

# WS Gresham House UK Smaller Companies Fund

November 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 1/42 over 5 years to 30 November 2024.

## Fund performance

Source: FE Analytics based on the returns of the C share class, net of charges, since launch to 30 November 2024



- A - WS Gresham House UK Smaller Companies C Acc in GB (80.9%)
- B - IA UK Smaller Companies TR in GB (26.9%)

## Cumulative performance

Source: FE Analytics net of charges, as at 30 November 2024

Cumulative returns month ending 30 November 2024	1 month	YTD	1 year	3 years	5 years	Since launch (1 Feb 2019)
WS Gresham House UK Smaller Companies Fund	1.5%	13.8%	21.9%	9.2%	54.9%	80.9%
IA UK Smaller Companies	-0.5%	7.4%	14.9%	-15.5%	13.2%	26.9%
Quartile	1	1	1	1	1	1

## Discrete performance

Source: FE Analytics net of charges, as at 30 November 2024

Discrete annual returns	YTD 2024	2023	2022	2021	2020	2019
WS Gresham House UK Smaller Companies Fund	13.8%	7.3%	-16.0%	25.5%	10.9%	-
IA UK Smaller Companies	7.4%	0.5%	-25.2%	22.9%	6.5%	25.3%

## Performance

In November 2024, the WS Gresham House UK Smaller Companies Fund increased by **1.5%**, outperforming the IA UK Smaller Companies sector which decreased by **0.5%**.

Positive contributors included **Elixirr (+0.8% Contribution to Total Return ("CTR"))** on no specific newsflow during the period; **Trustpilot (+0.7% CTR)** as interim results showed accelerating growth in North America, with management guidance set to the top-end of the full-year range, alongside a new £20 million share buyback programme; and **Craneware (+0.5% CTR)** following an AGM trading update which indicated continued positive trading momentum, with trading in-line with management expectations.

Key detractors during the period included **Team17 (-0.3% CTR)** on no specific trading news but following a secondary share placing by the founder and former CEO; **Halfords (-0.3% CTR)** as analysts materially reduced future year profit forecasts to reflect the impact of recent changes to UK employer national insurance contributions and national living wage rise announced in the Autumn budget; and **Capita (-0.2% CTR)** on no specific news flow.

**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



**Manager**  
**Ken Wotton**

24 years' experience

## Fund information

**Launch date** 1 February 2019

**Fund size** £222.9mn

**Fund sector** IA UK Smaller Companies

**Number of holdings** 41

**Portfolio turnover rate** 26%  
(12-month period to 30 November 2024)

**Fund price** 180.91p C Acc (as at 30 November 2024)

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

**ISA eligible** Yes

**Ratings**



## Platforms hosting the Fund<sup>1</sup>

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

1. Selection only

**Fund statistics<sup>1</sup>** Source: FE Analytics, based on three years to 30 November 2024 . Volatility, Alpha, Beta, Sharpe and Info Ratio are benchmarked against the Fund's own sector average

Risk ratios month ending 30 November 2024	Volatility	Alpha	Beta	Sharpe	Information Ratio
WS Gresham House UK Smaller Companies Fund	13.32	7.04	0.82	0.00	1.43
IA UK Smaller Companies	14.94	0.00	1.00	-0.01	0.00

**Top 10 holdings**

Holding	Description	NAV
Trustpilot	Digital platform for consumer reviews and insights	4.2%
Elixirr	Business management consulting firm	4.1%
Moonpig Group	Internet-based business cards/gifts business	3.8%
Team 17	Independent games label	3.6%
Gamma Communications	Business only mobile network	3.5%
Fintel	Outsourced regulatory services provider	3.4%
XPS Pensions Group	Actuarial consultancy	3.3%
Ricardo	Engineering and environmental consultancy	3.1%
Franchise Brands	A collection of market-leading franchise businesses	3.0%
Craneware	Developer of billing software analysis tools	2.8%

**Portfolio activity**

There were no new investments in November. The team however made several follow-on investments including into **Telecom Plus**, a capital light B2C multi-utility re-seller (energy, broadband, mobile, and insurance) which continues to deliver double-digit customer growth and increased multi-service penetration supported by a differentiated partner selling model, creating shareholder value over the medium-to-long term; **CVS Group**, an integrated veterinary services business which we believe benefits from structural growth tailwinds, alongside internal levers to drive margin expansion, and is trading at an attractive valuation due to the Competition and Markets Authority (CMA) initiating a review of the sector earlier this year, the outcome of which we do not expect to materially impact the business value over the long term; and **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 due to transitory flow pressures caused by isolated asset allocation decisions in its wholesale distribution channel.

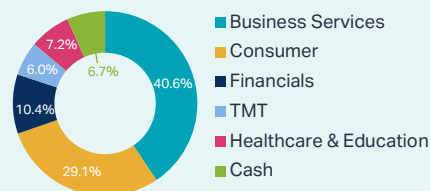
The Fund made one full exit during the period – **Raspberry Pi**. The Fund invested into Raspberry Pi during its June 2024 IPO, we were attracted to the structural growth drivers underpinning the industrial automation landscape and high calibre management team. However, as a result of a significantly oversubscribed IPO, the Fund (like many peers) was scaled back to a significantly underweight position size, and the post-IPO share price performance reflected this as other investors sought to grow their IPO allocations. However, with a sub-scale weighting in the Fund, materially elevated stock valuation (vs. at IPO), and a compelling opportunity set to deploy capital elsewhere, we opted not to grow Raspberry Pi's weighting in the Fund but rather to redeploy that capital elsewhere. This resulted in an unusually short holding period for the Fund of approximately five months, albeit consistent with an unusually short and rapid appreciation in share price and valuation multiple in that same period of time. We still believe Raspberry Pi to be a high-quality company led by a high calibre team, and will continue to follow its future development with interest.

**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

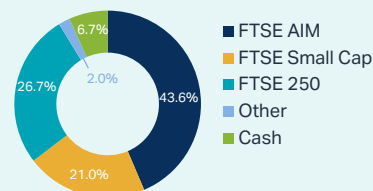
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**Sector allocation**



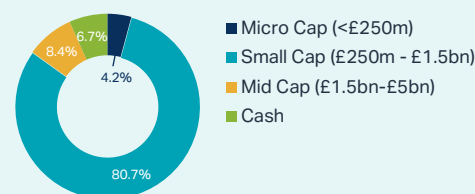
Source: Gresham House Asset Management Limited (portfolio at 30 November 2024)

**Index weighting**



Source: Gresham House Asset Management Limited (portfolio at 30 November 2024)

**Market cap breakdown**



Source: Gresham House Asset Management Limited (portfolio at 30 November 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.

## 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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