

# WS Gresham House UK Smaller Companies Fund

August 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

Financial Express (FE) rank 5/47 over 3 years to 31 August 2024

## Fund performance

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



● A - WS Gresham House UK Smaller Companies C Acc in GB (82.5%)

● B - IA UK Smaller Companies TR in GB (33.0%)

## Cumulative performance

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

Cumulative returns month ending 31 August 2024	1 month	YTD	1 year	3 years	5 years	Since launch (1 Feb 2019)
WS Gresham House UK Smaller Companies Fund	-0.3%	14.7%	24.7%	0.9%	72.8%	82.5%
IA UK Smaller Companies	-0.9%	12.6%	18.7%	-18.6%	28.0%	33.0%
Quartile	1	2	1	1	1	1

## Discrete performance

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

Discrete annual returns	YTD 2024	2023	2022	2021	2020	2019
WS Gresham House UK Smaller Companies Fund	14.7%	7.3%	-16.0%	25.5%	10.9%	-
IA UK Smaller Companies	12.6%	0.5%	-25.2%	22.9%	6.5%	25.3%

## Performance

In August 2024, the WS Gresham House UK Smaller Companies Fund decreased by 0.3%, outperforming the IA UK Smaller Companies sector which decreased by 0.9%. Positive contributors included **FRP Advisory Group** (+15.8%) following full-year results ahead of market expectations on revenue and profit; **Elixirr** (+11.5%) on no specific news flow; and **TP ICAP Group** (+8.9%) following the announcement of record first-half profits, a third share buyback programme of £30mn, and reiterated full-year guidance. Key detractors during the period included **Team17 Group** (-9.6%) and **XPS Pensions Group** (-5.5%) on no specific news flow during the month.

## Fund manager



**Manager**  
**Ken Wotton**

23 years' experience

## Fund information

**Launch date** 1 February 2019

**Fund size** £214.1mn

**Fund sector** IA UK Smaller Companies

**Number of holdings** 42

**Portfolio turnover rate** 27%  
(12-month period to 31 August 2024)

**Fund price** 182.45p C Acc (as at 31 August 2024)

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

**ISA eligible** Yes

**Ratings**



## Platforms hosting the Fund

- Aegon
- AJ Bell
- Allfunds
- Aviva
- Bestinvest
- BNY Mellon
- Embark
- FNZ
- FundsNetwork
- Hubwise
- James Hay
- Pershing Nexus
- Nucleus
- M&G
- Platform Securities
- Parmenion
- Raymond James
- 7IM
- Aberdeen Wrap
- Transact
- Wealthtime
- Zurich

**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 statistics<sup>1</sup>

Source: FE Analytics, based on three years to 31 August 2024. Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 31 August 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Smaller Companies Fund	13.58	5.40	0.82	0.00	1.16
IA UK Smaller Companies	15.04	0.00	1.00	-0.02	0.00

## Top 10 holdings

Holding	Description	NAV
Moonpig Group	Internet-based business greeting cards/gifts business	4.0%
Team 17	Independent games label	3.7%
Ascential	Provides media and consultancy services	3.4%
XPS Pensions Group	Actuarial consultancy	3.4%
Ricardo	Engineering and environmental consultancy	3.3%
Gamma Communications	Business only mobile network	3.3%
Trustpilot	Digital platform for consumer reviews and insights	3.3%
Brooks Macdonald	Investment management services	3.3%
Fintel	Outsourced regulatory services provider	3.1%
Franchise Brands	A collection of market-leading franchise businesses	2.8%

## Portfolio activity

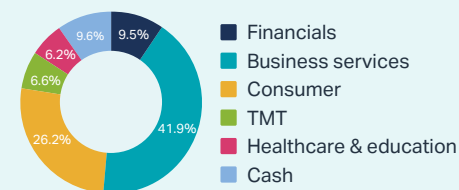
There were no new investments in August. The team however, made several follow-on investments including into **Restore**, a business with market leading positions across defensive verticals, the largest of which is in Records Management, which exhibits attractive financial characteristics including annuity style revenue across its long-term sticky customer base, alongside significant cash generation; **Team 17 Group**, an independent video game developer and publisher which has a strong market position, with earnings underpinned by a resilient back catalogue of durable franchises, which continues to trade at an attractive valuation; **Impax Asset Management**, a specialist global investment company focused on listed equities exposed to sustainable transition themes, which we believe is led by a high-quality team, is supported by long-term secular demand drivers, exhibits attractive financial characteristics, and trades at an attractive entry valuation.

The Fund made two full exits during the period – from **Alpha Financial Markets Consulting** and **Keywords Studios** – following takeovers by private equity firms Bridgepoint and EQT, respectively.

## Primary share class information

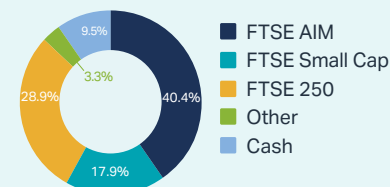
C Sterling		
Type	Acc	Inc
Minimum investment	£10,000	£10,000
Minimum top up	£1,000	£1,000
Minimum regular savings plan	n/a	n/a
Initial charge (fully discounted)	2.5%	2.5%
Annual management charge	0.75%	0.75%
Ongoing Charges	0.84%	0.84%
ISIN code	GB00BH416G53	GB00BH416F47
SEDOL code	BH416G5	BH416F4
MEX ID	LIUYA	LIOKJ

## Sector allocation



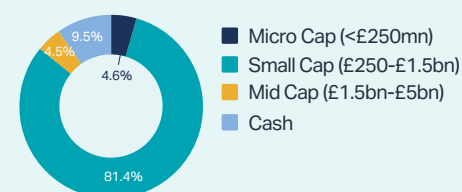
Source: Gresham House Asset Management Limited (portfolio at 31 August 2024)

## Index weighting



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

## Market cap breakdown



Source: Gresham House Asset Management Limited (portfolio at 31 August 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.£8.8bn AUM.

Source: Gresham House as at 30 June 2024.

### 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

### Important information

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