

Rathbones

Look forward

# Rathbone Global Opportunities Fund

Annual report for the year ended 31 January 2021



# Rathbone Global Opportunities Fund

## **Authorised Fund Manager (the Manager)**

Rathbone Unit Trust Management Limited  
8 Finsbury Circus  
London EC2M 7AZ  
Telephone 020 7399 0399  
Facsimile 020 7399 0057

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

## **Dealing office**

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

## **Registrar**

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

## **Independent Auditor**

Deloitte LLP  
Statutory Auditor  
110 Queen Street  
Glasgow G1 3BX

## **Directors of the Manager**

RP Stockton – Chairman  
MM Webb – Chief Executive Officer  
JR Chillingworth – Chief Investment Officer  
JM Ardouin – Finance Director  
MS Warren – Non-Executive Director  
J Lowe – Non-Executive Director

## **Administrator**

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

## **Trustee**

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

## Manager's report for the year ended 31 January 2021

During the 12-month period ended 31 January 2021 the Rathbone Global Opportunities Fund (I-Class) returned 25.2% compared with the IA Global sector's average of 14.8%.

Last year we experienced the most rapid decline into a bear market in history – it took just 16 days for the Dow to drop 20% in the first quarter. The VIX, the S&P 500 volatility index, went to a record of 85.47 and for the first time crude oil futures turned negative. And then, immediately, we saw the fastest recovery from a bear market low to a new all-time high in history. By August, American stocks had set new records and continued pressing higher for the rest of the year. And the fireworks continued after the US presidential election in November. Following Democrat Joe Biden's victory the S&P 500 posted its best one-month performance since 1987, and the best November gains ever – as did European stocks.

Markets moved so quickly from calamity into V-shaped recovery. With so little good news about the pandemic, how could stocks perform so well from the middle of March? Because markets don't need clarity to go up. They anticipate. They start to rise when policy and liquidity are at their greatest. Meteoric de-risking and asset allocation shifts took place in record time and the foundation was set for a monster rally.

But as ever, the recovery has not been fair or evenly spread. Many commentators have called it a K-shaped recovery, where some industries have moved up sharply and others, like leisure and hospitality, have ploughed lower as the pandemic and rolling lockdowns kept their businesses shut. We have suffered from some of these ploughman investments in companies exposed to airlines, restaurants, gyms and care homes. But, fortunately, our growth-oriented portfolio has kept us away from some of the hardest-hit sectors that decimated returns on the way down and restrained upside in the early part of the recovery: banks, commodities, autos, airlines and cruise lines. We're overweight growth sectors, such as technology, healthcare and resilient consumer plays – US ones in particular. The 'stay home' holdings in our fund have done very well for us during lockdown, and we believe

their investment cases will only improve as the world gets back to normal. Many technology areas have seen an acceleration in their growth trends, e-commerce being a standout case.

Online shopping now represents 21% of total US retail sales. And we haven't seen a retracement of that growth as the world started 'opening up' in recent months. Importantly e-commerce seems to have sustained the 'new normal' which will be key to the continued outperformance of stocks related to this trend. These growth, technology, healthcare and next-generation retail stocks have driven performance for your fund over the past year.

We've put a lot of cash to work since March – in fact, it was the largest deployment of cash in our fund's history. This wasn't an attempt to forecast the end of the pandemic, but simply a belief that over the coming five years human ingenuity would crack the code of this virus and that many of our investments will be even stronger than before. We thought it the best buying opportunity in our lifetime and that you wouldn't forgive us if we just paid ourselves to sit on cash rather than invest in businesses we believe in long term. We deployed the cash across almost our entire portfolio, topping up holdings broadly yet modestly in order to avoid single-stock risk. Mistakes will no doubt be made as the lingering effects of the virus are underestimated. Yet our portfolio approach of 60 sustainably growing companies, spread by country, sector, size, cyclicity and theme, should give us some defence in future stumbles.

As governments vaccinate their people and economies come back to life, it probably won't be the exact same outperformers to date that prove future portfolio winners. That's why we have tilted the fund in recent months and bought reopening reflation beneficiaries. Industrial companies look attractive as we're in the midst of a rare confluence of events – inventories are at historic lows relative to sales and longer-cycle capital spending plans troughed at the same time. We have bought industrial ball bearing giant SKF in Europe to benefit from this cycle improvement.

## Manager's report for the year ended 31 January 2021 *(continued)*

We think big banks are too reliant on their brands – and they're not scared enough to make the changes they need to succeed – so their profitable backwaters quietly get diverted. But we have found some regional banks, including Silicon Valley Bank, that are outmanoeuvring and outgrowing their competitors. These are the nimble and established gatekeepers to technology and innovation companies – the financial plumbing for the fastest-growing part of the economy. As a result, they're expanding their client bases, deposits and loan origination at multiples of the competition. If fiscal stimulus and the reflation trade come through, we expect them to benefit further.

We sold our holding in STMicroelectronics due to a poor outlook from the company citing exposure to sanctioned Chinese tech and telco giant Huawei and overly optimistic longer-term expectations. We replaced it with Infineon, a high-quality semiconductor company and our favoured play for its exposure to autos and in particular the growth of electric vehicles.

As part of the shift towards reopening and reflation beneficiaries, we created space by selling some of our stay-home winners that benefited the fund during the pandemic. We believe they may struggle to post continued growth after bumper 2020 numbers. Home Depot was sold as the pandemic created the best possible sales growth for US-focussed DIY and home improvement plays. We may return to this high-quality retailer when the mountain of difficult year-on-year comparisons is summited. We sold our holding in Salesforce due to its M&A empire building and our desire to target faster-growth digital transformation stocks. We sold European tech giant SAP after the company accelerated the migration of its enterprise resource planning program to a cloud-based IT strategy and multi-year subscription model. An inspired decision, just years too late.

We sold our holding in Kerry Group, a food service and product innovator for some of the largest food manufacturers and restaurant chains around the world. This resilient business is at the forefront of the largest trends in taste and nutrition, but we wanted to use it as a source of funds for more geared beneficiaries of reopening. Sports apparel and sneaker business Nike is one example of new holdings we added that should benefit from people finally getting out of the house. Nike has large exposure to team sports, which have been sidelined for the past year. We also restarted a holding in trucking and intermodal carrier business JB Hunt, as one of the purest plays on a stimulus-driven US economic rebound. If we're right about consumer demand soaring as lockdowns ease, that means more freight gets cleverly pushed around the US, which is JB Hunt's bag.

Lockdowns have put many parts of the economy into temporary hibernation, but we believe we are about to awaken. The end of our house arrest is coming and with it probably the sequel to the Roaring Twenties. History tells us that demand can be very strong following sombre periods – recessions, wars, terrorism, and pandemics. The Roaring Twenties followed the Spanish flu and World War I, huge crowds gathered to celebrate the end of social isolation and we saw the birth of modern consumerism. When you combine these trends with huge stimulus, low interest rates and reflation-driven policies, you could have a multi-year expansion.

**James Thomson**  
Lead Fund Manager

**Sammy Dow**  
Fund Manager  
*12 February 2021*

## Net asset value per unit and comparative tables

### R-class accumulation units

	<b>31.01.21</b> pence per unit	31.01.20 pence per unit	31.01.19 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	251.06p	208.08p	205.83p
Return before operating charges*	65.45p	46.60p	5.53p
Operating charges	(4.34p)	(3.62p)	(3.28p)
Return after operating charges*	61.11p	42.98p	2.25p
Distributions on accumulation units	0.00p	0.00p	0.00p
Retained distributions on accumulation units	0.00p	0.00p	0.00p
Closing net asset value per unit	312.17p	251.06p	208.08p
*after direct transactions costs <sup>1</sup> of:	0.22p	0.11p	0.17p

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

### Performance

Return after charges	24.34%	20.66%	1.09%
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### Other information

Closing net asset value	£129,351,609	£101,072,314	£149,937,927
Closing number of units	41,435,966	40,258,585	72,058,646
Operating charges	1.52%	1.53%	1.53%
Direct transaction costs	0.08%	0.05%	0.08%

### Prices\*\*

Highest unit price	329.79p	260.53p	244.40p
Lowest unit price	204.83p	209.91p	191.33p

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

## Net asset value per unit and comparative tables *(continued)*

### I-class accumulation units

	<b>31.01.21</b> pence per unit	31.01.20 pence per unit	31.01.19 pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	266.49p	219.21p	214.36p
Return before operating charges*	69.73p	49.23p	6.61p
Operating charges	(2.36p)	(1.95p)	(1.76p)
Return after operating charges*	67.37p	47.28p	4.85p
Distributions on accumulation units	0.00p	0.00p	(0.19p)
Retained distributions on accumulation units	0.00p	0.00p	0.19p
Closing net asset value per unit	333.86p	266.49p	219.21p

\*after direct transactions costs<sup>1</sup> of: 0.23p 0.12p 0.18p

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

### Performance

Return after charges 25.28% 21.57% 2.26%

### Other information

Closing net asset value	£1,937,675,930	£1,372,983,150	£1,146,533,814
Closing number of units	580,384,528	515,203,803	523,018,923
Operating charges	0.77%	0.78%	0.78%
Direct transaction costs	0.08%	0.05%	0.08%

### Prices\*\*

Highest unit price	352.56p	276.49p	250.36p
Lowest unit price	217.63p	221.15p	201.49p

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

## Net asset value per unit and comparative tables *(continued)*

### S-class accumulation units<sup>†</sup>

	<b>31.01.21</b>	31.01.20	31.01.19
	<b>pence per unit</b>	pence per unit	pence per unit
<b>Change in net assets per unit</b>			
Opening net asset value per unit	127.62p	104.71p	100.00p
Return before operating charges*	33.44p	23.53p	4.74p
Operating charges	(0.76p)	(0.62p)	(0.03p)
Return after operating charges*	32.68p	22.91p	4.71p
Distributions on accumulation units	0.00p	(0.29p)	(0.02p)
Retained distributions on accumulation units	0.00p	0.29p	0.02p
Closing net asset value per unit	160.30p	127.62p	104.71p

\*after direct transactions costs<sup>1</sup> of: 0.11p 0.06p 0.08p

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

### Performance

Return after charges	25.61%	21.88%	4.71%
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### Other information

Closing net asset value	£1,068,684,188	£460,369,050	£139,759,322
Closing number of units	666,674,627	360,730,039	133,477,828
Operating charges	0.51%	0.52%	0.53%
Direct transaction costs	0.08%	0.05%	0.08%

### Prices\*\*

Highest unit price	169.26p	132.40p	105.20p
Lowest unit price	104.26p	105.63p	101.15p

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

<sup>†</sup> The S-class accumulation units launched on 7 January 2019 at 100.00p.

## Net asset value per unit and comparative tables *(continued)*

### Risk and reward profile as published in the fund's most recent Key Investor Information Document



Lower potential risk/reward  
(Not risk-free)

Higher potential risk/reward

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

### Discrete annual performance, quarter ending 31 December 2020

	2016	2017	2018	2019	2020
R-class units	15.91%	19.19%	-1.28%	25.22%	30.28%
I-class units	16.79%	20.07%	-0.52%	26.12%	31.27%
IA Global sector	23.33%	14.02%	-5.72%	21.92%	15.27%

Source performance data Financial Express, bid to bid, net income re-invested.

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

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



## Portfolio and net other assets as at 31 January 2021

Holding (Ordinary shares unless otherwise stated)	Value (note 1f) £	Percentage of total net assets
<b>United Kingdom</b> (31.01.20: 5.83%)		
6,000,000 Howdens Joinery	40,308,000	1.29
785,000 Next	60,680,500	1.94
2,400,000 Ocado	66,624,000	2.12
6,800,000 Rightmove	40,745,600	1.30
<b>Total United Kingdom</b>	<b>208,358,100</b>	<b>6.65</b>
<b>Canada</b> (31.01.20: 1.51%)		
49,000 Shopify 'A'	39,162,176	1.25
560,000 Waste Connections	40,156,714	1.28
<b>Total Canada</b>	<b>79,318,890</b>	<b>2.53</b>
<b>China</b> (31.01.20: 1.78%)		
946,000 Tencent	<b>60,548,836</b>	<b>1.93</b>
<b>France</b> (31.01.20: 8.60%)		
55,000 Hermes International	41,000,656	1.31
75,000 Kering	35,937,394	1.14
155,000 L'Oreal	39,781,951	1.27
275,000 Sartorius Stedim Biotech	83,062,092	2.65
<b>Total France</b>	<b>199,782,093</b>	<b>6.37</b>
<b>Germany</b> (31.01.20: 5.87%)		
470,000 Delivery Hero	52,247,680	1.67
105,000 Hypoport	51,928,737	1.65
1,850,000 Infineon Technologies	54,151,379	1.73
70,000 Rational	49,079,934	1.56
<b>Total Germany</b>	<b>207,407,730</b>	<b>6.61</b>
<b>Ireland</b> (31.01.20: 2.66%)		
225,000 Linde	<b>40,310,130</b>	<b>1.29</b>
<b>Netherlands</b> (31.01.20: 2.70%)		
130,000 ASML Holding	<b>50,542,821</b>	<b>1.61</b>
<b>Spain</b> (31.01.20: 1.30%)		
1,010,549 Cellnex Telecom	<b>43,182,836</b>	<b>1.38</b>
<b>Sweden</b> (31.01.20: 0.00%)		
2,800,000 Sandvik	51,180,509	1.63
2,500,000 SKF 'B'	50,198,824	1.60
<b>Total Sweden</b>	<b>101,379,333</b>	<b>3.23</b>

## Portfolio and net other assets as at 31 January 2021 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value (note 1f) £	Percentage of total net assets
<b>Switzerland</b> (31.01.20: 3.10%)		
116,000 Lonza	54,106,790	1.73
55,000 Partners	47,476,709	1.52
200,000 Sika	39,669,319	1.26
<b>Total Switzerland</b>	<b>141,252,818</b>	<b>4.51</b>
<b>United States</b> (31.01.20: 58.06%)		
200,000 Adobe	66,759,394	2.13
148,000 Align Technology	56,507,719	1.80
38,000 Alphabet 'C'	50,695,907	1.62
36,000 Amazon.com	84,041,334	2.68
545,000 Amphenol 'A'	49,558,804	1.58
270,000 Autodesk	54,501,384	1.74
350,000 Broadridge Financial Solutions	36,016,968	1.15
600,000 Chegg	41,605,010	1.33
172,000 Cintas	39,819,779	1.27
80,000 CoStar	52,389,747	1.67
186,000 Costco Wholesale	47,683,833	1.52
270,000 Estée Lauder 'A'	46,530,367	1.48
420,000 First Republic Bank	44,330,615	1.41
575,000 Freshpet	58,303,962	1.86
340,000 Global Payments	43,705,797	1.39
150,000 Idexx Laboratories	52,213,807	1.67
228,000 Intuit	59,917,244	1.91
450,000 J.B. Hunt Transport Services	44,111,928	1.41
360,000 Jack Henry & Associates	37,929,508	1.21
730,000 Lamb Weston	39,705,578	1.27
215,000 Martin Marietta	44,999,381	1.44
220,000 Mastercard	50,627,876	1.61
671,905 Match Group	68,359,924	2.18
680,000 McCormick	44,285,173	1.41
360,000 Microsoft	60,748,034	1.94
125,000 Netflix.com	48,417,929	1.54
490,000 Nike 'B'	47,665,453	1.52
180,000 Nvidia	68,036,120	2.17
500,000 PayPal	85,275,269	2.72
230,000 RingCentral 'A'	62,377,367	1.99
1,905,000 Rollins	49,955,615	1.59
200,000 S&P Global	46,152,054	1.47
85,000 Sherwin-Williams	42,800,211	1.37

## Portfolio and net other assets as at 31 January 2021 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value (note 1f) £	Percentage of total net assets
155,000 SVB Financial Group	49,345,580	1.57
1,100,000 TJX	51,243,082	1.63
1,120,000 Uber Technologies	41,547,335	1.32
360,000 Visa 'A'	50,681,037	1.62
<b>Total United States</b>	<b>1,918,846,125</b>	<b>61.19</b>
<b>Total value of investments</b> (31.01.20: 94.10%)	<b>3,050,929,712</b>	<b>97.30</b>
<b>Net other assets</b> (31.01.20: 5.90%)	<b>84,782,015</b>	<b>2.70</b>
<b>Total value of the fund as at 31 January 2021</b>	<b>3,135,711,727</b>	<b>100.00</b>

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

Countries eliminated since the beginning of the year:

Italy 2.69%

## Summary of portfolio investments

	Value £	Percentage of total net assets
Equity Securities	3,050,929,712	97.30
<b>Total value of investments</b>	<b>3,050,929,712</b>	<b>97.30</b>

## Statement of total return for the year ended 31 January 2021

	Note	31.01.21 £	31.01.21 £	31.01.20 £	31.01.20 £
<b>Income</b>					
Net capital gains	2		<b>556,996,454</b>		318,045,984
Revenue	3	<b>14,645,446</b>		14,347,122	
Expenses	4	<b>(18,594,189)</b>		(13,537,805)	
Interest payable and similar charges		<b>(3)</b>		—	
Net (expense)/revenue before taxation		<b>(3,948,746)</b>		809,317	
Taxation	5	<b>(1,761,510)</b>		(1,454,935)	
Net expense after taxation			<b>(5,710,256)</b>		(645,618)
<b>Total return before distributions</b>			<b>551,286,198</b>		317,400,366
Distributions	6		<b>211,226</b>		(711,502)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>551,497,424</b>		316,688,864

## Statement of change in net assets attributable to unitholders for the year ended 31 January 2021

	31.01.21 £	31.01.21 £	31.01.20 £	31.01.20 £
<b>Opening net assets attributable to unitholders</b>		<b>1,934,424,514</b>		1,436,231,063
Amounts receivable on issue of units	<b>742,640,530</b>		283,804,932	
Amounts payable on cancellation of units	<b>(92,850,741)</b>		(103,346,462)	
		<b>649,789,789</b>		180,458,470
Change in net assets attributable to unitholders from investment activities (see Statement of total return above)		<b>551,497,424</b>		316,688,864
Retained distributions on accumulation units		—		1,046,117
<b>Closing net assets attributable to unitholders</b>		<b>3,135,711,727</b>		1,934,424,514

## Balance sheet as at 31 January 2021

	Note	31.01.21 £	31.01.21 £	31.01.20 £	31.01.20 £
<b>Assets</b>					
<b>Fixed assets:</b>					
Investments			<b>3,050,929,712</b>	1,820,356,469	
<b>Current assets:</b>					
Debtors	7	<b>11,720,980</b>		5,230,872	
Cash and bank balances		<b>79,958,939</b>		111,558,207	
Total current assets			<b>91,679,919</b>	116,789,079	
<b>Total assets</b>			<b>3,142,609,631</b>	1,937,145,548	
<b>Liabilities</b>					
<b>Creditors:</b>					
Other creditors	8	<b>(6,897,904)</b>		(2,721,034)	
<b>Total liabilities</b>			<b>(6,897,904)</b>	(2,721,034)	
<b>Net assets attributable to unitholders</b>			<b>3,135,711,727</b>	1,934,424,514	

# Notes to the financial statements

## 1 Accounting policies

### a) Basis of accounting

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

As stated in the Statement of the Manager's responsibilities in relation to the report and accounts of the fund on page 26, the Manager continues to adopt the going concern basis in the preparation of the financial statements of the fund.

### b) Recognition of revenue

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

### c) Treatment of scrip and special dividends

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

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

### d) Treatment of expenses

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

### e) Distribution policy

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

A reconciliation of the net distribution to the net revenue of the fund as reported total return is shown in note 6.

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

### f) Basis of valuation of investments

The quoted investments of the fund have been valued at the closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year. If no market price is available we use two different vendors (at least one being independent) to obtain a price and verify it against.

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

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

### g) Exchange rates

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

## 1 Accounting policies *(continued)*

### h) Taxation/Deferred Tax

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

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

iii) The charge for deferred tax is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax assets can be offset. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

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

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

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

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

## Notes to the financial statements *(continued)*

### 2 Net capital gains

	31.01.21 £	31.01.20 £
The net capital gains during the year comprise:		
Non-derivative securities	<b>556,715,053</b>	318,532,720
Capital special dividends	—	740,415
Currency gains/(losses)	<b>286,123</b>	(1,225,287)
Transaction charges	<b>(4,722)</b>	(1,864)
<b>Net capital gains</b>	<b>556,996,454</b>	318,045,984

### 3 Revenue

	31.01.21 £	31.01.20 £
Dividends – UK Ordinary	<b>898</b>	1,133,714
– Overseas	<b>14,598,356</b>	12,873,770
Bank interest	<b>46,192</b>	339,638
<b>Total revenue</b>	<b>14,645,446</b>	14,347,122

### 4 Expenses

	31.01.21 £	31.01.21 £	31.01.20 £	31.01.20 £
Payable to the Manager, associates of the Manager and agents of either of them:				
Manager's periodic charge		<b>17,966,675</b>		13,084,256
Payable to the Trustee, associates of the Trustee and agents of either of them:				
Trustee's fees	<b>298,619</b>		224,124	
Safe custody and other bank charges	<b>288,225</b>		187,048	
		<b>586,844</b>		411,172
Other expenses:				
Administration fees	<b>7,092</b>		7,090	
Audit fee*	<b>10,920</b>		9,960	
Printing and publication costs	<b>2,166</b>		1,949	
Registration fees	<b>18,722</b>		21,613	
Listing fee	<b>1,770</b>		1,765	
		<b>40,670</b>		42,377
<b>Total expenses</b>		<b>18,594,189</b>		13,537,805

\*Audit fees for 2021 are £8,850 excluding VAT (31.01.20: £8,550 excluding VAT).



## 5 Taxation

	31.01.21 £	31.01.20 £
a) Analysis of charge in the year		
Overseas tax	<b>1,761,510</b>	1,497,798
Overseas withholding tax charged to capital	–	(42,863)
<b>Total tax charge for the year (note 5b)</b>	<b>1,761,510</b>	1,454,935

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

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an Authorised Unit Trust (20%) (31.01.20: 20%). The differences are explained below.

	31.01.21 £	31.01.20 £
Net (expense)/revenue before taxation	<b>(3,948,746)</b>	809,317
Corporation tax at 20%	<b>(789,749)</b>	161,863
Effects of:		
Revenue not subject to taxation	<b>(2,919,851)</b>	(2,801,497)
Current year expenses not utilised	<b>3,709,600</b>	2,639,634
Corporate tax charge	–	–
Overseas withholding tax	<b>1,761,510</b>	1,497,798
Overseas withholding tax charged to capital	–	(42,863)
<b>Total tax charge for the year (note 5a)</b>	<b>1,761,510</b>	1,454,935

### c) Deferred tax

At the year end the fund had surplus management expenses of £80,613,413 (31.01.20: £62,065,413). It is unlikely that the fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £16,122,683 (31.01.20: £12,413,083) has not been recognised in the financial statements.

## 6 Distributions

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

	<b>31.01.21</b>	31.01.20
	<b>£</b>	£
Final	—	1,046,117
	—	1,046,117
Add: Amounts deducted on cancellation of units	<b>6,984</b>	20,160
Deduct: Amounts received on issue of units	<b>(218,210)</b>	(354,775)
Net distribution for the year	<b>(211,226)</b>	711,502

### Reconciliation of net distribution for the year to net (expense)/revenue after tax:

Net distribution for the year	<b>(211,226)</b>	711,502
Deficit transferred to capital	<b>(5,530,050)</b>	(1,294,186)
Overseas withholding tax charged to capital	—	42,863
Equalisation on conversions	<b>26</b>	(69,957)
Balance brought forward	<b>(2,394)</b>	(38,234)
Balance carried forward	<b>33,388</b>	2,394
Net expense after taxation	<b>(5,710,256)</b>	(645,618)

## 7 Debtors

	<b>31.01.21</b>	31.01.20
	<b>£</b>	£
Amounts receivable for issue of units	<b>3,851,392</b>	3,316,582
Sales awaiting settlement	<b>5,845,478</b>	—
Accrued revenue	<b>111,914</b>	380,972
Taxation recoverable	<b>1,912,196</b>	1,533,318
Total debtors	<b>11,720,980</b>	5,230,872

## 8 Other creditors

	<b>31.01.21</b>	31.01.20
	<b>£</b>	£
Amounts payable for cancellation of units	<b>4,859,508</b>	1,446,242
Accrued expenses	<b>134,933</b>	76,171
Accrued manager's periodic charge	<b>1,903,463</b>	1,198,621
Total other creditors	<b>6,897,904</b>	2,721,034

## 9 Reconciliation of units

	R-class accumulation	I-class accumulation	S-class accumulation
Opening units issued at 01.02.20	40,258,585	515,203,803	360,730,039
Unit movements 01.02.20 to 31.01.21			
Units issued	6,484,026	83,013,339	331,733,895
Units cancelled	(4,667,791)	(18,183,129)	(26,311,129)
Units converted	(638,854)	350,515	521,822
Closing units issued at 31.01.21	41,435,966	580,384,528	666,674,627

## 10 Related party transactions

Management fees paid to Rathbone Unit Trust Management Limited (the Manager) are disclosed in note 4 and amounts outstanding at the year end in note 8.

Details of units created and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and note 6.

There were no commissions paid to stockbroking of the Manager in respect of dealings in the investments of Rathbone Global Opportunities Fund during the year (31.01.20: nil).

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

At the year end there were no significant unitholders (31.01.20: nil).

## 11 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (31.01.20: nil).

## 12 Risk disclosures on financial instruments

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

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

The fund does not make use of derivatives.

The main risks arising from the financial instruments are:

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

**12 Risk disclosures on financial instruments** *(continued)*

**(i) Foreign currency risk** *(continued)*

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

	<b>31.01.21</b>	31.01.20
	<b>£</b>	£
Currency:		
Euro	<b>541,225,610</b>	460,717,770
Hong Kong dollar	<b>60,548,836</b>	34,473,295
Swedish krona	<b>101,379,333</b>	—
Swiss franc	<b>141,252,818</b>	59,901,615
US dollar	<b>1,998,276,929</b>	1,184,040,253
Pound sterling	<b>291,116,005</b>	193,758,263
	<b>3,133,799,531</b>	1,932,891,196
Other net assets not categorised as financial instruments	<b>1,912,196</b>	1,533,318
Net assets	<b>3,135,711,727</b>	1,934,424,514

If GBP to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the fund would have decreased by £258,425,775 (31.01.20: £158,102,994). If GBP to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the fund would have increased by £315,853,725 (31.01.20: £193,236,993). These calculations assume all other variables remain constant.

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

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

	<b>31.01.21</b>	31.01.20
	<b>£</b>	£
Floating rate assets:		
Pound sterling	<b>85,804,417</b>	111,558,207
	<b>85,804,417</b>	111,558,207
Floating rate liabilities:		
US dollar	<b>(5,845,478)</b>	—
	<b>(5,845,478)</b>	—
Assets on which no interest is paid:		
Euro	<b>541,225,610</b>	460,717,770
Hong Kong dollar	<b>60,548,836</b>	34,473,295
Swedish krona	<b>101,379,333</b>	—
Swiss franc	<b>141,252,818</b>	59,901,615
US dollar	<b>2,004,122,407</b>	1,184,040,253
Pound sterling	<b>212,209,492</b>	84,921,090
	<b>3,060,738,496</b>	1,824,054,023

## Notes to the financial statements *(continued)*

### 12 Risk disclosures on financial instruments *(continued)*

#### (ii) Interest rate risk *(continued)*

	31.01.21 £	31.01.20 £
Liabilities on which no interest is paid:		
Pound sterling	<b>(6,897,904)</b>	(2,721,034)
	<b>(6,897,904)</b>	(2,721,034)
Other net assets not categorised as financial instruments	<b>1,912,196</b>	1,533,318
Net assets	<b>3,135,711,727</b>	1,934,424,514

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

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

There are no material amounts of non-interest bearing financial assets and liabilities, other than equities, which do not have maturity dates.

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

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

If market prices had increased by 10% as at the balance sheet date the net asset value of the fund would have increased by £305,092,971 (31.01.20: £182,035,647). If market prices had decreased by 10% as at the balance sheet date the net asset value of the fund would have decreased by £305,092,971 (31.01.20: £182,035,647). These calculations assume all other variables remain constant.

(iv) **Counterparty risk**, being the risk that the counterparty will not deliver the investments for a purchase, or the cash for a sale after the fund has fulfilled its responsibilities. The Rathbone Global Opportunities Fund doesn't invest in OTC derivatives, all settlement is through electronic matching systems. This eliminates counterparty risk as cash/stock isn't transferred until the other sides cash/stock is also in place.

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

(vi) **Leverage**. In accordance with the IA SORP issued in May 2014 we are required to disclose any leverage of the fund. There is no significant leverage in Rathbone Global Opportunities Fund which would increase its exposure.

### 13 Portfolio transaction cost

For the year ended 31 January 2021

#### Analysis of total purchases cost

	Value	Commissions		Taxes	
	£	£	%	£	%
Equity transactions	1,346,042,930	850,508	0.06	594,660	0.04
Corporate actions	7,508,811	—	—	—	—
Total purchases before transactions costs	1,353,551,741	850,508		594,660	
Total purchases including commission and taxes	1,354,996,909				

#### Analysis of total sales costs

	Value	Commissions		Taxes	
	£	£	%	£	%
Equity transactions	681,623,054	482,365	0.07	7,552	—
Corporate actions	52,349	—	—	—	—
Total sales including transactions costs	681,675,403	482,365		7,552	
Total sales net of commission and taxes	681,185,486				

Commissions and taxes as % of average net assets

Commissions	0.05%
Taxes	0.03%

For the year ended 31 January 2020

#### Analysis of total purchases costs

	Value	Commissions		Taxes	
	£	£	%	£	%
Equity transactions	442,490,358	291,839	0.07	291,155	0.07
Total purchases before transactions costs	442,490,358	291,839		291,155	
Total purchases including commission and taxes	443,073,352				

### 13 Portfolio transaction cost *(continued)*

#### Analysis of total sales costs

	Value	Commissions		Taxes	
	£	£	%	£	%
Equity transactions	316,558,470	211,679	0.07	3,843	—
Corporate actions	2,395	—	—	—	—
Total sales including transactions costs	316,560,865	211,679		3,843	
Total sales net of commission and taxes	316,345,343				

Commissions and taxes as % of average net assets

Commissions 0.03%

Taxes 0.02%

In the case of shares, commissions and taxes are paid by the fund on each transaction. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments (such as bonds, money market instruments, derivatives) have no separately identifiable transaction costs; these costs form part of dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.11% (31.01.20: 0.05%).

### 14 Fair value of investments

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

- Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

#### For the year ended 31 January 2021

Category	1	2	3	Total
	£	£	£	£
Investment assets				
Equities	3,050,929,712	—	—	3,050,929,712
	3,050,929,712	—	—	3,050,929,712

#### For the year ended 31 January 2020

Category	1	2	3	Total
	£	£	£	£
Investment assets				
Equities	1,820,356,469	—	—	1,820,356,469
	1,820,356,469	—	—	1,820,356,469

### 15 Unit price movement since the balance sheet date

Subsequent to the year end, the net asset value per unit of the fund has increased using the unit prices at the year end date compared to 16 March 2021. This movement takes into account routine transactions but also reflects the market movements of recent months. There are no post balance sheet events which require adjustments.

<b>Unit type</b>	<b>29.01.21 mid price</b>	<b>16.03.21 mid price</b>
R-class accumulation	316.97p	320.51p
I-class accumulation	338.98p	343.09p
S-class accumulation	162.76p	164.79p



# Distribution tables for the year ended 31 January 2021

## Distribution tables (pence per unit)

### Interim

There was no distribution for the period under review for the S-class accumulation units.

Due to the net deficit of income for the R-class accumulation units and I-class accumulation units for the six months ending 31 July 2020, no accumulation has been made.

### Final

Group 1 – Units purchased prior to 1 August 2020

Group 2 – Units purchased on or after 1 August 2020 and on or before 31 January 2021

S-class accumulation units	Net income	Equalisation	Allocated 31.03.21	Accumulated 31.03.20
Group 1	0.00	–	0.00	0.29
Group 2	0.00	0.00	0.00	0.29

Due to the net deficit of income for the R-class accumulation units and I-class accumulation units for the six months ending 31 January 2021, no accumulation has been made.

### Notes for corporate unitholders

Corporate unitholders should read the important information on the reverse of the tax voucher in respect of this distribution. The relevant information required by a corporate unitholder is as follows:

Franked investment income	100.00%
Unfranked investment income	0.00%
Depositary net liability to corporation tax	nil pence per unit

### Equalisation

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

## Directors' statement

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

MM Webb                      JR Chillingworth  
for Rathbone Unit Trust Management Limited  
Manager of Rathbone Global Opportunities Fund  
*29 March 2021*

## Statement of the Manager's responsibilities in relation to the report and accounts of the Rathbone Global Opportunities Fund

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

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

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

In so far as the Manager is aware:

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

The Manager has considered the activities of the fund together with the factors likely to affect its future development, including those related to the COVID-19 pandemic. The assets of the Rathbone Global Opportunities Fund consist predominantly of cash and liquid securities that are readily realisable and therefore has adequate resources to continue in operational existence for the foreseeable future. The Manager has also considered the impact of the COVID-19 pandemic on the operations of the AFM and material third party service providers which continue to be maintained and fully functioning. Accordingly, the Manager continues to adopt the going concern basis in the preparation of the financial statements.

In accordance with COLL 4.5.8 R, the Annual Report and the audited financial statements were approved by the board of directors of the Manager of the Scheme and authorised for issue on 29 March 2021.

## Statement of the Trustee's responsibilities and report of the Trustee to the unitholders of Rathbone Global Opportunities Fund (the Scheme) for the year ended 31 January 2021

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

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

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

The Trustee must ensure that:

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

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

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

1. has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Scheme's units and the application of the Scheme's income in accordance with the Regulations and the Scheme documents; and
2. has observed the investment and borrowing powers and restrictions applicable to the Scheme.

**National Westminster Bank Plc**  
Trustee of Rathbone Global Opportunities Fund  
*29 March 2021*

# Independent Auditor's Report to the unitholders of Rathbone Global Opportunities Fund

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of Rathbone Global Opportunities Fund (the 'company'):

- give a true and fair view of the financial position of the company as at 31 January 2021 and of the net revenue and the net capital gains on the property of the company for the year ended 31 January 2021; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distribution tables; and
- individual notes 1 to 15.

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

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the authorised corporate director's (ACD's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

## Other information

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

# Independent Auditor's Report to the unitholders of Rathbone Global Opportunities Fund *(continued)*

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

We have nothing to report in this regard.

## **Responsibilities of depositary and ACD**

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

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

## **Auditor's responsibilities for the audit of the financial statements**

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

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Collective Investment Schemes Sourcebook and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included The Open-Ended Investment Companies Regulations 2001.

We discussed among the audit engagement team including relevant internal specialists such as valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

# Independent Auditor's Report to the unitholders of Rathbone Global Opportunities Fund *(continued)*

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

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

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

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

## **Report on other legal and regulatory requirements**

### **Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook**

In our opinion:

- proper accounting records for the Company and its sub-fund have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the annual report for the year ended 31 January 2021 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

## **Use of our report**

This report is made solely to the company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the 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.

**Deloitte LLP**  
Statutory Auditor  
Glasgow, United Kingdom  
29 March 2021

## General information

### UCITS V Remuneration

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

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

	Fixed remuneration (£'000)	Variable remuneration (£'000)	Total remuneration (£'000)	Headcount
Senior Management	1,370	2,740	4,110	5
Risk takers	1,351	1,725	3,076	13
Control functions	269	40	309	3
Other	112	74	186	1
Total remuneration code staff	3,102	4,579	7,681	22
Non-remuneration code staff	987	279	1,266	25
<b>Total for the Manager</b>	<b>4,089</b>	<b>4,858</b>	<b>8,947</b>	<b>47</b>

The variable remuneration disclosed in the table above is for the financial year ended 31 December 2019, which is the most recent period for which data are available. Variable remuneration is determined annually based on, inter alia, the results of the Manager and the investment performance of the UCITS that it manages for discrete annual periods ending on 31 December each year. Consequently, it is not possible to apportion the variable award between calendar years.



### **Authorised status**

The Rathbone Global Opportunities Fund is an authorised unit trust scheme, established by a Trust Deed dated 20 March 2001 and launched in May 2001.

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

### **Investment objective**

We aim to deliver a greater total return than the Investment Association (IA) Global Sector, after fees, over any five-year period. Total return means the return we receive from the value of our investments increasing (capital growth) plus the income we receive from our investments (dividend payments). We use the IA Global sector as a target for our fund's return because we aim to achieve a better return than the average of funds that are similar to ours.

We compare our asset allocation to the FTSE World Index to give you an indication of how our fund is positioned against the global stock market.

### **Investment policy**

To meet the objective, the fund manager will invest at least 80% of the fund in global shares, with the remainder in cash, short-term deposits and UK government debt.

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

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

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

### **Investment strategy**

This is a stock-picking fund, which means we invest in a small number of global stocks. We search developed countries for innovative and scalable businesses that are growing fast and shaking up their industries.

To be successful, we believe businesses have to offer something that others can't match – a star quality. They must be easy to understand, different to their competitors, durable to change and difficult to imitate. Companies must have a plan to grow rapidly without running out of money or overstretching their resources. Our speciality is spotting these businesses before they are household names.

We buy companies of all sizes, but our sweet spot is mid-sized growth companies in developed markets.

We avoid investing in companies listed in emerging markets.

We avoid investing in businesses which have previously performed poorly, preferring those with an unblemished past. We don't invest in unpredictable sectors with poor growth prospects. To reduce risk, we hold a defensive bucket of companies with slow and steady growth that should be less sensitive to the economy.

### **Valuation of the fund**

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

### **Stewardship code**

Rathbone Unit Trust Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council. Our statement on complying with the Code can be found on our website: [rathbonefunds.com](http://rathbonefunds.com)

### **Buying and selling of units**

The Manager is available to receive requests for the buying and selling of units on normal business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for the purchase of units (obtainable from the Manager) should be completed and sent to the dealing office. In respect of telephoned orders, remittances should be sent on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of units are required to enter their registration details on the form supplied with their contract note. Once units are paid for these details will be entered on the unit register.

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

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

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

The minimum initial investment for R-class units at present is to the value of £100,000,000 which may be varied by the Manager. The minimum initial investment for S-class units is at manager's discretion. After that, you may invest additional amounts to the value of £500 or more from time to time as you wish. Any number of units may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

There is no preliminary charge for units.

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

The Manager currently receives an annual remuneration for managing the I-class property of the fund at the rate of 0.75%.

The Manager currently receives an annual remuneration for managing the S-class property of the fund at the rate of 0.49%.

### **Statements**

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

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

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

### **Prices**

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

### Other information

You can see the Trust Deed, the Key Investor Information Document and Supplementary Information Document, the Prospectus and the most recent half yearly report of each fund by visiting the registered offices of the Manager. Copies of the Prospectus, the Key Investor Information Document and Supplementary Information Document and the most recent half yearly report of each funds may be obtained free of charge on application to the Manager.

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

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ.

If you have any queries or complaints about the operation of the fund you should put them to the Compliance Officer, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

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

### ISA eligibility

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

### Risk factors

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

### Value Assessment

Our regulator, the Financial Conduct Authority (FCA), has asked us to assess the value of our funds. Assessing value is much more than just looking at the fees you pay or the performance of your fund in isolation. Considering this, we have designed an assessment which looks at nine criteria.

We have also appointed an independent research firm, Square Mile Investment Consulting & Research, to provide an impartial report on the value our funds offer compared with the market.

It is the responsibility of our board of directors to consider the outcomes of these assessments, ensure they are clear and fair, and then communicate to you, our investors, if we have delivered value or, if not, where we need to improve.

You can view the value assessments for the Funds four months after their period end on our website [rathbonefunds.com](http://rathbonefunds.com)

## General information *(continued)*

### Other funds

Rathbone Unit Trust Management Limited is also the Manager of the following funds:

Rathbone Active Income and Growth Fund  
Rathbone Core Investment Fund for Charities  
Rathbone Dragon Trust  
Rathbone Ethical Bond Fund  
Rathbone Heritage Fund  
Rathbone Income Fund  
Rathbone Spenser Fund  
Rathbone Strategic Bond Fund  
Rathbone UK Opportunities Fund

and the Authorised Corporate Director of:

Rathbone Defensive Growth Portfolio  
Rathbone Dynamic Growth Portfolio  
Rathbone Enhanced Growth Portfolio  
Rathbone Global Sustainability  
Rathbone High Quality Bond Fund  
Rathbone Pharaoh Fund  
Rathbone Quercus Growth Fund  
Rathbone Sherwood Fund  
Rathbone Strategic Growth Portfolio  
Rathbone Strategic Income Portfolio  
Rathbone Sussex Growth Fund  
Rathbone Sussex Income Fund  
Rathbone Total Return Portfolio

### Further details

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

Client Services Department  
Rathbone Unit Trust Management Limited  
8 Finsbury Circus  
London EC2M 7AZ

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

### Data protection

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

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

Data Protection Officer  
Rathbone Unit Trust Management Limited  
8 Finsbury Circus  
London EC2M 7AZ

# Rathbones

Look forward

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Financial Conduct Authority

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Investment Association

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