

BAILLIE GIFFORD

Baillie Gifford Overseas Growth Funds ICVC

Annual Report and Financial Statements

for the year ended 30 April 2016



Contents

About the Company	1
Statement of Authorised Corporate Director's Responsibilities	2
Statement of Depositary's Responsibilities and Report to Shareholders	3
Report of the Independent Auditor	4
Accounting Policies	6
Risk Disclosures	8
Remuneration Report	10
Baillie Gifford American Fund	13
Baillie Gifford Developed Asia Pacific Fund	33
Baillie Gifford Emerging Markets Growth Fund	55
Baillie Gifford Emerging Markets Leading Companies Fund	79
Baillie Gifford European Fund	101
Baillie Gifford Global Discovery Fund	123
Baillie Gifford Greater China Fund	147
Baillie Gifford Japanese Fund	169
Baillie Gifford Japanese Smaller Companies Fund	193
Baillie Gifford Long Term Global Growth Fund	217
Baillie Gifford Pacific Fund	237
General Information	260
The Group's Funds	265

About the Company

Baillie Gifford Overseas Growth Funds ICVC (Investment Company with Variable Capital) ('the Company') is an umbrella UK Open-Ended Investment Company ('OEIC') under regulation 14 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. An OEIC is a collective investment vehicle in which your funds are pooled with those of other investors and spread across a portfolio of companies, thus reducing risk.

At 30 April 2016 the Company offered eleven sub-funds, and the range may be varied in the future. Each sub-fund is valued on a daily basis and can have up to three share classes (except for Baillie Gifford Long Term Global Growth Fund for which Class A Shares are not available), which are subject to different charging structures and subscription limits. All shares are single priced. Details of the sub-funds and the share classes are contained in the Prospectus, along with details of the switching facility available between sub-funds. The Prospectus was last revised on 1 June 2016 and the Instrument of Incorporation was last revised on 1 January 2015. Copies of the Prospectus or Instrument of Incorporation can be obtained from Baillie Gifford & Co Limited, the Authorised Corporate Director ('ACD') by contacting Client Relations.

The Company is registered in Scotland, registered number SI 10, and the address of its Head Office is Calton Square, 1 Greenside Row, Edinburgh EH1 3AN.

The operation of the Company is governed by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') ('the Regulations'), its Instrument of Incorporation and its Prospectus.

The Company's shareholders are not liable for its debts beyond the amount subscribed. Each sub-fund is classed as a UCITS retail scheme under COLL.

Any comments expressed in this report should not be taken as a recommendation or advice.

Change in Registrar

The Registrar was changed from Baillie Gifford Savings Management Limited to Baillie Gifford & Co Limited with effect from 1 October 2015.

Sub-fund Cross-holdings Table

Sub-fund	Cross-holding	Number of Shares	Value of Shares £'000
Baillie Gifford Developed Asia Pacific Fund	Baillie Gifford Japanese Smaller Cos Fund C Net Acc	240,737	7,559

At the year end no other sub-funds had any cross-holdings.

Statement of Authorised Corporate Director's Responsibilities

The Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') requires the Authorised Corporate Director to prepare financial statements for each interim and annual accounting period which give a true and fair view of the financial position of the Company and of its revenue and expenditure and of its net gains and losses on the property of the Company for the period. In preparing the financial statements the Authorised Corporate Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of UK Authorised Funds issued in 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation; and
- take reasonable steps for the prevention and detection of fraud and irregularities.

The Authorised Corporate Director is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and the Regulations.

The Annual Report and Financial Statements were approved by the Authorised Corporate Director and signed on its behalf by:

D S McGowan, Director
C M Fraser, Director
Baillie Gifford & Co Limited
29 June 2016

Statement of Depositary's Responsibilities and Report of the Depositary to the Shareholders of Baillie Gifford Overseas Growth Funds ICVC ('The Company') for the Year Ended 30 April 2016

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's ('FCA') Collective Investment Schemes Sourcebook ('COLL'), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) ('OEIC Regulations'), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of income of the Company; and the investment and borrowing powers applicable to the Company.

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with Regulations, the Instrument of Incorporation and Prospectus of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

*National Westminster Bank Plc
Trustee & Depositary Services
Edinburgh
1 May 2016*

Report of the Independent Auditor

Independent auditor's report to the shareholders of Baillie Gifford Overseas Growth Funds ICVC ('the Company')

We have audited the financial statements of the Company for the year ended 30 April 2016 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and the Distribution Tables for each of the Company's sub-funds listed on the contents page and the accounting policies set out on pages 6 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders 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 Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Authorised Corporate Director ('ACD') Baillie Gifford & Co Limited and auditor

As explained more fully in the Statement of Authorised Corporate Director's Responsibilities set out on page 2 the ACD is responsible for the preparation of financial statements which give a true and fair view. Our

responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the financial position of each of the sub-funds as at 30 April 2016 and of the net revenue/deficit of revenue and the net capital gains/net capital losses on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to UK Authorised Funds and the COLL Rules.

Opinion on other matters prescribed by the COLL Rules

In our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

We have received all the information and explanations which we consider necessary for the purposes of our audit.

**Matters on which we are required to report
by exception**

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

*Ryan Aitken
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
Edinburgh
29 June 2016*

Accounting Policies

(1) *Basis of accounting*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with UK generally accepted accounting principles, the Instrument of Incorporation, the Statement of Recommended Practice ('SORP') relating to the Financial Statements of UK Authorised Funds issued in 2014, the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL') and the Financial Conduct Authority's Investment Funds Sourcebook ('FUND').

This is the first set of final financial statements to be prepared for the Company under the 2014 SORP. Unless otherwise stated all other accounting policies are consistent with those of the prior year. Please note that the changes in the SORP are presentational and have no impact on the current or previous year Net Asset Value.

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

(2) *Recognition of income*

Equities: Dividends on equities and property income are recognised when the security is quoted ex-dividend. The ordinary element of stocks received in lieu of cash dividends is recognised as revenue and, where applicable, is included in the distributions. Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

Collective investment schemes: Distributions and accumulations from holdings in collective investment schemes are recognised when the scheme units go ex-dividend or ex-interest; where a scheme reports income that amount is recognised when the report is made. Amounts stated as equalisation on units in distributions or reports are treated as a return of capital and deducted from the cost of investment.

Deposits and other income: Interest on deposits is accounted for on an accruals basis. Underwriting commission is recognised when the issue takes place. Other income is accounted for on either an accruals or a receipts basis depending on the circumstances of each particular case.

(3) *Treatment of management expenses*

For all the sub-funds, all management expenses, other than those relating to the purchase and sale of investments and custodian transaction costs, have been allocated against revenue. For all of the sub-funds VAT is written off to the extent that it is not considered to be recoverable.

(4) *Allocation of revenue and expenses to share classes*

Revenue is allocated when earned in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund. Expenses incurred solely in respect of a share class are allocated directly to that class. Expenses incurred in respect of, or attributable to, the relevant sub-fund as a whole are allocated when incurred in the proportion of the net asset value of each share class to the total net asset value of the relevant sub-fund.

(5) *Distribution policies*

Distributions: All the sub-funds distribute net income annually and pay dividend distributions.

Equalisation on units in collective investment schemes: Equalisation declared on distributions/accumulations or reports for units held in collective investment schemes reduces the cost of investment and does not form part of the distribution/accumulation to shareholders.

(6) *Taxation*

Corporation tax is charged at 20% of the revenue liable to corporation tax less expenses allocated to revenue. Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not that there will be taxable profits from which the underlying timing differences can be deducted. Deferred tax assets are not discounted.

Accounting Policies cont.

(7) *Basis of valuation of investments*

The investments of the sub-funds have been valued at closing bid prices on 30 April 2016, or the Investment Adviser's valuation where indicated.

(8) *Foreign exchange*

All foreign securities and currencies held at the year end have been translated into sterling at the rate of exchange ruling at 30 April 2016. Transactions during the year have been translated at the exchange rate ruling on the transaction date.

Risk Disclosures

General Risk Management Process

The Company's overall risk management process is the responsibility of the ACD. Risks which are specific to the sub-funds are managed by the ACD in accordance with the Risk Management Policy, with oversight by the Depositary. The ACD has established a risk management framework, including a permanent risk management function, to monitor the risks in relation to the sub-funds. Where appropriate, the risk management function builds on the existing parts of the risk management framework of the Investment Adviser to make use of expertise and advice, and avoid unnecessary duplication.

The risk profile of each of the sub-funds is considered by the ACD to determine the nature and extent of risk management procedures and assess the appropriateness of disclosures made to investors. The ACD then considers the material risks facing the sub-funds via the receipt of quarterly reports from the risk management function.

Sub-Fund Risk Profile

The risk profile of a sub-fund is determined using a number of factors including market risk (comprising foreign currency risk, interest rate risk and other price risk), credit risk, liquidity risk and operational risk. As described above, the ACD operates a risk management framework to oversee the risks that the sub-funds are exposed to and assess the sensitivity of a sub-fund's portfolio to these risks. The approach to managing these risks is set out below with oversight and monitoring provided by the ACD's risk management function.

Market Risk

Market risk is the potential for changes in the market value of underlying investments in a sub-fund. This comprises foreign currency risk, interest rate risk and other price risk.

Asset allocation is determined by the Investment Adviser who ensures that the distribution of the sub-funds' assets is appropriate in terms of the investment objectives. Divergence from the target asset allocation is strictly controlled and the portfolio closely monitored in terms of risk.

A sub-fund may use derivatives for the purposes of hedging (which includes efficient portfolio management) and also for the purposes of meeting its investment objectives.

The Investment Adviser's use of derivatives is constrained to a level that this risk and exposure is within the prescribed limits. The Investment Adviser does not consider the use of derivatives to be either extensive and complex or significant for any sub-fund and accordingly no value at risk or sensitivity analysis information is given.

Foreign currency risk

The Investment Adviser has identified three principal areas where foreign currency risk could impact the sub-funds, being where movements in exchange rates affect the value of investments, short-term timing differences and the revenue received.

A proportion of the net assets of all the sub-funds are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be affected by currency movements. The balance sheet currency exposure is disclosed in the Notes to the Financial Statements of each sub-fund, where appropriate.

The sub-funds may be subject to short-term exposure to exchange rate movements, for instance where the date of an investment purchase and the date when the settlement occurs are different. To reduce this risk the Investment Adviser will normally execute a foreign currency contract on the transaction date wherever practicable.

The sub-funds may receive revenue in currencies other than sterling and hence movements in exchange rates can affect the sterling value of this revenue. To minimise this risk arrangements are in place to convert all revenue receipts to sterling on, or shortly after, the date of receipt.

Interest rate risk

The majority of the financial assets of the sub-funds are equities and other investments which neither pay interest nor have a maturity date. Therefore, these sub-funds' direct exposure to interest rate risk is not considered to be significant.

Other price risk

Market price risk arises mainly from uncertainty about future prices of the financial instruments held. It represents the potential loss the sub-funds might suffer through holding market positions in the face of price movements.

Risk Disclosures cont.

Credit risk

The Investment Adviser monitors both the creditworthiness of counterparties and the extent to which the counterparty risk is diversified. The organisations with whom derivative transactions are arranged are either top rated institutions themselves or subsidiaries of such institutions. The aim is to strike a balance between spreading counterparty risk amongst a number of institutions and keeping costs low by achieving economies of scale.

Stock settlement is normally on a delivery versus payment (DVP) basis where the payment for stock is due at the time of delivery. Where stock settlement is not on a DVP basis, additional procedures are in place and approvals required to manage the settlement risks that may arise.

Liquidity risk

The sub-funds' assets mainly consist of readily realisable securities. This enables the payment of any investor redemptions without unbalancing the portfolio. During the year, there have been no new arrangements put in place for managing the liquidity of the sub-funds with no assets subject to special arrangements.

Operational risk

Failure of Baillie Gifford's accounting systems or those of other third party service providers could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets. Baillie Gifford have a comprehensive business continuity plan which facilitates continued operation of the business in the event of a service disruption or major disaster. The ACD reviews Baillie Gifford & Co's report on internal controls and the reports by other key third party providers.

Fair values

The financial assets and liabilities of the sub-funds are included in the valuation at market value. These values have been determined by reference to prices available from the markets on which the instruments are traded.

Remuneration Report

Baillie Gifford & Co ('Baillie Gifford') maintains a Remuneration Policy (the 'Policy') which applies to group companies, including Baillie Gifford & Co Limited (the 'Company'), which is the group's sole UCITS management company for the range of UCITS operated within the group. The Policy was adopted as at 18 March 2016 by the Board of the Company. The Policy is subject to review on at least an annual basis by the Management Committee of Baillie Gifford and the Board of the Company.

Appropriate quantitative remuneration disclosures, in accordance with 4.5.7R (7) of the Collective Investment Schemes Sourcebook (COLL), will not be made until the report of the Fund (the 'UCITS') for the financial year ending 30 April 2017. Prior to this date, the Company would not have data for a full performance period and the information available would not be relevant or provide a proper basis for comparison.

Application of the UCITS Remuneration Code

The Company is required to identify individuals whose professional activities have a material impact on the risk profiles of the UCITS it manages (known as 'Code Staff'), and the UCITS Remuneration Code requirements and disclosures apply to those individuals. The list of Code Staff compiled by the Company principally covers governance and control functions.

The Company delegates portfolio management and certain administration roles to other entities, namely its parent Baillie Gifford and another affiliate Baillie Gifford Overseas Limited. These delegates are not required to comply with the UCITS Remuneration Code as they are subject to regulatory requirements on remuneration that are considered equally as effective as those applicable under the UCITS Remuneration Code.

General Principles of the UCITS Remuneration Code

The Company endeavours to reward staff fairly and appropriately for their contribution towards the success of the business and the level of service and performance delivered to its clients. The Policy is designed to be consistent with and promote sound and effective risk management and should not encourage risk-taking which is inconsistent with the risk profiles of the UCITS it manages. It is designed to be in line with the Company's strategy, objectives, values and long-term interests, its UCITS and investors in such UCITS. The Policy has been designed to avoid conflicts of interest and is subject to independent internal review by the Compliance and Business Risk functions. In order to achieve this, the remuneration of staff is reviewed annually, taking into account individual performance and market practice for the role being undertaken.

Governance of Remuneration

Baillie Gifford's Remuneration Policy is overseen by the group's Staff Committee. The Staff Committee in turn reports to the management body of Baillie Gifford, the Management Committee. The Board of the Company also oversees adherence to the UCITS Remuneration Code.

Salary/Bonus Review Process

In terms of the Baillie Gifford group salary review process, the level of salary awarded is influenced by individual performance, the profitability and performance of the firm and the movement in salary levels for the relevant job match within independent survey data utilised by Baillie Gifford. This information is collated and analysed by the Human Resources Department, who submit recommendations on salary awards for each individual member of staff to the Staff Committee. The Staff Committee may adjust salary awards according to the information provided which will include input from the Compliance, Business Risk and Internal Audit functions on any relevant risk and compliance concerns.

The Management Committee then finalises and authorises the annual salary awards for all staff, and specifically the remuneration of senior officers in the risk management (Business Risk) and Compliance functions.

In terms of variable remuneration, there are currently three separate bonus schemes in operation within the group for specific business areas and within each scheme there are four levels of maximum potential bonus. Maximum levels have been established for each scheme and the levels of maximum potential bonus will vary according to the group's profitability. Within these maximum limits, performance for determining the actual levels of bonus awarded is measured at both an individual and a team level. The Policy is also designed to ensure that fixed and variable components of total remuneration are appropriately balanced.

The amounts available for variable remuneration are subject to an overall risk adjustment and individual awards can be adjusted via the annual appraisal process with input from the Business Risk and Compliance functions.

Remuneration Report cont.

Ratings for individual performance are determined, following discussion with the individual, as part of the firm's annual appraisal process which considers both the completion of annual objectives and the level of competence an individual has demonstrated in the role, including integrity. The methods used to determine team performance vary according to the business area that the scheme covers.

With effect from 1 January 2015, Baillie Gifford introduced a deferral of a proportion of variable pay for all bonus scheme participants including Code Staff. The proportions deferred vary between 20% and 40% of variable remuneration depending upon scheme level. The deferral period will be for three years and will vest on a pro-rata basis with a retention period of six months thereafter. The proportion of variable remuneration which is deferred will be held in shares in a selection of Baillie Gifford collective investment schemes (and for a small number of individuals an element of the cash bonus will also be paid in shares). Deferred amounts of variable remuneration are also subject to malus provisions where Baillie Gifford has the ability to reduce or withdraw the value of unvested awards prior to vesting in exceptional circumstances.

BAILLIE GIFFORD

Baillie Gifford American Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford American Fund

Investment Objective

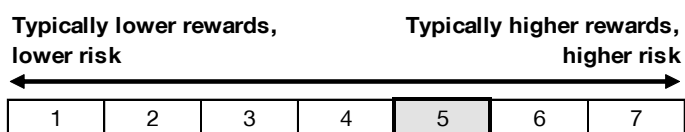
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest in any economic sector, either directly or indirectly, of the United States of America. From time to time investment may also be made in any economic sector in Canada, either directly or indirectly. Investment will be mainly in shares of companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

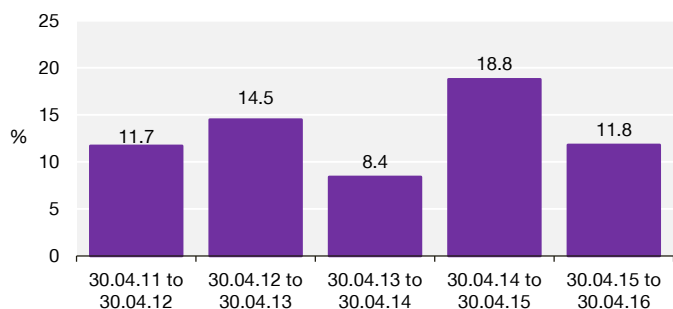


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund's concentrated portfolio and long-term

approach to investment may result in large movements in the share price. The Fund's exposure to a single market and currency may increase share price movements. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was 10.8%² compared to the return on the S&P 500 Composite Index of 5.5%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

There has been a strong flow of new ideas from the team this year which has resulted in higher than average levels of portfolio turnover. We believe we have added some excellent growth businesses to the portfolio. For example, we recently initiated new positions in streaming content provider Netflix, online discount broker Interactive Brokers, and visualisation software company Tableau. You will be familiar with our aim which is to identify the exceptional growth businesses in America. One attribute we place a lot of weight on when assessing opportunities is culture. In our view, culture is an incredibly important but often overlooked attribute of exceptional growth businesses. We believe each of the stocks mentioned above possesses a special and distinct culture. Indeed, in all three cases the businesses are run by ambitious founders who invest capital with a long-term mindset.

We also added several new innovative healthcare names to the portfolio over the period. Healthcare is an area of interest to us as growth investors given the huge unmet need and the potential for innovation to provide benefits to patients and the system as a whole. New purchases over the last year include sequencing company Illumina, heart pump manufacturer Abiomed, and biotechnology companies Juno Therapeutics and Alnylam.

The sources of funding were varied. What we would emphasise is that the activity in the portfolio has been driven by our enthusiasm for the new purchases rather than any specific catalysts on the sales side. We think this competition for capital is healthy however we would expect portfolio turnover to return to more normal levels, consistent with our five year plus time horizon.

Baillie Gifford & Co, 18 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Amazon.com	8.52
Tesla Motors	6.23
Alphabet Inc Class C	5.80
Facebook	4.97
First Republic Bank	4.70
MarketAxess Holdings	4.68
Martin Marietta Materials	4.05
TripAdvisor	3.99
Illumina	3.77
Watsco Inc	3.14

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Tesla Motors	22,448	Anthem Inc	24,027
Illumina	18,662	O'Reilly Automotive	23,794
Grubhub Inc	11,860	PepsiCo	19,840
Chipotle Mexican Grill	11,133	Vulcan Materials	18,998
TripAdvisor	10,755	Berkshire Hathaway B	16,930
MarketAxess Holdings	9,548	Watsco Inc	15,169
Waters	9,139	Oracle	13,432
Amazon.com	8,766	Altria Group	12,916
Lending Club Corp	8,521	M&T Bank	11,892
Wayfair Inc	8,379	US Bancorp	10,881
Wabtec	8,317	Fairfax Financial Holdings	10,096
ABIOMED	7,711	Mastercard	9,776
Netflix Inc	6,016	PayPal Holdings Inc	7,373
Tableau Software Class A	5,917	UPS	7,181
Interactive Brokers Group	4,256	Amazon.com	6,435
Alnylam Pharmaceuticals	3,893	Martin Marietta Materials	5,526
Juno Therapeutics Inc	3,822	Markel	5,047
American Express	3,804	Monsanto	4,767
		eBay	4,675
		DistributionNOW	4,201
		Other sales	45,160
Total purchases	162,947	Total sales	278,116

All purchases and the top 20 sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Consumer Discretionary - 31.83% (15.14%)			
Amazon.com	72,271	32,541	8.52
CarMax	133,510	4,826	1.26
Chipotle Mexican Grill	31,827	9,146	2.39
Grubhub Inc	574,411	10,277	2.69
Harley-Davidson	193,832	6,329	1.66
Netflix Inc	86,800	5,333	1.40
O'Reilly Automotive	24,235	4,344	1.14
Tesla Motors	144,862	23,798	6.23
TripAdvisor	345,124	15,217	3.99
Wayfair Inc	286,626	7,390	1.94
Zillow Group Inc Class A	46,822	799	0.21
Zillow Group Inc Class C	93,644	1,537	0.40
Consumer Staples - 2.03% (9.71%)			
Brown-Forman B	55,076	3,619	0.95
Colgate-Palmolive	85,290	4,130	1.08
Energy - 2.26% (4.40%)			
Apache	55,381	2,056	0.54
DistributionNOW	532,697	6,560	1.72
Financials - 22.99% (26.40%)			
American Express	167,970	7,502	1.96
First Republic Bank	374,171	17,954	4.70
Interactive Brokers Group	158,500	4,111	1.08
Lending Club Corp	1,034,301	5,571	1.46
M&T Bank	101,416	8,189	2.14
Markel	17,597	10,783	2.82
MarketAxess Holdings	213,038	17,851	4.68
Mastercard	160,703	10,640	2.79
TD Ameritrade Holding Corp	255,867	5,203	1.36
Healthcare - 15.90% (9.80%)			
ABIOMED	139,774	9,267	2.43
Anylam Pharmaceuticals	89,285	4,085	1.07
Bristol Myers Squibb	96,785	4,772	1.25
Genomic Health	264,652	4,748	1.24
Idexx Laboratories	144,489	8,319	2.18
Illumina	156,104	14,384	3.77

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Juno Therapeutics Inc	206,700	5,939	1.56
Seattle Genetics	76,570	1,854	0.49
Waters	82,263	7,308	1.91
Industrials - 6.95% (11.73%)			
Danaher	86,187	5,692	1.49
Wabtec	156,300	8,847	2.32
Watsco Inc	130,392	11,973	3.14
Information Technology - 12.54% (12.80%)			
Alphabet Inc Class C	46,777	22,129	5.80
Facebook	236,617	18,984	4.97
Tableau Software Class A	191,700	6,768	1.77
Materials - 4.05% (4.88%)			
Martin Marietta Materials	134,052	15,482	4.05
Portfolio of investments		376,257	98.55
Net other assets - 1.45% (5.14%)		5,536	1.45
Net assets		381,793	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	317.70p	268.10p	248.30p
Return before operating charges ¹	36.38p	53.03p	23.72p
Operating charges	(2.22p)	(1.98p)	(1.81p)
Return after operating charges ¹	34.16p	51.05p	21.91p
Distributions on income shares	0.00p	(1.45p)	(2.11p)
Closing net asset value per share	351.86p	317.70p	268.10p
¹ After direct transaction costs of:	0.14p	0.15p	0.06p
Performance:			
Return after charges	10.75%	19.04%	8.82%
Other information:			
Closing net asset value (£'000)	106,517	114,079	115,695
Closing number of shares	30,272,602	35,912,840	43,150,089
Operating charges	0.67%	0.67%	0.68%
Direct transaction costs ²	0.04%	0.05%	0.02%
Prices:			
Highest share price	369.0p	342.2p	280.4p
Lowest share price	294.9p	265.1p	246.4p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	307.60p	260.60p	242.00p
Return before operating charges ¹	35.09p	51.32p	22.56p
Operating charges	(4.87p)	(4.32p)	(3.96p)
Return after operating charges ¹	30.22p	47.00p	18.60p
Closing net asset value per share	337.82p	307.60p	260.60p
Retained distributions on accumulation shares	0.00p	0.00p	0.23p
¹ After direct transaction costs of:	0.14p	0.14p	0.06p
Performance:			
Return after charges	9.83%	18.04%	7.69%
Other information:			
Closing net asset value (£'000)	37,327	75,653	113,163
Closing number of shares	11,049,253	24,595,416	43,416,601
Operating charges	1.53%	1.52%	1.54%
Direct transaction costs ²	0.04%	0.05%	0.02%
Prices:			
Highest share price	354.4p	330.0p	271.1p
Lowest share price	283.7p	257.1p	240.0p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	343.90p	289.00p	265.90p
Return before operating charges ¹	39.45p	57.05p	25.01p
Operating charges	(2.40p)	(2.15p)	(1.91p)
Return after operating charges ¹	37.05p	54.90p	23.10p
Closing net asset value per share	380.95p	343.90p	289.00p
Retained distributions on accumulation shares	0.00p	1.56p	2.25p
¹ After direct transaction costs of:	0.15p	0.16p	0.07p
Performance:			
Return after charges	10.77%	19.00%	8.69%
Other information:			
Closing net asset value (£'000)	234,197	281,434	194,141
Closing number of shares	61,477,125	81,831,237	67,182,266
Operating charges	0.67%	0.67%	0.67%
Direct transaction costs ²	0.04%	0.05%	0.02%
Prices:			
Highest share price	399.5p	368.8p	300.2p
Lowest share price	319.3p	285.7p	263.8p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	379.50p	316.80p	289.70p
Return before operating charges ¹	43.70p	62.77p	27.19p
Operating charges	(0.08p)	(0.07p)	(0.09p)
Return after operating charges ¹	43.62p	62.70p	27.10p
Closing net asset value per share	423.12p	379.50p	316.80p
Retained distributions on accumulation shares	2.34p	4.01p	4.10p
¹ After direct transaction costs of:	0.17p	0.18p	0.07p
Performance:			
Return after charges	11.50%	19.79%	9.35%
Other information:			
Closing net asset value (£'000)	3,752	1,712	1,430
Closing number of shares	886,839	451,239	451,239
Operating charges	0.02%	0.02%	0.03%
Direct transaction costs ²	0.04%	0.05%	0.02%
Prices:			
Highest share price	443.7p	406.9p	328.9p
Lowest share price	354.2p	313.6p	287.4p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		42,648		73,592
Revenue	3	2,995		6,079	
Expenses	4	(3,216)		(3,754)	
Net revenue/(expense) before taxation		(221)		2,325	
Taxation	5	(449)		(911)	
Net revenue/(expense) after taxation			(670)		1,414
Total return before distributions			41,978		75,006
Distributions	6		148		(1,669)
Change in net assets attributable to shareholders from investment activities			42,126		73,337

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		472,878		424,429
Amounts receivable on issue of shares	13,854		88,673	
Amounts payable on cancellation of shares	(147,193)		(114,980)	
		(133,339)		(26,307)
Dilution adjustment		107		124
Change in net assets attributable to shareholders from investment activities		42,126		73,337
Retained distributions on accumulation shares		21		1,295
Closing net assets attributable to shareholders		381,793		472,878

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		376,257	448,589
Current assets:			
Debtors	8	12,740	5,258
Cash and bank balances	9	3,138	23,221
Total assets		392,135	477,068
Liabilities:			
Creditors:			
Bank overdrafts	9	(492)	-
Distributions payable		-	(521)
Other creditors	10	(9,850)	(3,669)
Total liabilities		(10,342)	(4,190)
Net assets attributable to shareholders		381,793	472,878

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	42,856	72,308
Currency gains/(losses)	(206)	1,286
Custodian transaction charges	(2)	(2)
Net gains/(losses)	42,648	73,592

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	162,882	267,959
Commissions	65	100
Taxes	-	-
Total purchases of equity transaction costs ¹	65	100
Purchases including transaction costs	162,947	268,059

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.04
Taxes on equity purchases	-	-

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	278,230	290,726
Commissions	(109)	(123)
Taxes	(5)	(1)
Total sales of equity transaction costs ¹	(114)	(124)
Sales net of transaction costs	278,116	290,602

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.04)
Taxes on equity sales	-	-

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.04)
Taxes on equity sales	-	-

†These amounts have been deducted in determining net capital gains/(losses).

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	174	0.04	223	0.05
Taxes	5	-	1	-
Total direct transaction costs	179	0.04	224	0.05

	2016	2015
	%	%
Average portfolio dealing spread	0.03	0.07

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	2,994	6,079
Bank interest	1	-
Total revenue	2,995	6,079

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	3,146	3,678
Registrar's fees	3	7
	3,149	3,685
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	42	43
Bank charges	19	21
	61	64
Other expenses:		
Audit fee	6	5
Total expenses	3,216	3,754

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	449	911

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 30 April 2016, the Fund had surplus management expenses of £20,500,000 (2015: £17,285,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	(221)	2,325
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	(44)	465
Effects of:		
Non-taxable overseas dividends	(599)	(1,216)
Overseas tax on dividends	449	911
Surplus management expenses	643	751
Current tax charge (see above)	449	911

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	21	1,815
Amounts deducted on cancellation of shares	(167)	83
Amounts added on issue of shares	(2)	(229)
Total distributions	(148)	1,669

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	(670)	1,414
Add capital transfers for deficits of income	515	254
Add distributable revenue brought forward	7	8
Less distributable revenue carried forward	-	(7)
Net distributions for the year	(148)	1,669

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	227	2,362
Sales awaiting settlement	12,274	2,599
Accrued income	237	295
VAT recoverable	2	2
Total debtors	12,740	5,258

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	516	1,627
Foreign currency bank accounts	2,622	21,594
	3,138	23,221
Sterling bank accounts overdrawn	(492)	-
Total cash and bank balances	2,646	23,221

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	4,838	732
Purchases awaiting settlement	4,770	2,601
Due to the ACD or associates	230	320
Due to the Depository or associates	6	10
Other accrued expenses	6	6
Total other creditors	9,850	3,669

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	1.1
B Net Accumulation	-	-
C Net Accumulation	100.0	100.0

No shareholder owns more than 20% of the value of the Fund.

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

	2016			
	A Net	B Net	B Net	C Net
	Accumulation	Income	Accumulation	Accumulation
12 Reconciliation of shares in issue				
Opening shares in issue	24,595,416	35,912,840	81,831,237	451,239
Shares issued	145,497	1,128,054	2,226,292	435,600
Shares cancelled	(8,376,403)	(12,075,059)	(22,408,137)	-
Shares converted	(5,315,257)	5,306,767	(172,267)	-
Closing shares in issue	11,049,253	30,272,602	61,477,125	886,839

Notes to the Financial Statements cont.

	2016 Assets £'000	2015 Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	376,257	448,589
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	-	376,257

14 Derivatives and other financial instruments**Currency exposures**

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets 2016			Net foreign currency assets 2015		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Canadian dollar	-	-	-	-	11,128	11,128
US dollar	2,622	376,257	378,879	21,594	437,461	459,055

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Net Income				
Group 1	-	-	-	1.45000
Group 2	-	-	-	1.45000
B Net Accumulation				
Group 1	-	-	-	1.56000
Group 2	-	-	-	1.56000
C Net Accumulation				
Group 1	2.34000	-	2.34000	4.01000
Group 2	0.59144	1.74856	2.34000	4.01000

BAILLIE GIFFORD

Baillie Gifford Developed Asia Pacific Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Developed Asia Pacific Fund

Investment Objective

The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

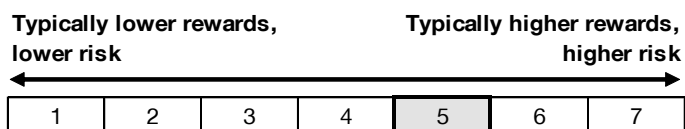
Investment Policy

To invest in any economic sectors of any of the markets represented by the MSCI Pacific Index, either directly or indirectly. Investment will be mainly in shares of companies. The markets currently included in the MSCI Pacific Index are Australia, Hong Kong, Japan, New Zealand and Singapore.

The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Risk and Reward Profile

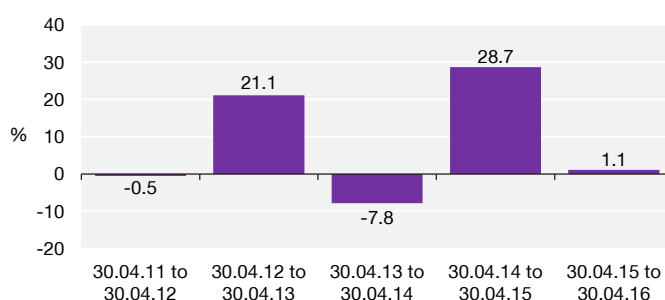
The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was 2.3%² compared to the return on the MSCI Pacific Index of -3.4%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Developed Asian markets were lacklustre over the period with markets in Hong Kong, Japan and Singapore delivering negative returns while the Australian market was up moderately when measured in sterling.

The Australian market was subdued during most of calendar year 2015 as commodity prices continued to slide. In the last few months these trends have reversed and commodity prices are now up firmly so far in 2016. It remains to be seen if this rally can be sustained, but in the near term this has eased conditions for the Australian mining sector. Nonetheless the Australian Central Bank decided to cut interest rates in its most recent meeting to a record low of 1.75% noting subdued global growth, low inflationary pressures and a mixed domestic labour market. This led to a weaker Australian dollar which was a helpful tailwind for some of our holdings in the Australian exporting sector.

The Japanese market was negatively impacted by concerns about moderating global growth and a strengthening currency. Domestic growth and inflation

remain subdued and the Bank of Japan introduced a negative interest rate policy early in 2016, a move which, so far, has failed to spur markets or stimulate the economy. This led to particular weakness in Japanese Bank share prices, a sector which for stock specific reasons we have no direct exposure to. We continue to see positive changes in corporate governance at many Japanese companies as recently enacted reforms start to have an impact, and this is encouraging.

Continued concerns about the health of the Chinese economy continued to drag on the Hong Kong market, but we are starting to see increasingly attractive valuations for certain strong growth companies in the region and we have used prevailing valuations as an opportunity to take new holdings.

Iain Campbell, 18 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Baillie Gifford Japanese Smaller Cos Fund C Net Acc	9.14
Shimano	4.09
Treasury Wine Estates	4.03
Shiseido	3.66
MS&AD Insurance	3.58
United Overseas Bank	3.50
Bridgestone	3.35
Japan Tobacco	3.02
SMC	2.97
Hong Kong Exchanges & Clearing	2.88

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Denso	2,935	Baillie Gifford Japanese Smaller Cos Fund C Net Acc	4,217
Baillie Gifford Japanese Smaller Cos Fund C Net Acc	2,587	NTT	3,075
Makita Corporation	2,481	Hang Lung Properties	2,036
Pax Global Technology Ltd	2,140	Aristocrat Leisure	1,879
Asahi Group Holdings	1,945	Komatsu	1,678
Pigeon	1,863	Nissan Motor	1,514
Washington Soul Pattinson	1,561	BOC Hong Kong	1,437
United Overseas Bank	1,543	Shimano	1,406
SEEK	1,534	CNOOC Ltd	1,372
SMC	1,423	Trade Me Ltd	1,355
Rakuten	1,385	Hong Kong Exchanges & Clearing	1,291
Shimano	1,282	Kakaku.com	1,271
Galaxy Entertainment Group	1,255	MS&AD Insurance	1,203
SoftBank	1,221	Shiseido	1,176
Bridgestone	1,089	Treasury Wine Estates	1,175
MS&AD Insurance	1,088	Yamaha Motor	1,137
Aristocrat Leisure	995	United Overseas Bank	1,099
Shiseido	979	Bridgestone	1,042
Hong Kong Exchanges & Clearing	970	SCA Property Group REIT S	1,004
FANUC	960	SMC	937
Other purchases	11,635	Other sales	12,773
Total purchases	42,871	Total sales	44,077

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Australia - 20.33% (16.98%)			
Aristocrat Leisure	440,712	2,291	2.77
BHP Billiton (Aus. listing)	76,199	821	0.99
Brambles	274,390	1,784	2.16
Cochlear	38,939	2,191	2.65
James Hardie Industries	237,620	2,288	2.77
Mesoblast	545,302	622	0.75
SEEK	217,933	1,856	2.24
Treasury Wine Estates	685,922	3,330	4.03
Washington Soul Pattinson	193,024	1,632	1.97
Hong Kong - 9.60% (16.48%)			
BOC Hong Kong	755,500	1,543	1.87
Galaxy Entertainment Group	637,000	1,466	1.77
Hong Kong Exchanges & Clearing	138,000	2,385	2.88
Pax Global Technology Ltd	3,184,000	1,877	2.27
Sands China	272,400	666	0.81
Japan - 60.93% (55.59%)			
Advantest Corp	221,800	1,500	1.81
Asahi Group Holdings	68,300	1,529	1.85
Baillie Gifford Japanese Smaller Cos Fund C Acc	240,737	7,559	9.14
Bridgestone	105,600	2,773	3.35
Denso	87,800	2,381	2.88
FANUC	19,000	2,001	2.42
Fast Retailing	5,500	1,024	1.24
Japan Exchange Group	208,800	2,233	2.70
Japan Tobacco	86,500	2,500	3.02
Kakaku.com	187,100	2,379	2.88
Makita Corporation	49,000	2,163	2.61
MS&AD Insurance	156,200	2,958	3.58
Olympus	76,700	2,126	2.57
Pigeon	110,900	2,073	2.51
Rakuten	300,000	2,336	2.82
Shimano	33,000	3,386	4.09
Shiseido	190,700	3,024	3.66
SMC	14,100	2,460	2.97
SoftBank	36,700	1,402	1.69
Sugi Holdings	32,800	1,113	1.35
Yamaha Motor	125,200	1,479	1.79

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
New Zealand - 0.00% (1.80%)			
Singapore - 6.98% (6.31%)			
Jardine Matheson	47,900	1,806	2.18
Sarine Technologies	1,287,500	1,079	1.30
United Overseas Bank	306,772	2,898	3.50
Portfolio of investments		80,934	97.84
Net other assets - 2.16% (2.84%)		1,783	2.16
Net assets		82,717	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014 ²
Change in net assets per share:			
Opening net asset value per share	349.90p	272.90p	302.20p
Return before operating charges ¹	10.33p	83.54p	(21.48p)
Operating charges	(2.28p)	(2.13p)	(2.10p)
Return after operating charges ¹	8.05p	81.41p	(23.58p)
Distributions on income shares	(4.64p)	(4.41p)	(5.72p)
Closing net asset value per share	353.31p	349.90p	272.90p
¹ After direct transaction costs of:	0.20p	0.10p	0.16p
Performance:			
Return after charges	2.30%	29.83%	(7.80%)
Other information:			
Closing net asset value (£'000)	4,894	1,196	913
Closing number of shares	1,385,246	341,711	334,604
Operating charges	0.69%	0.69%	0.73%
Direct transaction costs ³	0.06%	0.03%	0.05%
Prices:			
Highest share price	377.6p	376.5p	307.7p
Lowest share price	286.9p	271.0p	269.6p

²The launch date for this share class was 17 September 2013.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	285.00p	222.20p	245.80p
Return before operating charges ¹	8.68p	68.14p	(17.19p)
Operating charges	(0.10p)	(0.10p)	(0.19p)
Return after operating charges ¹	8.58p	68.04p	(17.38p)
Distributions on income shares	(5.56p)	(5.24p)	(6.22p)
Closing net asset value per share	288.02p	285.00p	222.20p
¹ After direct transaction costs of:	0.16p	0.09p	0.12p
Performance:			
Return after charges	3.01%	30.62%	(7.07%)
Other information:			
Closing net asset value (£'000)	3	26,307	17,710
Closing number of shares	1,000	9,229,106	7,971,857
Operating charges	0.04%	0.04%	0.08%
Direct transaction costs ²	0.06%	0.03%	0.05%
Prices:			
Highest share price	310.0p	308.4p	262.9p
Lowest share price	234.2p	220.6p	220.7p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

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Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	337.30p	262.10p	286.20p
Return before operating charges ¹	9.84p	79.70p	(20.54p)
Operating charges	(4.93p)	(4.50p)	(3.56p)
Return after operating charges ¹	4.91p	75.20p	(24.10p)
Closing net asset value per share	342.21p	337.30p	262.10p
Retained distributions on accumulation shares	1.73p	1.69p	3.26p
¹ After direct transaction costs of:	0.19p	0.10p	0.14p
Performance:			
Return after charges	1.46%	28.69%	(8.42%)
Other information:			
Closing net asset value (£'000)	4,971	5,393	10,522
Closing number of shares	1,452,520	1,598,781	4,014,692
Operating charges	1.54%	1.55%	1.31% ²
Direct transaction costs ³	0.06%	0.03%	0.05%
Prices:			
Highest share price	361.1p	358.7p	305.8p
Lowest share price	275.9p	260.0p	254.0p

²As at 30 April 2014 the ACD considered 1.57% to be a more indicative rate for the ongoing charges figure for Class A Net Accumulation Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	361.70p	278.80p	301.90p
Return before operating charges ¹	10.78p	85.13p	(21.21p)
Operating charges	(2.40p)	(2.23p)	(1.89p)
Return after operating charges ¹	8.38p	82.90p	(23.10p)
Closing net asset value per share	370.08p	361.70p	278.80p
Retained distributions on accumulation shares	4.80p	4.50p	5.89p
¹ After direct transaction costs of:	0.21p	0.11p	0.15p
Performance:			
Return after charges	2.32%	29.73%	(7.65%)
Other information:			
Closing net asset value (£'000)	46,112	16,582	2,973
Closing number of shares	12,460,029	4,583,913	1,066,497
Operating charges	0.69%	0.69%	0.65% ²
Direct transaction costs ³	0.06%	0.03%	0.05%
Prices:			
Highest share price	390.4p	384.4p	322.8p
Lowest share price	296.6p	276.6p	269.7p

²As at 30 April 2014 the ACD considered 0.73% to be a more indicative rate for the ongoing charges figure for Class B Net Accumulation Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	401.00p	306.90p	330.40p
Return before operating charges ¹	12.12p	94.24p	(23.24p)
Operating charges	(0.15p)	(0.14p)	(0.26p)
Return after operating charges ¹	11.97p	94.10p	(23.50p)
Closing net asset value per share	412.97p	401.00p	306.90p
Retained distributions on accumulation shares	7.84p	7.24p	8.35p
¹ After direct transaction costs of:	0.23p	0.12p	0.16p
Performance:			
Return after charges	2.98%	30.66%	(7.11%)
Other information:			
Closing net asset value (£'000)	26,737	33,869	27,430
Closing number of shares	6,474,314	8,445,828	8,936,287
Operating charges	0.04%	0.04%	0.08%
Direct transaction costs ²	0.06%	0.03%	0.05%
Prices:			
Highest share price	435.6p	426.1p	353.4p
Lowest share price	329.5p	304.6p	296.6p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		1,125		17,505
Revenue	3	1,789		1,597	
Expenses	4	(316)		(211)	
Net revenue/(expense) before taxation		1,473		1,386	
Taxation	5	(96)		(98)	
Net revenue/(expense) after taxation			1,377		1,288
Total return before distributions			2,502		18,793
Distributions	6		(1,377)		(1,288)
Change in net assets attributable to shareholders from investment activities			1,125		17,505

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		83,347		59,547
Amounts receivable on issue of shares	36,575		13,864	
Amounts payable on cancellation of shares	(39,559)		(8,443)	
		(2,984)		5,421
Dilution adjustment		98		29
Change in net assets attributable to shareholders from investment activities		1,125		17,505
Retained distributions on accumulation shares		1,131		845
Closing net assets attributable to shareholders		82,717		83,347

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		80,934	80,977
Current assets:			
Debtors	8	685	1,408
Cash and bank balances	9	1,250	2,508
Total assets		82,869	84,893
Liabilities:			
Creditors:			
Distributions payable		(64)	(499)
Other creditors	10	(88)	(1,047)
Total liabilities		(152)	(1,546)
Net assets attributable to shareholders		82,717	83,347

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	1,101	17,510
Currency gains/(losses)	31	(2)
Custodian transaction charges	(7)	(3)
Net gains/(losses)	1,125	17,505

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	42,850	18,819
Commissions	14	10
Taxes	7	2
Total purchases of equity transaction costs ¹	21	12
Purchases including transaction costs	42,871	18,831

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.05
Taxes on equity purchases	0.02	0.01

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	44,101	12,940
Commissions	(16)	(10)
Taxes	(8)	(2)
Total sales of equity transaction costs ¹	(24)	(12)
Sales net of transaction costs	44,077	12,928

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.08)
Taxes on equity sales	(0.02)	(0.02)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	30	0.04	20	0.03
Taxes	15	0.02	4	0.00
Total direct transaction costs	45	0.06	24	0.03

	2016	2015
	%	%
Average portfolio dealing spread	0.07	0.11

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
UK dividends	63	49
Overseas dividends	1,723	1,544
Bank interest	3	4
Total revenue	1,789	1,597

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	287	187
Registrar's fees	1	1
	288	188
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	8	7
Bank charges	12	11
	20	18
Other expenses:		
Audit fee	6	5
Professional fees	2	-
	8	5
Total expenses	316	211

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	96	98
Total taxation	96	98

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £688,000 (2015: £416,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	1,473	1,386
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	295	277
Effects of:		
UK dividends	(13)	(10)
Non-taxable overseas dividends	(336)	(292)
Overseas tax on dividends	96	98
Surplus management expenses	54	25
Current tax charge (see above)	96	98

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	1,195	1,343
Amounts deducted on cancellation of shares	427	30
Amounts added on issue of shares	(245)	(85)
Total distributions	1,377	1,288

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	1,377	1,288
Add distributable revenue brought forward	1	1
Less distributable revenue carried forward	(1)	(1)
Net distributions for the year	1,377	1,288

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	334	50
Sales awaiting settlement	-	1,056
Accrued income	351	302
Total debtors	685	1,408

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	1,250	1,676
Foreign currency bank accounts	-	832
Total cash and bank balances	1,250	2,508

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	44	80
Purchases awaiting settlement	-	940
Due to the ACD or associates	32	17
Due to the Depositary or associates	4	5
Other accrued expenses	8	5
Total other creditors	88	1,047

	2016	2015
	%	%
11 Related party transactions		
The ACD or Clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	97.9
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0
The following shareholder owned more than 20% of the value of the Fund:		
University of Edinburgh Endowment Fund	n/a	31.6

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation	B Net Income	B Net Accumulation	C Net Income	C Net Accumulation
12 Reconciliation of shares in issue					
Opening shares in issue	1,598,781	341,711	4,583,913	9,229,106	8,445,828
Shares issued	580,723	1,535,467	8,083,682	543,000	281,062
Shares cancelled	(320,487)	(491,932)	(584,035)	(9,771,106)	(2,252,576)
Shares converted	(406,497)	-	376,469	-	-
Closing shares in issue	1,452,520	1,385,246	12,460,029	1,000	6,474,314

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	80,934	80,977
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	80,934	80,977

14 Derivatives and other financial instruments**Currency exposures**

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016			2015		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	16,815	16,815	-	14,160	14,160
Hong Kong dollar	-	7,937	7,937	-	13,739	13,739
Japanese yen	-	42,840	42,840	832	39,157	39,989
New Zealand dollar	-	-	-	-	1,502	1,502
Singapore dollar	-	3,977	3,977	-	3,623	3,623
US dollar	-	1,806	1,806	-	1,635	1,635

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	1.73000	-	1.73000	1.69000
Group 2	0.95323	0.77677	1.73000	1.69000
B Net Income				
Group 1	4.64000	-	4.64000	4.41000
Group 2	3.95845	0.68155	4.64000	4.41000
B Net Accumulation				
Group 1	4.80000	-	4.80000	4.50000
Group 2	2.28539	2.51461	4.80000	4.50000
C Net Income				
Group 1	5.56000	-	5.56000	5.24000
Group 2	4.05910	1.50090	5.56000	5.24000
C Net Accumulation				
Group 1	7.84000	-	7.84000	7.24000
Group 2	5.61020	2.22980	7.84000	7.24000

BAILLIE GIFFORD

Baillie Gifford Emerging Markets Growth Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Emerging Markets Growth Fund

Investment Objective

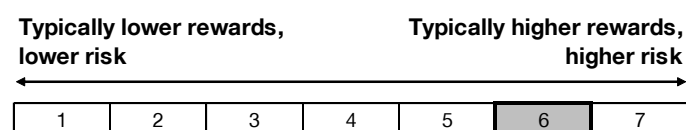
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest in any economic sector in emerging markets worldwide, either directly or indirectly. Investment will be mainly in shares of companies. We will decide what constitutes an emerging market.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

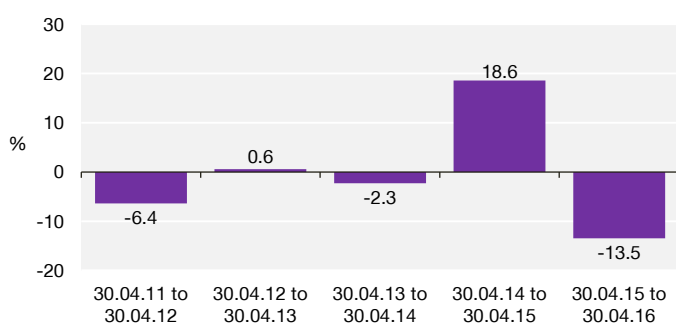


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund invests in emerging markets where difficulties in trading could

arise, resulting in a negative impact on the value of your investment. The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.75%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was -13.7%² compared to the return on the MSCI Emerging Markets Index of -13.8%³, in sterling terms. As ever, your manager remains focused on more meaningful time periods.

Of course, given that performance from emerging markets equities has now been so lacklustre for so long, this may not be much consolation. So allow your manager to briefly remind you of what excites him about investment in the region.

The basic intellectual justification for emerging markets equities is that if income levels gradually converge with those of developed markets, this should provide a powerful tailwind for growth in corporate earnings and cash flows. Sadly, it has become clear in recent years that income levels in emerging markets do not always go in one direction. Without the support of high commodity prices to paper over the lack of progress that has been made in governance and policy, the fall from grace of countries like Brazil and Russia has been spectacular and deeply saddening.

The good news is that there are plenty of emerging markets economies where the outlook for growth is less parlous. The two emerging behemoths of China and India, in particular, have ample scope to respond with easier policy.

More importantly, something rather exciting is happening at the stock-specific level. The paucity of existing forms of infrastructure in emerging markets means entire industries are being built online from scratch, and embraced with a far greater degree of sophistication and depth than anything that consumers in the 'developed' west are accustomed to. As economic growth slows, many of our favourite emerging markets internet and technology companies are continuing to grow at dizzying rates. Better yet, the general macro malaise means we can pick them up for fire-sale valuations.

The glory days of emerging markets economic growth are over. But a new golden age may be starting to appear. Finally, we have the chance to invest in emerging markets companies that are capable of competing with and perhaps even superseding what the rest of the world has to offer. The growth opportunity may be bigger than anything that has gone before.

Baillie Gifford & Co, 20 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Tencent	5.43
Samsung Electronics	5.01
TSMC	4.69
Alibaba	4.33
Baidu.com ADR	3.51
Reliance Industries Ltd.	3.28
Naspers	3.28
Ping An Insurance	3.17
JD.Com Inc - ADR	3.00
China Life Insurance (Taiwan)	2.58

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Baidu.com ADR	11,196	Dragon Oil	27,934
Ping An Insurance	9,425	SK Hynix Inc	8,524
Ctrip.com Intl Sponsored ADR	7,176	Tech Mahindra Ltd	7,538
HDFC Corp	6,836	HCL Technologies	7,375
China Pacific Insurance H	5,200	Infosys Technologies	7,174
Legend Holdings Corp	5,009	TSMC	6,529
Reliance Industries Ltd.	4,892	Lenovo Group	5,799
Samsung Electronics	4,877	Qunar	5,334
Fubon Financial Holding Co	4,729	Shriram Transport Finance	4,986
Lupin Ltd	4,709	Asustek Computer Inc	4,889
Huaneng Power 'H'	4,466	Cemex ADR	4,653
Powszechny Zaklad Ubezpieczen	4,434	Advanced Semiconductor Engineering	4,311
Alibaba	4,182	Hyundai Glovis Co Ltd	4,045
Asian Paints Ltd	4,154	Hon Hai Precision	3,942
Samsung SDI Co Ltd	4,049	E-Mart	3,725
Grupo Televisa SA SPON ADR	4,045	Samsung Electronics	3,583
China Overseas Land	3,874	Beijing Enterprises	3,292
Brilliance China Automotive	3,545	Embraer ADR	3,215
China Vanke Co Ltd H	2,984	Rocket Internet	3,113
Himax Technologies Adr	2,793	Novatek Microelectronics	3,103
Other purchases	51,213	Other sales	62,065
Total purchases	153,788	Total sales	185,129

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Africa - 3.28% (4.40%)			
Egypt - 0.00% (1.25%)			
South Africa - 3.28% (3.15%)			
Naspers	144,671	13,603	3.28
Latin America - 6.76% (7.56%)			
Brazil - 3.39% (4.06%)			
Banco Bradesco Pref	1,084,969	5,552	1.34
Embraer ADR	248,587	3,920	0.94
Lorenz Pn 1000 ¹	1,800,000	-	0.00
MercadoLibre	54,150	4,617	1.11
Mexico - 3.37% (3.50%)			
Cemex ADR	907,824	4,604	1.11
Grupo Televisa SA SPON ADR	207,700	4,142	1.00
Walmex	3,107,452	5,266	1.26
Asia - 88.02% (80.29%)			
China - 36.30% (27.22%)			
AAC Technologies Holdings	911,000	4,313	1.04
Alibaba	342,548	17,975	4.33
Baidu.com ADR	109,870	14,566	3.51
Brilliance China Automotive	3,914,000	2,638	0.64
China Overseas Land	3,884,000	8,459	2.04
China Pacific Insurance H	1,408,200	3,383	0.81
China Taiping Insurance Insurance	2,538,380	3,547	0.85
China Vanke Co Ltd H	5,101,200	8,736	2.10
Ctrip.com Intl Sponsored ADR	236,020	7,025	1.69
GCL-Poly Energy Holdings	16,975,000	1,718	0.41
Geely Automobile Holdings	17,000,000	5,789	1.39
Haier Electronics Group Co	3,526,800	4,041	0.97
Huaneng Power 'H'	7,104,000	3,476	0.84
JD.Com Inc - ADR	713,850	12,451	3.00
Kingsoft Corp Ltd	2,020,000	3,178	0.77
Legend Holdings Corp	186,100	307	0.07
Ping An Insurance	4,078,000	13,152	3.17
SINA	62,200	2,127	0.51
Sohu.com	55,900	1,715	0.41
Sunny Optical Technology	1,779,000	3,734	0.90

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Tencent	1,613,900	22,568	5.43
ZTE Corp H	5,519,400	5,877	1.42
India - 16.89% (14.99%)			
Ambuja Cements Ltd	1,102,320	2,507	0.60
Asian Paints Ltd	492,440	4,390	1.06
Axis Bank	1,192,527	5,798	1.40
Cipla Ltd	306,740	1,695	0.41
HCL Technologies	466,015	3,598	0.87
HDFC Corp	840,540	9,416	2.27
ICICI Bank Ltd	2,496,447	6,088	1.47
Lupin Ltd	262,150	4,336	1.04
Mahindra & Mahindra	540,773	7,407	1.78
Oracle Financial Services	44,910	1,668	0.40
Reliance Industries Ltd.	1,349,518	13,648	3.28
Tata Consultancy Services	261,268	6,818	1.64
Ultratech Cement Ltd	85,850	2,793	0.67
Korea - 15.92% (16.99%)			
Dongbu Insurance	128,682	5,397	1.30
Hyundai Marine & Fire Ins	167,820	3,197	0.77
Interpark	350,857	1,852	0.45
LG Chem. Ltd. Pref	14,070	1,665	0.40
LG Chem. Ltd.	42,347	7,535	1.81
Medy-Tox	8,190	2,076	0.50
NAVER Corp	13,945	5,639	1.36
NCsoft	27,694	3,791	0.91
Orion Corp	3,850	2,145	0.52
Samsung Electronics	17,288	12,895	3.10
Samsung Electronics Pref	12,718	7,940	1.91
Samsung Fire & Marine Insurance	31,688	5,591	1.35
Samsung SDI Co Ltd	93,493	6,386	1.54
Malaysia - 1.50% (1.32%)			
Public Bank BHD	1,912,010	6,235	1.50
Philippines - 0.11% (0.00%)			
Ayala Land Inc	574,400	287	0.07
SM Prime Holdings	503,400	165	0.04

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Taiwan - 16.56% (19.77%)			
Advantech Co.	641,504	3,082	0.74
China Life Insurance (Taiwan)	20,776,853	10,708	2.58
CTBC Financial Holding Co Ltd	5,606,000	1,940	0.47
Delta Electronics	2,094,000	6,626	1.60
Fubon Financial Holding Co	5,048,000	4,188	1.01
Himax Technologies Adr	490,473	3,475	0.84
Hon Hai Precision	5,705,029	9,310	2.24
Largan Precision	104,000	4,986	1.20
Mediatek	1,020,000	4,955	1.19
TSMC	6,160,796	19,494	4.69
Thailand - 0.74% (0.00%)			
Airports Of Thailand PC- NVDR	401,300	3,066	0.74
Europe - 0.90% (1.12%)			
Germany - 0.00% (1.12%)			
Poland - 0.90% (0.00%)			
Powszechny Zaklad Ubezpieczen	605,800	3,735	0.90
Other Emerging - 0.00% (5.05%)			
Portfolio of investments		411,002	98.96
Net other assets - 1.04% (1.58%)		4,308	1.04
Net assets		415,310	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

¹This stock was in liquidation at the year end and has been valued at the Investment Adviser's valuation.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	444.70p	376.20p	393.30p
Return before operating charges ¹	(57.39p)	75.48p	(11.18p)
Operating charges	(3.31p)	(3.48p)	(3.13p)
Return after operating charges ¹	(60.70p)	72.00p	(14.31p)
Distributions on income shares	(2.56p)	(3.50p)	(2.79p)
Closing net asset value per share	381.44p	444.70p	376.20p
¹ After direct transaction costs of:	0.60p	0.64p	0.81p
Performance:			
Return after charges	(13.65%)	19.14%	(3.64%)
Other information:			
Closing net asset value (£'000)	30,657	37,780	24,447
Closing number of shares	8,037,156	8,495,302	6,498,746
Operating charges	0.85%	0.82%	0.82%
Direct transaction costs ²	0.15%	0.15%	0.21%
Prices:			
Highest share price	450.9p	474.0p	415.3p
Lowest share price	328.3p	375.6p	352.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	448.30p	379.00p	396.30p
Return before operating charges ¹	(57.91p)	76.34p	(11.34p)
Operating charges	(0.48p)	(0.30p)	(0.31p)
Return after operating charges ¹	(58.39p)	76.04p	(11.65p)
Distributions on income shares	(5.48p)	(6.74p)	(5.65p)
Closing net asset value per share	384.43p	448.30p	379.00p
¹ After direct transaction costs of:	0.62p	0.64p	0.82p
Performance:			
Return after charges	(13.02%)	20.06%	(2.94%)
Other information:			
Closing net asset value (£'000)	4	11,336	7,650
Closing number of shares	1,000	2,528,668	2,018,276
Operating charges	0.12%	0.07%	0.08%
Direct transaction costs ²	0.15%	0.15%	0.21%
Prices:			
Highest share price	454.6p	481.1p	418.7p
Lowest share price	331.7p	378.5p	355.7p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	466.10p	394.20p	412.70p
Return before operating charges ¹	(60.07p)	78.80p	(11.99p)
Operating charges	(6.54p)	(6.90p)	(6.51p)
Return after operating charges ¹	(66.61p)	71.90p	(18.50p)
Closing net asset value per share	399.49p	466.10p	394.20p
Retained distributions on accumulation shares	0.00p	0.36p	0.00p
¹ After direct transaction costs of:	0.63p	0.66p	0.85p
Performance:			
Return after charges	(14.29%)	18.24%	(4.48%)
Other information:			
Closing net asset value (£'000)	9,249	23,295	29,646
Closing number of shares	2,315,178	4,997,230	7,520,727
Operating charges	1.60%	1.57%	1.63%
Direct transaction costs ²	0.15%	0.15%	0.21%
Prices:			
Highest share price	472.7p	493.2p	436.7p
Lowest share price	343.3p	393.6p	368.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	513.20p	430.70p	447.00p
Return before operating charges ¹	(66.30p)	86.49p	(12.70p)
Operating charges	(3.80p)	(3.99p)	(3.60p)
Return after operating charges ¹	(70.10p)	82.50p	(16.30p)
Closing net asset value per share	443.10p	513.20p	430.70p
Retained distributions on accumulation shares	2.95p	4.02p	3.08p
¹ After direct transaction costs of:	0.69p	0.73p	0.92p
Performance:			
Return after charges	(13.66%)	19.15%	(3.65%)
Other information:			
Closing net asset value (£'000)	68,807	56,618	28,435
Closing number of shares	15,528,774	11,033,033	6,602,023
Operating charges	0.85%	0.82%	0.83%
Direct transaction costs ²	0.15%	0.15%	0.21%
Prices:			
Highest share price	520.4p	542.7p	472.4p
Lowest share price	378.8p	430.1p	400.4p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	567.60p	472.90p	487.10p
Return before operating charges ¹	(73.29p)	95.07p	(13.82p)
Operating charges	(0.50p)	(0.37p)	(0.38p)
Return after operating charges ¹	(73.79p)	94.70p	(14.20p)
Closing net asset value per share	493.81p	567.60p	472.90p
Retained distributions on accumulation shares	7.01p	8.42p	6.94p
¹ After direct transaction costs of:	0.77p	0.80p	1.01p
Performance:			
Return after charges	(13.00%)	20.03%	(2.92%)
Other information:			
Closing net asset value (£'000)	306,593	397,505	388,757
Closing number of shares	62,086,825	70,029,602	82,213,452
Operating charges	0.10%	0.07%	0.08%
Direct transaction costs ²	0.15%	0.15%	0.21%
Prices:			
Highest share price	575.7p	600.1p	514.4p
Lowest share price	420.0p	472.2p	437.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(76,317)		86,430
Revenue	3	7,254		9,105	
Expenses	4	(1,315)		(1,347)	
Net revenue/(expense) before taxation		5,939		7,758	
Taxation	5	(529)		(233)	
Net revenue/(expense) after taxation			5,410		7,525
Total return before distributions			(70,907)		93,955
Distributions	6		(5,414)		(7,531)
Change in net assets attributable to shareholders from investment activities			(76,321)		86,424

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		526,553		478,936
Amounts receivable on issue of shares	20,851		38,992	
Amounts payable on cancellation of shares	(60,801)		(84,536)	
		(39,950)		(45,544)
Dilution adjustment		218		379
Change in net assets attributable to shareholders from investment activities		(76,321)		86,424
Retained distributions on accumulation shares		4,810		6,358
Closing net assets attributable to shareholders		415,310		526,553

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		411,002	518,249
Current assets:			
Debtors	8	1,649	14,448
Cash and bank balances	9	7,480	9,560
Total assets		420,131	542,257
Liabilities:			
Creditors:			
Bank overdrafts	9	(3,224)	(1,917)
Distributions payable		(206)	(468)
Other creditors	10	(1,391)	(13,319)
Total liabilities		(4,821)	(15,704)
Net assets attributable to shareholders		415,310	526,553

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	(76,165)	86,827
Currency gains/(losses)	(128)	(383)
Custodian transaction charges	(24)	(14)
Net gains/(losses)	(76,317)	86,430

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	153,531	172,827
Commissions	161	188
Taxes	96	93
Total purchases of equity transaction costs ¹	257	281
Purchases including transaction costs	153,788	173,108

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.10	0.11
Taxes on equity purchases	0.06	0.05

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	185,555	211,412
Commissions	(162)	(262)
Taxes	(264)	(261)
Total sales of equity transaction costs ¹	(426)	(523)
Sales net of transaction costs	185,129	210,889

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.09)	(0.12)
Taxes on equity sales	(0.14)	(0.12)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	323	0.07	450	0.08
Taxes	360	0.08	354	0.07
Total direct transaction costs	683	0.15	804	0.15

	2016	2015
	%	%
Average portfolio dealing spread	0.16	0.27

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	7,250	9,095
Bank interest	4	10
Total revenue	7,254	9,105

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	932	993
Registrar's fees	3	8
	935	1,001
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	47	54
Bank charges	198	256
	245	310
Other expenses:		
Audit fee	6	5
Professional fees	129	31
	135	36
Total expenses	1,315	1,347

	2016	2015
	£'000	£'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	537	740
Tax recoverable on overseas dividends	(8)	(507)
Total taxation	529	233

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £10,164,000 (2015: £8,840,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	5,939	7,758
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	1,188	1,552
Effects of:		
Non-taxable overseas dividends	(1,406)	(1,757)
Overseas tax on dividends	537	740
Tax recoverable on overseas dividends	(8)	(507)
Expense relief claimed for overseas tax	(7)	(10)
Surplus management expenses	225	215
Current tax charge (see above)	529	233

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	5,016	6,826
Amounts deducted on cancellation of shares	564	982
Amounts added on issue of shares	(166)	(277)
Total distributions	5,414	7,531

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	5,410	7,525
Add capital transfers for deficits of income	9	-
Add distributable revenue brought forward	3	9
Less distributable revenue carried forward	(8)	(3)
Net distributions for the year	5,414	7,531

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	212	287
Sales awaiting settlement	379	11,774
Accrued income	90	491
Overseas tax recoverable	943	1,888
VAT recoverable	25	8
Total debtors	1,649	14,448

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	4,289	5,115
Foreign currency bank accounts	3,191	4,445
	7,480	9,560
Sterling bank accounts overdrawn	(3,224)	(1,917)
Total cash and bank balances	4,256	7,643

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	276	1,661
Purchases awaiting settlement	925	11,401
Due to the ACD or associates	74	90
Due to the Depositary or associates	28	65
Other accrued expenses	88	102
Total other creditors	1,391	13,319

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	1.5
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

The following shareholder owns more than 20% of the value of the Fund:

Pensionskasse Stadt Zürich	39.7	36.0
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Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation	B Net Income	B Net Accumulation	C Net Income	C Net Accumulation
12 Reconciliation of shares in issue					
Opening shares in issue	4,997,230	8,495,302	11,033,033	2,528,668	70,029,602
Shares issued	241,942	1,169,470	3,413,967	-	1,500
Shares cancelled	(424,996)	(1,598,643)	(1,203,112)	(2,527,668)	(7,944,277)
Shares converted	(2,498,998)	(28,973)	2,284,886	-	-
Closing shares in issue	2,315,178	8,037,156	15,528,774	1,000	62,086,825

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	411,002	518,249
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-1	-1
Total	411,002	518,249

¹The investment included in valuation techniques using non-observable data represents one security (30 April 2015: one security) valued at the Investment Adviser's valuation.

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016		Total	2015		Total
	Monetary exposures	Non-monetary exposures		Monetary exposures	Non-monetary exposures	
£'000	£'000	£'000	£'000	£'000	£'000	
Brazilian real	-	5,552	5,552	-	7,574	7,574
Egyptian pound	773	-	773	-	6,604	6,604
Euro	-	-	-	-	5,903	5,903
Hong Kong dollar	129	94,916	95,045	-	102,204	102,204
Indian rupee	38	70,162	70,200	111	78,878	78,989
Korean won	-	66,109	66,109	-	89,416	89,416
Malaysian ringgit	-	6,235	6,235	-	6,949	6,949
Mexican peso	-	5,266	5,266	-	5,193	5,193
Polish zloty	-	3,735	3,735	-	-	-
Philippine peso	-	452	452	-	-	-
South African rand	-	13,603	13,603	-	16,595	16,595
Taiwanese dollar	-	65,289	65,289	-	104,177	104,177
Thai baht	-	3,066	3,066	-	-	-
US dollar	2,251	76,617	78,868	4,334	73,107	77,441

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	-	-	-	0.36000
Group 2	-	-	-	0.36000
B Net Income				
Group 1	2.56000	-	2.56000	3.50000
Group 2	0.62854	1.93146	2.56000	3.50000
B Net Accumulation				
Group 1	2.95000	-	2.95000	4.02000
Group 2	0.59897	2.35103	2.95000	4.02000
C Net Income				
Group 1	5.48000	-	5.48000	6.74000
Group 2	5.48000	-	5.48000	6.74000
C Net Accumulation				
Group 1	7.01000	-	7.01000	8.42000
Group 2	7.01000	-	7.01000	8.42000

Baillie Gifford Emerging Markets Leading Companies Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Emerging Markets Leading Companies Fund

Investment Objective

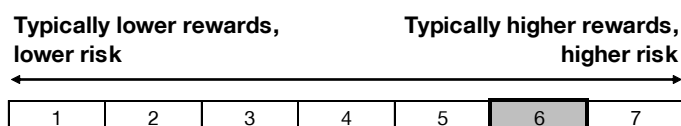
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest in any economic sector in emerging markets worldwide, either directly or indirectly. Investment will be mainly in shares of companies. Investment will be in a small number of larger companies. These companies' shares are more readily available to buy and sell on the market. We will decide what constitutes an emerging market.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

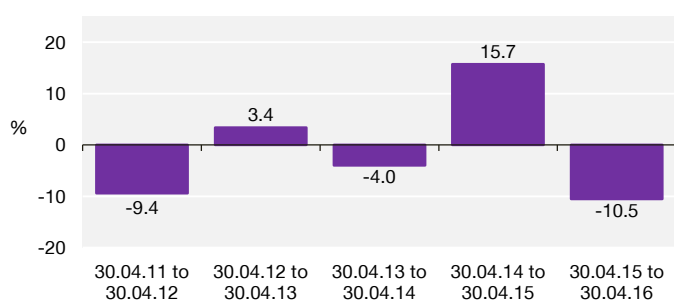


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall

as well as rise and you may not get back the amount invested. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment. The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.75%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was -11.2%² compared to the return on the MSCI Emerging Markets Index of -13.8%³, in sterling terms. As ever, your manager remains focused on more meaningful time periods.

Of course, given that performance from emerging markets equities has now been so lacklustre for so long, this may not be much consolation. So allow your manager to briefly remind you of what excites him about investment in the region.

The basic intellectual justification for emerging markets equities is that if income levels gradually converge with those of developed markets, this should provide a powerful tailwind for growth in corporate earnings and cash flows. Sadly, it has become clear in recent years that income levels in emerging markets do not always go in one direction. Without the support of high commodity prices to paper over the lack of progress that has been made in governance and policy, the fall from grace of countries like Brazil and Russia has been spectacular and deeply saddening.

The good news is that there are plenty of emerging markets economies where the outlook for growth is less parlous. The two emerging behemoths of China and India, in particular, have ample scope to respond with easier policy.

More importantly, something rather exciting is happening at the stock-specific level. The paucity of existing forms of infrastructure in emerging markets means entire industries are being built online from scratch, and embraced with a far greater degree of sophistication and depth than anything that consumers in the 'developed' west are accustomed to. As economic growth slows, many of our favourite emerging markets internet and technology companies are continuing to grow at dizzying rates. Better yet, the general macro malaise means we can pick them up for fire-sale valuations.

The glory days of emerging markets economic growth are over. But a new golden age may be starting to appear. Finally, we have the chance to invest in emerging markets companies that are capable of competing with and perhaps even superseding what the rest of the world has to offer. The growth opportunity may be bigger than anything that has gone before.

Baillie Gifford & Co, 20 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
TSMC	7.79
Samsung Electronics	6.32
Tencent	5.99
Naspers	5.00
Hon Hai Precision	4.69
Ping An Insurance	4.69
Alibaba	4.19
Samsung Fire & Marine Insurance	3.58
ICICI Bank Ltd	3.39
Baidu.com ADR	3.37

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Ping An Insurance	18,009	China Petroleum & Chemical Corp H	12,921
Alibaba	6,760	China Mobile	10,815
China Overseas Land	6,404	E-Mart	6,007
Ctrip.com Intl Sponsored ADR	6,134	Kunlun Energy Company	5,397
Baidu.com ADR	4,925	Hyundai Mobis	5,171
ICICI Bank Ltd	4,778	SK Hynix Inc	4,904
Legend Holdings Corp	4,679	Bangkok Bank NVDR	4,550
JD.Com Inc - ADR	3,298	SK Telecom	3,937
Delta Electronics	1,997	TSMC	3,175
HDFC Corp	1,264	China Resources Beer Holdings	2,642
Samsung SDI Co Ltd	592	Samsung Electronics	2,310
Hon Hai Precision	12	Tencent	2,149
		Naspers	2,122
		Mahindra & Mahindra	2,039
		ICICI Bank Ltd	2,018
		Hon Hai Precision	2,018
		Ping An Insurance	2,017
		Infosys Ltd	1,911
		Alibaba	1,910
		HCL Technologies	1,489
		Other sales	22,079
Total purchases	58,852	Total sales	101,581

All purchases and the top 20 sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Africa - 5.81% (5.90%)			
South Africa - 5.00% (4.79%)			
Naspers	209,147	19,665	5.00
Other Africa - 0.81% (1.11%)			
Tullow Oil	1,134,166	3,172	0.81
Latin America - 10.73% (10.72%)			
Brazil - 6.25% (6.43%)			
Banco Bradesco Pref	780,254	3,993	1.02
Embraer ADR	322,163	5,080	1.29
Itau Unibanco SA-ADR	941,645	6,120	1.56
MercadoLibre	110,010	9,379	2.38
Mexico - 4.48% (4.29%)			
Cemex ADR	1,552,085	7,872	2.00
Walmex	5,756,400	9,754	2.48
Asia - 79.94% (79.51%)			
China - 28.94% (25.75%)			
Alibaba	314,448	16,501	4.19
Baidu.com ADR	99,940	13,250	3.37
China Mobile	928,000	7,260	1.85
China Overseas Land	2,890,000	6,294	1.60
China Resources Beer Holdings	1,946,000	2,918	0.74
Ctrip.com Intl Sponsored ADR	179,620	5,346	1.36
Haier Electronics Group Co	3,347,000	3,835	0.97
Hengan Intl Group	607,500	3,725	0.95
JD.Com Inc - ADR	601,080	10,484	2.67
Legend Holdings Corp	1,333,200	2,201	0.56
Ping An Insurance	5,719,000	18,445	4.69
Tencent	1,683,900	23,546	5.99
India - 16.16% (15.11%)			
HCL Technologies	832,156	6,426	1.63
HDFC Corp	804,830	9,016	2.29
ICICI Bank Ltd	5,460,509	13,316	3.39
Infosys Ltd	921,008	11,451	2.91
Mahindra & Mahindra	666,934	9,135	2.32

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Reliance Industries Ltd.	856,300	8,660	2.20
Tech Mahindra Ltd	1,119,470	5,601	1.42
Indonesia - 0.99% (1.13%)			
Bank Rakyat Indonesia	7,300,000	3,892	0.99
Korea - 18.76% (22.14%)			
Hyundai Glovis	33,140	3,772	0.96
Hyundai Mobis	51,863	8,079	2.05
LG Chem. Ltd.	39,641	7,054	1.79
NAVER Corp	26,819	10,846	2.76
Samsung Electronics	33,334	24,864	6.32
Samsung Fire & Marine Insurance	79,848	14,089	3.58
Samsung SDI Co Ltd	8,637	590	0.15
SK Hynix Inc	267,980	4,512	1.15
Taiwan - 15.09% (14.42%)			
Delta Electronics	1,864,000	5,898	1.50
Hon Hai Precision	11,316,199	18,466	4.69
Mediatek	900,000	4,372	1.11
TSMC	9,680,744	30,632	7.79
Thailand - 0.00% (0.96%)			
Europe - 0.65% (0.78%)			
Russia - 0.65% (0.78%)			
Magnit OJSC Spon GDR	108,110	2,553	0.65
Other Emerging - 1.23% (1.77%)			
Copa Holdings S A	111,250	4,841	1.23
Portfolio of investments		386,905	98.36
Net other assets - 1.64% (1.32%)		6,470	1.64
Net assets		393,375	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	263.10p	227.10p	240.50p
Return before operating charges ¹	(27.54p)	39.96p	(10.12p)
Operating charges	(1.89p)	(2.06p)	(1.89p)
Return after operating charges ¹	(29.43p)	37.90p	(12.01p)
Distributions on income shares	(1.99p)	(1.90p)	(1.39p)
Closing net asset value per share	231.68p	263.10p	227.10p
¹ After direct transaction costs of:	0.16p	0.09p	0.26p
Performance:			
Return after charges	(11.19%)	16.69%	(4.99%)
Other information:			
Closing net asset value (£'000)	2,688	2,166	1,157
Closing number of shares	1,160,397	823,213	509,339
Operating charges	0.82%	0.81%	0.81%
Direct transaction costs ²	0.07%	0.04%	0.10%
Prices:			
Highest share price	266.8p	281.7p	254.8p
Lowest share price	198.0p	227.4p	214.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	264.00p	227.70p	241.20p
Return before operating charges ¹	(27.49p)	40.26p	(10.20p)
Operating charges	(0.14p)	(0.15p)	(0.16p)
Return after operating charges ¹	(27.63p)	40.11p	(10.36p)
Distributions on income shares	(3.73p)	(3.81p)	(3.14p)
Closing net asset value per share	232.64p	264.00p	227.70p
¹ After direct transaction costs of:	0.17p	0.16p	0.23p
Performance:			
Return after charges	(10.47%)	17.62%	(4.30%)
Other information:			
Closing net asset value (£'000)	2	17,884	16,349
Closing number of shares	1,000	6,775,268	7,179,902
Operating charges	0.06%	0.06%	0.07%
Direct transaction costs ²	0.07%	0.04%	0.10%
Prices:			
Highest share price	267.6p	284.5p	255.7p
Lowest share price	199.1p	228.0p	215.0p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	270.20p	233.30p	247.50p
Return before operating charges ¹	(28.33p)	40.94p	(10.35p)
Operating charges	(3.73p)	(4.04p)	(3.85p)
Return after operating charges ¹	(32.06p)	36.90p	(14.20p)
Closing net asset value per share	238.14p	270.20p	233.30p
Retained distributions on accumulation shares	0.26p	0.00p	0.00p
¹ After direct transaction costs of:	0.17p	0.13p	0.16p
Performance:			
Return after charges	(11.86%)	15.82%	(5.74%)
Other information:			
Closing net asset value (£'000)	264	928	1,327
Closing number of shares	110,860	343,404	568,687
Operating charges	1.57%	1.56%	1.61%
Direct transaction costs ²	0.07%	0.04%	0.10%
Prices:			
Highest share price	273.9p	287.3p	262.1p
Lowest share price	202.8p	233.5p	220.1p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	287.00p	245.90p	258.80p
Return before operating charges ¹	(30.09p)	43.33p	(10.87p)
Operating charges	(2.07p)	(2.23p)	(2.03p)
Return after operating charges ¹	(32.16p)	41.10p	(12.90p)
Closing net asset value per share	254.84p	287.00p	245.90p
Retained distributions on accumulation shares	2.18p	2.04p	1.50p
¹ After direct transaction costs of:	0.18p	0.17p	0.29p
Performance:			
Return after charges	(11.20%)	16.71%	(4.98%)
Other information:			
Closing net asset value (£'000)	6,094	8,583	6,655
Closing number of shares	2,391,215	2,990,645	2,706,471
Operating charges	0.82%	0.81%	0.81%
Direct transaction costs ²	0.07%	0.04%	0.10%
Prices:			
Highest share price	290.9p	305.0p	274.3p
Lowest share price	216.0p	246.2p	230.5p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	305.70p	260.00p	271.60p
Return before operating charges ¹	(32.03p)	45.88p	(11.42p)
Operating charges	(0.19p)	(0.18p)	(0.18p)
Return after operating charges ¹	(32.22p)	45.70p	(11.60p)
Closing net asset value per share	273.48p	305.70p	260.00p
Retained distributions on accumulation shares	4.34p	4.36p	3.54p
¹ After direct transaction costs of:	0.19p	0.18p	0.26p
Performance:			
Return after charges	(10.54%)	17.58%	(4.27%)
Other information:			
Closing net asset value (£'000)	384,327	466,795	420,625
Closing number of shares	140,533,715	152,713,099	161,807,064
Operating charges	0.07%	0.06%	0.07%
Direct transaction costs ²	0.07%	0.04%	0.10%
Prices:			
Highest share price	309.9p	324.8p	287.9p
Lowest share price	230.6p	260.3p	242.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(60,469)		70,994
Revenue	3	7,778		8,538	
Expenses	4	(335)		(384)	
Net revenue/(expense) before taxation		7,443		8,154	
Taxation	5	(686)		(775)	
Net revenue/(expense) after taxation			6,757		7,379
Total return before distributions			(53,712)		78,373
Distributions	6		(6,756)		(7,388)
Change in net assets attributable to shareholders from investment activities			(60,468)		70,985

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		496,364		446,113
Amounts receivable on issue of shares	13,074		19,637	
Amounts payable on cancellation of shares	(61,935)		(47,287)	
		(48,861)		(27,650)
Dilution adjustment		188		197
Change in net assets attributable to shareholders from investment activities		(60,468)		70,985
Retained distributions on accumulation shares		6,152		6,719
Closing net assets attributable to shareholders		393,375		496,364

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		386,905	489,814
Current assets:			
Debtors	8	2,052	3,951
Cash and bank balances	9	12,640	8,041
Total assets		401,597	501,806
Liabilities:			
Creditors:			
Bank overdrafts	9	(5,506)	(3,503)
Distributions payable		(23)	(274)
Other creditors	10	(2,693)	(1,665)
Total liabilities		(8,222)	(5,442)
Net assets attributable to shareholders		393,375	496,364

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	(60,179)	70,886
Currency gains/(losses)	(284)	109
Custodian transaction charges	(6)	(1)
Net gains/(losses)	(60,469)	70,994
	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	58,766	81,028
Commissions	49	59
Taxes	37	34
Total purchases of equity transaction costs ¹	86	93
Purchases including transaction costs	58,852	81,121
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.08	0.07
Taxes on equity purchases	0.06	0.04
	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	101,794	96,915
Commissions	(60)	(90)
Taxes	(153)	(124)
Total sales of equity transaction costs ¹	(213)	(214)
Sales net of transaction costs	101,581	96,701
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.06)	(0.09)
Taxes on equity sales	(0.15)	(0.13)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	109	0.03	149	0.02
Taxes	190	0.04	158	0.02
Total direct transaction costs	299	0.07	307	0.04

	2016	2015
	%	%
Average portfolio dealing spread	0.15	0.23

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
UK dividends	-	56
Overseas dividends	7,768	8,468
Bank interest	10	14
Total revenue	7,778	8,538

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	78	108
Registrar's fees	1	2
	79	110
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	41	52
Bank charges	165	201
	206	253
Other expenses:		
Audit fee	6	6
Professional fees	44	15
	50	21
Total expenses	335	384

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	689	937
Tax recoverable on overseas dividends	(3)	(162)
Total taxation	686	775

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £578,000 (2015: £548,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	7,443	8,154
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	1,489	1,631
Effects of:		
UK dividends	-	(11)
Non-taxable overseas dividends	(1,483)	(1,608)
Overseas tax on dividends	689	937
Tax recoverable on overseas dividends	(3)	(162)
Relief for overseas tax	(12)	(13)
Surplus management expenses	6	1
Current tax charge (see above)	686	775

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	6,175	6,993
Amounts deducted on cancellation of shares	699	518
Amounts added on issue of shares	(118)	(123)
Total distributions	6,756	7,388

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	6,757	7,379
Add distributable revenue brought forward	3	12
Less distributable revenue carried forward	(4)	(3)
Net distributions for the year	6,756	7,388

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	19	6
Sales awaiting settlement	1,836	3,331
Accrued income	167	164
Overseas tax recoverable	23	446
VAT recoverable	7	3
Other debtors	-	1
Total debtors	2,052	3,951

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	6,027	6,526
Foreign currency bank accounts	6,613	1,515
	12,640	8,041
Sterling bank accounts overdrawn	(5,506)	(3,503)
Total cash and bank balances	7,134	4,538

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	190	1,590
Purchases awaiting settlement	2,462	-
Due to the ACD or associates	6	9
Due to the Depositary or associates	27	52
Other accrued expenses	8	14
Total other creditors	2,693	1,665

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	19.8
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

The following shareholder owns more than 20% of the value of the Fund:

Baillie Gifford Life Limited	53.5	50.6
------------------------------	------	------

Baillie Gifford & Co, as adviser, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation Shares	B Net Income Shares	B Net Accumulation Shares	C Net Income Shares	C Net Accumulation Shares
12 Reconciliation of shares in issue					
Opening shares in issue	343,404	823,213	2,990,645	6,775,268	152,713,099
Shares issued	3,729	641,428	207,016	-	4,316,044
Shares cancelled	(38,603)	(385,847)	(916,944)	(6,774,268)	(16,495,428)
Shares converted	(197,670)	81,603	110,498	-	-
Closing shares in issue	110,860	1,160,397	2,391,215	1,000	140,533,715

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	386,905	489,814
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	386,905	489,814

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments**Currency exposures**

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016		Total	2015		Total
	Monetary exposures	Non-monetary exposures		Monetary exposures	Non-monetary exposures	
£'000	£'000	£'000	£'000	£'000	£'000	
Brazilian real	-	3,993	3,993	-	5,404	5,404
Hong Kong dollar	503	68,224	68,727	-	95,955	95,955
Indian rupee	-	63,605	63,605	-	74,989	74,989
Indonesian rupiah	-	3,892	3,892	-	5,592	5,592
Korean won	-	73,806	73,806	-	109,908	109,908
Mexican peso	-	9,754	9,754	-	9,670	9,670
South African rand	-	19,665	19,665	-	23,758	23,758
Taiwanese dollar	-	59,368	59,368	-	71,553	71,553
Thai baht	-	-	-	-	4,776	4,776
US dollar	6,110	81,426	87,536	1,515	82,706	84,221

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	0.26000	-	0.26000	-
Group 2	0.16723	0.09277	0.26000	-
B Net Income				
Group 1	1.99000	-	1.99000	1.90000
Group 2	0.48849	1.50151	1.99000	1.90000
B Net Accumulation				
Group 1	2.18000	-	2.18000	2.04000
Group 2	0.64974	1.53026	2.18000	2.04000
C Net Income				
Group 1	3.73000	-	3.73000	3.81000
Group 2	3.73000	-	3.73000	3.81000
C Net Accumulation				
Group 1	4.34000	-	4.34000	4.36000
Group 2	1.74417	2.59583	4.34000	4.36000

BAILLIE GIFFORD

Baillie Gifford European Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford European Fund

Investment Objective

The Fund aims to produce attractive capital growth over the long term.

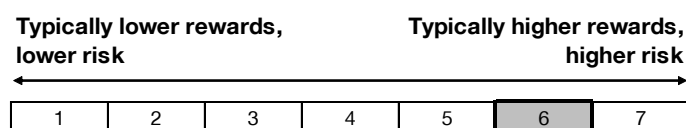
capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Policy

To invest in any economic sector in continental Europe including the Republic of Ireland. Investment will be mainly in shares of companies.

Risk and Reward Profile

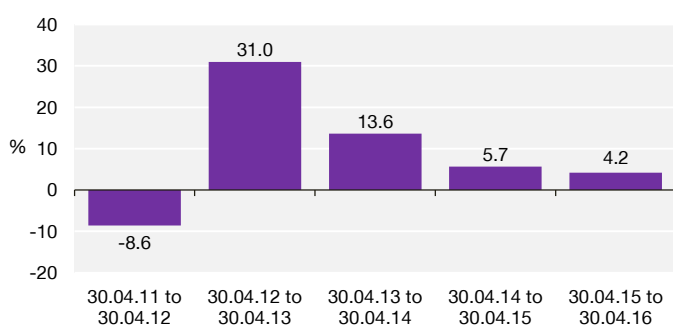
The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016, the return on B Net Accumulation Shares was 3.0%², compared to a return on the MSCI Europe ex-UK Index of -4.9%³, in sterling terms. We believe that investment returns over such a short period are a poor indicator of skill, so also report our performance over rolling five-year periods. From 30 April 2011, the Fund has returned 47.4%² compared to a market return of 17.9%³.

We are of course pleased to report such strong long-term numbers, and even more delighted that those investors who entrusted their money to us five years ago and stayed the course have enjoyed these returns. We continue to believe that the primary reason to invest in equities is the opportunity that doing so presents to share in the wealth-creating ability of entrepreneurial, profitable businesses. Measuring the investment returns we achieve by reference to a benchmark probably matters as a way of keeping score, but far more important is that we deliver good absolute returns to our clients, and we are pleased to have been able to do so over the last five and ten years.

Our investment philosophy is to own a portfolio of durable, growing, well managed businesses which can survive downturns without undue distress and are able to expand profitably in the upswings. In addition, we try to

buy them when their strengths are not recognised by the market. We make no attempt to predict economic or political developments or to respond to short-term share price movements.

We remain confident in the merits of our investment approach and of the businesses we own, and believe that by adhering to our philosophy in a disciplined manner we should deliver good long-term performance for our clients over multiple business and stock market cycles. European stock markets remain a fertile hunting ground for our style of investment, and we are optimistic about the future long-term returns of the Fund.

*Thomas Coutts, Stephen Paice, Moritz Sitte and Tom Walsh,
19 May 2016*

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Nestle	4.65
Ryanair	4.22
Svenska Handelsbanken	3.66
Hexpol AB	3.54
Atlas Copco B	3.50
adidas	3.28
Volvo	3.17
Carl Zeiss Meditec	2.93
Schindler	2.78
Investor	2.73

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Inditex	3,598	Total	4,321
Zalando SE	3,507	Deutsche Börse	4,110
Nibe Industrier AB 'B' Shares	2,854	Wienerberger Baustof	3,374
Bureau Veritas	2,799	Investor	2,723
Collectis	2,686	Ryanair	2,632
Fuchs Petrolub Pf. (Xet)	2,637	Jyske Bank	2,629
OC Oerlikon	2,117	CF Alba	2,585
The Swatch Group	2,065	CNH Industrial	2,558
Tenaris	1,866	Eurocash	2,551
Bechtle AG	1,834	Osram	2,467
Morphosys	1,808	Carlsberg	2,401
Aixtron	1,754	adidas	2,312
ASM Lithography	1,752	Sofina	2,301
Hexagon AB	1,275	Dia	2,111
Legrand	1,107	Titan Cement	2,089
Elringklinger	1,009	EXOR	1,926
Svenska Handelsbanken	985	UBS Group	1,898
Gemalto	901	Sandvik	1,706
Actelion	790	Hexpol AB	1,343
Brenntag	780	GBL	1,229
Other purchases	4,688	Other sales	10,649
Total purchases	42,812	Total sales	59,915

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Austria - 0.00% (1.69%)			
Belgium - 3.85% (5.27%)			
Colruyt	68,383	2,688	1.53
GBL	67,372	4,062	2.32
Denmark - 5.66% (7.65%)			
Carlsberg	64,212	4,263	2.43
Jyske Bank	53,330	1,488	0.85
Novo Nordisk	109,448	4,177	2.38
Finland - 3.32% (3.68%)			
Konecranes	220,078	3,448	1.97
Nokian Renkaat	93,844	2,360	1.35
France - 6.74% (6.52%)			
Bureau Veritas	171,600	2,776	1.58
Cellectis	110,894	2,085	1.19
Edenred	116,469	1,568	0.89
L'Oreal	21,315	2,639	1.51
Legrand	70,565	2,744	1.57
Germany - 17.06% (11.38%)			
adidas	65,428	5,755	3.28
Aixtron	403,583	1,372	0.78
Bechtle AG	31,754	2,262	1.29
Brenntag	57,588	2,308	1.32
Carl Zeiss Meditec	231,108	5,134	2.93
Elringklinger	128,679	2,151	1.23
Fresenius Medical Care	53,046	3,154	1.80
Fuchs Petrolub Pf. (Xet)	84,800	2,470	1.41
Morphosys	53,600	1,833	1.05
Zalando SE	152,472	3,457	1.97
Greece - 1.91% (2.93%)			
Coca Cola HBC (CDI)	239,348	3,351	1.91
Ireland - 4.22% (3.96%)			
Ryanair	714,751	7,393	4.22

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Italy - 3.23% (6.07%)			
EXOR	116,588	2,990	1.71
Salvatore Ferragamo SpA	168,256	2,657	1.52
Luxembourg - 1.59% (0.53%)			
Tenaris	302,555	2,787	1.59
Netherlands - 3.95% (2.60%)			
ASM Lithography	25,000	1,650	0.94
Gemalto	53,094	2,358	1.35
Unilever	96,850	2,904	1.66
Poland - 0.00% (0.71%)			
Spain - 4.00% (5.56%)			
Dia	970,905	3,679	2.10
Inditex	152,082	3,332	1.90
Sweden - 24.69% (25.31%)			
Alfa Laval	202,571	2,181	1.24
Atlas Copco B	372,802	6,132	3.50
Hexagon AB	160,751	4,373	2.50
Hexpol AB	877,709	6,203	3.54
Investor	190,352	4,780	2.73
Kinnevik	209,904	4,133	2.36
Nibe Industrier AB 'B' Shares	147,420	3,495	1.99
Svenska Handelsbanken	705,420	6,423	3.66
Volvo	692,188	5,554	3.17
Switzerland - 16.66% (14.49%)			
Actelion	28,812	3,179	1.81
Givaudan	767	1,032	0.59
Mettler-Toledo	12,435	3,039	1.73
Nestle	160,025	8,149	4.65
OC Oerlikon	502,752	3,312	1.89
Richemont	80,242	3,643	2.08
Schindler	39,171	4,874	2.78
The Swatch Group	8,516	1,986	1.13

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Turkey - 1.15% (0.97%)			
Coca-Cola Icecek	200,463	2,010	1.15
Portfolio of investments		171,793	98.03
Net other assets - 1.97% (0.68%)		3,453	1.97
Net assets		175,246	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1136.00p	1089.00p	970.70p
Return before operating charges ¹	41.48p	73.15p	140.66p
Operating charges	(7.75p)	(7.48p)	(7.94p)
Return after operating charges ¹	33.73p	65.67p	132.72p
Distributions on income shares	(18.84p)	(18.67p)	(14.42p)
Closing net asset value per share	1150.89p	1136.00p	1089.00p
¹ After direct transaction costs of:	0.33p	1.44p	0.93p
Performance:			
Return after charges	2.97%	6.03%	13.67%
Other information:			
Closing net asset value (£'000)	40,439	39,897	26,138
Closing number of shares	3,513,665	3,512,858	2,399,597
Operating charges	0.70%	0.70%	0.75%
Direct transaction costs ²	0.03%	0.13%	0.09%
Prices:			
Highest share price	1219p	1185p	1112p
Lowest share price	1029p	944.1p	936.4p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1249.00p	1189.00p	1054.00p
Return before operating charges ¹	45.94p	77.86p	152.64p
Operating charges	(18.81p)	(17.86p)	(17.64p)
Return after operating charges ¹	27.13p	60.00p	135.00p
Closing net asset value per share	1276.13p	1249.00p	1189.00p
Retained distributions on accumulation shares	10.32p	10.45p	6.54p
¹ After direct transaction costs of:	0.25p	1.55p	1.00p
Performance:			
Return after charges	2.17%	5.05%	12.81%
Other information:			
Closing net asset value (£'000)	10,634	20,876	49,210
Closing number of shares	833,328	1,670,796	4,138,604
Operating charges	1.55%	1.55%	1.55%
Direct transaction costs ²	0.02%	0.13%	0.09%
Prices:			
Highest share price	1331p	1284p	1199p
Lowest share price	1126p	1027p	1016p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1391.00p	1312.00p	1154.00p
Return before operating charges ¹	50.73p	88.01p	167.33p
Operating charges	(9.50p)	(9.01p)	(9.33p)
Return after operating charges ¹	41.23p	79.00p	158.00p
Closing net asset value per share	1432.23p	1391.00p	1312.00p
Retained distributions on accumulation shares	23.07p	22.49p	17.26p
¹ After direct transaction costs of:	0.28p	1.73p	1.11p
Performance:			
Return after charges	2.96%	6.02%	13.69%
Other information:			
Closing net asset value (£'000)	104,659	108,234	59,132
Closing number of shares	7,307,418	7,783,463	4,506,569
Operating charges	0.70%	0.70%	0.74%
Direct transaction costs ²	0.02%	0.13%	0.09%
Prices:			
Highest share price	1493p	1428p	1322p
Lowest share price	1259p	1137p	1114p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1516.00p	1422.00p	1242.00p
Return before operating charges ¹	56.75p	94.70p	181.73p
Operating charges	(0.74p)	(0.70p)	(1.73p)
Return after operating charges ¹	56.01p	94.00p	180.00p
Closing net asset value per share	1572.01p	1516.00p	1422.00p
Retained distributions on accumulation shares	34.89p	33.55p	26.94p
¹ After direct transaction costs of:	0.30p	1.88p	1.17p
Performance:			
Return after charges	3.69%	6.61%	14.49%
Other information:			
Closing net asset value (£'000)	19,514	20,059	21,855
Closing number of shares	1,241,329	1,322,798	1,537,385
Operating charges	0.05%	0.05%	0.13%
Direct transaction costs ²	0.02%	0.13%	0.09%
Prices:			
Highest share price	1639p	1557p	1432p
Lowest share price	1376p	1236p	1200p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		1,166		8,772
Revenue	3	4,366		4,257	
Expenses	4	(1,221)		(1,430)	
Net revenue/(expense) before taxation		3,145		2,827	
Taxation	5	(172)		(48)	
Net revenue/(expense) after taxation			2,973		2,779
Total return before distributions			4,139		11,551
Distributions	6		(2,974)		(2,779)
Change in net assets attributable to shareholders from investment activities			1,165		8,772

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		189,066		156,335
Amounts receivable on issue of shares	20,824		60,808	
Amounts payable on cancellation of shares	(38,069)		(39,315)	
		(17,245)		21,493
Dilution adjustment		55		97
Change in net assets attributable to shareholders from investment activities		1,165		8,772
Retained distributions on accumulation shares		2,205		2,369
Closing net assets attributable to shareholders		175,246		189,066

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investment assets		171,793	187,774
Current assets:			
Debtors	8	1,301	1,035
Cash and bank balances	9	2,981	2,434
Total assets		176,075	191,243
Liabilities:			
Creditors:			
Bank overdrafts	9	-	(825)
Distributions payable		(662)	(656)
Other creditors	10	(167)	(696)
Total liabilities		(829)	(2,177)
Net assets attributable to shareholders		175,246	189,066

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	1,121	8,799
Currency gains/(losses)	50	(16)
Custodian transaction costs	(5)	(11)
Net gains/(losses)	1,166	8,772

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	42,783	78,635
Commissions	19	105
Taxes	10	39
Total purchases of equity transaction costs ¹	29	144
Purchases including transaction costs	42,812	78,779

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.13
Taxes on equity purchases	0.02	0.05

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	59,938	49,818
Commissions	(22)	(97)
Taxes	(1)	-
Total sales of equity transaction costs ¹	(23)	(97)
Sales net of transaction costs	59,915	49,721

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.19)
Taxes on equity sales	-	-

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	41	0.02	202	0.11
Taxes	11	0.01	39	0.02
Total direct transaction costs	52	0.03	241	0.13

	2016	2015
	%	%
Average portfolio dealing spread	0.12	0.13

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	4,363	4,226
Bank interest	3	31
Total revenue	4,366	4,257

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,152	1,362
Registrar's fees	3	7
	1,155	1,369
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	20	20
Bank charges	36	36
	56	56
Other expenses:		
Audit fee	7	6
Professional fees	3	(1)
	10	5
Total expenses	1,221	1,430

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	172	227
Tax recoverable on overseas dividends	-	(179)
Total taxation	172	48

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 30 April 2016, the Fund had surplus management expenses of £6,313,000 (2015: £5,096,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	3,145	2,827
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	629	565
Effects of:		
Non-taxable overseas dividends	(873)	(843)
Overseas tax on dividends	172	227
Tax recoverable on overseas dividends	-	(179)
Surplus management expenses	244	278
Current tax charge (see above)	172	48

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	2,867	3,025
Amounts deducted on cancellation of shares	345	363
Amounts added on issue of shares	(238)	(609)
Total distributions	2,974	2,779

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	2,973	2,779
Add distributable revenue brought forward	1	1
Less distributable revenue carried forward	-	(1)
Net distributions for the year	2,974	2,779

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	349	316
Accrued income	386	233
Overseas tax recoverable	566	486
Total debtors	1,301	1,035

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	2,969	2,434
Foreign currency bank accounts	12	-
	2,981	2,434
Sterling bank accounts overdrawn	-	(825)
Total cash and bank balances	2,981	1,609

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	51	570
Purchases awaiting settlement	12	-
Due to the ACD or associates	89	109
Due to the Depository or associates	7	10
Other accrued expenses	8	7
Total other creditors	167	696

	2016	2015
	%	%
11 Related party transactions		
The ACD or Clients of Baillie Gifford & Co, the Financial Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	3.0
B Net Accumulation	-	-
C Net Accumulation	100.0	100.0

No shareholder owns more than 20% of the value of the Fund.

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

	2016			
	A Net Accumulation Shares	B Net Income Shares	B Net Accumulation Shares	C Net Accumulation Shares
12 Reconciliation of shares in issue				
Opening shares in issue	1,670,796	3,512,858	7,783,463	1,322,798
Shares issued	27,480	710,095	652,139	269,301
Shares cancelled	(511,866)	(709,178)	(1,443,991)	(350,770)
Shares converted	(353,082)	(110)	315,807	-
Closing shares in issue	833,328	3,513,665	7,307,418	1,241,329

Notes to the Financial Statements cont.

	2016 Assets £'000	2015 Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	171,793	187,774
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	171,793	187,774

14 Derivatives and other financial instruments**Currency exposures**

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016		Total	2015		Total
	Monetary exposures £'000	Non-monetary exposures £'000		Monetary exposures £'000	Non-monetary exposures £'000	
Danish krone	-	9,928	9,928	-	14,454	14,454
Euro	12	84,016	84,028	-	91,048	91,048
Polish zloty	-	-	-	-	1,348	1,348
Swedish krona	-	43,274	43,274	-	47,845	47,845
Swiss franc	-	26,175	26,175	-	24,726	24,726
Turkish lira	-	2,010	2,010	-	1,830	1,830
US dollar	-	3,039	3,039	-	2,709	2,709

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	10.32000	-	10.32000	10.45000
Group 2	4.34453	5.97547	10.32000	10.45000
B Net Income				
Group 1	18.84000	-	18.84000	18.67000
Group 2	9.69113	9.14887	18.84000	18.67000
B Net Accumulation				
Group 1	23.07000	-	23.07000	22.49000
Group 2	11.05194	12.01806	23.07000	22.49000
C Net Accumulation				
Group 1	34.89000	-	34.89000	33.55000
Group 2	15.92266	18.96734	34.89000	33.55000

BAILLIE GIFFORD

Baillie Gifford Global Discovery Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Global Discovery Fund

Investment Objective

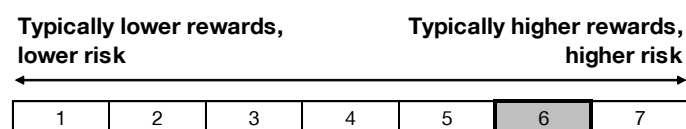
The Fund aims to produce attractive returns, mainly through capital growth, over the long term.

Investment Policy

To invest mainly in shares of companies worldwide which we consider offer excellent future growth prospects. Investment may also be in other transferable securities (for example bonds, debentures, loan stock), money market instruments, cash and near cash.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

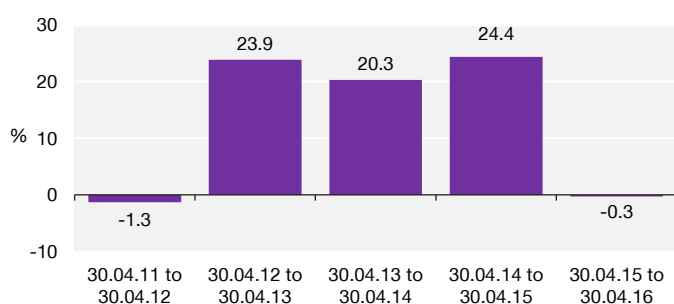


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. As the Fund changed its objective and policy on 1 May 2011, the returns of the Fund's sector are used in its place prior to this date to calculate the Risk and Reward Indicator. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount

invested. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



For the year to 30 April 2016 the return on B Net Accumulation Shares was -0.6%² compared to the return on the S&P Global Small Cap Index of 0.9%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Following several years of strong returns from global stock markets, the last 12 months looks decidedly anaemic. We sense that investors are weighing up several factors including a slowdown in China, collapsing commodity prices and a reduction in central bank stimulus; an accumulation of such weighty top down questions has resulted in periods of heightened volatility and broader risk aversion in equity markets. In such periods of uncertainty we have frequently observed that smaller companies, particularly earlier stage less established companies, can be unduly de-rated.

Our approach is to identify innovative, immature companies with what we believe to be excellent long-term growth potential. By identifying attractive growth companies earlier we seek to benefit from growth at an earlier stage in a company's lifecycle and retain ownership of successful companies as they grow and thrive; we see our role as investing in what are potentially

The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.75% (up to 31 July 2013 the annual fee was 0.65%), but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

the larger companies of the future as opposed to the smaller companies of today. It's an approach that requires patience, a long-term mindset and recognition that progress in young companies is rarely linear. It's also an approach that will have short-term periods where it is inevitably out of sync with the myopic gyrations that are all too common in stock markets.

We have long observed that the success (or failure) of smaller companies is more often determined by the individual company's actions rather than what is happening with the economy at large. Moreover, with the impact of technology and innovation arguably accelerating, the opportunities for long-term growth investors remains very strong. We continue to believe that the portfolio of stocks in the Fund can continue to deliver superior investment returns over time.

Douglas Brodie, 20 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
MarketAxess Holdings	4.41
Anylam Pharmaceuticals	3.54
4D Pharma	3.09
IP Group	3.02
Ocado Group	2.41
Tesla Motors	2.19
Stamps.Com	1.73
EPAM Systems	1.71
Zillow	1.70
MonotaRO Co	1.69

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Wayfair Inc	3,588	Peptidream	1,599
Pacira Pharmaceuticals	3,206	Genomic Health	1,596
Grubhub Inc	2,949	CTS Eventim	1,502
Collectis	2,727	Intralinks Holdings	1,076
Puretech Health	2,357	Noah Holdings ADR 2:1	1,009
Adaptimmune Therapeutics	2,279	4D Pharma	848
On Deck Capital	2,112	MakeMyTrip	821
Digimarc	2,049	Dialog Semiconductor	725
Aduro Biotechnology	2,035	Galapagos NV	724
Lendingtree	2,026	Just Dial Limited	592
National Instruments Corp	1,773	Bitauto Holdings Ltd - ADR	555
Alnylam Pharmaceuticals	1,762	Next Co Ltd	526
Horizon Discovery Group	1,736	Medgenics	401
Morphosys	1,582		
Splunk Inc	1,533		
Molecular Partners Ag	1,510		
Veeco Instruments	1,443		
TripAdvisor	1,425		
Ocado Group	1,380		
Bioamber	1,339		
Other purchases	23,806		
Total purchases	64,617	Total sales	11,974

The top 20 purchases and all sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
United Kingdom - 23.46% (28.57%)			
4D Pharma	807,561	7,187	3.09
Abcam	308,660	1,824	0.78
Applied Graphene Materials	313,410	564	0.24
ASOS	64,488	2,319	1.00
Avacta Group PLC	1,333,539	1,467	0.63
C4X Discovery Holdings	553,367	498	0.21
Ceres Power	7,058,823	547	0.23
Craneware	188,720	1,463	0.63
Genus	202,190	3,033	1.30
Horizon Discovery Group	935,446	1,703	0.73
Hvivo PLC	553,717	1,085	0.47
Ilika	1,000,000	720	0.31
Imagination Technologies	902,800	1,399	0.60
Intelligent Energy Hldgs	597,858	56	0.02
IP Group	4,101,926	7,026	3.02
Nanoco Group	2,005,533	777	0.33
Ocado Group	1,899,190	5,614	2.41
Oxford Instruments	167,005	1,090	0.47
Puretech Health	1,500,532	1,951	0.84
Renishaw	107,715	2,042	0.88
Revolvmer Plc	325,000	176	0.08
Ricardo	71,158	577	0.25
Rightmove	53,210	2,052	0.88
SDL	313,790	1,272	0.55
Summit Therapeutics	536,655	671	0.29
Tissue Regenix Group	6,400,000	1,216	0.52
Velocys Plc	315,000	110	0.05
Victrex	86,850	1,216	0.52
Xaar	503,400	2,441	1.05
Xeros Group	1,309,718	2,521	1.08
North America - 43.43% (36.66%)			
Acacia Reasearch Corp	143,640	472	0.20
Adaptimmune Therapeutics	429,700	2,839	1.22
Aduro Biotechnology	160,000	1,412	0.61
Aerovironment	91,810	1,808	0.78
Alnylam Pharmaceuticals	180,320	8,251	3.54
Bioamber	303,040	879	0.38
Codexis	685,498	1,465	0.63

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Dexcom Inc	84,980	3,734	1.60
Digimarc	93,000	1,892	0.81
Ellie Mae	41,000	2,340	1.00
EPAM Systems	80,220	3,994	1.71
Exa Corp	201,370	1,791	0.77
Faro Technologies	46,200	916	0.39
Financial Engines	170,000	3,738	1.60
Foundation Medicine	74,800	814	0.35
Grubhub Inc	155,000	2,773	1.19
IPG Photonics Corp	65,760	3,888	1.67
iRobot	136,100	3,472	1.49
Lendingtree	45,600	2,780	1.19
MarketAxess Holdings	122,600	10,273	4.41
National Instruments Corp	92,080	1,733	0.74
Novadaq Technologies Inc	296,270	2,259	0.97
On Deck Capital	350,009	2,060	0.88
Pacira Pharmaceuticals	83,600	3,089	1.33
Power Integrations	38,810	1,278	0.55
Seattle Genetics	88,200	2,136	0.92
Senomyx	233,000	390	0.17
Splunk Inc	68,860	2,443	1.05
Stamps.Com	71,860	4,040	1.73
Stratasys	114,800	1,917	0.82
Teradyne	186,100	2,401	1.03
Tesla Motors	31,000	5,093	2.19
TripAdvisor	88,960	3,922	1.68
Veeco Instruments	110,000	1,381	0.59
Wayfair Inc	138,700	3,576	1.54
Zillow Group Inc Class A	79,740	1,360	0.58
Zillow Group Inc Class C	159,480	2,617	1.12
Europe (ex-UK) - 14.52% (14.70%)			
Austria - 0.19% (0.50%)			
Zumtobel	50,620	450	0.19
Belgium - 1.29% (1.86%)			
Barco	19,420	923	0.40
Galapagos NV	66,520	2,063	0.89
Denmark - 1.22% (0.78%)			
Genmab	28,000	2,831	1.22

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Finland - 0.81% (0.95%)			
Basware	63,139	1,889	0.81
France - 1.64% (0.75%)			
Collectis	203,640	3,829	1.64
Germany - 4.04% (5.33%)			
Dialog Semiconductor	82,310	1,956	0.84
Morphosys	88,011	3,010	1.29
Suss Microtec	100,510	728	0.31
Wirecard	67,090	1,970	0.85
Xing	13,400	1,736	0.75
Israel - 0.20% (0.00%)			
Foamix Pharmaceuticals	108,200	466	0.20
Italy - 2.78% (2.38%)			
Cosmo Pharmaceuticals	34,173	3,855	1.65
Yoox Net - A - Porter Group	131,940	2,637	1.13
Norway - 0.23% (0.45%)			
Thin Film Electronics	1,519,500	544	0.23
Switzerland - 2.12% (1.70%)			
Evolva Holding	1,304,327	622	0.27
Molecular Partners Ag	66,900	1,267	0.54
Temenos	86,320	3,055	1.31
Japan - 8.91% (6.18%)			
Digital Garage	147,400	2,060	0.88
Infomart Corp	276,200	1,736	0.75
M3	150,000	2,881	1.24
MonotaRO Co	183,800	3,934	1.69
Nanocarrier	114,000	1,148	0.49
Next Co Ltd	429,600	3,423	1.47
Oisix	56,600	703	0.30
Peptidream	52,600	2,134	0.92
Start Today	91,900	2,721	1.17

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Pacific (ex-Japan) - 3.05% (3.23%)			
Australia - 0.91% (1.04%)			
Ensogo Ltd	475,975	273	0.12
GI Dynamics	967,240	8	0.00
SEEK	216,357	1,843	0.79
Hong Kong - 0.89% (0.84%)			
AAC Technologies Holdings	438,000	2,074	0.89
New Zealand - 0.78% (1.01%)			
Xero Ltd	236,900	1,821	0.78
Singapore - 0.47% (0.34%)			
Sarine Technologies	1,305,000	1,094	0.47
Emerging Markets - 2.03% (5.79%)			
Brazil - 0.98% (1.38%)			
MercadoLibre	26,800	2,285	0.98
China - 0.54% (2.77%)			
China Lumena New Mats ¹	4,098,000	-	0.00
Kingdee Int'l Software Group	5,664,000	1,256	0.54
India - 0.00% (1.04%)			
Korea - 0.25% (0.25%)			
Daum Kakao Corp	9,670	582	0.25
Philippines - 0.26% (0.35%)			
COL Financial Group	3,000,000	607	0.26
Portfolio of investments		222,257	95.40
Net other assets - 4.60% (4.87%)		10,704	4.60
Net assets		232,961	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

¹ This stock was suspended at the year end and has been valued at the Investment Adviser's valuation.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	701.60p	561.40p	473.30p
Return before operating charges ¹	1.66p	145.17p	92.75p
Operating charges	(5.51p)	(4.97p)	(4.65p)
Return after operating charges ¹	(3.85p)	140.20p	88.10p
Distributions on income shares	0.00p	0.00p	0.00p
Closing net asset value per share	697.75p	701.60p	561.40p
¹ After direct transaction costs of:	0.19p	0.13p	1.31p
Performance:			
Return after charges	(0.55%)	24.97%	18.61%
Other information:			
Closing net asset value (£'000)	32,162	29,750	22,412
Closing number of shares	4,609,387	4,240,199	3,991,930
Operating charges	0.78%	0.78%	0.78%
Direct transaction costs ²	0.03%	0.02%	0.22%
Prices:			
Highest share price	762.2p	752.4p	663.5p
Lowest share price	599.9p	548.3p	468.1p

²With effect from 1 August 2013 the ACD's annual fee for Class B Shares increased from 0.65% to 0.75%.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	709.50p	565.90p	476.00p
Return before operating charges ¹	1.31p	146.89p	93.08p
Operating charges	(0.21p)	(0.26p)	(0.53p)
Return after operating charges ¹	1.10p	146.63p	92.55p
Distributions on income shares	(2.36p)	(3.03p)	(2.65p)
Closing net asset value per share	708.24p	709.50p	565.90p
¹ After direct transaction costs of:	0.19p	0.13p	1.29p
Performance:			
Return after charges	0.15%	25.91%	19.44%
Other information:			
Closing net asset value (£'000)	18,094	18,125	14,457
Closing number of shares	2,554,821	2,554,821	2,554,821
Operating charges	0.03%	0.04%	0.09%
Direct transaction costs ²	0.03%	0.02%	0.22%
Prices:			
Highest share price	767.4p	763.8p	671.1p
Lowest share price	609.9p	552.9p	470.8p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

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Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	736.10p	593.40p	503.70p
Return before operating charges ¹	1.48p	152.90p	99.12p
Operating charges	(11.31p)	(10.20p)	(9.42p)
Return after operating charges ¹	(9.83p)	142.70p	89.70p
Closing net asset value per share	726.27p	736.10p	593.40p
Retained distributions on accumulation shares	0.00p	0.00p	0.00p
¹ After direct transaction costs of:	0.20p	0.14p	1.40p
Performance:			
Return after charges	(1.34%)	24.05%	17.81%
Other information:			
Closing net asset value (£'000)	14,183	24,597	38,372
Closing number of shares	1,952,770	3,341,661	6,466,143
Operating charges	1.53%	1.54%	1.48% ²
Direct transaction costs ³	0.03%	0.02%	0.22%
Prices:			
Highest share price	795.1p	789.7p	702.2p
Lowest share price	625.4p	579.2p	498.2p

²As at 30 April 2014 the ACD considered 1.59% to be a more indicative rate for the ongoing charges figure for Class B Net Accumulation Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	813.40p	650.90p	548.50p
Return before operating charges ¹	1.55p	168.28p	107.86p
Operating charges	(6.36p)	(5.78p)	(5.46p)
Return after operating charges ¹	(4.81p)	162.50p	102.40p
Closing net asset value per share	808.59p	813.40p	650.90p
Retained distributions on accumulation shares	0.00p	0.00p	0.00p
¹ After direct transaction costs of:	0.22p	0.15p	1.54p
Performance:			
Return after charges	(0.59%)	24.97%	18.67%
Other information:			
Closing net asset value (£'000)	155,565	98,403	57,163
Closing number of shares	19,239,107	12,097,792	8,782,208
Operating charges ²	0.78%	0.78%	0.74% ³
Direct transaction costs ⁴	0.03%	0.02%	0.22%
Prices:			
Highest share price	879.2p	872.3p	769.2p
Lowest share price	695.2p	635.6p	542.5p

²With effect from 1 August 2013 the ACD's annual fee for Class B Shares increased from 0.65% to 0.75%.

³As at 30 April 2014 the ACD considered 0.84% to be a more indicative rate for the ongoing charges figure for Class B Net Accumulation Shares.

⁴The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	897.40p	712.70p	596.80p
Return before operating charges ¹	1.68p	185.02p	116.56p
Operating charges	(0.27p)	(0.32p)	(0.66p)
Return after operating charges ¹	1.41p	184.70p	115.90p
Closing net asset value per share	898.81p	897.40p	712.70p
Retained distributions on accumulation shares	3.00p	3.82p	3.32p
¹ After direct transaction costs of:	0.25p	0.17p	1.62p
Performance:			
Return after charges	0.16%	25.92%	19.42%
Other information:			
Closing net asset value (£'000)	12,957	9,029	9,780
Closing number of shares	1,441,571	1,006,147	1,372,199
Operating charges	0.03%	0.04%	0.09%
Direct transaction costs ²	0.03%	0.02%	0.22%
Prices:			
Highest share price	970.6p	962.1p	841.4p
Lowest share price	771.5p	696.3p	590.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(1,434)		34,574
Revenue	3	797		819	
Expenses	4	(1,567)		(1,254)	
Net revenue/(expense) before taxation		(770)		(435)	
Taxation	5	(64)		(26)	
Net revenue/(expense) after taxation			(834)		(461)
Total return before distributions			(2,268)		34,113
Distributions	6		(125)		(91)
Change in net assets attributable to shareholders from investment activities			(2,393)		34,022

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		179,907		142,184
Amounts receivable on issue of shares	65,966		38,617	
Amounts payable on cancellation of shares	(10,910)		(35,185)	
		55,056		3,432
Dilution adjustment		348		232
Stamp duty reserve tax		-		(1)
Change in net assets attributable to shareholders from investment activities		(2,393)		34,022
Retained distributions on accumulation shares		43		38
Closing net assets attributable to shareholders		232,961		179,907

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		222,257	171,147
Current assets:			
Debtors	8	135	460
Cash and bank balances	9	12,815	9,876
Total assets		235,207	181,483
Liabilities:			
Creditors:			
Bank overdrafts	9	(788)	(391)
Distributions payable		(60)	(77)
Other creditors	10	(1,398)	(1,108)
Total liabilities		(2,246)	(1,576)
Net assets attributable to shareholders		232,961	179,907

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	(1,533)	34,433
Currency gains/(losses)	103	145
Custodian transaction charges	(4)	(4)
Net gains/(losses)	(1,434)	34,574

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	64,568	29,275
Commissions	26	14
Taxes	23	12
Total purchases of equity transaction costs ¹	49	26
Purchases including transaction costs	64,617	29,301

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.05
Taxes on equity purchases	0.04	0.04

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	11,982	25,300
Commissions	(7)	(13)
Taxes	(1)	(4)
Total sales of equity transaction costs ¹	(8)	(17)
Sales net of transaction costs	11,974	25,283

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.06)	(0.05)
Taxes on equity sales	(0.01)	(0.02)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	33	0.02	27	0.01
Taxes	24	0.01	16	0.01
Total direct transaction costs	57	0.03	43	0.02

	2016	2015
	%	%
Average portfolio dealing spread	0.63	0.61

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
UK dividends	273	297
Overseas dividends	505	506
Bank interest	19	16
Total revenue	797	819

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,516	1,206
Registrar's fees	2	6
	1,518	1,212
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	22	16
Bank charges	18	17
	40	33
Other expenses:		
Audit fee	5	6
Professional fees	4	3
	9	9
Total expenses	1,567	1,254

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	62	58
Tax recoverable on overseas dividends	2	(32)
Total taxation	64	26

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £3,618,000 (2015: £2,089,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	(770)	(435)
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	(154)	(87)
Effects of:		
UK dividends	(55)	(59)
Non-taxable overseas dividends	(96)	(96)
Overseas tax on dividends	62	58
Tax recoverable on overseas dividends	2	(32)
Surplus management expenses	305	242
Current tax charge (see above)	64	26

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	104	116
Amounts deducted on cancellation of shares	(105)	(78)
Amounts added on issue of shares	126	53
Total distributions	125	91

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	(834)	(461)
Add revenue deficits transferred to capital account	959	551
Add distributable revenue brought forward	-	1
Net distributions for the year	125	91

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	54	270
Sales awaiting settlement	-	103
Accrued income	66	62
Overseas tax recoverable	12	23
VAT recoverable	1	-
Other debtors	2	2
Total debtors	135	460

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	6,648	5,208
Foreign currency bank accounts	6,167	4,668
	12,815	9,876
Sterling bank accounts overdrawn	(788)	(391)
Total cash and bank balances	12,027	9,485

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	321	578
Purchases awaiting settlement	927	398
Corporation tax due on prior periods	5	5
Due to the ACD or associates	134	114
Due to the Depositary or associates	4	5
Other accrued expenses	7	8
Total other creditors	1,398	1,108

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Financial Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	-
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

No shareholder owns more than 20% of the value of the Fund.

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation	B Net Income	B Net Accumulation	C Net Income	C Net Accumulation
12 Reconciliation of shares in issue					
Opening shares in issue	3,341,661	4,240,199	12,097,792	2,554,821	1,006,147
Shares issued	325,452	859,100	6,531,698	-	437,674
Shares cancelled	(399,607)	(489,912)	(574,588)	-	(2,250)
Shares converted	(1,314,736)	-	1,184,205	-	-
Closing shares in issue	1,952,770	4,609,387	19,239,107	2,554,821	1,441,571

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	222,257	171,147
Valuation techniques using observable market data	-	-
Valuation techniques using non-observable data	-	-
Total	222,257	171,147

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the

Currency	Net foreign currency assets			Net foreign currency assets		
	2016			2015		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Australian dollar	-	2,124	2,124	-	1,877	1,877
Danish krone	-	2,831	2,831	-	1,405	1,405
Euro	-	21,191	21,191	-	18,640	18,640
Hong Kong dollar	-	3,330	3,330	-	3,707	3,707
Indian rupee	-	-	-	-	800	800
Japanese yen	-	20,740	20,740	-	11,113	11,113
Korean won	-	582	582	-	458	458
New Zealand dollar	-	1,821	1,821	-	1,810	1,810
Norwegian krone	-	544	544	-	807	807
Philippine peso	-	607	607	-	636	636
Singapore dollar	-	1,094	1,094	-	606	606
Swiss franc	-	8,799	8,799	-	5,598	5,598
US dollar	6,167	103,977	110,144	4,668	72,271	76,939

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Net Income				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Net Income				
Group 1	2.36000	-	2.36000	3.03000
Group 2	2.36000	-	2.36000	3.03000
C Net Accumulation				
Group 1	3.00000	-	3.00000	3.82000
Group 2	0.17460	2.82540	3.00000	3.82000

BAILLIE GIFFORD

Baillie Gifford Greater China Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Greater China Fund

Investment Objective

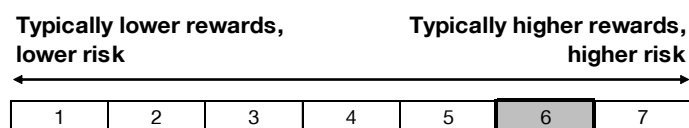
The Fund aims to produce attractive capital growth over the long term.

Investment Policy

To invest mainly in shares of companies which are listed or trade in mainland China, Hong Kong or Taiwan; or in companies where the majority of their revenues or profits come from China, Hong Kong or Taiwan. From time to time the Fund may be concentrated and hold around forty stocks.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

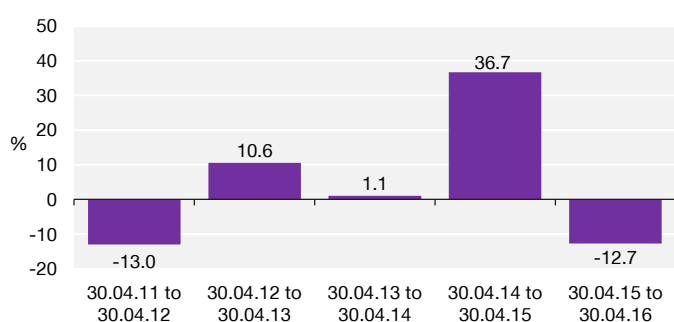


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets, particularly in emerging

markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your investment. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



For the year to 30 April 2016 the return on B Net Accumulation Shares was -13.4%² compared to the return on the MSCI Golden Dragon Index of -20.0%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Equity markets in Greater China posted weak performance in the period as the market became increasingly worried about slowing GDP growth, aggregate debt levels and renminbi depreciation. Despite this, we remain confident that Greater China represents one of the most exciting growth opportunities globally with the potential to deliver superior returns to investors over the long term. The Fund outperformed a falling market primarily due to stock selection. Notable positive contributors included our holdings in the information technology sector such as Tencent, China's dominant gaming and social messaging platform, Alibaba, China's leading ecommerce site, and Ctrip, China's number one online travel booking website. These companies continue to grow at double digit rates driven by an emerging affluent consumer class and technological innovation. Other notable contributors to the Fund's outperformance

The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.75% (up to 31 January 2014 the annual fee was 1.0%), but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

included TSMC, the world's largest silicon chip maker, and Minth, a Chinese auto parts company which is taking share overseas.

The Fund's overall shape remains broadly unchanged with large overweight positions in information technology and consumer discretionary and underweight positions in financials, industrials and materials. New purchases over the period have been varied. Shenzhou International, a new holding, is a vertically integrated premium sportswear manufacturer with a reputation for operational excellence and plenty of scope to grow with existing and new customers. Himax, another new purchase, has an array of competitive visual imaging components which can be found in virtual reality products such as Facebook's Oculus Rift. We believe virtual and augmented reality products are likely to grow rapidly over the next five to ten years.

We remain excited by the outlook for the companies in which we invest and continue to believe that the businesses we own will generate outsized returns.

Mike Gush and Sophie Earnshaw, 13 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Tencent	9.02
TSMC	8.30
Alibaba	6.68
AIA Group	5.46
Baidu.com ADR	3.86
Ctrip.com Intl Sponsored ADR	3.60
Ping An Insurance	3.22
Hon Hai Precision	3.16
JD.Com Inc - ADR	2.67
China Life Insurance (Taiwan)	2.63

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Ctrip.com Intl Sponsored ADR	211	Wuxi Pharmatech ADR	239
Tencent	178	Tencent	236
Ping An Insurance	169	TSMC	205
China Vanke Co Ltd H	150	Qunar	154
Alibaba	140	AIA Group	136
TSMC	138	Alibaba	126
Advanced Semiconductor Engineering	115	Lenovo Group	115
Himax Technologies Adr	109	Hon Hai Precision	112
AIA Group	98	Ctrip.com Intl Sponsored ADR	84
Giant Manufacturing Co Ltd	94	JD.Com Inc - ADR	83
Legend Holdings Corp	86	China Taiping Insurance International	81
China Taiping Insurance International	85	Ping An Insurance	77
Baidu.com ADR	82	Galaxy Entertainment Group	73
Hong Kong Exchanges & Clearing	81	Hengan International Group	72
Merida Industry Co Ltd	73	China Life Insurance (Taiwan)	65
Lenovo Group	72	Baidu.com ADR	63
Hon Hai Precision	70	Legend Holdings Corp	53
China Overseas Land	70	BOC Hong Kong	51
Fubon Financial Holding Co	69	Hong Kong Exchanges & Clearing	51
Shenzhou International Group Holdings	68	Evergreen Marine	46
Other purchases	688	Other sales	614
Total purchases	2,846	Total sales	2,736

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
China - 48.85% (49.26%)			
AAC Technologies Holdings	18,000	85	1.25
Alibaba	8,679	455	6.68
Baidu.com ADR	1,984	263	3.86
Beigene Ltd	1,850	35	0.51
China Overseas Land	32,000	70	1.03
China Petroleum and Chemicals	196,000	95	1.40
China Taiping Insurance International	121,460	170	2.50
China Vanke Co Ltd H	86,800	149	2.19
CNOOC	107,000	91	1.33
Ctrip.com Intl Sponsored ADR	8,230	245	3.60
ENN Energy Holdings	18,000	60	0.88
Fuyao Glass Industry Grp	55,200	85	1.25
Geely Automobile Holdings	205,000	70	1.03
Haier Electronics Group Co	50,300	57	0.84
JD.Com Inc - ADR	10,424	182	2.67
Kingsoft Corp Ltd	43,000	68	1.00
Lenovo Group	114,000	62	0.91
Minth Group	76,000	135	1.98
Ping An Insurance	68,000	219	3.22
Shenzhou International Group Holdings	19,000	67	0.98
Tencent	43,900	614	9.02
ZTE Corp H	46,280	49	0.72
Hong Kong - 15.01% (17.23%)			
AIA Group	90,600	372	5.46
ASM Pacific Tech.	14,800	73	1.07
BOC Hong Kong	69,500	142	2.09
Hong Kong Exchanges & Clearing	9,100	157	2.31
Johnson Electric Holdings	32,500	65	0.95
Techtronic Industries	48,500	124	1.82
Towngas China	252,000	89	1.31
Taiwan - 31.75% (30.76%)			
Advanced Semiconductor Engineering	142,000	91	1.33
Advantech Co	24,784	119	1.75
AirTac International Group	15,771	71	1.04
China Life Insurance (Taiwan)	346,454	179	2.63
Delta Electronics	48,000	152	2.23
Everlight Electronics	53,000	51	0.75

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Fubon Financial Holding Co	80,000	66	0.97
Giant Manufacturing Co Ltd	21,000	86	1.26
Hermes Microvision Inc	2,000	42	0.62
Himax Technologies Adr	21,410	152	2.23
Hiwin Technologies	17,066	51	0.75
Hon Hai Precision	131,600	215	3.16
HTC	20,000	35	0.51
Mediatek	23,314	113	1.66
Merida Industry Co Ltd	34,000	95	1.40
Phison Electronics	13,795	79	1.16
TSMC	178,649	565	8.30
Portfolio of investments		6,510	95.61
Net other assets - 4.39% (2.75%)		299	4.39
Net assets		6,809	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	269.60p	198.50p	198.50p
Return before operating charges ¹	(34.39p)	78.63p	4.01p
Operating charges	(1.98p)	(2.13p)	(1.94p)
Return after operating charges ¹	(36.37p)	76.50p	2.07p
Distributions on income shares ²	(2.17p)	(5.40p)	(2.07p)
Closing net asset value per share	231.06p	269.60p	198.50p
¹ After direct transaction costs of:	0.21p	0.85p	0.23p
Performance:			
Return after charges	(13.49%)	38.54%	1.04%
Other information:			
Closing net asset value (£'000)	1,247	1,240	51
Closing number of shares	539,668	459,832	25,794
Operating charges ²	0.85%	0.85%	0.93% ³
Direct transaction costs ⁴	0.09%	0.34%	0.11%
Prices:			
Highest share price	276.0p	289.9p	217.1p
Lowest share price	190.8p	196.6p	180.7p

²With effect from 1 February 2014 the ACD's annual fee for Class B Shares decreased from 1.00% to 0.75%.

³As at 30 April 2014 the ACD considered 0.89% to be a more indicative rate for the ongoing charges figure for Class B Net Income Shares.

⁴The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	270.60p	199.00p	199.10p
Return before operating charges ¹	(34.47p)	79.63p	4.03p
Operating charges	(0.24p)	(0.77p)	(0.29p)
Return after operating charges ¹	(34.71p)	78.86p	3.74p
Distributions on income shares	(4.05p)	(7.26p)	(3.84p)
Closing net asset value per share	231.84p	270.60p	199.00p
¹ After direct transaction costs of:	0.21p	0.75p	0.23p
Performance:			
Return after charges	(12.83%)	39.63%	1.88%
Other information:			
Closing net asset value (£'000)	1	1	3,255
Closing number of shares	500	500	1,635,562
Operating charges	0.10%	0.35% ²	0.14%
Direct transaction costs ³	0.09%	0.34%	0.11%
Prices:			
Highest share price	277.1p	292.8p	219.1p
Lowest share price	191.9p	197.2p	181.5p

²As at 30 April 2015 the ACD considered 0.10% to be a more indicative rate for the ongoing charges figure for Class C Net Income Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	279.50p	203.20p	202.50p
Return before operating charges ¹	(34.71p)	80.11p	4.19p
Operating charges	(3.89p)	(3.81p)	(3.49p)
Return after operating charges ¹	(38.60p)	76.30p	0.70p
Closing net asset value per share	240.90p	279.50p	203.20p
Retained distributions on accumulation shares	1.09p	3.95p	0.73p
¹ After direct transaction costs of:	0.22p	0.81p	0.23p
Performance:			
Return after charges	(13.81%)	37.55%	0.35%
Other information:			
Closing net asset value (£'000)	340	1,187	1,215
Closing number of shares	141,063	424,552	597,786
Operating charges	1.60%	1.60%	1.67%
Direct transaction costs ²	0.09%	0.34%	0.11%
Prices:			
Highest share price	285.8p	294.3p	220.4p
Lowest share price	197.6p	201.2p	184.1p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	289.30p	208.50p	206.60p
Return before operating charges ¹	(36.63p)	82.84p	4.21p
Operating charges	(2.14p)	(2.04p)	(2.31p)
Return after operating charges ¹	(38.77p)	80.80p	1.90p
Closing net asset value per share	250.53p	289.30p	208.50p
Retained distributions on accumulation shares ²	2.40p	6.17p	1.98p
¹ After direct transaction costs of:	0.22p	0.82p	0.24p
Performance:			
Return after charges	(13.40%)	38.75%	0.92%
Other information:			
Closing net asset value (£'000)	3,130	2,964	6,686
Closing number of shares	1,249,314	1,024,525	3,206,754
Operating charges ²	0.85%	0.85%	1.08% ³
Direct transaction costs ⁴	0.09%	0.34%	0.11%
Prices:			
Highest share price	296.1p	304.7p	225.7p
Lowest share price	204.9p	206.5p	188.0p

²With effect from 1 February 2014 the ACD's annual fee for Class B Shares decreased from 1.00% to 0.75%.

³As at 30 April 2014 the ACD considered 0.89% to be a more indicative rate for the ongoing charges figure for Class B Net Accumulation Shares.

⁴The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	306.20p	219.30p	215.20p
Return before operating charges ¹	(38.66p)	87.16p	4.43p
Operating charges	(0.27p)	(0.26p)	(0.33p)
Return after operating charges ¹	(38.93p)	86.90p	4.10p
Closing net asset value per share	267.27p	306.20p	219.30p
Retained distributions on accumulation shares	4.59p	7.95p	4.15p
¹ After direct transaction costs of:	0.24p	0.88p	0.25p
Performance:			
Return after charges	(12.71%)	39.63%	1.91%
Other information:			
Closing net asset value (£'000)	2,091	2,396	2,586
Closing number of shares	782,354	782,354	1,179,337
Operating charges	0.10%	0.10%	0.15%
Direct transaction costs ²	0.09%	0.34%	0.11%
Prices:			
Highest share price	314.0p	322.8p	236.9p
Lowest share price	217.5p	217.2p	196.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(1,179)		2,467
Revenue	3	122		222	
Expenses	4	(41)		(48)	
Net revenue/(expense) before taxation		81		174	
Taxation	5	(8)		63	
Net revenue/(expense) after taxation			73		237
Total return before distributions			(1,106)		2,704
Distributions	6		(73)		(237)
Change in net assets attributable to shareholders from investment activities			(1,179)		2,467

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		7,786		13,793
Amounts receivable on issue of shares	3,351		5,664	
Amounts payable on cancellation of shares	(3,231)		(14,336)	
		120		(8,672)
Dilution adjustment		15		56
Change in net assets attributable to shareholders from investment activities		(1,179)		2,467
Retained distributions on accumulation shares		67		142
Closing net assets attributable to shareholders		6,809		7,786

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		6,510	7,572
Current assets:			
Debtors	8	223	243
Cash and bank balances	9	249	115
Total assets		6,982	7,930
Liabilities:			
Creditors:			
Bank overdrafts	9	(25)	(23)
Distribution payable		(12)	(25)
Other creditors	10	(136)	(96)
Total liabilities		(173)	(144)
Net assets attributable to shareholders		6,809	7,786

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	(1,172)	2,478
Currency gains/(losses)	(1)	(5)
Custodian transaction charges	(6)	(6)
Net gains/(losses)	(1,179)	2,467
	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	2,844	5,094
Commissions	1	2
Taxes	1	1
Total purchases of equity transaction costs ¹	2	3
Purchases including transaction costs	2,846	5,097
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.04
Taxes on equity purchases	0.04	0.02
	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	2,740	13,679
Commissions	(1)	(6)
Taxes	(3)	(19)
Total sales of equity transaction costs ¹	(4)	(25)
Sales net of transaction costs	2,736	13,654
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.04)
Taxes on equity sales	(0.11)	(0.14)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	2	0.03	8	0.10
Taxes	4	0.06	20	0.24
Total direct transaction costs	6	0.09	28	0.34

	2016	2015
	%	%
Average portfolio dealing spread	0.22	0.30

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	121	222
Bank interest	1	-
Total revenue	122	222

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge ¹	5	27
Registrar's fees	-	1
	5	28
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	2	1
Bank charges	3	3
	5	4
Other expenses:		
Audit fee	6	5
Professional fees	25	11
	41	48

¹After taking £35,000 (2015: £3,000) of fees rebated by the ACD into account.

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Corporation tax	-	-
Tax recoverable on overseas dividends	-	(77)
Total taxation	8	(63)

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable. At 30 April 2016, the Fund had surplus management expenses of £761,000 (2015: £721,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through

The tax charge is explained as follows:

Net revenue/(expense) before taxation	81	174
Net revenue/(expense) before taxation multiplied by the standard rate of	16	34
Effects of:		
Overseas tax on dividends	8	14
Tax recoverable on overseas dividends	-	(77)
Surplus management expenses	8	10
Current tax charge (see above)	8	(63)

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	79	167
Amounts deducted on cancellation of shares	30	154
Amounts added on issue of shares	(36)	(84)
Total distributions	73	237

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	73	237
Net distributions for the year	73	237

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	15	95
Sales awaiting settlement	51	-
Accrued income	-	1
Overseas tax recoverable	27	29
Other debtors	130	118
Total debtors	223	243

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	248	59
Foreign currency bank accounts	1	56
	249	115
Sterling bank accounts overdrawn	(25)	(23)
Total cash and bank balances	224	92

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
Other creditors		
10 Payable for cancellation of shares	9	29
Purchases awaiting settlement	101	56
Corporation tax payable	-	-
Due to the Depositary or associates	3	1
Other accrued expenses	20	6
Total other creditors	136	96

	2016	2015
	%	%
Related party transactions		
11 The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Income	-	-
B Net Income	-	-
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

The following shareholder owns more than 20% of the value of the Fund:

Baillie Gifford Life Limited	30.7	30.8
------------------------------	------	------

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation	B Net Income	B Net Accumulation	C Net Income	C Net Accumulation
12 Reconciliation of shares in issue					
Opening shares in issue	424,552	459,832	1,024,525	500	782,354
Shares issued	105,795	283,134	982,328	-	600
Shares cancelled	(109,555)	(203,298)	(1,026,722)	-	(600)
Shares converted	(279,729)	-	269,183	-	-
Closing shares in issue	141,063	539,668	1,249,314	500	782,354

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	6,510	7,572
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	6,510	7,572

14 Derivatives and other financial instruments**Currency exposures**

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016			2015		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Hong Kong dollar	-	3,168	3,168	56	3,789	3,845
Taiwanese dollar	-	2,010	2,010	-	2,396	2,396
US dollar	1	1,332	1,333	-	1,387	1,387

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	1.09000	-	1.09000	3.95000
Group 2	-	1.09000	1.09000	3.95000
B Net Income				
Group 1	2.17000	-	2.17000	5.40000
Group 2	0.14444	2.02556	2.17000	5.40000
B Net Accumulation				
Group 1	2.40000	-	2.40000	6.17000
Group 2	0.27227	2.12773	2.40000	6.17000
C Net Income				
Group 1	4.05000	-	4.05000	7.26000
Group 2	4.05000	-	4.05000	7.26000
C Net Accumulation				
Group 1	4.59000	-	4.59000	7.95000
Group 2	4.59000	-	4.59000	7.95000

BAILLIE GIFFORD

Baillie Gifford Japanese Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Japanese Fund

Investment Objective

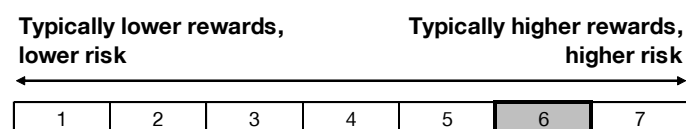
The Fund aims to produce attractive capital growth over the long term.

Investment Policy

To invest in any economic sector in Japan. Investment will be mainly in shares of companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

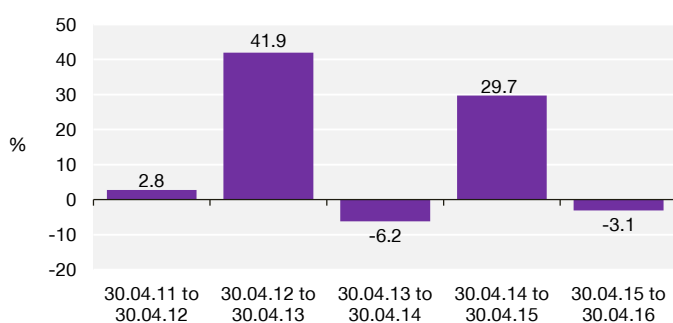


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund's exposure to a single market and currency may increase share price movements. Where possible, charges are taken from the Fund's revenue. Where there is

insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was -0.3%² compared to the return on the Topix Index of 0.9%³, in sterling terms. We believe that the shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Japanese corporate governance has continued to progress. Over 95% of Japanese listed companies have an independent director compared with under 50% five years ago. The introduction of the Japanese Corporate Governance code is encouraging company management to think more deeply about their obligation to shareholders.

Japanese companies have been significantly increasing dividends and buybacks. Considering that many are starting from a low base and that 47% of Japanese listed companies have net cash on the balance sheet, we expect dividends to grow faster than earnings over the medium term.

The domestic economy seems sound to us with underlying improvements in inflation and a tight labour market with unemployment falling to just 3.2%. Given the high starting level of wealth, we do not expect rapid growth in GDP overall but the economy continues to

evolve creating significant growth opportunities in online retail and online financial services; both areas where the portfolio has significant exposure including holdings in Japan's leading e-commerce company Rakuten and its leading online brokerage company SBI Holdings. Meanwhile inbound tourism to Japan continues to surge.

There has been some level of uncertainty regarding global growth levels and this, coupled with currency moves, has resulted in weaker results for some Japanese exporters. We have generally taken this as an opportunity to increase our holdings in selected robotics and factory automation companies. We believe that in many cases these businesses have a very substantial growth opportunity ahead of them and the short-term uncertainty provides an excellent long-term opportunity to acquire under-priced quality businesses.

During the course of the year we sold two holdings, and bought three new holdings, including Fanuc, the world's leading manufacturer of robots. Overall turnover remained low, in line with our long-term approach to growth investing.

Matthew Brett and Sarah Whitley, 18 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
SoftBank	4.25
Rakuten	3.22
Keyence	2.99
Misumi	2.94
Japan Exchange Group	2.75
Start Today	2.73
Sumitomo Mitsui Trust	2.65
Kubota	2.59
Yaskawa Electric	2.53
Mitsui	2.41

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
FANUC	20,494	NTT	16,654
Sumitomo Mitsui Trust	17,823	Sumitomo Corp.	14,837
SoftBank	15,164	Sony	13,772
Rakuten	12,374	Fuji Heavy Industries	9,237
Toyota Motor	10,209	Nitori	8,705
Mori Seiki	8,824	Otsuka	7,382
Topcon Corp	5,644	Suruga Bank Ltd	7,082
Inpex Holdings Inc	5,466	Nintendo	6,967
F@N Communications Inc	5,254	Cookpad	4,873
Mitsui	5,135	Isuzu Motors	4,703
Mitsui Osk Lines	4,890	Toyota Motor	4,678
Gree	4,884	Japan Exchange Group	3,733
Mazda Motor	4,647	SoftBank	3,534
Sumitomo Metal Mining Co Ltd	4,460	Park24 Co Ltd	3,498
Yaskawa Electric	4,188	Mitsui	3,056
Nintendo	4,053	Sumitomo Mitsui Trust	2,479
Keyence	3,896	Kubota	2,472
Bank Of Kyoto	3,857	Kao	2,209
Don Quijote	3,730	CyberAgent Inc	2,127
Asics	3,524	Rakuten	2,125
Other purchases	61,928	Other sales	28,556
Total purchases	210,444	Total sales	152,679

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Chemicals & Other Materials - 10.03% (10.45%)			
Inpex Holdings Inc	3,485,800	19,753	2.04
Japan Petroleum Exploration	429,700	7,043	0.73
Kao	533,900	20,833	2.15
Nippon Electric Glass	5,747,000	21,450	2.22
Shin-Etsu Chemical	227,600	9,007	0.93
Sumitomo Metal Mining Co Ltd	2,378,000	18,995	1.96
Commerce & Services - 17.44% (17.69%)			
Cookpad	471,800	4,807	0.50
CyberAgent Inc	374,800	12,434	1.29
DeNa	386,300	4,594	0.47
F@N Communications Inc	1,361,400	6,688	0.69
Misumi	2,871,400	28,469	2.94
Mitsubishi Corp.	1,154,900	13,727	1.42
Mitsui	2,721,100	23,290	2.41
Mitsui Osk Lines	5,622,000	8,501	0.88
Rakuten	3,998,400	31,135	3.22
Ship Healthcare Holdings Inc	340,200	5,932	0.61
Sumitomo Corp.	851,700	6,358	0.66
Temp Holdings	864,100	9,207	0.95
Toyota Tsusho Corp	843,800	13,567	1.40
Real Estate & Construction - 3.84% (3.77%)			
Mitsubishi Estate	999,000	13,519	1.40
Park24 Co Ltd	633,700	12,473	1.29
Tokyo Tatemono	1,195,100	11,117	1.15
Electricals & Electronics - 15.15% (14.30%)			
Advantest Corp	1,394,600	9,432	0.98
FANUC	197,300	20,776	2.15
Keyence	67,500	28,923	2.99
Kyocera	634,000	22,138	2.29
Rohm	145,400	4,546	0.47
Sony	731,700	12,969	1.34
Toshiba Tec	4,046,000	10,790	1.12
Wacom Co Ltd	4,272,500	12,348	1.28
Yaskawa Electric	2,925,600	24,471	2.53

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Financials - 11.16% (11.03%)			
Bank Of Kyoto	832,000	3,971	0.41
Japan Exchange Group	2,483,300	26,554	2.75
MS&AD Insurance	1,125,200	21,311	2.20
Nomura	2,504,300	7,652	0.79
SBI Holdings	3,074,536	22,794	2.36
Sumitomo Mitsui Trust	11,677,000	25,673	2.65
Miscellaneous Manufacturing & Machinery - 17.47% (17.81%)			
Asics	1,052,300	14,844	1.54
Disco	129,000	7,786	0.81
Fuji Heavy Industries	705,900	16,736	1.73
Isuzu Motors	1,912,900	14,591	1.51
Kubota	2,366,000	25,051	2.59
Mazda Motor	1,793,000	19,956	2.06
Mori Seiki	691,400	5,624	0.58
Nintendo	231,800	22,413	2.32
SMC	72,600	12,666	1.31
Topcon Corp	764,100	6,669	0.69
Toyota Motor	625,900	22,578	2.33
Pharmaceuticals & Foods - 4.80% (4.24%)			
Asahi Group Holdings	741,300	16,596	1.72
Toyo Suisan Kaisha Ltd	432,100	10,752	1.11
Tsumura	1,057,600	19,082	1.97
Retail - 6.91% (5.42%)			
Don Quijote	757,700	19,216	1.99
Nitori	322,900	21,178	2.19
Start Today	890,700	26,368	2.73

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Information, Communications & Utilities - 12.00% (11.74%)			
Broadleaf	751,700	5,218	0.54
Digital Garage	1,405,700	19,641	2.03
GMO Internet	2,404,300	20,172	2.09
Gree	2,298,200	9,018	0.93
Hikari Tsushin	317,400	16,686	1.73
Otsuka	123,400	4,188	0.43
SoftBank	1,076,200	41,115	4.25
Portfolio of investments		955,391	98.80
Net other assets - 1.20% (3.55%)		11,601	1.20
Net assets		966,992	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	931.20p	724.30p	774.60p
Return before operating charges ¹	2.91p	218.83p	(39.40p)
Operating charges	(6.03p)	(5.58p)	(5.13p)
Return after operating charges ¹	(3.12p)	213.25p	(44.53p)
Distributions on income shares	(8.15p)	(6.35p)	(5.77p)
Closing net asset value per share	919.93p	931.20p	724.30p
¹ After direct transaction costs of:	0.14p	0.08p	0.32p
Performance:			
Return after charges	(0.33%)	29.44%	(5.75%)
Other information:			
Closing net asset value (£'000)	146,691	111,274	72,607
Closing number of shares	15,945,846	11,949,386	10,024,008
Operating charges	0.68%	0.68%	0.66%
Direct transaction costs ²	0.02%	0.01%	0.04%
Prices:			
Highest share price	966.8p	1007p	827.3p
Lowest share price	762.2p	715.8p	705.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	936.10p	727.60p	778.40p
Return before operating charges ¹	3.24p	220.53p	(39.82p)
Operating charges	(0.27p)	(0.25p)	(0.31p)
Return after operating charges ¹	2.97p	220.28p	(40.13p)
Distributions on income shares	(14.07p)	(11.78p)	(10.67p)
Closing net asset value per share	925.00p	936.10p	727.60p
¹ After direct transaction costs of:	0.14p	0.08p	0.32p
Performance:			
Return after charges	0.32%	30.27%	(5.16%)
Other information:			
Closing net asset value (£'000)	3	3	2
Closing number of shares	300	300	300
Operating charges	0.03%	0.03%	0.04%
Direct transaction costs ²	0.02%	0.01%	0.04%
Prices:			
Highest share price	978.1p	1018p	835.0p
Lowest share price	770.2p	719.2p	709.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

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Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	900.20p	701.40p	750.30p
Return before operating charges ¹	2.48p	210.67p	(37.69p)
Operating charges	(13.11p)	(11.87p)	(11.21p)
Return after operating charges ¹	(10.63p)	198.80p	(48.90p)
Closing net asset value per share	889.57p	900.20p	701.40p
Retained distributions on accumulation shares	0.56p	0.00p	0.00p
¹ After direct transaction costs of:	0.13p	0.08p	0.31p
Performance:			
Return after charges	(1.18%)	28.34%	(6.52%)
Other information:			
Closing net asset value (£'000)	15,381	34,285	64,492
Closing number of shares	1,729,067	3,808,728	9,195,033
Operating charges	1.53%	1.53%	1.49% ²
Direct transaction costs ³	0.02%	0.01%	0.04%
Prices:			
Highest share price	926.8p	967.5p	800.0p
Lowest share price	731.9p	692.9p	682.6p

²As at 30 April 2014 the ACD considered 1.54% to be a more indicative rate for the ongoing charges figure for Class A Net Accumulation Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section.

Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1014.00p	783.40p	831.30p
Return before operating charges ¹	3.22p	236.65p	(42.21p)
Operating charges	(6.56p)	(6.05p)	(5.69p)
Return after operating charges ¹	(3.34p)	230.60p	(47.90p)
Closing net asset value per share	1010.66p	1014.00p	783.40p
Retained distributions on accumulation shares	8.88p	6.87p	6.06p
¹ After direct transaction costs of:	0.15p	0.08p	0.32p
Performance:			
Return after charges	(0.33%)	29.44%	(5.76%)
Other information:			
Closing net asset value (£'000)	600,199	494,689	305,762
Closing number of shares	59,386,829	48,782,088	39,027,631
Operating charges	0.68%	0.68%	0.68%
Direct transaction costs ²	0.02%	0.01%	0.04%
Prices:			
Highest share price	1053p	1090p	887.8p
Lowest share price	830.0p	774.2p	756.9p

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Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	1111.00p	852.80p	899.10p
Return before operating charges ¹	3.83p	258.51p	(45.94p)
Operating charges	(0.32p)	(0.31p)	(0.36p)
Return after operating charges ¹	3.51p	258.20p	(46.30p)
Closing net asset value per share	1114.51p	1111.00p	852.80p
Retained distributions on accumulation shares	16.68p	13.80p	12.33p
¹ After direct transaction costs of:	0.17p	0.10p	0.37p
Performance:			
Return after charges	0.32%	30.28%	(5.15%)
Other information:			
Closing net asset value (£'000)	204,718	301,266	57,178
Closing number of shares	18,368,345	27,116,213	6,704,817
Operating charges	0.03%	0.03%	0.04%
Direct transaction costs ²	0.02%	0.01%	0.04%
Prices:			
Highest share price	1161p	1193p	964.6p
Lowest share price	914.1p	842.9p	819.2p

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Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(9,818)		144,316
Revenue	3	16,503		11,425	
Expenses	4	(5,038)		(4,114)	
Net revenue/(expense) before taxation		11,465		7,311	
Taxation	5	(1,648)		(1,148)	
Net revenue/(expense) after taxation			9,817		6,163
Total return before distributions			(1)		150,479
Distributions	6		(9,820)		(6,180)
Change in net assets attributable to shareholders from investment activities			(9,821)		144,299

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		941,519		500,040
Amounts receivable on issue of shares	246,896		169,866	
Amounts payable on cancellation of shares	(220,353)		(113,634)	
Stocks transferred in on issue of shares	-		233,529	
		26,543		289,761
Dilution adjustment		404		326
Change in net assets attributable to shareholders from investment activities		(9,821)		144,299
Retained distributions on accumulation shares		8,347		7,093
Closing net assets attributable to shareholders		966,992		941,519

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		955,391	908,119
Current assets:			
Debtors	8	8,220	27,956
Cash and bank balances	9	5,813	10,488
Total assets		969,424	946,563
Liabilities:			
Creditors:			
Distributions payable		(1,300)	(759)
Other creditors	10	(1,132)	(4,285)
Total liabilities		(2,432)	(5,044)
Net assets attributable to shareholders		966,992	941,519

Notes to the Financial Statements

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Purchases of equity	210,365	140,629
Stocks transferred in	-	233,620
Gross purchases of equity excluding transaction costs	210,365	374,249
Commissions	79	55
Taxes	-	-
Total purchases of equity transaction costs ¹	79	55
Purchases including transaction costs	210,444	374,304

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.04	0.01
Taxes on equity purchases	-	-

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	152,744	98,798
Commissions	(65)	(38)
Taxes	-	-
Total sales of equity transaction costs ¹	(65)	(38)
Sales net of transaction costs	152,679	98,760

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.04)	(0.04)
Taxes on equity sales	-	-

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	144	0.02	93	0.01
Taxes	-	-	-	-
Total direct transaction costs	144	0.02	93	0.01

	2016	2015
	%	%
Average portfolio dealing spread	0.11	0.09

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	16,482	11,403
Bank interest	21	22
Total revenue	16,503	11,425

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	4,820	3,951
Registrar's fees	6	14
	4,826	3,965
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	92	63
Bank charges	114	81
	206	144
Other expenses:		
Audit fee	6	5
Total expenses	5,038	4,114

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	1,648	1,148

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 30 April 2016 the Fund had surplus management expenses of £28,183,000 (2015: £23,168,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	11,465	7,311
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	2,293	1,462
Effects of:		
Non-taxable overseas dividends	(3,296)	(2,281)
Overseas tax on dividends	1,648	1,148
Surplus management expenses	1,003	819
Current tax charge (see above)	1,648	1,148

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	9,647	7,852
Amounts deducted on cancellation of shares	797	125
Amounts added on issue of shares	(624)	(1,797)
Total distributions	9,820	6,180

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	9,817	6,163
Add capital transfers for deficits of income	-	22
Add distributable revenue brought forward	7	2
Less distributable revenue carried forward	(4)	(7)
Net distributions for the year	9,820	6,180

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	1,121	3,561
Sales awaiting settlement	-	18,543
Accrued income	7,013	5,768
VAT recoverable	5	3
Other debtors	81	81
Total debtors	8,220	27,956

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	2,999	9,339
Foreign currency bank accounts	2,814	1,149
Total cash and bank balances	5,813	10,488

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	685	150
Purchases awaiting settlement	-	3,712
Due to the ACD or associates	413	382
Due to the Depositary or associates	28	36
Other accrued expenses	6	5
Total other creditors	1,132	4,285

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	-
B Net Accumulation	21.3	29.3
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

No shareholder owns more than 20% of the value of the Fund.

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	A Net Accumulation Shares	B Net Income Shares	2016 B Net Accumulation Shares	C Net Income Shares	C Net Accumulation Shares
12 Reconciliation of shares in issue					
Opening shares in issue	3,808,728	11,949,386	48,782,088	300	27,116,213
Shares issued	148,093	6,382,754	19,162,870	-	382,860
Shares cancelled	(1,013,572)	(2,407,684)	(13,397,447)	-	(5,680,387)
Shares converted	(1,214,182)	21,390	4,839,318	-	(3,450,341)
Closing shares in issue	1,729,067	15,945,846	59,386,829	300	18,368,345

	2016 Assets £'000	2015 Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	955,391	908,119
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	955,391	908,119

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets 2016			Net foreign currency assets 2015		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Japanese yen	2,814	955,391	958,205	1,149	908,119	909,268

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

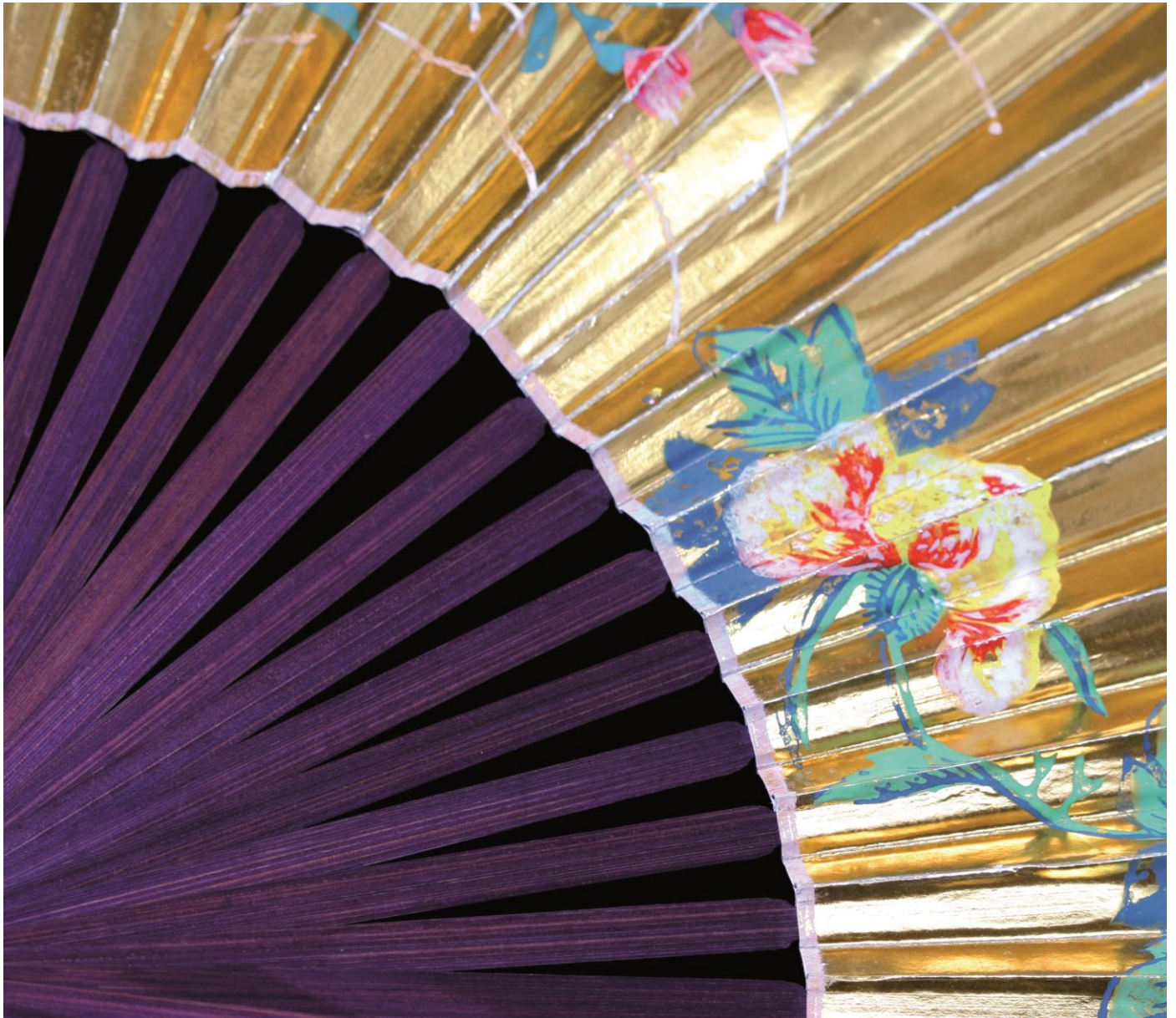
	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	0.56000	-	0.56000	-
Group 2	0.56000	-	0.56000	-
B Net Income				
Group 1	8.15000	-	8.15000	6.35000
Group 2	6.07931	2.07069	8.15000	6.35000
B Net Accumulation				
Group 1	8.88000	-	8.88000	6.87000
Group 2	6.44487	2.43513	8.88000	6.87000
C Net Income				
Group 1	14.07000	-	14.07000	11.78000
Group 2	14.07000	-	14.07000	11.78000
C Net Accumulation				
Group 1	16.68000	-	16.68000	13.80000
Group 2	11.59579	5.08421	16.68000	13.80000

BAILLIE GIFFORD

Baillie Gifford Japanese Smaller Companies Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Japanese Smaller Companies Fund

Investment Objective

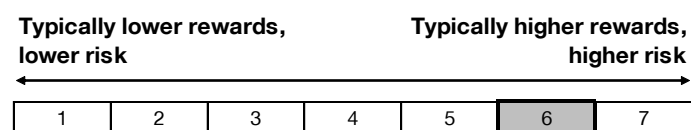
The Fund aims to produce attractive capital growth over the long term.

Investment Policy

To invest in any economic sector in Japan, either directly or indirectly. Investment will be mainly in shares of smaller companies. We will decide what constitutes smaller companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

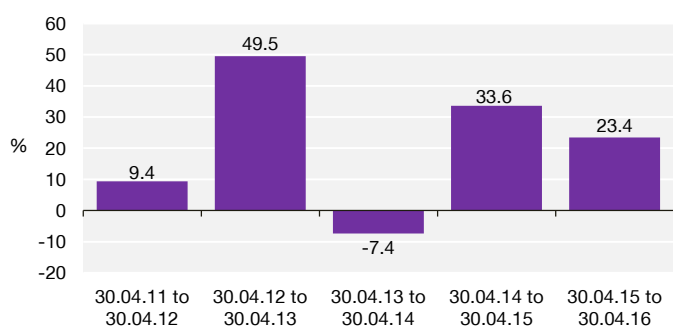


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund's exposure to a single market and currency may

increase share price movements. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.6%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was 26.9%² compared to the return on the MSCI Japan Small Cap Index of 11.8%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Next, the property listings website, was an especially strong performer over the period. The residential property market in Japan remains healthy at present and Next's earnings are growing strongly. The government recently started the process of deregulating short-term private lets. This represents a new and significant market opportunity for Next. GMO Payment Gateway, which provides payment systems to a large number of websites in Japan, was another strong performer. The company is benefiting from growth in e-commerce in Japan as profits are linked to the amount that is spent on GMO Payment Gateways customers' websites.

Given the Fund's long-term investment horizon, turnover within the portfolio remains low. However some new holdings were taken over the period. Nippon Ceramic, a global leader in ultrasonic sensors, is seeing

strong demand from the auto sector. Its sensors are increasingly becoming the industry standard when it comes to cars with advanced driver assist capabilities such as automatic parking and collision avoidance. Healios is an early stage biotech company that is developing a potentially revolutionary regenerative therapy to cure age related blindness using stem cells. This is an area where the government believes Japan could become the world leader. To this end, it has put in place various supporting measures to encourage companies like Healios to develop and quickly commercialise genuinely innovative regenerative therapies.

The Fund continues to focus on smaller, innovative companies with exciting growth prospects and we are encouraged by the broad range of investment opportunities that we are identifying at present.

Praveen Kumar, 5 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Next Co Ltd	3.17
Nihon M&A	3.06
MonotaRO Co	2.99
GMO Payment Gateway	2.81
Start Today	2.67
Peptidream	2.54
M3	2.36
Yume No Machi	2.36
Pigeon	2.31
Nanocarrier	2.24

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Nippon Ceramic	4,209	Sysmex Corp	5,461
Komehyo	2,975	Iida Group Holdings	3,244
Yonex	2,952	Next Co Ltd	2,964
Mugen Estate	2,877	GMO Payment Gateway	2,855
Crowdworks	2,585	Cookpad	2,782
Weathernews Inc	2,523	Message Co. Ltd	2,737
Healios KK	2,237	Nihon M&A	2,679
Yume No Machi	2,156	Kato Works	2,608
Optex Co Ltd	2,134	Fuji Machine	2,115
SanBio	2,091	Asahi Intecc Co Ltd	1,935
Samantha Thavasa	1,691	Maruwa Co Ltd	1,910
Sho-Bond Holdings Ltd	1,600	MonotaRO Co	1,864
Broadleaf	1,594	Nippon Seiki Co Ltd	1,824
Kato Works	1,581	Zuiko	1,796
Cocokara Fine Hdg	1,545	Ahresty Corp	1,732
Nanocarrier	1,505	Toyo Engineering Corp	1,580
Tomy Company	1,467	Calbee Inc	1,520
Findex Inc	1,437	Hoshizaki Electric	1,516
Megachips Corp	1,418	Samantha Thavasa	1,456
H.I.S	1,338	Peptidream	1,336
Other purchases	15,548	Other sales	9,127
Total purchases	57,463	Total sales	55,041

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
Chemicals & Other Materials - 3.10% (4.34%)			
Daikyonishikawa	352,700	3,441	1.18
Nifco Inc	165,700	5,603	1.92
Commerce & Services - 22.49% (22.97%)			
Aeon Delight Co Ltd	198,700	3,867	1.32
Cookpad	291,700	2,972	1.02
CyberAgent Inc	143,500	4,761	1.63
Dream Incubator Inc	165,700	2,425	0.83
EPS Co Ltd	434,500	3,837	1.31
H.I.S	214,400	3,727	1.28
Hamakyorex Co Ltd	161,000	2,019	0.69
Infomart Corp	528,000	3,318	1.14
JP-Holdings Inc	1,441,400	3,715	1.27
M3	359,500	6,904	2.36
Next Co Ltd	1,163,300	9,270	3.17
Nihon M&A	221,200	8,948	3.06
Outsourcing	198,100	4,563	1.56
SIIX Corp	205,500	4,294	1.47
Valuecommerce Co Ltd	484,000	1,115	0.38
Electricals & Electronics - 8.22% (8.63%)			
Enplas Corp	85,500	1,702	0.58
Horiba	109,700	2,932	1.00
IRISO Electronics Co Ltd	135,100	4,603	1.58
Jeol	1,066,000	3,373	1.15
Megachips Corp	160,500	1,157	0.40
Nippon Ceramic	379,900	4,811	1.65
Optex Co Ltd	240,200	5,433	1.86
Financials - 1.95% (3.04%)			
Japan Exchange Group	337,000	3,604	1.23
Japan Securities Finance	763,500	2,099	0.72
Information, Communication & Utilities - 14.73% (10.38%)			
Broadleaf	445,700	3,094	1.06
Capcom	197,200	3,188	1.09
Crowdworks	460,700	1,470	0.50
Digital Garage	267,200	3,733	1.28
Findex Inc	449,400	3,914	1.34

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
GMO Payment Gateway	182,800	8,222	2.81
Istyle	250,600	1,287	0.44
Poletowin Pitcrew Holdings	317,200	1,833	0.63
Square Enix Co Ltd	245,200	4,441	1.52
Weathernews Inc	117,100	2,880	0.99
Wirelessgate Inc	169,400	2,086	0.71
Yume No Machi	549,300	6,887	2.36
Miscellaneous Manufacturing & Machinery - 20.79% (25.07%)			
Asahi Intecc Co Ltd	185,200	6,274	2.15
Asics	249,300	3,517	1.20
Harmonic Drive Systems	396,200	6,309	2.16
Hoshizaki Electric	70,000	4,140	1.42
Modec Inc	248,800	2,659	0.91
Nabtesco	300,800	4,813	1.65
Nakanishi	131,000	2,946	1.01
Nikkiso Co Ltd	495,100	2,698	0.92
OSG Corp	307,700	4,005	1.37
Pigeon	361,800	6,761	2.31
Sato Holdings	216,300	3,164	1.08
Tomy Company	1,116,600	5,507	1.88
Unipres	215,100	2,704	0.93
Yonex	183,200	5,260	1.80
Pharmaceuticals & Foods - 7.97% (4.85%)			
Calbee Inc	121,000	3,339	1.14
Healios KK	287,800	3,041	1.04
Nanocarrier	649,000	6,534	2.24
Peptidream	183,000	7,426	2.54
SanBio	294,900	2,950	1.01
Real Estate & Construction - 6.28% (7.12%)			
Mugen Estate	217,300	2,974	1.02
Sho-Bond Holdings Ltd	153,900	4,634	1.59
Takara Leben Co Ltd	1,383,700	6,286	2.15
Toshiba Plant Systems & Services	514,200	4,429	1.52

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Retail - 12.25% (10.47%)			
Cocokara Fine Hdg	192,200	6,064	2.07
Cosmos Pharmaceutical	42,200	4,981	1.70
Don Quijote	181,600	4,606	1.57
Komehyo	233,700	2,107	0.72
MonotaRO Co	407,900	8,731	2.99
Oisix	125,500	1,559	0.53
Start Today	263,900	7,812	2.67
Portfolio of investments		285,758	97.78
Net other assets - 2.22% (3.13%)		6,489	2.22
Net assets		292,247	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	2111.00p	1579.00p	1712.00p
Return before operating charges ¹	580.81p	551.47p	(114.57p)
Operating charges	(14.24p)	(11.78p)	(10.25p)
Return after operating charges ¹	566.57p	539.69p	(124.82p)
Distributions on income shares	(9.51p)	(7.69p)	(8.18p)
Closing net asset value per share	2668.06p	2111.00p	1579.00p
¹ After direct transaction costs of:	0.49p	0.39p	0.59p
Performance:			
Return after charges	26.84%	34.18%	(7.29%)
Other information:			
Closing net asset value (£'000)	69,559	51,595	38,022
Closing number of shares	2,607,087	2,444,628	2,408,230
Operating charges	0.63%	0.63%	0.59% ²
Direct transaction costs ³	0.02%	0.02%	0.03%
Prices:			
Highest share price	2809p	2342p	1867p
Lowest share price	1887p	1570p	1494p

²As at 30 April 2014 the ACD considered 0.66% to be a more indicative rate for the ongoing charges figure for Class B Net Income Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	2126.00p	1589.00p	1724.00p
Return before operating charges ¹	588.05p	556.66p	(116.18p)
Operating charges	(0.68p)	(0.57p)	(1.05p)
Return after operating charges ¹	587.37p	556.09p	(117.23p)
Distributions on income shares	(23.30p)	(19.09p)	(17.77p)
Closing net asset value per share	2690.07p	2126.00p	1589.00p
¹ After direct transaction costs of:	0.50p	0.40p	0.60p
Performance:			
Return after charges	27.63%	35.00%	(6.80%)
Other information:			
Closing net asset value (£'000)	3	2	2
Closing number of shares	100	100	100
Operating charges	0.03%	0.03%	0.06%
Direct transaction costs ²	0.02%	0.02%	0.03%
Prices:			
Highest share price	2847p	2371p	1885p
Lowest share price	1905p	1581p	1505p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

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Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	2004.00p	1507.00p	1641.00p
Return before operating charges ¹	547.98p	523.51p	(108.52p)
Operating charges	(32.53p)	(26.51p)	(25.48p)
Return after operating charges ¹	515.45p	497.00p	(134.00p)
Closing net asset value per share	2519.45p	2004.00p	1507.00p
Retained distributions on accumulation shares	0.00p	0.00p	0.00p
¹ After direct transaction costs of:	0.46p	0.37p	0.56p
Performance:			
Return after charges	25.72%	32.98%	(8.17%)
Other information:			
Closing net asset value (£'000)	7,286	7,067	14,299
Closing number of shares	289,179	352,668	948,966
Operating charges	1.53%	1.52%	1.54%
Direct transaction costs ²	0.02%	0.02%	0.03%
Prices:			
Highest share price	2644p	2216p	1781p
Lowest share price	1787p	1498p	1431p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	2273.00p	1695.00p	1828.00p
Return before operating charges ¹	626.56p	590.77p	(121.89p)
Operating charges	(15.33p)	(12.77p)	(11.11p)
Return after operating charges ¹	611.23p	578.00p	(133.00p)
Closing net asset value per share	2884.23p	2273.00p	1695.00p
Retained distributions on accumulation shares	10.25p	8.31p	8.61p
¹ After direct transaction costs of:	0.53p	0.43p	0.63p
Performance:			
Return after charges	26.89%	34.10%	(7.28%)
Other information:			
Closing net asset value (£'000)	128,898	91,068	49,512
Closing number of shares	4,469,058	4,005,738	2,921,916
Operating charges	0.63%	0.63%	0.60% ²
Direct transaction costs ³	0.02%	0.02%	0.03%
Prices:			
Highest share price	3026p	2514p	1993p
Lowest share price	2033p	1685p	1595p

²As at 30 April 2014 the ACD considered 0.66% to be a more indicative rate for the ongoing charges figure for Class B Net Accumulation Shares.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	2460.00p	1823.00p	1956.00p
Return before operating charges ¹	681.02p	637.65p	(131.81p)
Operating charges	(0.79p)	(0.65p)	(1.19p)
Return after operating charges ¹	680.23p	637.00p	(133.00p)
Closing net asset value per share	3140.23p	2460.00p	1823.00p
Retained distributions on accumulation shares	26.97p	21.92p	20.14p
¹ After direct transaction costs of:	0.57p	0.46p	0.68p
Performance:			
Return after charges	27.65%	34.94%	(6.80%)
Other information:			
Closing net asset value (£'000)	86,501	79,164	60,721
Closing number of shares	2,754,613	3,217,471	3,330,805
Operating charges	0.03%	0.03%	0.06%
Direct transaction costs ²	0.02%	0.02%	0.03%
Prices:			
Highest share price	3294p	2720p	2138p
Lowest share price	2205p	1813p	1708p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		61,822		52,889
Revenue	3	2,945		2,218	
Expenses	4	(1,143)		(860)	
Net revenue/(expense) before taxation		1,802		1,358	
Taxation	5	(293)		(223)	
Net revenue/(expense) after taxation			1,509		1,135
Total return before distributions			63,331		54,024
Distributions	6		(1,539)		(1,164)
Change in net assets attributable to shareholders from investment activities			61,792		52,860

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		228,897		162,555
Amounts receivable on issue of shares	64,064		43,744	
Amounts payable on cancellation of shares	(63,893)		(31,417)	
		171		12,327
Dilution adjustment		186		117
Change in net assets attributable to shareholders from investment activities		61,792		52,860
Retained distributions on accumulation shares		1,201		1,038
Closing net assets attributable to shareholders		292,247		228,897

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		285,758	221,735
Current assets:			
Debtors	8	3,032	2,070
Cash and bank balances	9	4,164	8,608
Total assets		292,954	232,413
Liabilities:			
Creditors:			
Distributions payable		(248)	(188)
Other creditors	10	(459)	(3,328)
Total liabilities		(707)	(3,516)
Net assets attributable to shareholders		292,247	228,897

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	61,602	52,982
Currency gains/(losses)	225	(91)
Custodian transaction charges	(5)	(2)
Net gains/(losses)	61,822	52,889
	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	57,433	39,522
Commissions	30	22
Taxes	-	-
Total purchases of equity transaction costs ¹	30	22
Purchases including transaction costs	57,463	39,544
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.05	0.06
Taxes on equity purchases	-	-
	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	55,066	31,364
Commissions	(25)	(18)
Taxes	-	-
Total sales of equity transaction costs ¹	(25)	(18)
Sales net of transaction costs	55,041	31,346
	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.05)	(0.06)
Taxes on equity sales	-	-

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	55	0.02	40	0.02
Taxes	-	0.00	-	0.00
Total direct transaction costs	55	0.02	40	0.02

	2016	2015
	%	%
Average portfolio dealing spread	0.23	0.19

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	2,927	2,209
Bank interest	18	9
Total revenue	2,945	2,218

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,078	808
Registrar's fees	2	4
	1,080	812
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	25	19
Bank charges	32	24
	57	43
Other expenses:		
Audit fee	6	5
Total expenses	1,143	860

	2016	2015
	£'000	£'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	293	223
Total taxation	293	223

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £4,066,000 (2015: £2,940,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	1,802	1,358
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	360	272
Effects of:		
Non-taxable overseas dividends	(585)	(442)
Overseas tax on dividends	293	223
Surplus management expenses	225	170
Current tax charge (see above)	293	223

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	1,449	1,226
Amounts deducted on cancellation of shares	155	(11)
Amounts added on issue of shares	(65)	(51)
Total distributions	1,539	1,164

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	1,509	1,135
Add capital transfers for deficits of income	30	29
Net distributions for the year	1,539	1,164

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	2,097	238
Sales awaiting settlement	-	1,013
Accrued income	922	806
Corporation tax recoverable	12	12
VAT recoverable	1	1
Total debtors	3,032	2,070

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	2,803	8,608
Foreign currency bank accounts	1,361	-
Total cash and bank balances	4,164	8,608

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	341	1,194
Purchases awaiting settlement	-	2,034
Due to the ACD or associates	103	84
Due to the Depositary or associates	8	9
Other accrued expenses	7	7
Total other creditors	459	3,328

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	-
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

No shareholder owns more than 20% of the value of the Fund.

Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation	B Net Income	B Net Accumulation	C Net Income	C Net Accumulation
12 Reconciliation of shares in issue					
Opening shares in issue	352,668	2,444,628	4,005,738	100	3,217,471
Shares issued	61,722	484,661	1,706,906	-	384,244
Shares cancelled	(60,272)	(308,017)	(1,313,639)	-	(847,102)
Shares converted	(64,939)	(14,185)	70,053	-	-
Closing shares in issue	289,179	2,607,087	4,469,058	100	2,754,613

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	285,758	221,735
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	285,758	221,735

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016		Total	2015		Total
	Monetary exposures £'000	Non-monetary exposures £'000		Monetary exposures £'000	Non-monetary exposures £'000	
Japanese yen	1,361	285,758	287,119	-	221,735	221,735

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Net Income				
Group 1	9.51000	-	9.51000	7.69000
Group 2	5.92635	3.58365	9.51000	7.69000
B Net Accumulation				
Group 1	10.25000	-	10.25000	8.31000
Group 2	7.48011	2.76989	10.25000	8.31000
C Net Income				
Group 1	23.30000	-	23.30000	19.09000
Group 2	23.30000	-	23.30000	19.09000
C Net Accumulation				
Group 1	26.97000	-	26.97000	21.92000
Group 2	22.65044	4.31956	26.97000	21.92000

BAILLIE GIFFORD

Baillie Gifford Long Term Global Growth Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Long Term Global Growth Fund

Investment Objective

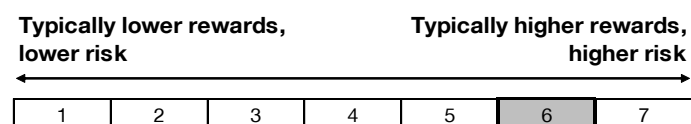
The Fund aims to produce superior capital returns over the long term.

Investment Policy

To invest mainly in shares in a small number of companies worldwide.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

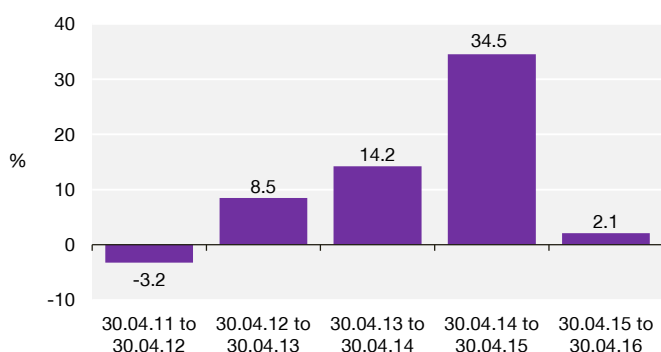


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund invests in emerging markets where difficulties in trading could arise, resulting in a negative impact on the value of your

investment. The Fund's concentrated portfolio and long-term approach to investment may result in large movements in the share price. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.7% (up to 30 September 2014 the annual fee was 0.75%), but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was 2.3%² compared to the return on the MSCI All Country World Index of -1.0%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance. Over the last five years performance has been 62.9%² compared to the comparative index which has returned 43.2%³, in sterling terms.

We continue to be excited about the growth rates and opportunity sets which the companies we hold possess. The proliferation of ubiquitous connectivity to the internet and the widespread penetration of powerful mobile devices is a combination which is unleashing change and disruption on almost every industry around the world.

This theme of disruptive change is one we see very strongly in the healthcare arena with the rise of genetic-based treatments as the cost of gene sequencing has tumbled. During the year we bought small new holdings in a collection of companies in this area – Bluebird Bio, Ionis Pharmaceuticals and Juno Therapeutics which are all trying to treat previously unmet medical needs such as cancer and rare diseases with a variety of genetic

techniques. We also purchased shares in Under Armour which is expanding its powerful sportswear brand globally and appears to be a leader in the nascent connected fitness market.

In terms of sales, we made complete sales of Burberry where we were concerned that future growth prospects were not as good as historic rates; New Oriental in China as the education market is becoming more competitive; Stratasys which has struggled with an ill-timed merger against a tough backdrop in the 3D printing market and Twitter which has stalled in terms of user growth rates and appears unsure how to best monetise those users which it does have.

We are excited by the prospects of the holdings in the portfolio and their ability to exploit changes in their industries and their strong barriers to entry to grow sales and profits for many years to come.

Mark A. Urquhart, 18 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Amazon.com	9.67
Facebook	7.60
Tencent	6.63
Illumina	6.59
Baidu.com ADR	5.24
Tesla Motors	4.62
Inditex	4.42
Alphabet Inc Class C	4.17
Alibaba	4.03
Intuitive Surgical	3.12

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Under Armour Inc Class A	4,395	Amazon.com	10,974
Illumina	4,270	Tencent	4,621
Ionis Pharmaceuticals	3,735	Alphabet Inc Class C	4,540
Lending Club Corp	3,694	Intuitive Surgical	3,539
Juno Therapeutics Inc	3,394	Ctrip.com Intl Sponsored ADR	3,525
Alibaba	3,271	Baidu.com ADR	3,309
Bluebird Bio Inc	2,285	Burberry	2,726
Netflix Inc	2,075	New Oriental Ed.& Tech.	2,437
Workday Inc	1,625	Illumina	1,561
Ctrip.com Intl Sponsored ADR	1,155	Salesforce.com	1,464
Rocket Internet SE	1,067	Tesla Motors	1,227
ARM Holdings	856	Novozymes	1,048
Intuitive Surgical	581	Under Armour Inc Class C	951
Splunk Inc	570	Inditex	926
Seattle Genetics	539	ARM Holdings	926
LinkedIn Corp A	514	Twitter Inc	874
AIA Group	440	HDFC Corp	811
Inditex	419	Kering	672
Baidu.com ADR	414	AIA Group	662
		Stratasys	635
		Other sales	1,971
Total purchases	35,299	Total sales	49,399

All purchases and the top 20 sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
China - 18.77% (21.54%)			
Alibaba	156,471	8,211	4.03
Baidu.com ADR	80,558	10,680	5.24
Ctrip.com Intl Sponsored ADR	196,810	5,858	2.87
Tencent	966,300	13,512	6.63
Denmark - 2.14% (2.37%)			
Novozymes	133,555	4,366	2.14
France - 6.13% (6.57%)			
Hermes International	15,191	3,693	1.81
Kering	48,150	5,632	2.76
L'Oreal	25,765	3,190	1.56
Germany - 1.01% (1.08%)			
Rocket Internet SE	126,418	2,063	1.01
Hong Kong - 2.28% (2.42%)			
AIA Group	1,131,800	4,641	2.28
India - 2.02% (2.42%)			
HDFC Corp	367,300	4,114	2.02
Spain - 4.42% (4.22%)			
Inditex	410,936	9,003	4.42
Sweden - 1.78% (1.87%)			
Atlas Copco B	220,655	3,629	1.78
United Kingdom - 1.91% (3.94%)			
ARM Holdings	414,321	3,884	1.91
United States - 57.80% (51.66%)			
Alphabet Inc Class C	17,989	8,510	4.17
Amazon.com	43,765	19,706	9.67
Bluebird Bio Inc	70,983	2,149	1.05
Facebook	193,197	15,500	7.60
Illumina	145,857	13,440	6.59
Intuitive Surgical	14,888	6,362	3.12
Ionis Pharmaceuticals	119,424	3,340	1.64

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Juno Therapeutics Inc	122,321	3,515	1.72
Lending Club Corp	547,919	2,951	1.45
LinkedIn Corp A	37,877	3,238	1.59
Netflix Inc	84,400	5,186	2.55
Salesforce.com	77,644	4,019	1.97
Seattle Genetics	139,474	3,377	1.66
Splunk Inc	104,228	3,698	1.81
Tesla Motors	57,305	9,414	4.62
TripAdvisor	54,790	2,416	1.19
Under Armour Inc Class A	93,999	2,818	1.38
Under Armour Inc Class C	30,226	841	0.41
Whole Foods Market	139,452	2,767	1.36
Workday Inc	89,524	4,582	2.25
Portfolio of investments		200,305	98.26
Net other assets - 1.74% (1.91%)		3,550	1.74
Net assets		203,855	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	270.60p	203.00p	177.90p
Return before operating charges ¹	8.33p	68.99p	26.79p
Operating charges	(0.08p)	(0.07p)	(0.17p)
Return after operating charges ¹	8.25p	68.92p	26.62p
Distributions on income shares	(1.45p)	(1.32p)	(1.52p)
Closing net asset value per share	277.40p	270.60p	203.00p
¹ After direct transaction costs of:	0.05p	0.03p	0.11p
Performance:			
Return after charges	3.05%	33.95%	14.96%
Other information:			
Closing net asset value (£'000)	47,879	58,397	48,787
Closing number of shares	17,259,745	21,578,814	24,035,335
Operating charges	0.03%	0.03%	0.08%
Direct transaction costs ²	0.02%	0.02%	0.06%
Prices:			
Highest share price	301.3p	290.7p	235.1p
Lowest share price	236.6p	196.5p	175.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	270.80p	203.60p	178.50p
Return before operating charges ¹	8.31p	69.02p	26.85p
Operating charges	(2.00p)	(1.82p)	(1.75p)
Return after operating charges ¹	6.31p	67.20p	25.10p
Closing net asset value per share	277.11p	270.80p	203.60p
Retained distributions on accumulation shares ²	0.00p	0.00p	0.00p
¹ After direct transaction costs of:	0.05p	0.03p	0.10p
Performance:			
Return after charges	2.33%	33.01%	14.06%
Other information:			
Closing net asset value (£'000)	22,058	26,658	21,447
Closing number of shares	7,960,124	9,842,845	10,533,599
Operating charges ²	0.73%	0.75%	0.85%
Direct transaction costs ³	0.02%	0.02%	0.06%
Prices:			
Highest share price	300.3p	289.6p	234.4p
Lowest share price	235.4p	197.2p	175.7p

²With effect from 1 October 2014 the ACD's annual fee for class B Shares decreased from 0.75% to 0.70%.

³The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	289.40p	216.00p	187.90p
Return before operating charges ¹	8.83p	73.48p	28.26p
Operating charges	(0.09p)	(0.08p)	(0.16p)
Return after operating charges ¹	8.74p	73.40p	28.10p
Closing net asset value per share	298.14p	289.40p	216.00p
Retained distributions on accumulation shares	1.54p	1.41p	1.61p
¹ After direct transaction costs of:	0.06p	0.04p	0.14p
Performance:			
Return after charges	3.02%	33.98%	14.95%
Other information:			
Closing net asset value (£'000)	133,915	128,467	95,977
Closing number of shares	44,916,661	44,397,444	44,438,799
Operating charges	0.03%	0.03%	0.07%
Direct transaction costs ²	0.02%	0.02%	0.06%
Prices:			
Highest share price	322.2p	309.3p	248.3p
Lowest share price	252.9p	209.2p	185.2p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		5,106		55,359
Revenue	3	1,126		938	
Expenses	4	(213)		(231)	
Net revenue/(expense) before taxation		913		707	
Taxation	5	20		184	
Net revenue/(expense) after taxation			933		891
Total return before distributions			6,039		56,250
Distributions	6		(968)		(935)
Change in net assets attributable to shareholders from investment activities			5,071		55,315

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		213,524		166,211
Amounts receivable on issue of shares	10,264		2,442	
Amounts payable on cancellation of shares	(25,724)		(11,081)	
		(15,460)		(8,639)
Dilution adjustment		28		11
Change in net assets attributable to shareholders from investment activities		5,071		55,315
Retained distributions on accumulation shares		692		626
Closing net assets attributable to shareholders		203,855		213,524

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		200,305	209,448
Current assets:			
Debtors	8	381	3,252
Cash and bank balances	9	4,029	4,675
Total assets		204,715	217,375
Liabilities:			
Creditors:			
Distributions payable		(250)	(285)
Other creditors	10	(610)	(3,566)
Total liabilities		(860)	(3,851)
Net assets attributable to shareholders		203,855	213,524

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	4,957	55,166
Currency gains/(losses)	152	193
Custodian transaction charges	(3)	-
Net gains/(losses)	5,106	55,359

	2016	2015
	£'000	£'000
2 Purchases and transaction costs		
Gross purchases of equity excluding transaction costs	35,282	33,722
Commissions	12	8
Taxes	5	3
Total purchases of equity transaction costs ¹	17	11
Purchases including transaction costs	35,299	33,733

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.03	0.02
Taxes on equity purchases	0.01	0.01

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	49,421	42,757
Commissions	(15)	(10)
Taxes	(7)	(7)
Total sales of equity transaction costs ¹	(22)	(17)
Sales net of transaction costs	49,399	42,740

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.03)	(0.02)
Taxes on equity sales	(0.01)	(0.02)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio direct transaction costs				
Commissions	27	0.01	18	0.01
Taxes	12	0.01	10	0.01
Total direct transaction costs	39	0.02	28	0.02

	2016	2015
	%	%
Average portfolio dealing spread	0.04	0.04

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
UK dividends	115	101
Overseas dividends	1,001	809
Bank interest	10	28
Total revenue	1,126	938

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	157	180
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	21	22
Bank charges	24	27
	45	49
Other expenses:		
Audit fee	6	6
Professional fees	5	(4)
	11	2
Total expenses	213	231

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	18	65
Tax recoverable on overseas dividends	(38)	(249)
Total taxation	(20)	(184)

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses combined with offsetable overseas tax substantially exceed the taxable income of the Fund and the result is no corporation tax payable by the Fund.

At 30 April 2016, the Fund had surplus management expenses of £3,544,000 (2015: £3,342,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	913	707
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	183	141
Effects of:		
UK dividends	(23)	(20)
Non-taxable overseas dividends	(200)	(162)
Overseas tax on dividends	18	65
Tax recoverable on overseas dividends	(38)	(249)
Surplus management expenses	40	41
Current tax charge (see above)	(20)	(184)

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
6 Distributions		
Final	942	911
Amounts deducted on cancellation of shares	17	24
Amounts added on issue of shares	9	-
Total distributions	968	935

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016	2015
	£'000	£'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	933	891
Add capital transfers for deficits of income	38	42
Add distributable revenue brought forward	3	5
Less distributable revenue carried forward	(6)	(3)
Net distributions for the year	968	935

	2016	2015
	£'000	£'000
8 Debtors		
Receivable for issue of shares	10	-
Sales awaiting settlement	83	3,068
Accrued income	239	165
Overseas tax recoverable	47	18
VAT recoverable	1	1
Other debtors	1	-
Total debtors	381	3,252

	2016	2015
	£'000	£'000
9 Cash and bank balances		
Sterling bank accounts	4,026	1,296
Foreign currency bank accounts	3	3,379
Total cash and bank balances	4,029	4,675

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	497	41
Purchases awaiting settlement	89	3,494
Due to the ACD or associates	13	16
Due to the Depositary or associates	5	8
Other accrued expenses	6	7
Total other creditors	610	3,566

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser own the following percentages of the shares in existence:		
B Net Accumulation	3.8	89.1
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

The following shareholder owns more than 20% of the value of the Fund:

Baillie Gifford Diversified Growth Fund	58.3	54.0
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Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016		
	B Net Accumulation Shares	C Net Income Shares	C Net Accumulation Shares
12 Reconciliation of shares in issue			
Opening shares in issue	9,842,845	21,578,814	44,397,444
Shares issued	3,219,729	-	519,217
Shares cancelled	(5,102,450)	(4,319,069)	-
Closing shares in issue	7,960,124	17,259,745	44,916,661

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	200,305	209,448
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	200,305	209,448

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	Monetary exposures £'000	2016	Total £'000	Monetary exposures £'000	2015	Total £'000
		Non-monetary exposures £'000			Non-monetary exposures £'000	
Danish krone	-	4,366	4,366	-	5,053	5,053
Euro	-	23,581	23,581	-	25,347	25,347
Hong Kong dollar	-	18,153	18,153	2,169	23,413	25,582
Indian rupee	-	4,114	4,114	-	5,156	5,156
Swedish krona	-	3,629	3,629	-	3,994	3,994
US dollar	3	142,578	142,581	1,210	138,070	139,280

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
B Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
C Net Income				
Group 1	1.45000	-	1.45000	1.32000
Group 2	1.45000	-	1.45000	1.32000
C Net Accumulation				
Group 1	1.54000	-	1.54000	1.41000
Group 2	0.51050	1.02950	1.54000	1.41000

BAILLIE GIFFORD

Baillie Gifford Pacific Fund

a sub-fund of Baillie Gifford Overseas Growth Funds ICVC

*Annual Report & Financial Statements
for the year ended 30 April 2016*



Baillie Gifford Pacific Fund

Investment Objective

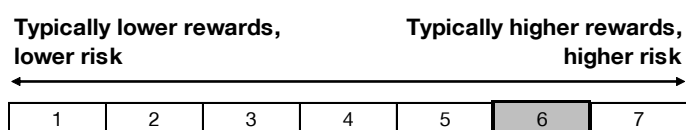
The Fund aims to produce attractive capital growth over the long term.

Investment Policy

To invest in any economic sector of countries in the Far East, Australasia and the Indian sub-continent, either directly or indirectly. The Fund may or may not be invested in all these areas at all times. Investment will be mainly in shares of companies.

Risk and Reward Profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

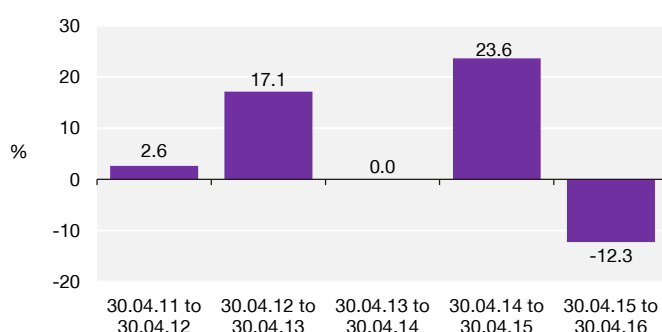


Please note that even the lowest risk class can lose you money and that extreme adverse market circumstances can mean you suffer severe losses in all cases. The Fund is classified in the category above because it invests in company shares which generally provide higher rewards and higher risks than other investments such as bonds or cash. The indicator does not take into account the following relevant material risks: Investment markets can go down as well as up and market conditions can change rapidly. The value of an investment in the Fund, and any income from it, can fall as well as rise and you may not get back the amount invested. Custody of assets, particularly in emerging markets, involves a risk of loss if the custodian becomes insolvent or breaches duties of care. The Fund invests in emerging markets where difficulties in trading could

arise, resulting in a negative impact on the value of your investment. Where possible, charges are taken from the Fund's revenue. Where there is insufficient revenue, the remainder will be taken from capital. This will reduce the capital value of the Fund. Further details of the risks associated with investing in the Fund can be found in the Prospectus which is available by contacting Client Relations or visiting our website.

Investment Report

Past Performance¹



The performance figures shown in this graph are for Class B Net Accumulation Shares. Performance figures reflect the ACD's annual fee of 0.65%, but exclude any initial charge paid. Please note these returns are based on 10am dealing prices and differ from the return quoted in the Investment Report, which is based on the closing net asset value at the year end. Movements in the prices of company shares in which the Fund invests and foreign exchange rates between the two valuation points can lead to distortions in the returns. Performance figures for the other share classes in issue can be obtained by contacting Client Relations. You should be aware that past performance is not a guide to future performance.

For the year to 30 April 2016 the return on B Net Accumulation Shares was -12.0%² compared to the return on the MSCI All Country Asia ex-Japan Index of -14.5%³, in sterling terms. We believe that shorter-term performance measurements are of limited relevance in assessing investment ability and would suggest that five years is a more sensible time frame over which to judge performance.

Overall performance from the region was volatile and disappointing, driven in part by factors outwith Asia's control including interest rate policies in the United States. A continued slowdown in China put further pressure on the market, especially on those Asian countries with large exposures to commodities.

China was the greatest positive contributor to performance and we continue to be excited about the country's prospects. While the majority of headlines focus on slowing headline GDP growth, they seem to ignore the exciting transition underway as China shifts away from asset intensive, investment led growth, towards consumption and services. The Fund is focused on the latter, particularly in technology firms that are being driven by a buoyant consumer with a propensity to adopt technology rapidly. Many of these holdings, such as Tencent and JD.com, continue to see revenue growth in excess of 40%.

China's transition is likely to impact the rest of Asia for many years to come and performance across the region is likely to become more divergent than in the past. For stock pickers this is a fertile hunting ground, no more so than in the technology sector where the paucity of existing forms of infrastructure in Asia means entire industries are being built online from scratch, and embraced with a far greater degree of sophistication and depth than anything that consumers in the 'developed' west are accustomed to. As economic growth slows, many of our favourite Asian internet and technology companies are continuing to grow at dizzying rates. Better yet, the general macro malaise means we can pick them up for fire sale valuations.

Parts of Asia may remain structurally challenged, but a new golden age may be starting to appear where we have the opportunity to invest in Asian companies that are capable of competing with and perhaps even superseding what the rest of the world has to offer. The growth opportunity may be bigger than anything that has gone before.

Roderick Snell, 23 May 2016

¹Source: FE, 10am dealing prices, net income accumulated. ²Source: Baillie Gifford & Co Limited, closing net asset value, net income accumulated. ³Source: FE, net income. You should be aware that past performance is not a guide to future performance.

Principal Holdings as at 30 April 2016

Investment	Percentage of total Fund
Tencent	7.76
TSMC	4.82
Samsung Electronics	4.48
Baidu.com ADR	3.98
Alibaba	3.19
Reliance Industries Ltd.	2.99
Indusind Bank	2.85
Mindtree	2.51
Ctrip.com Intl Sponsored ADR	2.46
JD.Com Inc - ADR	2.19

Summary of Material Portfolio Changes for the year ended 30 April 2016

Purchases	Cost £'000	Sales	Proceeds £'000
Reliance Industries Ltd.	8,903	Qunar	6,292
Ctrip.com Intl Sponsored ADR	6,719	Federal Bank	4,433
TSMC	3,139	Hyundai Mobis	3,069
Legend Holdings Corp	3,011	Naturalendo Tech	3,025
Himax Technologies Adr	2,965	Tencent	3,022
Medy-Tox	2,815	Dalian Wanda Group	2,591
Fuyao Glass Industry Grp	2,572	Tech Mahindra Ltd	2,579
Indusind Bank	2,429	Hermes Microvision Inc	2,543
Naturalendo Tech	2,211	International Container Terminal Services	2,437
HTC	2,081	Nagacorp	2,406
Hansol Technics Co Ltd	2,030	Dongfeng Motor Group H	2,344
Samsung Electronics Pref	2,008	HCL Technologies	2,268
Kingsoft Corp Ltd	1,940	Reliance Industries Ltd.	2,220
Shriram Transport Finance	1,741	TSMC	2,156
Baidu.com ADR	1,735	Hyundai Glovis Co Ltd	1,971
Viomed	1,567	Hyundai Wia	1,692
Finetex ENE Inc	1,434	Legend Holdings Corp	1,667
Tencent	1,410	Hiwin Technologies	1,566
Dongbu Insurance	1,202	Alibaba	1,551
ICICI Bank Ltd	1,168	Galaxy Entertainment Group	1,531
Other purchases	7,385	Other sales	32,536
Total purchases	60,465	Total sales	83,899

The top 20 purchases and sales have been shown.

Portfolio Statement as at 30 April 2016

Stock description	Holding	Market value £'000	% of total net assets
China - 28.03% (30.04%)			
Alibaba	166,871	8,756	3.19
Baidu.com ADR	82,500	10,937	3.98
China Taiping Insurance International	2,512,450	3,511	1.28
China Vanke Co Ltd H	1,765,200	3,023	1.10
Ctrip.com Intl Sponsored ADR	227,020	6,757	2.46
Fuyao Glass Industry Grp	1,060,400	1,637	0.60
Geely Automobile Holdings	10,385,000	3,537	1.29
JD.Com Inc - ADR	345,400	6,024	2.19
Kingdee Int'l Software Group	13,422,000	2,976	1.08
Kingsoft Corp Ltd	1,576,000	2,480	0.90
Ping An Insurance	1,562,000	5,038	1.83
Tencent	1,523,800	21,308	7.76
ZTE Corp H	966,120	1,029	0.37
Hong Kong - 6.26% (8.54%)			
Haier Electronics Group Co	4,027,900	4,615	1.68
Hong Kong Exchanges & Clearing	182,300	3,151	1.15
Johnson Electric Holdings	1,175,500	2,364	0.86
Techtronic Industries	1,616,500	4,132	1.50
WH Group LTD	5,327,000	2,944	1.07
India - 23.29% (21.04%)			
ACC Limited	169,360	2,515	0.91
Apollo Hospitals Enterprise	287,613	3,884	1.41
Bosch Ltd	11,905	2,409	0.88
Dabur India	1,525,380	4,330	1.58
HDFC Corp	307,870	3,449	1.25
ICICI Bank Ltd	2,099,753	5,120	1.86
Indusind Bank	724,688	7,822	2.85
Info Edge (India)	295,307	2,285	0.83
Infosys Ltd	329,664	4,099	1.49
Mahindra Cie Automotive	1,403,363	2,863	1.04
Mindtree	985,814	6,887	2.51
Oracle Financial Services	39,925	1,483	0.54
Persistent Systems Ltd	379,885	2,903	1.06
Reliance Industries Ltd.	813,550	8,228	2.99
Shriram Transport Finance	313,018	3,037	1.11
Tech Mahindra Ltd	537,441	2,689	0.98

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Korea - 20.29% (19.51%)			
Bioneer	47,443	378	0.14
Crystalgenomics	43,060	408	0.15
Dongbu Insurance	74,853	3,139	1.14
Fila Korea	42,905	2,660	0.97
Finetex ENE Inc	294,730	1,317	0.48
Gemvax & Kael	23,113	285	0.10
Genexine	71,018	2,357	0.86
Green Cross Cell	33,934	820	0.30
Hansol Technics Co Ltd	140,220	1,840	0.67
Hyundai Marine & Fire Ins	112,090	2,136	0.78
Interpark	462,227	2,440	0.89
LG Household & Health - Pref	4,546	1,593	0.58
Macrogen	25,359	533	0.19
Medipost	6,286	320	0.12
Medy-Tox	10,030	2,542	0.92
NAVER Corp	10,452	4,227	1.54
Orion Corp	4,533	2,526	0.92
Qorient Co Ltd	44,228	1,093	0.40
Samsung C&T Corp	37,776	2,965	1.08
Samsung Electronics	5,118	3,818	1.39
Samsung Electronics Pref	13,605	8,493	3.09
Samsung Fire & Marine Insurance	10,357	1,827	0.66
Seegene Inc	54,479	1,142	0.42
SK Hynix Inc	268,470	4,520	1.65
Theragen Etex	75,352	310	0.11
Viomed	23,985	2,026	0.74
Malaysia - 0.71% (0.81%)			
Public Bank BHD	597,640	1,949	0.71
Pakistan - 0.72% (0.90%)			
MCB Bank	1,435,300	1,978	0.72
Philippines - 0.00% (0.76%)			
Singapore - 1.12% (1.11%)			
Sarine Technologies	3,663,000	3,070	1.12

Portfolio Statement as at 30 April 2016 cont.

Stock description	Holding	Market value £'000	% of total net assets
Taiwan - 15.66% (15.66%)			
Advantech Co.	1,124,379	5,402	1.97
China Life Insurance (Taiwan)	5,627,477	2,900	1.06
Delta Electronics	858,000	2,715	0.99
Hermes Microvision Inc	64,000	1,348	0.49
Himax Technologies Adr	602,600	4,270	1.55
Hon Hai Precision	3,620,249	5,908	2.15
HTC	835,000	1,454	0.53
Mediatek	635,000	3,084	1.12
Phison Electronics	472,993	2,693	0.98
TSMC	4,182,091	13,233	4.82
Thailand - 0.68% (0.60%)			
Bumrungrad Hospital NVDR	476,700	1,882	0.68
Vietnam - 0.06% (0.00%)			
Military Commercial Joint Bank	348,690	160	0.06
Portfolio of investments		265,983	96.82
Net other assets - 3.18% (1.03%)		8,749	3.18
Net assets		274,732	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

Figures in brackets refer to 30 April 2015.

Comparative Tables

Comparative Table: B Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	388.30p	314.80p	319.60p
Return before operating charges ¹	(44.17p)	78.80p	(0.11p)
Operating charges	(2.55p)	(2.71p)	(2.53p)
Return after operating charges ¹	(46.72p)	76.09p	(2.64p)
Distributions on income shares	(2.03p)	(2.59p)	(2.16p)
Closing net asset value per share	339.55p	388.30p	314.80p
¹ After direct transaction costs of:	0.39p	1.04p	0.62p
Performance:			
Return after charges	(12.03%)	24.17%	(0.83%)
Other information:			
Closing net asset value (£'000)	23,766	37,948	16,426
Closing number of shares	6,999,403	9,772,537	5,218,382
Operating charges	0.73%	0.73%	0.80%
Direct transaction costs ²	0.11%	0.28%	0.20%
Prices:			
Highest share price	402.5p	426.6p	344.6p
Lowest share price	296.0p	313.8p	289.4p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Income Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	390.20p	316.20p	321.00p
Return before operating charges ¹	(44.44p)	79.31p	(0.09p)
Operating charges	(0.28p)	(0.30p)	(0.48p)
Return after operating charges ¹	(44.72p)	79.01p	(0.57p)
Distributions on income shares	(4.33p)	(5.01p)	(4.23p)
Closing net asset value per share	341.15p	390.20p	316.20p
¹ After direct transaction costs of:	0.39p	1.03p	0.63p
Performance:			
Return after charges	(11.46%)	24.99%	(0.18%)
Other information:			
Closing net asset value (£'000)	3	4	3
Closing number of shares	1,000	1,000	1,000
Operating charges	0.08%	0.08%	0.15%
Direct transaction costs ²	0.11%	0.28%	0.20%
Prices:			
Highest share price	404.7p	431.1p	346.2p
Lowest share price	298.1p	315.3p	291.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: A Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	430.40p	349.50p	355.40p
Return before operating charges ¹	(48.84p)	87.34p	(0.19p)
Operating charges	(6.16p)	(6.44p)	(5.71p)
Return after operating charges ¹	(55.00p)	80.90p	(5.90p)
Closing net asset value per share	375.40p	430.40p	349.50p
Retained distributions on accumulation shares	0.00p	0.00p	0.00p
¹ After direct transaction costs of:	0.43p	1.14p	0.69p
Performance:			
Return after charges	(12.78%)	23.15%	(1.66%)
Other information:			
Closing net asset value (£'000)	4,544	13,415	10,720
Closing number of shares	1,210,561	3,117,022	3,067,156
Operating charges	1.59%	1.58%	1.63%
Direct transaction costs ²	0.11%	0.28%	0.20%
Prices:			
Highest share price	445.8p	469.8p	383.0p
Lowest share price	327.2p	348.4p	320.9p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: B Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	476.60p	383.80p	386.90p
Return before operating charges ¹	(54.24p)	96.12p	(0.27p)
Operating charges	(3.11p)	(3.32p)	(2.83p)
Return after operating charges ¹	(57.35p)	92.80p	(3.10p)
Closing net asset value per share	419.25p	476.60p	383.80p
Retained distributions on accumulation shares	2.50p	3.14p	2.75p
¹ After direct transaction costs of:	0.47p	1.29p	0.77p
Performance:			
Return after charges	(12.03%)	24.18%	(0.80%)
Other information:			
Closing net asset value (£'000)	134,735	139,814	18,601
Closing number of shares	32,137,162	29,333,741	4,846,378
Operating charges	0.73%	0.72%	0.73%
Direct transaction costs ²	0.11%	0.28%	0.20%
Prices:			
Highest share price	494.0p	520.1p	417.1p
Lowest share price	363.3p	382.7p	350.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Comparative Tables cont.

Comparative Table: C Net Accumulation Shares

	Financial Year Ended 30 April 2016	Financial Year Ended 30 April 2015	Financial Year Ended 30 April 2014
Change in net assets per share:			
Opening net asset value per share	518.80p	415.10p	415.80p
Return before operating charges ¹	(59.10p)	104.05p	(0.08p)
Operating charges	(0.37p)	(0.35p)	(0.62p)
Return after operating charges ¹	(59.47p)	103.70p	(0.70p)
Closing net asset value per share	459.33p	518.80p	415.10p
Retained distributions on accumulation shares	5.75p	6.55p	5.48p
¹ After direct transaction costs of:	0.52p	1.39p	0.81p
Performance:			
Return after charges	(11.46%)	24.98%	(0.17%)
Other information:			
Closing net asset value (£'000)	111,684	140,951	17,881
Closing number of shares	24,314,660	27,168,751	4,307,791
Operating charges	0.08%	0.07%	0.15%
Direct transaction costs ²	0.11%	0.28%	0.20%
Prices:			
Highest share price	538.0p	565.9p	448.5p
Lowest share price	396.3p	413.9p	377.3p

²The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

A dilution adjustment is made whenever dealings in the shares of the Fund result in shares being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the Fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments. Please note that the direct transaction cost disclosures above do not include the dilution adjustment charges. For further details on dilution adjustment charges please see the General Information section. Please note that with effect from 1 January 2015 the investment objective and policy of the Fund were amended.

Financial Statements

Statement of Total Return for the year ended 30 April 2016

	Notes	2016		2015	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	1		(39,622)		35,170
Revenue	3	3,904		2,644	
Expenses	4	(1,315)		(1,178)	
Net revenue/(expense) before taxation		2,589		1,466	
Taxation	5	(276)		(171)	
Net revenue/(expense) after taxation			2,313		1,295
Total return before distributions			(37,309)		36,465
Distributions	6		(2,324)		(1,311)
Change in net assets attributable to shareholders from investment activities			(39,633)		35,154

Statement of Change in Net Assets Attributable to Shareholders for the year ended 30 April 2016

	2016		2015	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		332,125		63,631
Amounts receivable on issue of shares	51,662		243,189	
Amounts payable on cancellation of shares	(71,975)		(13,088)	
		(20,313)		230,101
Dilution adjustment		351		538
Change in net assets attributable to shareholders from investment activities		(39,633)		35,154
Retained distributions on accumulation shares		2,202		2,701
Closing net assets attributable to shareholders		274,732		332,125

Financial Statements cont.

Balance Sheet as at 30 April 2016

	Notes	2016 £'000	2015 £'000
Assets:			
Fixed assets:			
Investments		265,983	328,706
Current assets:			
Debtors	8	1,748	13,971
Cash and bank balances	9	7,922	15,849
Total assets		275,653	358,526
Liabilities:			
Creditors:			
Bank overdrafts	9	-	(2,125)
Distributions payable		(142)	(253)
Other creditors	10	(779)	(24,023)
Total liabilities		(921)	(26,401)
Net assets attributable to shareholders		274,732	332,125

Notes to the Financial Statements

	2016	2015
	£'000	£'000
1 Net capital gains/(losses)		
Non-derivative securities	(39,471)	35,220
Currency gains/(losses)	(136)	(20)
Custodian transaction charges	(15)	(30)
Net gains/(losses)	(39,622)	35,170

	2016	2015
	£'000	£'000
2 Purchases, sales and transaction costs		
Gross purchases of equity excluding transaction costs	60,372	312,937
Commissions	65	262
Taxes	28	128
Total purchases of equity transaction costs ¹	93	390
Purchases including transaction costs	60,465	313,327

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity purchases	0.11	0.08
Taxes on equity purchases	0.05	0.04

	2016	2015
	£'000	£'000
Sales and transaction costs		
Gross sales of equity excluding transaction costs	84,112	82,572
Commissions	(68)	(166)
Taxes	(145)	(101)
Total sales of equity transaction costs ¹	(213)	(267)
Sales net of transaction costs	83,899	82,305

	2016	2015
	%	%
Transaction costs as a percentage of principal amount		
Commission on equity sales	(0.08)	(0.20)
Taxes on equity sales	(0.17)	(0.12)

¹These amounts have been deducted in determining net capital gains/(losses).

Notes to the Financial Statements cont.

	2016		2015	
	£'000	% of average NAV	£'000	% of average NAV
Portfolio transaction costs				
Commissions	133	0.05	428	0.18
Taxes	173	0.06	229	0.10
Total direct transaction costs	306	0.11	657	0.28

	2016	2015
	%	%
Average portfolio dealing spread	0.15	0.22

The Fund incurs broker commission and transfer taxes/stamp duty as a necessary part of buying and selling the Fund's underlying investments in order to achieve the investment objective. In the case of shares, broker commissions, transfer taxes and stamp duty may be paid by the Fund on transactions.

Dilution adjustment charges, which do not form part of the direct transaction costs disclosures above, may be incurred as a result of trading in underlying Funds. For further details on dilution adjustment charges please see the General Information section.

Dealing spread is the difference in the buying and selling prices of the underlying investments. Dealing spreads vary considerably depending on the transaction value and market sentiment. The Fund may have holdings in single priced funds. The notional spread on these holdings is not included in the average dealing spread calculated for this Fund.

	2016	2015
	£'000	£'000
3 Revenue		
Overseas dividends	3,904	2,644
Total revenue	3,904	2,644

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
4 Expenses		
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	1,111	1,006
Registrar's fees	2	4
	1,113	1,010
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	27	23
Bank charges	132	123
	159	146
Other expenses:		
Audit fee	6	6
Professional fees	37	14
Bank overdraft interest	-	2
	43	22
Total expenses	1,315	1,178

	2016 £'000	2015 £'000
5 Taxation		
Analysis of charge in the year		
Overseas tax	276	216
Tax recoverable on overseas dividends	-	(45)
Total taxation	276	171

The Fund is subject to corporation tax at 20% (2015: 20%), however, the majority of dividends received by the Fund are not liable to corporation tax. Accordingly, the tax deductible expenses substantially exceed the taxable income of the Fund and, as a result, there is no corporation tax charge.

At 30 April 2016, the Fund had surplus management expenses of £4,607,000 (2015: £3,363,000) which have not been recognised as a deferred tax asset. This is because the Fund is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, the Fund is unlikely to be able to reduce future tax liabilities through the use of existing surplus expenses.

The tax charge is explained as follows:

Net revenue/(expense) before taxation	2,589	1,466
Net revenue/(expense) before taxation multiplied by the standard rate of corporation tax of 20% (2015: 20%)	518	293
Effects of:		
Non-taxable overseas dividends	(767)	(506)
Overseas tax on dividends	276	216
Tax recoverable on overseas dividends	-	(45)
Surplus management expenses	249	213
Current tax charge (see above)	276	171

Notes to the Financial Statements cont.

	2016 £'000	2015 £'000
6 Distributions		
Final	2,344	2,954
Amounts deducted on cancellation of shares	257	101
Amounts added on issue of shares	(277)	(1,744)
Total distributions	2,324	1,311

The distributions take account of revenue transactions on the issue and cancellation of shares. Details of the distribution per share are set out in the Distribution Table.

	2016 £'000	2015 £'000
7 Reconciliation of net revenue to net distributions for the year		
Net revenue/(expense) after taxation for the year	2,313	1,295
Add capital transfers for deficits of income	13	18
Add distributable revenue brought forward	2	-
Less distributable revenue carried forward	(4)	(2)
Net distributions for the year	2,324	1,311

	2016 £'000	2015 £'000
8 Debtors		
Receivable for issue of shares	101	472
Sales awaiting settlement	1,432	13,126
Accrued income	78	183
Overseas tax recoverable	13	36
VAT recoverable	2	2
Other debtors	122	152
Total debtors	1,748	13,971

	2016 £'000	2015 £'000
9 Cash and bank balances		
Sterling bank accounts	2,286	2,773
Foreign currency bank accounts	5,636	13,076
	7,922	15,849
Sterling bank accounts overdrawn	-	(2,125)
Total cash and bank balances	7,922	13,724

Notes to the Financial Statements cont.

	2016	2015
	£'000	£'000
10 Other creditors		
Payable for cancellation of shares	245	607
Purchases awaiting settlement	405	23,236
Due to the ACD or associates	91	117
Due to the Depositary or associates	21	45
Other accrued expenses	17	18
Total other creditors	779	24,023

	2016	2015
	%	%
11 Related party transactions		
The ACD or clients of Baillie Gifford & Co, the Investment Adviser, own the following percentages of the shares in existence:		
A Net Accumulation	-	-
B Net Income	-	-
B Net Accumulation	-	-
C Net Income	100.0	100.0
C Net Accumulation	100.0	100.0

The following shareholder owns more than 20% of the value of the Fund:

Baillie Gifford Diversified Growth Fund	39.5	36.9
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Baillie Gifford & Co Limited, as ACD, is regarded as a related party by virtue of the services provided to the Company. Baillie Gifford & Co Limited acts as principal in respect of all transactions of shares in the Company, except where stocks are transferred on the issue or cancellation of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. Amounts paid, receivable and payable to related parties have been disclosed in notes 4, 8 and 10 respectively.

Notes to the Financial Statements cont.

	2016				
	A Net Accumulation Shares	B Net Income Shares	B Net Accumulation Shares	C Net Income Shares	C Net Accumulation Shares
12 Reconciliation of shares in issue					
Opening shares in issue	3,117,022	9,772,537	29,333,741	1,000	27,168,751
Shares issued	176,918	2,340,361	10,100,262	-	2,300
Shares cancelled	(1,496,549)	(5,120,340)	(7,818,305)	-	(2,856,391)
Shares converted	(586,830)	6,845	521,464	-	-
Closing shares in issue	1,210,561	6,999,403	32,137,162	1,000	24,314,660

	2016	2015
	Assets £'000	Assets £'000
13 Valuation technique		
Quoted prices for identical instruments in active markets	265,983	328,706
Valuation techniques using observable market data other than quoted prices	-	-
Valuation techniques using non-observable data	-	-
Total	265,983	328,706

Notes to the Financial Statements cont.

14 Derivatives and other financial instruments

Currency exposures

A substantial proportion of the net assets of the Fund are denominated in currencies other than sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	Net foreign currency assets			Net foreign currency assets		
	2016		Total	2015		Total
	Monetary exposures	Non-monetary exposures		Monetary exposures	Non-monetary exposures	
£'000	£'000	£'000	£'000	£'000	£'000	
Hong Kong dollar	-	61,745	61,745	-	90,974	90,974
Indian rupee	-	64,003	64,003	6,046	69,838	75,884
Korean won	-	55,715	55,715	-	64,785	64,785
Malaysian ringgit	-	1,949	1,949	-	2,674	2,674
Pakistani rupee	-	1,978	1,978	291	2,979	3,270
Philippine peso	-	-	-	-	2,513	2,513
Singapore dollar	-	3,070	3,070	-	3,703	3,703
Taiwanese dollar	4	38,737	38,741	5	51,997	52,002
Thai baht	-	1,882	1,882	-	1,987	1,987
US dollar	5,632	36,744	42,376	6,734	37,256	43,990
Vietnamese dong	-	160	160	-	-	-

Short term debtors and creditors have not been disclosed.

Distribution Table

Final Distribution for the year ended 30 April 2016

Group 1 : shares purchased prior to 1 May 2015

Group 2 : shares purchased 1 May 2015 to 30 April 2016

	Income (dividend distribution)	Equalisation	Distribution (paid/accumulated 30.06.16)	Distribution (paid/accumulated 30.06.15)
	30.04.16 pence per share	30.04.16 pence per share	30.04.16 pence per share	30.04.15 pence per share
A Net Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-
B Net Income				
Group 1	2.03000	-	2.03000	2.59000
Group 2	0.48800	1.54200	2.03000	2.59000
B Net Accumulation				
Group 1	2.50000	-	2.50000	3.14000
Group 2	0.35675	2.14325	2.50000	3.14000
C Net Income				
Group 1	4.33000	-	4.33000	5.01000
Group 2	4.33000	-	4.33000	5.01000
C Net Accumulation				
Group 1	5.75000	-	5.75000	6.55000
Group 2	5.75000	-	5.75000	6.55000

General Information

Dilution Adjustment

A sub-fund suffers dilution (reduction) in the value of the Scheme Property attributable to it because the actual costs of buying or selling investments for the sub-fund deviate from the mid-market values generally used in calculating the price of shares in the sub-fund. Such deviation may occur as a result of the costs (which may include dealing charges and taxes) incurred in dealing in such investments and of any spread between the buying and selling prices of such investments. It is not possible to predict accurately whether dilution is likely to occur.

The Financial Conduct Authority ('FCA') Regulations allow the cost of dilution to be (1) met directly from the Scheme Property attributable to the sub-fund or (2) addressed by the imposition on investors of a dilution levy on the issue by the Company, sale by the ACD, cancellation by the Company or redemption by the ACD of shares in the sub-fund or (3) dealt with by means of a dilution adjustment, which is the policy which has been adopted by the ACD in relation to the sub-funds of the Company. With a view to mitigating the effects of dilution, the ACD therefore reserves the right at its sole discretion to make a dilution adjustment in the calculation of the dealing price, and thereby swing the dealing price, of shares in any sub-fund of the Company if in its opinion the existing shareholders (for net purchases of shares) or remaining shareholders (for net redemptions of shares) might otherwise be adversely affected. By 'purchases' of shares we mean issues by the Company and sales by the ACD and by 'redemptions' of shares we mean cancellations by the Company and redemptions by the ACD.

The FCA Regulations acknowledge that the need to make a dilution adjustment may depend on the volume of purchases of shares or redemptions of shares. Accordingly, the ACD reserves the right at its sole discretion to impose a dilution adjustment in the following circumstances:

- (a) If the sub-fund is experiencing steady decline (net outflow of investment).
- (b) If the sub-fund is experiencing steady growth (net inflow of investment).

- (c) If the sub-fund is experiencing large levels of net purchases or net redemptions relative to its size.
- (d) Where the sub-fund experiences net purchases or net redemptions on any Dealing Day exceeding a particular value or a particular percentage of the value of the sub-fund.
- (e) In any other circumstances where the ACD believes it will be in the interests of shareholders to make a dilution adjustment.

The ACD is currently of the opinion that it is in the best interests of shareholders in the Company to make a dilution adjustment whenever dealings in the shares of any sub-fund result in shares in that sub-fund being issued or cancelled by the Company. The adjustment will take account of any spread between the buying and selling prices of the relevant sub-fund's investments and the costs (which may include dealing charges and taxes) of acquiring or disposing of such investments, as the case may be.

The level of the dilution adjustment is set by the ACD based on prevailing market conditions. Where liquidity is restricted and trading in size in the portfolio's stocks results in significant movement in the prices of these stocks the ACD may adjust the level of the dilution adjustment to protect the interests of the ongoing investors in a sub-fund. Whether an adjustment may be necessary will depend upon the net movement into or out of a sub-fund on any given day and on the underlying market conditions on that day and it is therefore not possible to predict when an adjustment may be made.

On any Dealing Day when the Company neither issues nor cancels shares in a sub-fund the price of shares in that sub-fund will not contain any dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The ACD's decision on whether or not to make a dilution adjustment, and on what level of adjustment to make in particular circumstances or generally, will not prevent it from making a different decision in similar circumstances in the future.

General Information cont.

Dilution Adjustment cont.

Where a dilution adjustment is applied, it will increase the dealing price when there are net inflows into the relevant sub-fund and decrease the dealing price when there are net outflows. The dealing price of each class of share in a sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the dealing price of shares of each class identically.

On the occasions when no dilution adjustment is made there may be an adverse impact on the value of the Scheme Property attributable to the relevant sub-fund.

The dilution adjustment can vary over time and vary depending on the assets attributable to the relevant sub-fund.

As dilution is directly related to the inflows and outflows of monies from a sub-fund, it is not possible to predict accurately whether dilution will occur at any point in time. Consequently it is also not possible to predict accurately how frequently the ACD will need to make a dilution adjustment.

Stamp Duty Reserve Tax (SDRT)

Generally, there will be no charge to SDRT when Shareholders surrender or redeem shares. However, where the redemption is satisfied by a non-pro rata in specie redemption, then a charge of SDRT may apply.

European Savings Directive

Following implementation of the EU Savings Directive into UK law, the Company is obliged to provide details of savings income payments made to individuals resident in another member state within the EU or resident within certain other jurisdictions to HMRC who will onward notify the relevant tax authority. Proceeds on the disposal of Shares are also reportable, other than under certain limited circumstances.

The company is not required to report income payments in the form of interest payments made to corporate bodies, however such corporate bodies may have reporting obligations of their own if they are receiving payments on behalf of reportable persons.

Please note that, subject to certain transitional measures, the European Directive on the Taxation of Savings was repealed by the European Council on 10 November 2015

with effect from 1 January 2016, and no longer applies to the Company except for transitional measures.

Shareholders who are in any doubt as to their position or would like to know more should consult their professional advisers.

Taxation Reporting

In order to fulfil its legal obligations, the ACD is required to collect and report certain information about Shareholders, including their identity, tax residency and tax status. Shareholders must provide the ACD with any information required to meet these obligations, and may also be asked to provide self-certifications and tax reference numbers or the equivalent. The ACD reserves the right to refuse an application for Shares or a transfer of Shares until it receives a declaration as to the Shareholder's tax residency or status in the form prescribed by the ACD.

The ACD is also required to provide to HMRC certain information regarding Shareholders, payments made to Shareholders and proceeds arising on the disposal of Shares, and HMRC may pass such information on to the tax authorities of another jurisdiction.

While the ACD is not required to report income payments in the form of interest payments made to corporate bodies, such corporate bodies may have reporting obligations of their own if they are receiving payments on behalf of reportable persons.

Share Classes

The net asset value of each sub-fund, the net asset value per share, and the number of shares in each class are shown in the Fund Information sections of the relevant sub-fund. The distributions per share class are shown in the Distribution Tables. In each sub-fund all share classes have the same rights on winding up.

Class C shares are only available to persons to whom an associate of the ACD provides services under an investment management agreement.

The minimum lump sum investment amounts are shown in the table on page 263.

General Information cont.

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is, depending on the level of income distributed, refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

Primary Share Class

With effect from 18 April 2016 the primary share class for performance reporting for the sub-funds changed from Class A Shares to Class B Shares. Please note Class B Shares carry a lower ACD's annual fee than Class A Shares (with the exception of Baillie Gifford Long Term Global Growth Fund).

Fund Charges and Costs

A further explanation of charges and costs relating to the sub-funds of the ICVC can be found in the Enhanced Disclosure of Fund Charges and Costs document for each sub-fund on our website.

General Information cont.

Minimum Lump Sum Investment Amounts and ACD's Annual Fee

	Class A	Class B	Class C
Minimum lump sum investments:			
Baillie Gifford American Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Developed Asia Pacific Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Emerging Markets Growth Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Emerging Markets Leading Companies Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford European Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Global Discovery Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Greater China Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Japanese Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Japanese Smaller Companies Fund ¹	£1,000	£10,000	£250,000
Baillie Gifford Long Term Global Growth Fund	n/a	£250,000	£250,000
Baillie Gifford Pacific Fund ¹	£1,000	£10,000	£250,000
ACD's annual fee:			
Baillie Gifford American Fund	1.50%	0.65%	Nil
Baillie Gifford Developed Asia Pacific Fund	1.50%	0.65%	Nil
Baillie Gifford Emerging Markets Growth Fund	1.50%	0.75%	Nil
Baillie Gifford Emerging Markets Leading Companies Fund	1.50%	0.75%	Nil
Baillie Gifford European Fund	1.50%	0.65%	Nil
Baillie Gifford Global Discovery Fund	1.50%	0.75%	Nil
Baillie Gifford Greater China Fund	1.50%	0.75%	Nil
Baillie Gifford Japanese Fund	1.50%	0.65%	Nil
Baillie Gifford Japanese Smaller Companies Fund	1.50%	0.60%	Nil
Baillie Gifford Long Term Global Growth Fund	n/a	0.70%	Nil
Baillie Gifford Pacific Fund	1.50%	0.65%	Nil

¹£50 per month for the Monthly Savings Plan available for Class A Net Accumulation Shares only and £500 per month for the Monthly Savings Plan available for Class B Net Accumulation Shares only.

General Information cont.

Active Share

Active Share is a measure of how actively managed a sub-fund is and is calculated by taking 100 minus the % of the sub-fund that overlaps with the comparative index. The Active Share as at the year end and the comparative

index for each sub-fund is shown in the table below. The Active Share has been shown against these indices to highlight the active management style against what is deemed to be the most relevant index for each sub-fund.

	Active Share	Comparative Index
Baillie Gifford American Fund	93%	S&P 500 Composite Index
Baillie Gifford Developed Asia Pacific Fund	89%	MSCI Pacific Index
Baillie Gifford Emerging Markets Growth Fund	76%	MSCI Emerging Markets Index
Baillie Gifford Emerging Markets Leading Companies Fund	74%	MSCI Emerging Markets Index
Baillie Gifford European Fund	85%	MSCI Europe ex-UK Index
Baillie Gifford Global Discovery Fund	98%	S&P Global Small Cap Index
Baillie Gifford Greater China Fund	64%	MSCI Golden Dragon Index
Baillie Gifford Japanese Fund	82%	TOPIX Index
Baillie Gifford Japanese Smaller Companies Fund	93%	MSCI Japan Small Cap Index
Baillie Gifford Long Term Global Growth Fund	96%	MSCI All Country World Index
Baillie Gifford Pacific Fund	76%	MSCI All Country Asia ex-Japan Index

General Information cont.

Corporate Governance

The Investment Adviser has a clear and considered policy towards its shareholder responsibilities, following its own detailed guidelines, when addressing corporate governance matters at the companies in which it invests and actively exercising its votes. The Investment Adviser recognises that companies operate under significantly differing conditions and for this reason it takes a pragmatic and flexible approach to corporate governance, whereby it applies its guidelines with care and gives due consideration to the specific circumstances of individual companies.

The Investment Adviser looks to have confidence in the quality and integrity of management. Consequently, its investment process involves keeping closely in touch with company management, learning how it plans to take the company's business forward and seeking to understand its goals and attitude towards shareholders. It believes that such dialogue is important in selecting successful investments and that it gets at the substance of corporate governance rather than concentrating merely on matters of form. Nevertheless, where the formal aspects of a company's corporate governance fall short of best practice and this is not fully supported by its circumstances, the Investment Adviser encourages improvements in face to face meetings and, where appropriate, votes against management recommendations at general meetings.

The Investment Adviser recognises that its right to vote on corporate proposals is the key formal mechanism by which shareholders play a role in a company's governance. It makes considered use of these votes and endeavours to contact companies to encourage improvements before it votes against management recommendations. Although the Investment Adviser generally supports management, it assesses each company proposal on its merits and avoids voting in a routine or mechanistic manner. In general, the Investment Adviser focuses on the issues it feels are most significant and where it can be most effective. Such issues include the alignment of management's interests with those of shareholders, the effective operation of the board and its committees and the protection of shareholder rights.

The Investment Adviser's policy on social, environmental and ethical matters is integrated with its approach to corporate governance and, as such, it is based on dialogue and engagement rather than exclusion. Where appropriate, it discusses with company

management those areas that may be most closely related to shareholder value such as sustainability, environmental impact, human rights and employee welfare. It also takes account of these matters in the selection, retention and realisation of investments, as part of its normal investment research and analysis process, where it thinks they may have a material impact on current or future valuations.

The Group's Funds

Authorised Unit Trusts

Baillie Gifford Cash Fund

Baillie Gifford Bond Funds ICVC

Baillie Gifford Active Gilt Plus Fund

Baillie Gifford Active Index-Linked Gilt Fund¹

Baillie Gifford Active Index-Linked Gilt Plus Fund

Baillie Gifford Active Long Gilt Plus Fund

Baillie Gifford Corporate Bond Fund

Baillie Gifford Emerging Markets Bond Fund

Baillie Gifford Global Bond Fund

Baillie Gifford High Yield Bond Fund

Baillie Gifford Investment Grade Bond Fund

Baillie Gifford Investment Grade Long Bond Fund

Baillie Gifford Investment Funds ICVC

Baillie Gifford Diversified Growth Fund

Baillie Gifford Multi Asset Growth Fund

Baillie Gifford Investment Funds II ICVC

Baillie Gifford Sterling Aggregate Bond Fund

Baillie Gifford Sterling Aggregate Plus Bond Fund

Baillie Gifford Global Select Fund

Baillie Gifford Overseas Growth Funds ICVC

Baillie Gifford American Fund

Baillie Gifford Developed Asia Pacific Fund

Baillie Gifford Emerging Markets Growth Fund

Baillie Gifford Emerging Markets Leading Companies Fund

Baillie Gifford European Fund

Baillie Gifford Global Discovery Fund

Baillie Gifford Greater China Fund

Baillie Gifford Japanese Fund

Baillie Gifford Japanese Smaller Companies Fund

Baillie Gifford Long Term Global Growth Fund

Baillie Gifford Pacific Fund

Baillie Gifford UK & Balanced Funds ICVC

Baillie Gifford British Smaller Companies Fund

Baillie Gifford Global Alpha Growth Fund

Baillie Gifford Global Income Growth Fund

Baillie Gifford International Fund

Baillie Gifford Managed Fund

Baillie Gifford UK Equity Alpha Fund

Glenfinlas Global Fund²

¹Baillie Gifford Active Index-Linked Gilt Fund is in the process of being wound up and is no longer available for subscription.

²Glenfinlas Global Fund is no longer available for subscription.

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L M Beattie (Resigned 31 March 2016)
E Delaney
L C Dewar
P J Edwardson
C M Fraser
D S McGowan
A J Telfer
M J C Wylie (appointed 10 November 2015)

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Baillie Gifford & Co Limited, the Authorised Corporate Director of the OEIC, is wholly owned by Baillie Gifford & Co. We only provide information about our products and do not provide investment advice.

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