Fund  
Rathbone Strategic Growth Portfolio  
Rathbone Strategic Income Portfolio  
Rathbone Total Return Portfolio

Greenbank and Greenbank Investments are trading names of Rathbones Investment Management Limited

## **GENERAL INFORMATION** (continued)

### **FURTHER DETAILS**

Should you need further details of this fund or any of the other funds managed by Rathbones Asset Management Limited, a Prospectus, Key Investor Information Document and Supplementary Information Document or an application form for the purchase of shares or units, please write to:

Client Services Department  
Rathbones Asset Management Limited  
30 Gresham Street  
London EC2V 7QN

All literature is available free of charge. Information is also available on our website: [rathbonesam.com](http://rathbonesam.com)

### **DATA PROTECTION**

Where relevant, Rathbones' privacy notice for clients, together with our relevant terms of business, sets out how your personal data (as further detailed in the privacy notice) shall be processed by Rathbones. A copy of the privacy notice is available on request or on Rathbones' website.

From time to time Rathbones Asset Management Limited may wish to communicate with you with information on other products and services offered by the Rathbones Group. If you do not wish to receive these communications, please advise us in writing at the following address:

Data Protection Officer  
Rathbones Asset Management Limited  
30 Gresham Street  
London EC2V 7QN

## GENERAL INFORMATION (continued)

### UCITS REMUNERATION

In line with the requirements of the UCITS Directive, Rathbone Asset Management Limited (the Manager) has adopted a remuneration policy which is consistent with the remuneration principles applicable to UCITS management companies. Its purpose is to ensure that the remuneration of the staff of the Manager is consistent with and promotes sound and effective risk management, does not encourage risk-taking which is inconsistent with the risk profiles of the Manager and the UCITS that it manages and does not impair the Manager's compliance with its duty to act in the best interests of the UCITS it manages. The remuneration policy applies to staff of the Manager whose professional activities have a material impact on the risk profile of the Manager or the UCITS that it manages (known as Remuneration Code Staff).

The aggregate remuneration paid by the Manager to its staff, and to those staff who are identified as Remuneration Code Staff, is disclosed below.

	Fixed remuneration £'000	Variable remuneration £'000	Total remuneration £'000	Headcount
Senior Management	1,897	4,091	5,988	7
Risk takers	2,461	3,767	6,228	18
Other	159	198	357	1
Total remuneration code staff	4,517	8,056	12,573	26
Non-remuneration code staff	1,707	895	2,602	28
<b>Total for the Manager</b>	<b>6,224</b>	<b>8,951</b>	<b>15,175</b>	<b>54</b>

The variable remuneration disclosed in the table above is for the financial year ended 31 December 2023, which is the most recent period for which data are available. Variable remuneration is determined annually based on, inter alia, the results of the Manager and the investment performance of the UCITS that it manages for discrete annual periods ending on 31 December each year. Consequently, it is not possible to apportion the variable award between calendar years.



## Rathbones Asset Management

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Rathbones Asset Management Limited is authorised and regulated by the Financial Conduct Authority and a member of The Investment Association. A member of the Rathbones Group Plc. Registered office: 30 Gresham Street, London EC2V 7QN. Registered in England No. 02376568.