

# WS Gresham House UK Smaller Companies Fund

March 2024



**Gresham House**  
Specialist investment

## Fund objective

To provide capital growth over the long term (in excess of five years), after all costs and charges have been taken. **Capital invested is at risk and there is no guarantee the objective will be achieved over the time period.** The fund seeks to directly invest at least 70% of its assets in shares of smaller-sized UK companies. These are listed companies with a market capitalisation within the lowest 10% of the listed UK equities markets.

## Fund rank

FE Analytics rank 5/47 over 3 years to 31 March 2024 .

## Fund performance

Source: FE Analytics based on the returns of the C share class, net of charges, since launch to 31 March 2024



## Cumulative performance

Source: FE Analytics net of charges, as at 31 March 2024

Cumulative returns month ending 31 March 2024	1 month	YTD	1 year	3 years	5 years	Since launch (1 Feb 2019)
WS Gresham House UK Smaller Companies Fund	1.5%	0.2%	6.8%	2.1%	56.7%	59.4%
IA UK Smaller Companies	3.1%	1.4%	5.0%	-14.0%	17.0%	19.8%
Quartile	4	4	2	1	1	1

## Discrete performance

Source: FE Analytics net of charges, as at 31 March 2024

Discrete annual returns	YTD 2024	2023	2022	2021	2020	2019
WS Gresham House UK Smaller Companies Fund	0.2%	7.3%	-16.0%	25.5%	10.9%	-
IA UK Smaller Companies	1.4%	0.5%	-25.2%	22.9%	6.5%	25.3%

## Performance

Performance in the WS Gresham House UK Smaller Companies Fund increased by 1.5% during the month, underperforming the IA UK Smaller Companies sector which increased by 3.1%. Key positive contributions came from **Mattioli Woods** (+39%), following a recommended cash offer from private equity firm Pollen Capital, at a 32% premium to the prior day closing price; **TP ICAP** (+26%) following full year results ahead of market expectations and an announced strategic review of its Parameta division, with a focus on unlocking value; and **Sabre Insurance** (+12%) on the back of full year profit delivery ahead of market expectations driven by strength in its core motor division. The largest detractors to performance were **Capita** (-35%) following disappointing full year results, particularly in terms of cash performance; and **CVS Group** (-28%) following confirmation that the UK's competition watchdog will launch a full investigation into the UK veterinary sector.

**Capital at risk. Past performance is not a reliable indicator of future performance. Portfolio investments in smaller companies typically involve a higher degree of risk. Charts and graphs are provided for illustrative purposes only as there is no official benchmark for this fund.**

## Fund manager



**Co-Manager**  
**Ken Wotton**

23 years' experience

## Fund information

**Launch date** 1 February 2019

**Fund size** £142.2mn

**Fund sector** IA UK Smaller Companies

**Number of holdings** 39

**Portfolio turnover rate** 24%  
(12-month period to 31 March 2024)

**Fund price** 159.37p C Acc (as at 31 March 2024)

**Pricing** 12:00 noon (GMT)

**ISA eligible** Yes

**Ratings**

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## Platforms hosting the Fund

- 7iM
- Quilter
- Parmenion
- Aegon
- AJ Bell
- Allfunds
- Asentric
- Aviva
- BNY Mellon
- CoFunds
- FundsNetwork
- Hargreaves Lansdown
- Hubwise
- M&G
- James Hay
- Novia
- Nucleus
- Platform Securities
- Praemium
- Raymond James
- SECCL
- Seven
- Standard Life Wrap
- Transact
- Wealthtime

**Fund statistics<sup>1</sup>** Source: FE Analytics, based on three years to 31 March 2024. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 31 March 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Smaller Companies Fund	13.16	3.94	0.79	0.00	0.91
IA UK Smaller Companies	15.21	0.00	1.00	-0.01	0.00

## Top 10 holdings

Holding	Description	NAV
XPS Pensions Group	Actuarial consultancy	3.9%
Moonpig Group	Internet-based business providing greeting cards/gifts	3.5%
Keywords Studios	Technical and consulting services provider	3.5%
Trustpilot	Digital platform for consumer reviews and insights	3.5%
Gamma Communications	Business only mobile network	3.4%
Team 17	Games label for independent developers	3.3%
Elixirr	Business management consulting firm	3.3%
TP ICAP	Brokering services provider	3.3%
Sabre Insurance	Insurance provider	3.0%
Franchise Brands	A collection of market-leading franchise businesses	3.0%

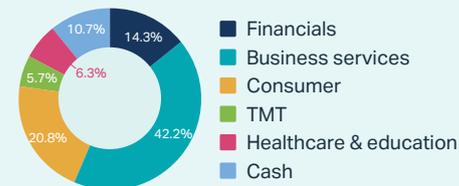
## Portfolio activity

We made one new investment during the period, into **Hollywood Bowl** the UK's leading tenpin bowling operator and second largest player globally, which we believe is led by a high-quality and incentivised management team with a clear strategy to drive like-for-like growth, supported by a structural trend in consumer spend towards low-ticket experiential leisure. We made several selective follow-on investments, including into **Keywords Studios**, the leading player in global video game outsourcing, a sector underpinned by a longer-term structural shift as developers strive for the highest quality content at the most affordable price; **Moonpig Group** an online leader within the card and gifting market, which continues to drive organic growth from its current customer base, and despite exhibiting resilience through the cycle continues to trade at a discounted valuation; and **Team 17 Group**, an independent video game developer which had de-rated following a detailed review in wake of an unexpected profit warning in November. We continue to believe the company has attractive business fundamentals and trades at an attractive valuation, offering an opportunity to add to our position. We made one full exit during the period, from **LSL Property Services**, due to a fundamental change in our view of the investment thesis.

## Primary share class information

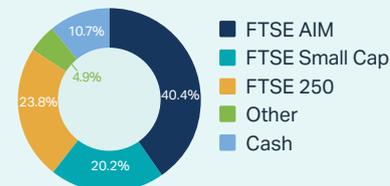
C Sterling		
Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	2.5%	2.5%
Annual management charge	0.75%	0.75%
Ongoing Charges	0.85%	0.85%
ISIN code	GB00BH416G53	GB00BH416F47
SEDOL code	BH416G5	BH416F4
MEX ID	LIUYA	LIOKJ

## Sector allocation



Source: Gresham House Asset Management Limited (portfolio at 31 March 2024)

## Index weighting



Source: Gresham House Asset Management Limited (portfolio at 31 March 2024)

## Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 31 March 2024)

## 1. Fund statistics definitions

**Volatility** is a statistical measurement that, when applied to an investment fund, expresses its volatility, or risk. It shows how widely a range of returns varied from the fund's average return over a particular period.

**Alpha** is a measure of a fund's over-or-underperformance in comparison to the benchmark of the fund. Alpha represents the extra value the manager's activities have contributed, the greater the alpha, the greater the outperformance.

**Beta** is a statistical estimate of a fund's volatility in comparison to its benchmark. It depicts how sensitive the fund is to movements in the section of the market that comprises the benchmark.

**Sharpe** is the level of a fund's return over and above the return of a notional risk-free investment, such as cash or government bonds. The difference in returns is then divided by the fund's standard deviation (volatility). This is an indication of the amount of excess return generated per unit of risk. In general it is considered that the higher the Sharpe ratio, the better.

**Information ratio** is a risk-adjusted measure of actively managed fund performance. It assesses the degree to which a manager uses skill and knowledge to enhance the fund returns. The higher the information ratio, the better. It is generally considered that a figure of 0.5 reflects a good performance, 0.75 very good, and 1 outstanding.

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## Get in touch



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### Portfolio manager

#### Gresham House Asset Management Ltd (GHAM)

As the operating business of Gresham House, GHAM manages and advises funds and co-investments across a range of differentiated alternative investment strategies for third-party clients. Gresham House is a specialist asset manager and adviser with c.£8.5bn AUM.

Source: Gresham House as at 31 December 2023.

### Key risks

- The value of the Fund and the income from it is not guaranteed and may fall as well as rise. As your capital is at risk you may get back less than you originally invested
- Past performance is not a reliable indicator of future performance
- Funds investing in smaller companies may carry a higher degree of risk than funds investing in larger companies. The shares of smaller companies may be less liquid than securities in larger companies

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