



Contents

Fund Information¹	3
Review of Investment Activities¹	4
Risk Profile¹	5
Statement of the Manager's Responsibilities	6
Report of the Trustee	7
Independent Auditor's Report to the Unitholders of Schroder UK Mid 250 Fund	8
Comparative Table	10
Portfolio Statement¹	14
Financial Statements	15
Notes to the Accounts	16
Distribution Table	22
Remuneration	23
General Information¹	24

¹ Collectively these comprise the Manager's report.

Fund Information

Investment objective and policy

Schroder UK Mid 250 Fund (the 'Fund') aims to provide long term capital growth in excess of the FTSE 250 ex Investment Trusts (Gross Total Return) index (after fees have been deducted) over a three to five year period by investing in equity and equity related securities of companies listed in the FTSE 250 Index ex Investment Trusts.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of UK companies listed in the FTSE 250 ex - Investment Trusts index. These are companies that are incorporated, headquartered or have their principal business activities in the UK.

The Investment Manager believes that these investments can potentially offer faster rates of profit and dividend growth and higher long-term returns than their larger counterparts.

The Fund may also invest in former components of, or expected entrants into, that index if the Investment Manager believes it may be advantageous to do so.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), countries, regions, industries or currencies, collective investment schemes (including Schroder funds), warrants and money market instruments, and hold cash.

The Fund may use derivatives with the aim of reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus).

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the FTSE 250 ex Investment Trusts (Gross Total Return) index, and compared against the Investment Association UK All Companies sector average return. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of the benchmark. The target benchmark has been selected because it is representative of the type of investments in which the Fund is likely to invest, and it is, therefore, an appropriate target in relation to the return that the Fund aims to provide. The comparator benchmark has been selected because the Investment Manager and the Manager believe that this benchmark is a suitable comparison for performance purposes given the Fund's investment objective and policy.

Review of Investment Activities

From 29 July 2022 to 31 July 2023, the price of A Accumulation units on a dealing price basis fell by 0.34%. In the same period, the FTSE¹ 250 ex Investment Trust Index generated a negative total return of 1.04%².

It became apparent over the period that tightening of monetary policy has begun to have an impact on real economies. Notably, we've seen how the rapid rise in bond yields has exposed management issues at US regional banks, forced the rescue of Credit Suisse and contributed to a UK pensions crisis. Rising bond yields and interest rates expectations weighed on a number of domestically focused areas of the UK equity market and contributed to the underperformance of UK mid-cap equities versus the broader UK equity market.

Photobooth operator ME Group International and hobby and crafting business Games Workshop Group revealed very strong trading updates and continued to enjoy profit upgrades. One of our other consumer focused holdings, homewares retailer Dunelm Group also performed very strongly and was another top contributor over the period. The main detractors included retail derivatives broker CMC Markets, which warned on profits in part due to rising personnel costs, multi-utility provider Telecom Plus and sportswear to luxury clothing and footwear retailer Frasers Group.

We established a new holding in specialist chemicals company Elementis following the disposal of its chromium business and added support services group Mitie Group to the portfolio. Travel retailer WH Smith was another new portfolio addition. We disposed of Micro Focus International, which had been bid for. We sold Superdry due to concerns around accounting.

The UK unemployment rate is not rising and the consumer remains in good shape. A high level of savings versus borrowings means rising interest rates are not having a disproportionate effect on behaviour, and domestically-focused areas of the market have been oversold. We expect merger and acquisition activity to stay buoyant.

**Fund Manager:
Andrew Brough**



Andrew is Head of our Pan European Small and Mid Cap Team

His investment career commenced in 1987 when he joined Schroders as a UK equity fund manager, becoming Co-Head of our UK Small Cap Team in 2002

He joined Price Waterhouse in 1985, where he qualified as a Chartered Accountant

Degree in Economics

¹ FTSE International Limited ("FTSE") © FTSE. "FTSE®" is a trade mark of London Stock Exchange plc and The Financial Times Limited and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

² Source: Refinitiv Eikon Datastream.

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Risk Profile

Risk and reward indicator



The risk category was calculated using historical performance data and may not be a reliable indicator of the Fund’s future risk profile. The Fund’s risk category is not guaranteed to remain fixed and may change over time. A Fund in the lowest category does not mean a risk-free investment. For specific risks, including the risk and reward profile, please refer to the Key Investor Information Document available on the following website www.schroders.com.

Statement of the Manager's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and net capital losses on the property of the Fund for the period.

In preparing the financial statements the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Fund's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

P. Chislett

Directors

17 November 2023

J. Rainbow

Report of the Trustee

Statement of the Trustee's responsibilities in respect of the Scheme and report of the Trustee to the unitholders of the Schroder UK Mid 250 Fund ('the Fund') for the year ended 31 July 2023.

The Trustee of the Schroder UK Mid 250 Fund must ensure that the Fund 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 Fund and its investors.

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

The Trustee must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked in cash accounts in accordance with the regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the regulations;
- the value of units of the Fund are calculated in accordance with the regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits;
- the Fund's income is applied in accordance with the regulations; and
- the instructions of the Authorised Fund Manager ('the Manager'), which is the UCITS Management Company, are carried out (unless they conflict with the regulations).

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

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income in accordance with the regulations and the Scheme documents of the Fund; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Fund in accordance with the regulations and the Scheme documents of the Fund.

J.P. Morgan Europe Limited

Trustee
Bournemouth
21 August 2023

Independent Auditor's Report to the Unitholders of Schroder UK Mid 250 Fund

Opinion

We have audited the financial statements of Schroder UK Mid 250 Fund (the 'Fund') for the year ended 31 July 2023 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Table for the Fund and the accounting policies set out on pages 16.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Fund as at 31 July 2023 and of its net revenue and the net capital losses on the property of the Fund for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Fund in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Manager has prepared the financial statements on the going concern basis as they do not intend to liquidate the Fund or to cease their operations, and as they have concluded that the Fund's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Manager's conclusions, we considered the inherent risks to the Fund's business model and analysed how those risks might affect the Fund's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Manager's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Fund will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Fund's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Manager, the Trustee, the Administrator and the Investment Adviser;
- Reading board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Fund is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Independent Auditor's Report to the Unitholders of Schroder UK Mid 250 Fund (continued)

Secondly, the Fund is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Fund's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Manager is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Manager's Report for the financial year is consistent with the financial statements.

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

Manager's responsibilities

As explained more fully in its statement set out on page 6, the Manager is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Fund'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 they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Fund's unitholders, 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 section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Fund's unitholders 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 Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer

For and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
17 November 2023

Comparative Table

Financial year to 31 July	A Accumulation units			A Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	291.01	318.50	208.55	230.81	256.77	168.64
Return before operating charges*	3.47	(22.55)	114.43	2.75	(18.17)	92.55
Operating charges	(4.63)	(4.94)	(4.48)	(3.68)	(3.98)	(3.63)
Return after operating charges*	(1.16)	(27.49)	109.95	(0.93)	(22.15)	88.92
Distributions**	(5.97)	(4.72)	(0.97)	(4.73)	(3.81)	(0.79)
Retained distributions**	5.97	4.72	0.97	-	-	-
Closing net asset value	289.85	291.01	318.50	225.15	230.81	256.77
*after direct transaction costs of	(0.25)	(0.15)	(0.19)	(0.20)	(0.12)	(0.15)
Performance						
Return after charges (%)	(0.40)	(8.63)	52.72	(0.40)	(8.63)	52.73
Other information						
Closing net asset value (£000's)	202,390	389,573	468,733	30,904	38,381	48,610
Closing number of units	69,825,934	133,867,956	147,167,958	13,725,693	16,628,675	18,931,515
Operating charges (%)	1.66	1.66	1.66	1.66	1.66	1.66
Direct transaction costs (%)***	0.09	0.05	0.07	0.09	0.05	0.07
Prices						
Highest dealing price	302.40p	338.40p	323.90p	239.80p	272.80p	261.90p
Lowest dealing price	239.40p	247.70p	209.00p	189.90p	199.70p	169.00p

Comparative Table

(continued)

Financial year to 31 July	L Accumulation units			L Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value						
Opening net asset value	78.34	85.04	55.23	67.00	74.55	48.91
Return before operating charges*	0.97	(6.02)	30.41	0.82	(5.28)	26.93
Operating charges	(0.64)	(0.68)	(0.60)	(0.54)	(0.59)	(0.53)
Return after operating charges*	0.33	(6.70)	29.81	0.28	(5.87)	26.40
Distributions**	(2.24)	(1.92)	(0.85)	(1.91)	(1.68)	(0.76)
Retained distributions**	2.24	1.92	0.85	-	-	-
Closing net asset value	78.67	78.34	85.04	65.37	67.00	74.55
*after direct transaction costs of	(0.07)	(0.04)	(0.05)	(0.06)	(0.04)	(0.04)
Performance						
Return after charges (%)	0.42	(7.88)	53.97	0.42	(7.87)	53.98
Other information						
Closing net asset value (£000's)	74,736	61,257	177,468	28,792	31,197	37,865
Closing number of units	94,999,995	78,197,018	208,693,768	44,044,640	46,563,719	50,791,048
Operating charges (%)	0.84	0.84	0.84	0.84	0.84	0.84
Direct transaction costs (%)***	0.09	0.05	0.07	0.09	0.05	0.07
Prices						
Highest dealing price	81.74p	90.42p	86.37p	69.91p	79.28p	76.48p
Lowest dealing price	64.54p	66.47p	55.34p	55.20p	58.28p	49.01p

Comparative Table (continued)

Financial year to 31 July	S Accumulation units ¹	Z Accumulation units		
	2023 pence per unit	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value				
Opening net asset value	50.00	134.65	146.27	95.06
Return before operating charges*	5.34	1.65	(10.38)	52.33
Operating charges	(0.25)	(1.18)	(1.24)	(1.12)
Return after operating charges*	5.09	0.47	(11.62)	51.21
Distributions**	(1.48)	(3.75)	(3.21)	(1.38)
Retained distributions**	1.48	3.75	3.21	1.38
Closing net asset value	55.09	135.12	134.65	146.27
*after direct transaction costs of	(0.05)	(0.12)	(0.07)	(0.09)
Performance				
Return after charges (%)	10.18	0.35	(7.94)	53.87
Other information				
Closing net asset value (£000's)	219	192,009	203,819	240,649
Closing number of units	397,098	142,097,663	151,371,751	164,525,413
Operating charges (%)	0.46	0.91	0.91	0.91
Direct transaction costs (%)***	0.09	0.09	0.05	0.07
Prices				
Highest dealing price	57.14p	140.50p	155.50p	148.60p
Lowest dealing price	45.05p	110.90p	114.30p	95.25p

Comparative Table

(continued)

Financial year to 31 July	Z Income units		
	2023 pence per unit	2022 pence per unit	2021 pence per unit
Change in net asset value			
Opening net asset value	113.01	125.74	82.50
Return before operating charges*	1.39	(8.90)	45.41
Operating charges	(0.99)	(1.07)	(0.97)
Return after operating charges*	0.40	(9.97)	44.44
Distributions**	(3.15)	(2.76)	(1.20)
Closing net asset value	110.26	113.01	125.74
*after direct transaction costs of	(0.10)	(0.06)	(0.08)
Performance			
Return after charges (%)	0.35	(7.93)	53.87
Other information			
Closing net asset value (£000's)	38,129	42,852	49,830
Closing number of units	34,581,493	37,920,127	39,629,397
Operating charges (%)	0.91	0.91	0.91
Direct transaction costs (%)***	0.09	0.05	0.07
Prices			
Highest dealing price	117.90p	133.70p	128.90p
Lowest dealing price	93.09p	98.25p	82.66p

** These figures have been rounded to 2 decimal places.

*** Direct transaction costs have been stated after deducting the proportion of the amounts collected from dilution adjustments.

1 S Accumulation units launched on 7 September 2022.

The Operating charges are represented by the Ongoing Charges Figure (OCF) which is the European standard method of disclosing the charges of a unit class of a Fund based on the financial year's expenses and may vary from year to year. It includes charges such as the Fund's Annual Management Charge, Registrar fees, Safe custody fees, Trustee's fees and Audit fee but ordinarily excludes the costs of buying or selling assets for the Fund (unless these assets are units of another Fund). Where published, the Key Investor Information Document (KIID) contains the current OCF. For a more detailed breakdown please visit www.schroders.com.

Past performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

Portfolio Statement

	Holding at 31.7.23	Market Value £000's	% of net assets
Equities 98.52% (49.31%)			
Basic Materials 3.53% (3.55%)			
Elementis	4,123,884	4,561	0.81
Victrex	1,000,000	15,440	2.72
		20,001	3.53
Consumer Discretionary 30.11% (14.47%)			
4imprint Group	150,000	6,653	1.17
Crest Nicholson Holdings	1,350,000	2,881	0.51
Dunelm Group	1,200,000	13,800	2.43
Fraser's Group	3,500,000	28,438	5.02
Games Workshop Group	325,000	37,830	6.67
ITV	14,750,000	10,670	1.88
Marks & Spencer Group	3,000,000	6,168	1.09
ME Group International	13,835,608	21,611	3.81
Pendragon	50,000,000	8,510	1.50
Pets at Home Group	2,170,000	8,515	1.50
Redrow	2,000,000	10,340	1.82
Studio Retail Group^	8,242,055	0	0.00
Vistry Group	1,350,000	10,658	1.88
WH Smith	314,416	4,691	0.83
		170,765	30.11
Consumer Staples 0.58% (0.39%)			
PZ Cussons	2,000,000	3,316	0.58
		3,316	0.58
Energy 2.99% (1.67%)			
Energiean	661,000	7,654	1.35
Harbour Energy	3,500,000	9,328	1.64
		16,982	2.99
Financials 17.26% (10.52%)			
Bank of Georgia Group	100,000	3,255	0.57
CMC Markets International Personal Finance	6,450,000	9,017	1.59
Investec	8,200,000	9,348	1.65
IP Group	1,400,000	6,853	1.21
Just Group	11,250,000	6,728	1.19
Man Group	17,750,000	14,608	2.57
OSB Group	9,000,000	21,483	3.79
OSB Group	1,200,000	4,406	0.78
Paragon Banking Group	2,700,000	14,243	2.51

	Holding at 31.7.23	Market Value £000's	% of net assets
TP ICAP Group	3,300,000	5,247	0.92
Vanquis Banking Group	2,163,406	2,717	0.48
		97,905	17.26
Health Care 6.03% (1.80%)			
Genus	222,295	5,464	0.96
Indivior	1,000,000	17,520	3.09
Spire Healthcare Group	5,200,000	11,206	1.98
		34,190	6.03
Industrials 32.45% (12.92%)			
Babcock International Group	3,500,000	13,104	2.31
Bodycote	2,600,000	17,992	3.17
Capita	4,000,000	1,105	0.20
Chemring Group	3,500,000	9,905	1.75
Inchcape	3,550,000	29,057	5.12
IWG	5,500,000	8,410	1.48
James Fisher & Sons	2,075,000	8,362	1.47
Keller Group	1,620,000	13,867	2.45
Mitie Group	6,900,000	7,010	1.24
QinetiQ Group	5,599,052	18,040	3.18
Redde Northgate	5,700,000	19,580	3.45
Senior	1,582,967	2,637	0.47
Spectris	675,000	23,692	4.18
Speedy Hire	7,000,000	2,576	0.45
Travis Perkins	600,000	5,225	0.92
Videndum	580,000	3,474	0.61
		184,036	32.45
Real Estate 0.97% (0.71%)			
Raven Property Group^	21,918,968	0	0.00
Safestore Holdings REIT	625,000	5,534	0.97
		5,534	0.97
Technology 0.00% (1.09%)			
Telecommunications 4.60% (2.19%)			
Telecom Plus	1,567,247	26,079	4.60
		26,079	4.60
Equities total		558,808	98.52
Portfolio of investments		558,808	98.52
Net other assets		8,371	1.48
Net assets attributable to unitholders		567,179	100.00

The comparative percentage figures in brackets are as at 31 July 2022.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

^ Unlisted, suspended or delisted security.

Statement of Total Return

For the year ended 31 July 2023

		2023	2022
	Notes	£000's	£000's
Income			
Net capital losses	2	(22,256)	(91,881)
Revenue	3	26,209	27,704
Expenses	4	(8,925)	(11,141)
Net revenue before taxation		17,284	16,563
Taxation	5	-	-
Net revenue after taxation		17,284	16,563
Total return before distributions		(4,972)	(75,318)
Distributions	6	(17,394)	(16,569)
Change in net assets attributable to unitholders from investment activities		(22,366)	(91,887)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 July 2023

	2023	2022
	£000's	£000's
Opening net assets attributable to unitholders	767,079	1,023,155
Amounts receivable on issue of units	38,501	18,737
Amounts payable on cancellation of units	(227,983)	(195,801)
	(189,482)	(177,064)
Dilution adjustment	325	200
Change in net assets attributable to unitholders from investment activities	(22,366)	(91,887)
Retained distribution on Accumulation units	11,623	12,675
Closing net assets attributable to unitholders	567,179	767,079

Balance Sheet

As at 31 July 2023

		2023	2022
	Notes	£000's	£000's
Assets			
Investments		558,808	757,719
Current assets			
Debtors	8	2,261	3,886
Cash and bank balances		10,840	9,495
Total assets		571,909	771,100
Liabilities			
Creditors			
Distributions payable		(2,580)	(2,462)
Other creditors	9	(2,150)	(1,559)
Total liabilities		(4,730)	(4,021)
Net assets attributable to unitholders		567,179	767,079

Notes to the Accounts

For the year ended 31 July 2023

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014 and 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 (FRS 102)).

The Manager has undertaken a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, fluctuations in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months after the financial statements are signed and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

Revenue

Dividends and real estate income distributions receivable from equity investments are recognised net of attributable tax credits and are credited to revenue when they are first quoted ex-dividend.

Interest receivable from bank balances is accounted for on an accruals basis.

Special dividends

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

Expenses

Expenses of the Fund are charged against revenue except for costs associated with the purchase and sale of investments which are allocated to the capital of the Fund. All expenses are accounted for on an accruals basis.

Taxation

Corporation tax is provided for on the revenue liable to corporation tax less deductible expenses. The tax effect of different items of revenue or expenses is allocated between revenue and capital using the marginal basis.

Deferred taxation is provided for on all timing differences that have originated but not reversed by the balance sheet date, other than those differences regarded as permanent. Any liability to deferred taxation is provided for at the average rate of taxation expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Distributions

The revenue available for distribution is the total revenue earned by the Fund, less deductible expenses and taxation charged to revenue.

For Accumulation units this revenue is not distributed but automatically reinvested in the Fund and is reflected in the value of these units.

Dilution adjustment

In certain circumstances the Manager may apply a dilution adjustment on subscriptions and redemptions of units. If applied, the dilution adjustment is paid to the Fund. See Prospectus for further details.

Valuation

All investments held by the Fund have been valued at market value at 18:00 on the last working day of the accounting period. Market value is defined by the Statement of Recommended Practice as fair value which generally is the bid value of each security and the offer value for short positions.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate prevailing on the date of the transaction. Assets and liabilities valued in foreign currencies have been translated into sterling at the exchange rates prevailing at the balance sheet date.

2 Net capital losses

The net capital losses during the year comprise:

	2023	2022
	£000's	£000's
Non-derivative securities	(22,347)	(91,881)
Derivative contracts	91	-
Foreign currency gains	-	1
Transaction costs	-	(1)
Net capital losses	(22,256)	(91,881)

Notes to the Accounts

For the year ended 31 July 2023 (continued)

3 Revenue

	2023	2022
	£000's	£000's
UK dividends	23,415	25,209
Overseas dividends	2,040	2,274
Real estate income distributions	226	217
Bank interest	530	4
Net revenue return from derivative contracts	(2)	–
Total revenue	26,209	27,704

4 Expenses

	2023	2022
	£000's	£000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Schroders Annual Charge ¹	8,925	11,141
Total expenses	8,925	11,141

¹ Audit fees including VAT for the financial year ending 2023 were £8,593 (2022 – £10,741).

5 Taxation

Corporation tax has not been provided for as expenses payable by the Fund exceed the revenue liable to corporation tax.

(a) Factors affecting the total tax charge for the year

The tax assessed for the year is different from that calculated with the standard rate of corporation tax for authorised unit trusts of 20% (2022 – 20%) is applied to the net revenue before taxation. The differences are explained below.

	2023	2022
	£000's	£000's
Net revenue before taxation	17,284	16,563
Net revenue for the year before taxation multiplied by the standard rate of corporation tax	3,457	3,313
Effects of:		
Revenue not subject to corporation tax	(5,100)	(5,497)
Movement in excess management expenses	1,643	2,184
Total tax charge for the year (Note 5(a))	–	–

(b) Factors that may affect future tax charges

At the balance sheet date, there is a potential deferred tax asset of £80,184,591 (2022 – £78,541,192) in respect of unutilised management expenses. It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year or prior year.

Notes to the Accounts

For the year ended 31 July 2023 (continued)

6 Distributions

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

	2023	2022
	£000's	£000's
Final Dividend distribution	14,203	15,137
Add: Revenue deducted on cancellation of units	3,536	1,577
Deduct: Revenue received on issue of units	(345)	(145)
Distributions	17,394	16,569
Net revenue after taxation	17,284	16,563
Equalisation on conversions	110	6
Distributions	17,394	16,569

Details of the distributions per unit are set out in the Distribution Table on page 22.

7 Fair value hierarchy

Instruments held at the year end are presented in line with amendments to FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland's Fair value hierarchy disclosures.

	2023		2022	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	558,808	–	756,712	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	1,007	–
Total	558,808	–	757,719	–

Level 1: Unadjusted quoted price in an active market for an identical instrument.

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1.

Level 3: Valuation techniques using unobservable inputs.

Unobservable data

Unobservable data has been used only where relevant observable market data is not available. Where there was no reputable price source for an investment, the Manager has assessed information available from internal and external sources in order to arrive at an estimated fair value. The fair value is established by using measures of value such as the price of recent transactions, earnings multiple and net assets. The Manager of the Fund also makes judgements and estimates based on their knowledge of recent investment performance, historical experience and other assumptions that are considered reasonable under the circumstances. The estimates and the assumptions used are under continuous review by the Manager with particular attention paid to the carrying value of the investments.

8 Debtors

	2023	2022
	£000's	£000's
Amounts receivable for issue of units	38	960
Sales awaiting settlement	737	–
Accrued revenue	1,486	2,926
Total debtors	2,261	3,886

Notes to the Accounts

For the year ended 31 July 2023 (continued)

9 Other creditors

	2023	2022
	£000's	£000's
Amounts payable for cancellation of units	1,423	808
Purchases awaiting settlement	150	–
Accrued expenses	577	751
Total other creditors	2,150	1,559

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2022 – Nil).

11 Related party transactions

The Manager provides key management personnel services for the Fund and is therefore considered a related party.

Amounts paid during the year or due to the Manager at the balance sheet date are disclosed under Expenses and Other creditors in the Notes to the Accounts.

The Manager acts as principal on all transactions of units in the Fund. The aggregate monies received through the issue and cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the Notes to the Accounts. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are included under Debtors and Other creditors in the Notes to the Accounts.

Units held or managed by the Manager or associates of the Manager as a percentage of the Fund's net asset value at the balance sheet date were 0.61% (2022 – 0.63%).

12 Unit classes

At the reporting date the Fund had seven unit classes. The costs and expenses due to the Manager are referred to as the Schroders Annual Charge. Details of the charges applied to each unit class can be found in the prospectus.

The closing net asset value of each unit class, the closing net asset value per unit and the closing number of units in issue are given in the Comparative Table on pages 10 to 13.

The distributions per unit class are given in the Distribution Table on page 22.

All classes have the same rights on winding up.

13 Derivative and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity and interest rate risks. The Manager's policies for managing these risks are summarised below and have been applied throughout the year and the prior year.

Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Prospectus and in the Collective Investment Schemes sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer. At the year end date, if the prices of investments held by the Fund increased or decreased by 10%, with all other variables remaining constant, then net assets attributable to the unitholders would increase or decrease by approximately £55,880,800 (2022 – £75,771,900).

Foreign currency risk

At the year end date, the majority of the Fund's financial assets and liabilities were denominated in sterling. As a result, the Fund has no material exposure to currency movements.

Liquidity risk

The primary source of this risk to the Fund is the liability to unitholders for any cancellation of units. This risk is minimised by holding cash, readily realisable securities and access to overdraft facilities up to the amount prescribed by the Collective Investment Schemes sourcebook.

Interest rate risk

Interest rate risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in interest rates.

At the year end date 1.91% (2022 – 1.24%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate.

Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Notes to the Accounts

For the year ended 31 July 2023 (continued)

Global risk exposure

Commitment approach

When using derivatives, the Manager uses a risk management process that enables it to monitor the risk of a Fund's derivative positions. The global risk exposure of a Fund is calculated daily either by means of the commitment approach or the Value-at-Risk (VaR) approach.

Under the commitment approach, the global risk exposure is defined as the underlying market value of derivatives, after netting and hedging as permitted by the regulation, not exceeding the Net Asset Value of a Fund. This is typically used on Funds where derivative usage is low or Funds which limit their derivatives commitment to 100% or less of their Net Asset Value.

The global risk exposure of the Fund is calculated using the commitment approach. During the year ended 31 July 2023 the global risk exposure of the Fund did not exceed 100% of its Net Asset Value. The lowest, highest, average and actual level of leverage for the Fund as at the balance sheet date was as follows:

Leverage

2023				2022			
Lowest	Highest	Average	Leverage 31 July	Lowest	Highest	Average	Leverage 31 July
0.00%	5.67%	0.60%	0.00%	0.00%	0.02%	0.00%	0.00%

14 Direct transaction costs

In the case of shares, broker commissions and transfer taxes/stamp duty are paid by the Fund on each transaction. In addition, there is a dealing spread between 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 the dealing spread. Dealing spreads vary considerably depending on the transaction value and market sentiment.

2023	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	105,559	43	527	106,129	0.04	0.50
Sales						
Equities	282,831	(128)	(1)	282,702	(0.05)	-
Total cost as a % of the Fund's average net asset value (%)		0.02	0.08			

2022	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	78,220	32	352	78,604	0.04	0.45
Corporate actions purchases:						
Equities	1,251	-	-	1,251	-	-
	79,471	32	352	79,855		
Sales						
Equities	223,348	(111)	(1)	223,236	(0.05)	-
Total cost as a % of the Fund's average net asset value (%)		0.02	0.04			

1 Excluding corporate actions.

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.19% (2022 – 0.18%).

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Notes to the Accounts

For the year ended 31 July 2023 (continued)

15 Units in issue reconciliation

	Number of units in issue 31.7.22	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 31.7.23
A Accumulation units	133,867,956	1,701,936	(61,082,765)	(4,661,193)	69,825,934
A Income units	16,628,675	665,049	(2,628,858)	(939,173)	13,725,693
L Accumulation units	78,197,018	15,152,783	(12,525,227)	14,175,421	94,999,995
L Income units	46,563,719	1,717,527	(6,490,060)	2,253,454	44,044,640
S Accumulation units	–	13,980	–	383,118	397,098
Z Accumulation units	151,371,751	14,399,498	(25,183,784)	1,510,198	142,097,663
Z Income units	37,920,127	471,617	(4,482,338)	672,087	34,581,493

16 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 31 July 2023, the price of each unit class has changed as follows:

	Dealing price 14.11.23	Dealing price 31.7.23	% change
A Accumulation units	274.50p	290.00p	(5.34)
A Income units	213.20p	230.00p	(7.30)
L Accumulation units	74.67p	78.72p	(5.14)
L Income units	62.05p	67.33p	(7.84)
S Accumulation units	52.35p	55.13p	(5.04)
Z Accumulation units	128.20p	135.20p	(5.18)
Z Income units	104.60p	113.50p	(7.84)

Distribution Table

Final distribution for the year ended 31 July 2023

Group 1 Units purchased prior to 1 August 2022

Group 2 Units purchased on or after 1 August 2022

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 30.9.23 per unit	Distribution paid 30.9.22 per unit
A Accumulation units				
Group 1	5.9660p	–	5.9660p	4.7208p
Group 2	3.4079p	2.5581p	5.9660p	4.7208p
A Income units				
Group 1	4.7316p	–	4.7316p	3.8058p
Group 2	2.6385p	2.0931p	4.7316p	3.8058p
L Accumulation units				
Group 1	2.2354p	–	2.2354p	1.9205p
Group 2	1.0026p	1.2328p	2.2354p	1.9205p
L Income units				
Group 1	1.9117p	–	1.9117p	1.6838p
Group 2	1.0965p	0.8152p	1.9117p	1.6838p
Z Accumulation units				
Group 1	3.7495p	–	3.7495p	3.2062p
Group 2	2.3989p	1.3506p	3.7495p	3.2062p
Z Income units				
Group 1	3.1466p	–	3.1466p	2.7564p
Group 2	1.5539p	1.5927p	3.1466p	2.7564p

Final distribution for the period ended 31 July 2023

Group 1 Units purchased on 7 September 2022

Group 2 Units purchased after 7 September 2022

	Net revenue 2023 per unit	Equalisation 2023 per unit	Distribution payable 30.9.23 per unit
S Accumulation units			
Group 1	1.4810p	–	1.4810p
Group 2	0.9260p	0.5550p	1.4810p

Equalisation

Equalisation applies to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of Group 2 units and is refunded to the holders of these units as a return of capital.

Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Remuneration

UCITS remuneration disclosures for Schroder Unit Trusts Limited ('SUTL') for the year to 31 December 2022

These disclosures form part of the non-audited section of this annual report and accounts and should be read in conjunction with the Schroders plc Remuneration Report on pages 76 to 107 of the 2022 Annual Report & Accounts (available on the Group's website <https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2022/>), which provides more information on the activities of our Remuneration Committee and our remuneration principles and policies.

The UCITS Material Risk Takers ('UCITS MRTs') of SUTL are individuals whose roles within the Schroders Group can materially affect the risk of SUTL or any UCITS fund that it manages. These roles are identified in line with the requirements of the UCITS Directive and guidance issued by the European Securities and Markets Authority.

The Remuneration Committee of Schroders plc has established a remuneration policy to ensure the requirements of the UCITS Directive are met for all UCITS MRTs. The Remuneration Committee and the Board of Schroders plc review remuneration strategy at least annually. The directors of SUTL are responsible for the adoption of the remuneration policy and periodically reviewing its implementation in relation to SUTL. During 2022 the Remuneration Policy was reviewed to ensure compliance with the UCITS/AIFMD remuneration requirements and no significant changes were made.

The implementation of the remuneration policy is, at least annually, subject to independent internal review for compliance with the policies and procedures for remuneration adopted by the Board of SUTL and the Remuneration Committee. The most recent review found no fundamental issues but resulted in minor recommendations relating to process documentation.

The ratio of total costs to net income through the market cycle guides the total spend on remuneration each year. This is recommended by the Remuneration Committee to the Board of Schroders plc. This approach aligns remuneration with Schroders financial performance. In determining the remuneration spend each year, the underlying strength and sustainability of the business is taken into account, along with reports on risk, legal, compliance and internal audit matters from the heads of those areas.

The remuneration data that follows reflects amounts paid in respect of performance during 2022.

- The total amount of remuneration paid by SUTL to its staff was nil as SUTL has no employees. SUTL has two independent Non Executive Directors who receive fees in respect of their role on the Board of SUTL¹. Employees of other Schroders Group entities who serve as Directors of SUTL receive no additional fees in respect of their role on the Board of SUTL.
- The following disclosures relate to UCITS MRTs of SUTL. Most of those UCITS MRTs were employed by and provided services to other Schroders group companies and clients. In the interests of transparency, the aggregate remuneration figures that follow reflect the full remuneration for each SUTL UCITS MRT. The aggregate total remuneration paid to the 158 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2022 is £113.41 million, of which £38.94 million was paid to senior management, and £74.47 million was paid to MRTs deemed to be taking risk on behalf of SUTL or the UCITS funds that it manages and Control Function MRTs.

For additional qualitative information on remuneration policies and practices see <https://www.schroders.com/en/global/individual/corporate-transparency/disclosures/remuneration-disclosures/>.

¹ The fees are not disclosed due to confidentiality and data protection considerations. The amount is not material to SUTL.

General Information

Manager

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Investment Adviser

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority

Trustee

J.P. Morgan Europe Limited
Chaseside
Bournemouth BH7 7DA
Authorised by the Prudential Regulation Authority and regulated
by the Financial Conduct Authority and Prudential Regulation Authority

Registrar

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU
Authorised and regulated by the Financial Conduct Authority
The Manager is responsible for maintaining the register for each
Fund. It has delegated certain registrar functions to HSBC Bank Plc,
8 Canada Square, London, E14 8HQ.

Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Authorisation

The Fund is an authorised unit trust and is constituted pursuant to the Collective Investment Schemes sourcebook and is structured as a trust. The Fund is a UCITS scheme for the purpose of the categorisation of the Collective Investment Schemes sourcebook.

Value Assessment

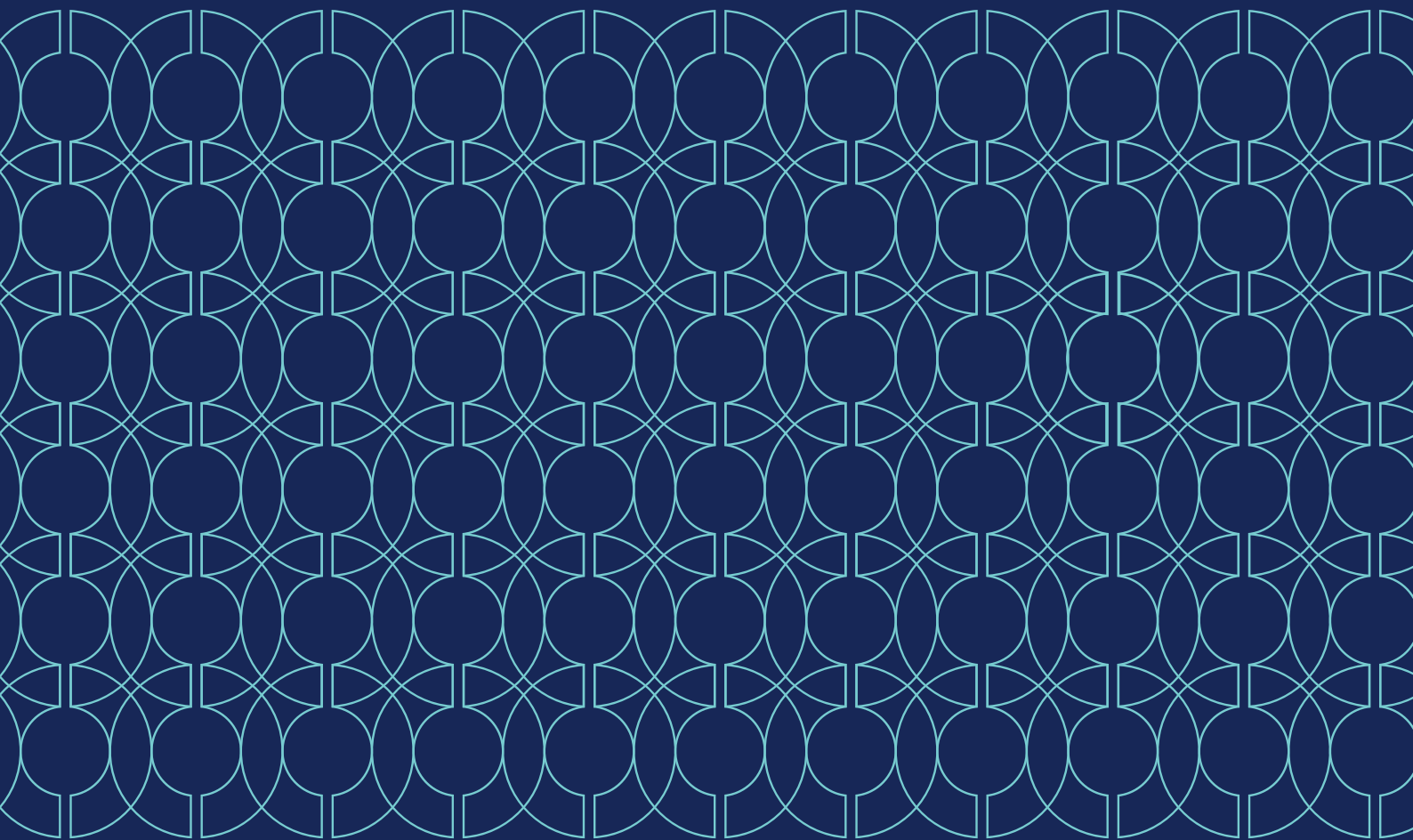
A statement on the Assessment of Value is published on the Global Fund Centre in the Fund Literature section at www.Schroders.com within 4 months of the annual 'reference date' 31 December.

Task Force on Climate-Related Financial Disclosures

A statement on the climate related financial disclosures is published at www.schroders.com/en/global/individual/corporate-transparency/tcf-entity-and-product-reports/.

Other information

The Prospectus, the Key Investor Information Document and details of investment charges and costs are available on request or can be downloaded from our website www.schroders.com.



EST. 1804

For further literature please contact Schroder Investor Services on 0800 182 2399 or schrodersinvestor@HSBC.com for Retail Clients, or 0345 030 7277 or schrodersinstitutional@HSBC.com for Institutional Clients, or visit our website at www.schroders.com.

Issued in November 2023 by Schroder Unit Trusts Limited, 1 London Wall Place, London EC2Y 5AU. Registered Number 4191730 England. Schroder Unit Trusts Limited is an authorised corporate director, authorised unit trust manager and an ISA plan manager, and is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped and monitored.