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¹ Collectively these comprise the Manager's report.

Trust Information

General information

SUTL Cazenove Charity UCITS Fund ('the Trust') is an umbrella unit trust registered in England and Wales, and authorised by the Financial Conduct Authority and registered with the Charity Commission for England and Wales.

The Trust may launch sub funds (the funds) from time to time. The Trust was established by a Trust Deed, dated 1 May 2018, between the Manager and the Trustee. The Trust is structured as an 'umbrella' unit trust, meaning that different sub funds may exist within the Trust. New sub funds may be established from time to time by the Manager with the agreement of the Trustee and the approval of the Financial Conduct Authority. As at 30 September 2021 the Trust had the following sub funds available:

SUTL Cazenove Charity Equity Value Fund
SUTL Cazenove Charity Equity Income Fund
SUTL Cazenove Charity Bond Fund

Liabilities of the Trust

Under the umbrella unit trust structure, the assets of any particular sub fund are treated as separate from those of every other sub fund, commonly described as segregated liability, and will be invested in accordance with that sub fund's own investment objective and policy.

Significant event

With effect from 1 December 2020, the Manager wishes to pass on some of the benefits of potential savings generated by significant growth in assets under management, by discounting the Annual Management Charge payable by investors in retail classes in the Fund. The applicable discount is determined by the size of the Funds and is capped at 0.05%. For more information on the discount please refer to the Prospectus.

Effective from 1 March 2021 a transparent "all in one" fund management fee was introduced. This is a single percentage based fee to cover certain elements of the separate charges and fees, which were previously charged and are now replaced with a single charge named "Schroders Annual Charge". Previously all expenses were directly charged to each Fund as incurred. This structure consisted of the Annual Management Charge, plus other fees and expenses, including the Trustee fee, Custody fee, Transfer Agent fee, Audit fee and certain costs and administrative expenses paid by the Manager in relation to the management and operation of the funds, as disclosed in the Prospectus.

Charity Authorised Investment Committee

The Charity Authorised Investment Committee has been formed pursuant to the terms of the Trust Deed to represent the interests of unitholders. In particular, it consults with and, where necessary, makes representations to the Manager and Trustee in relation to the management and administration of the trust on matters that are more specifically outlined in the Trust Deed.

The Committee holds quarterly meetings. During the year under review, the Committee met with the fund managers of the SUTL Cazenove Charity Equity Income Fund ('EIF'), the SUTL Cazenove Charity Equity Value Fund ('EVF') and the SUTL Cazenove Charity Bond Fund ('CBF') and received updates on performance, fund flows and the ongoing impact of Covid-19.

There were no changes to key service providers that took place during the year under review.

From 1 March 2021, in line with other Schroder funds, EIF, EVF and CBF moved to an 'all in fee' to make charging structures simpler and easier to understand. The Committee considers this to be a positive development that will benefit unitholders. Further detail is contained within the significant events section above.

In addition to its interactions with the Manager, the Committee met with the fund's Trustee. There are no issues arising from discussion with the Trustee to highlight.

Statement of the Manager's Responsibilities

The Manager is required by the Charities Act 2011 to prepare accounts for each annual and half yearly accounting period, in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which give a true and fair view of the financial position of the Trust and of its net revenue and the net capital gains on the property of the Trust for the year. In preparing the accounts the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Charities Act 2011 and Regulation 6 of The Charities (Accounts and Reports) Regulations 2008;
- comply with the disclosure requirements of the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (now the Investment Association) in May 2014;
- follow generally accepted accounting principles and applicable accounting standards;
- prepare the accounts on the basis that the Trust will continue in operation unless it is inappropriate to do so;
- keep proper accounting records which enable it to demonstrate that the accounts as prepared comply with the above requirements;
- make judgements and estimates that are prudent and reasonable.

The Manager is responsible for the management of the Trust in accordance with its Trust Deed, the Prospectus and the Collective Investment Schemes sourcebook, and for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations. In accordance with the Trust Deed, Part 9 of the Charities Act 2011 and The Charities (Accounts and Reports) Regulations 2008 the Manager and Trustee are both charity trustees (Charity Trustees) of the Trust for the purposes of section 177 Charities Act 2011.

The Manager's report and accounts for the year ended 30 September 2021 were signed on 14 January 2022 on behalf of the Manager by:

P. Chislett
Directors

P. Truscott

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 SUTL Cazenove Charity UCITS Fund ('the Fund') for the year ended 30 September 2021

The Trustee of the SUTL Cazenove Charity UCITS 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 October 2021

Independent auditors' report to the Unitholders of SUTL Cazenove Charity UCITS Fund

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of SUTL Cazenove Charity UCITS Fund (the "Trust") which comprises its three sub-funds, SUTL Cazenove Charity Equity Value Fund, SUTL Cazenove Charity Equity Income Fund and SUTL Cazenove Charity Bond Fund:

- give a true and fair view of the financial position of the sub-funds as at 30 September 2021 and of the net revenue and the net capital gains/losses on its scheme property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise of for each sub-funds: the Balance Sheet as at 30 September 2021; the Statement of Total Return and the Statement of Change in Net Assets Attributable to Unitholders for the period then ended; the distribution tables; the Accounting Policies and the Notes to the Accounts.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 Trust'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.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Collective Investment Schemes Sourcebook, the Charities Act 2011 ISAs (UK) require us also to report certain opinions and matters as described below.

Manager's Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Manager's Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Statement of the Manager's Responsibilities, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for 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.

In preparing the financial statements, the Manager is responsible for assessing the Trust'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 Manager either intends to wind up or terminate the Trust, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Independent auditors' report to the Unitholders of SUTL Cazenove Charity UCITS Fund (continued)

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 auditors' 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.

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.

Based on our understanding of the Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Manager and the Trust's unitholders as a body in accordance with section 144 of the Charities Act 2011 and regulation made under that Act, and paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook and related Charities Act 2011 exception reporting

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit. As a result, we have no exceptions to report on the requirements under the Collective Investment Schemes sourcebook and the Charities Act 2011 to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

Collective Investment Schemes sourcebook and Charities Act 2011 exception reporting

Under the Collective Investment Schemes sourcebook and Charities Act 2011 we are required to report to you if, in our opinion:

- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from these responsibilities.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
Edinburgh
14 January 2022

Statement of Cross Holdings

As of 30 September 2021 there were no sub fund cross holdings within the Trust.

Accounting Policies

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 applicable law and the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the disclosure requirements of the Statement of Recommended Practice for Financial Statements of 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 accounts are exempt from complying with the Accounting and Reporting by Charities SORP 2015 under paragraph 15 of that document.

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.

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Trust. Any enhancement above the cash dividend is treated as capital.

Interest receivable from bank balances, futures clearing houses and brokers is accounted for on an accruals basis.

Interest receivable from debt securities is accounted for on an effective yield basis.

Special dividends

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

Equalisation

Equalisation on distributions received by the Trust is deducted from the cost of investments. As such the equalisation on distributions received by the Trust does not form part of the Trust's distribution.

Interest on debt securities bought or sold

Interest on debt securities bought or sold is excluded from the capital cost of securities, and is dealt with as part of the revenue of the Trust.

Expenses

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

Distributions

For the sole purpose of avoiding fluctuations in the income available for distribution or allocation, the Manager may determine to carry income earned by any of the sub funds forward to a future period or distribute income received from a previous period. In this respect the Manager and the Trustee may establish an Income Reserve Account in respect of each sub fund. Up to 15% of the income available for distribution or allocation from one accounting period for allocation or distribution in a future accounting period may be transferred to the Income Reserve Account. See Prospectus for further details.

This revenue is distributed to Distribution unitholders. For Accumulation units this revenue is not distributed but automatically reinvested in the fund and is reflected in the value of these units. Such distributions are based on the target distribution rate of 4.00% per annum and can be funded from both revenue and capital.

For the purpose of calculating the distribution, the Trust allocates the annual management charge and the Schrodgers Annual Charge to capital, thereby increasing the amount available for distribution. Revenue on debt securities is calculated on a coupon basis where this exceeds the amount determined on an effective yield basis. As a consequence, the capital value of the Trust may be eroded.

Distributions which have remained unclaimed by unitholders for more than six years are credited to the capital property of the Trust.

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 Trust. See Prospectus for further details.

Valuation

With the exception of forward foreign currency contracts which have been valued at the Trust's valuation point (12:00) on the last working day of the accounting period, all other investments held by the Trust 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.

SUTL Cazenove Charity Equity Value Fund

Fund Information

Investment objective and policy

The SUTL Cazenove Charity Equity Value Fund (the 'Fund') aims to provide income and capital growth by investing in equity and equity related securities of UK companies. The Fund aims to provide a return in excess of the FTSE All-Share (Gross Total Return) index (after fees have been deducted) over five-year rolling periods but this cannot be guaranteed and your capital is at risk.

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

The Fund invests in "Value" stocks. Value is assessed by looking at indicators such as cash flows, dividends and earnings, to identify securities which the manager believes have been undervalued by the market.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), 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 All-Share (Gross Total Return) index, and compared against the MSCI UK Value Weighted (Gross Total Return) Index. 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.

Participation

Charities in England and Wales (and every 'appropriate body' in Scotland and Northern Ireland) may participate in the Fund unless specifically precluded by their deeds or other governing instrument. For A Income units and A Accumulation units the minimum initial investment is £10,000 and, for subsequent purchases £1,000. Applications for subscriptions into the S Income units and S Accumulation units are accepted at Schroder Unit Trusts Limited (the Manager's) discretion. There is no maximum limit on the amount which may be invested. The Fund can issue both Income and Accumulation units. Income unitholders receive regular quarterly distributions, while accumulation unitholders benefit from the reinvestment of their revenue into the Fund.

Advisory Committee

The duties and responsibilities of the Advisory Committee are set out in the Prospectus. The Advisory Committee represents the interests of unitholders in the Trust and consults with and makes representations to the Manager and to the Trustee in respect of the management and administration of the Trust, including (without limitation) in relation to the appointment by the Manager and the Trustee of delegates providing key services in respect of the Trust; the investment objective and policy of the sub funds; the income distribution policy of the sub funds; and the fees and charges borne or to be borne by any class of units of a sub fund (including any changes proposed to the fees and charges).

Review of Investment Activities

From 30 September 2020 to 30 September 2021, the price of A Accumulation units on a dealing price basis rose 51.30%. In the same period the FTSE¹ All Share Index generated a total return of 27.90%².

There was an investment style rotation during the period, which was reflected in the share price performance of the stocks held. The fund materially outperformed the broader market.

Key individual contributors included banks NatWest Group and Barclays, high street retailer Marks & Spencer Group, postal services group Royal Mail and news publisher Reach (formerly Trinity Mirror). While there was some good news for our best performing stocks, the share price moves were far more dramatic than any news might suggest. We believe this illustrates that a little good news can go a long way when you have bought a business on a cheap valuation. Detractors included interdealer broker TP ICAP Group and French pharmaceuticals company Sanofi. We exited Reach after it reached fair value.

It is reassuring to see the portfolio perform as it is designed to and as promised to our clients. For true value-oriented portfolio managers such as ourselves, the lesson we take from the last 12 months is the importance of sticking steadfastly to that value strategy no matter what is happening in markets. The fund benefited significantly from the market rotation as a result.

Despite extended valuations in many markets around the world, such as the US, today's UK market valuation looks reasonably attractive in the context of history. More than that, many of the stocks that we own have taken advantage of the last 18 months to fundamentally put their houses in order, which means that operationally, they are performing very well.

We do remain cautious as we look at the world given the shock we have been through and the huge stimulus that is still ongoing. But we remain confident, when we look at the fund that we can continue to generate positive longer-term returns for you, our clients.

Fund Manager:

Global Value Team

The Global Value Team, specifically Nick Kirrage and Kevin Murphy, are responsible for stock selection in the underlying portfolio. The Global Value team has over 100 years of combined investment experience. Kevin and Nick have managed assets in a value style for 16 years and have managed the equity portfolio for Schroder Income Maximiser since 2010.

They are co-heads of the Global Value Team, which consists of nine investment professionals who manage both value and income orientated portfolios across UK, European, Global and Emerging Market Equities. A dedicated Investment Director and Associate Investment Director also support the team.

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 simulated 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.

Comparative Table

Financial year to 30 September	A Accumulation units ¹			A Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	841.38	1,124.14	1,210.00	282.71	394.08	455.80
Return before operating charges*	430.67	(277.63)	(78.11)	143.84	(95.88)	(28.74)
Operating charges	(5.90)	(5.13)	(7.75)	(1.97)	(1.80)	(2.83)
Return after operating charges*	424.77	(282.76)	(85.86)	141.87	(97.68)	(31.57)
Distributions**	(41.63)	(39.41)	(79.80)	(13.66)	(13.69)	(30.15)
Retained distributions**	41.63	39.41	79.80	–	–	–
Closing net asset value	1,266.15	841.38	1,124.14	410.92	282.71	394.08
*after direct transaction costs of	(0.23)	(0.10)	(0.23)	(0.08)	(0.03)	(0.08)
Performance						
Return after charges (%)	50.48	(25.15)	(7.10)	50.18	(24.79)	(6.93)
Other information						
Closing net asset value (£000's)	11,644	8,115	11,819	82,457	44,676	89,140
Closing number of units	919,600	964,447	1,051,408	20,066,705	15,802,793	22,619,670
Operating charges (%)	0.52	0.52	0.67	0.52	0.52	0.67
Direct transaction costs (%)***	0.02	0.01	0.02	0.02	0.01	0.02
Prices						
Highest dealing price	1,281.00p	1,215.60p	1,197.00p	419.40p	426.15p	439.20p
Lowest dealing price	817.10p	744.23p	1,044.00p	274.60p	258.14p	371.50p

Comparative Table

(continued)

Financial year to 30 September	S Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value			
Opening net asset value	41.50	57.69	66.55
Return before operating charges*	21.12	(14.06)	(4.19)
Operating charges	(0.18)	(0.16)	(0.25)
Return after operating charges*	20.94	(14.22)	(4.44)
Distributions**	(2.02)	(1.97)	(4.42)
Closing net asset value	60.42	41.50	57.69
*after direct transaction costs of	(0.01)	(0.01)	(0.01)
Performance			
Return after charges (%)	50.46	(24.65)	(6.67)
Other information			
Closing net asset value (£000's)	51,522	50,237	101,709
Closing number of units	85,270,440	121,058,558	176,316,236
Operating charges (%)	0.32	0.32	0.41
Direct transaction costs (%)***	0.02	0.01	0.02
Prices			
Highest dealing price	61.66p	62.41p	64.11p
Lowest dealing price	40.31p	37.83p	54.37p

** 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 A Accumulation, A Income and S Income units launched on 8 June 2018.

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 30.9.21	Market Value £000's	% of net assets
Equities 99.85% (95.37%)			
Basic Materials 9.37% (13.44%)			
Anglo American	177,226	4,648	3.19
BHP Group	174,690	3,298	2.27
South32	3,050,326	5,698	3.91
		13,644	9.37
Consumer Discretionary 11.67% (13.26%)			
ITV	2,848,614	3,037	2.09
Marks & Spencer Group	3,232,316	5,931	4.07
Pearson	444,214	3,162	2.17
WPP	486,703	4,867	3.34
		16,997	11.67
Consumer Staples 11.33% (10.57%)			
J Sainsbury	1,984,818	5,661	3.89
Tesco	1,967,970	4,985	3.42
Wm Morrison Supermarkets	1,986,442	5,850	4.02
		16,496	11.33
Energy 13.52% (7.92%)			
BP	1,876,672	6,385	4.38
Eni	586,649	5,834	4.01
Royal Dutch Shell B	452,542	7,465	5.13
		19,684	13.52
Financials 25.18% (24.49%)			
Aviva	1,303,697	5,161	3.54
Barclays	2,742,423	5,200	3.57
HSBC Holdings	1,480,339	5,773	3.97
Legal & General Group	702,623	1,975	1.36
Lloyds Banking Group	7,401,782	3,446	2.37
M&G	1,874,569	3,817	2.62
NatWest Group	1,375,924	3,093	2.12
Provident Financial	645,342	2,158	1.48
Standard Chartered	932,368	4,065	2.79
TP ICAP Group	1,239,081	1,978	1.36
		36,666	25.18
Health Care 10.55% (9.30%)			
GlaxoSmithKline	405,711	5,694	3.91
Merck	24,858	1,394	0.96

	Holding at 30.9.21	Market Value £000's	% of net assets
Organon	2,485	61	0.04
Pfizer	74,624	2,404	1.65
Sanofi	41,658	2,975	2.04
Viatis	278,840	2,836	1.95
		15,364	10.55
Industrials 4.96% (5.50%)			
BAE Systems	271,091	1,532	1.05
Rolls-Royce Holdings	1,292,431	1,811	1.24
Royal Mail	921,751	3,881	2.67
		7,224	4.96
Real Estate 2.40% (0.00%)			
Land Securities Group	500,600	3,489	2.40
		3,489	2.40
Technology 3.12% (2.18%)			
Intel	113,917	4,544	3.12
		4,544	3.12
Telecommunications 4.37% (4.70%)			
BT Group	2,394,932	3,827	2.63
Vodafone Group	2,244,358	2,543	1.74
		6,370	4.37
Utilities 3.38% (4.01%)			
Centrica	8,689,190	4,923	3.38
		4,923	3.38
Equities total		145,401	99.85
Corporate Bond 0.00% (2.51%)			
Consumer Discretionary 0.00% (2.51%)			
Forward Foreign Currency Contracts (0.25)% ((0.32)%)			
Sell EUR 9,837,000 Buy GBP 8,453,200 08/12/2021		(29)	(0.02)
Sell USD 15,752,000 Buy GBP 11,385,657 08/12/2021		(338)	(0.23)
Forward Foreign Currency Contracts total		(367)	(0.25)
Portfolio of investments		145,034	99.60
Net other assets		589	0.40
Net assets attributable to unitholders		145,623	100.00

The comparative percentage figures in brackets are as at 30 September 2020.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 30 September 2021

		2021	2020
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	49,564	(47,845)
Revenue	3	5,459	4,899
Expenses	4	(612)	(665)
Net revenue before taxation		4,847	4,234
Taxation	5	(149)	(115)
Net revenue after taxation		4,698	4,119
Total return before distributions		54,262	(43,726)
Distributions	6	(5,067)	(6,537)
Change in net assets attributable to unitholders from investment activities		49,195	(50,263)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30 September 2021

	2021	2020
	£000's	£000's
Opening net assets attributable to unitholders	103,028	202,668
Amounts receivable on in-specie transfers	10,011	-
Amounts receivable on issue of units	9,698	5,728
Amounts payable on cancellation of units	(26,705)	(55,500)
	(17,007)	(49,772)
Dilution adjustment	9	-
Change in net assets attributable to unitholders from investment activities	49,195	(50,263)
Retained distribution on Accumulation units	387	391
Unclaimed distributions	-	4
Closing net assets attributable to unitholders	145,623	103,028

Balance Sheet

As at 30 September 2021

		2021	2020
	Notes	£000's	£000's
Assets			
Investments		145,401	100,849
Current assets			
Debtors	8	987	875
Cash and bank balances	9	3,440	2,756
Total assets		149,828	104,480
Liabilities			
Investment liabilities		(367)	(334)
Creditors			
Distributions payable		(1,222)	(1,059)
Other creditors	10	(2,616)	(59)
Total liabilities		(4,205)	(1,452)
Net assets attributable to unitholders		145,623	103,028

The Manager's report and accounts for the year ended 30 September 2021 were signed on 14 January 2022 on behalf of the Manager by:

P. Chislett
Directors

P. Truscott

Notes to the Accounts

For the year ended 30 September 2021

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by SUTL Cazenove Charity Equity Value Fund are disclosed on page 9.

2 Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	2021 £000's	2020 £000's
Non-derivative securities	48,805	(48,174)
Forward foreign currency contracts	1,094	565
Foreign currency losses	(333)	(232)
Transaction costs	(2)	(4)
Net capital gains/(losses)	49,564	(47,845)

3 Revenue

	2021 £000's	2020 £000's
UK dividends	4,207	4,127
Overseas dividends	1,081	702
Real estate income distributions	80	–
Interest on debt securities	91	55
Bank interest	–	15
Total revenue	5,459	4,899

4 Expenses

	2021 £000's	2020 £000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	215	636
Schroders Annual Charge ^{1,2}	386	–
	601	636
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	6	17
Safe custody fees	–	1
	6	18
Other expenses:		
Audit fee ²	5	10
Professional fee	–	1
	5	11
Total expenses	612	665

1 Fees such as the Annual Management Charge, Trustee fee and Audit fee were paid separately to 28 February 2021. From 1 March 2021 these fees were replaced with the Schroders Annual Charge.

2 Audit fees including VAT for the financial year ending 2021 were £9,674 (2020 – £10,458).

5 Taxation

The SUTL Cazenove Charity Equity Value Fund is a registered charity and its unitholders are restricted to those with charitable status in England and Wales. Investment policy is set in recognition of the charitable restrictions and accordingly the revenue and the net capital gains are exempt from direct taxation in the United Kingdom. Indirect taxation suffered is included in the expenditure to which it relates. The Trustee, J.P.Morgan Europe Limited, arranges for the reclaim of tax on revenue received by the Fund. However, it may not always be possible for overseas tax to be reclaimed.

Quarterly distributions are paid without deduction of tax.

Notes to the Accounts

For the year ended 30 September 2021 (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:

	2021 £000's	2020 £000's
Quarterly Dividend distribution	1,121	2,312
Interim Dividend distribution	1,130	888
Quarterly Dividend distribution	1,438	1,710
Final Dividend distribution	1,326	1,149
	5,015	6,059
Add: Revenue deducted on cancellation of units	133	553
Deduct: Revenue received on issue of units	(81)	(75)
Distributions	5,067	6,537
Net revenue after taxation	4,698	4,119
Expenses taken to capital	601	637
Movement in undistributed revenue	(232)	1,781
Distributions	5,067	6,537

Details of the distributions per unit are set out in the Distribution Tables on pages 23 to 24.

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 Fair value hierarchy disclosures.

Basis of valuation	2021		2020	
	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	145,401	–	100,847	–
Level 2: Observable market data	–	(367)	2	(334)
Level 3: Unobservable data	–	–	–	–
Total	145,401	(367)	100,849	(334)

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

	2021 £000's	2020 £000's
Amounts receivable for issue of units	278	1
Sales awaiting settlement	–	579
Accrued revenue	709	295
Total debtors	987	875

Notes to the Accounts

For the year ended 30 September 2021 (continued)

9 Cash and bank balances

	2021 £000's	2020 £000's
Cash and bank balances	3,440	2,466
Amounts held at futures clearing houses and brokers	-	290
Total cash and bank balances	3,440	2,756

10 Other creditors

	2021 £000's	2020 £000's
Amounts payable for cancellation of units	2,501	1
Accrued expenses	115	58
Total other creditors	2,616	59

11 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2020 – Nil).

12 Related party transactions

The Manager exercises control over the Fund and is therefore a related party by virtue of its controlling influence.

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 paid 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 49.23% (2020 – 53.06%).

13 Unit classes

The Fund currently has three unit classes. Following the introduction of the Schroders Annual Charge on 1 March 2021, as detailed on page 3, the Annual Management Charge from this date is included within the “all in one” fund management fee. Details of the Schroders Annual Charge and the amount for each unit class are disclosed in the Prospectus. Up to 1 March 2021, the Annual Management Charge was based on the average value of the Fund, calculated on a daily basis, and covered the remuneration of the Manager, the Investment Adviser and their overhead expenses and for each unit class was as follows:

A Accumulation units	0.50%
A Income units	0.50%
S Income units	0.30%

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 13 to 14.

The distributions per unit class are given in the Distribution Tables on pages 23 to 24.

All classes have the same rights on winding up.

14 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.

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.

Notes to the Accounts

For the year ended 30 September 2021 (continued)

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.

The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Manager being unable to secure similar returns on the expiry of contracts or sale of securities.

The value of interest bearing securities may be affected by interest rate movements or the expectation of such movements in the future.

At the year end date 2.36% (2020 – 5.19%) of the net assets of the Fund were interest bearing and as such the interest rate risk is not considered significant. Interest receivable on bank deposits positions will be affected by fluctuations in interest rates.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the London Interbank Offer Rate or its international equivalent.

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.

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 30 September 2021 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

2021				2020			
Lowest	Highest	Average	Leverage 30 September	Lowest	Highest	Average	Leverage 30 September
0.00%	1.94%	0.11%	0.25%	0.00%	1.78%	0.11%	0.17%

Notes to the Accounts

For the year ended 30 September 2021 (continued)

15 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.

2021	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	28,886	14	7	28,907	0.05	0.02
In-specie purchases:						
Equities	9,676	-	-	9,676	-	-
Corporate actions purchases:						
Equities	990	-	-	990	-	-
	39,552	14	7	39,573		
Sales						
Bonds	2,527	-	-	2,527	-	-
Equities	41,287	(15)	-	41,272	(0.04)	-
	43,814	(15)	-	43,799		
Total cost of the Fund's average net asset value (%)						
		0.02	0.01			

1 Excluding in-specie transfers and corporate actions.

2020	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	2,587	-	-	2,587	-	-
Equities	28,073	11	3	28,087	0.04	0.01
	30,660	11	3	30,674		
Sales						
Equities	71,646	(21)	(1)	71,624	(0.03)	-
Total cost of the Fund's average net asset value (%)						
		0.02	-			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.05% (2020 – 0.07%).

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.

16 Units in issue reconciliation

	Number of units in issue 30.9.20	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 30.9.21
A Accumulation units	964,447	838	(45,685)	-	919,600
A Income units	15,802,793	5,721,862	(1,457,950)	-	20,066,705
S Income units	121,058,558	3,175,724	(38,963,842)	-	85,270,440

Notes to the Accounts

For the year ended 30 September 2021 (continued)

17 Counterparty exposure

The types of derivatives held at the balance sheet date were forward foreign currency contracts. Details of individual contracts are disclosed in the Portfolio Statement and the total position by counterparty at the balance sheet date was as follows:

Counterparty	Forward foreign currency contracts £000's	Credit default swaps £000's	Commodity index swaps £000's	Contract for difference £000's	Interest rate swaps £000's	Total return swaps £000's	Inflation linked swaps £000's	Options contracts £000's	Swaption contracts £000's	Total £000's
Barclays										
2021	-	-	-	-	-	-	-	-	-	-
2020	(263)	-	-	-	-	-	-	-	-	(263)
Citibank										
2021	-	-	-	-	-	-	-	-	-	-
2020	2	-	-	-	-	-	-	-	-	2
Goldman Sachs										
2021	(367)	-	-	-	-	-	-	-	-	(367)
2020	-	-	-	-	-	-	-	-	-	-
HSBC										
2021	-	-	-	-	-	-	-	-	-	-
2020	(71)	-	-	-	-	-	-	-	-	(71)

The collateral pledged by the Fund on behalf of the counterparties at the balance sheet date was as follows:

Counterparty	2021 £000's	2020 £000's
Barclays	-	(290)
Total	-	(290)

The nature of collateral pledged by the Fund on behalf of the counterparties at the balance sheet date was as follows:

	2021 £000's	2020 £000's
Cash	-	(290)
Total	-	(290)

18 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 30 September 2021, the price of each unit class has changed as follows:

	Dealing price 11.1.22	Dealing price 30.9.21	% change
A Accumulation units	1,434.00p	1,272.00p	12.74
A Income units	461.90p	416.60p	10.87
S Income units	67.93p	61.26p	10.89

Distribution Tables

Quarterly distribution for the three months ended 31 December 2020

Group 1 Units purchased prior to 1 October 2020

Group 2 Units purchased on or after 1 October 2020

	Net revenue 2020 per unit	Equalisation 2020 per unit	Distribution paid 28.2.21 per unit	Distribution paid 29.2.20 per unit
A Accumulation units				
Group 1	9.9049p	–	9.9049p	14.0000p
Group 2	9.9049p	–	9.9049p	14.0000p
A Income units				
Group 1	2.8867p	–	2.8867p	4.5000p
Group 2	1.6218p	1.2649p	2.8867p	4.5000p
S Income units				
Group 1	0.4396p	–	0.4396p	0.6500p
Group 2	0.4396p	–	0.4396p	0.6500p

Interim distribution for the three months ended 31 March 2021

Group 1 Units purchased prior to 1 January 2021

Group 2 Units purchased on or after 1 January 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.5.21 per unit	Distribution paid 31.5.20 per unit
A Accumulation units				
Group 1	9.2040p	–	9.2040p	5.0140p
Group 2	9.2040p	–	9.2040p	5.0140p
A Income units				
Group 1	3.0676p	–	3.0676p	1.9890p
Group 2	2.2526p	0.8150p	3.0676p	1.9890p
S Income units				
Group 1	0.4505p	–	0.4505p	0.2706p
Group 2	0.3350p	0.1155p	0.4505p	0.2706p

Distribution Tables

(continued)

Quarterly distribution for the three months ended 30 June 2021

Group 1 Units purchased prior to 1 April 2021

Group 2 Units purchased on or after 1 April 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.8.21 per unit	Distribution paid 31.8.20 per unit
A Accumulation units				
Group 1	11.1181p	–	11.1181p	11.1000p
Group 2	2.2010p	8.9171p	11.1181p	11.1000p
A Income units				
Group 1	3.9535p	–	3.9535p	4.1000p
Group 2	1.9304p	2.0231p	3.9535p	4.1000p
S Income units				
Group 1	0.5809p	–	0.5809p	0.5800p
Group 2	0.3087p	0.2722p	0.5809p	0.5800p

Final distribution for the three months ended 30 September 2021

Group 1 Units purchased prior to 1 July 2021

Group 2 Units purchased on or after 1 July 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution payable 30.11.21 per unit	Distribution paid 30.11.20 per unit
A Accumulation units				
Group 1	11.4000p	–	11.4000p	9.3000p
Group 2	3.7250p	7.6750p	11.4000p	9.3000p
A Income units				
Group 1	3.7500p	–	3.7500p	3.1000p
Group 2	2.2998p	1.4502p	3.7500p	3.1000p
S Income units				
Group 1	0.5500p	–	0.5500p	0.4700p
Group 2	0.1428p	0.4072p	0.5500p	0.4700p

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.

SUTL Cazenove Charity Equity Income Fund

Fund Information

Investment objective and policy

The SUTL Cazenove Charity Equity Income Fund (the 'Fund') aims to provide income and capital growth by investing in equity and equity related securities of UK companies. The Fund aims to provide income in excess of the FTSE All Share Index yield and a total return that exceeds the FTSE All Share (Gross Total Return) index (after fees have been deducted) over rolling five-year periods but this cannot be guaranteed and your capital is at risk.

The Fund is actively managed and invests at least 80% of its assets in equity and equity related securities of UK companies. These are companies that are incorporated, headquartered or have their principal business activities in the UK. The Fund seeks to invest in a diversified portfolio of equity and equity related securities whose dividend yield in aggregate is greater than the average market yield. Equities with below average dividend yield may be included in the portfolio when the Investment Manager considers that they have the potential to pay above average income in future.

The Fund may also invest directly or indirectly in other securities (including in other asset classes), 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 benchmarks, being to exceed the FTSE All Share Index yield and the FTSE All Share Index total return, and compared against the Investment Association Equity Income sector average. The Investment Manager invests on a discretionary basis and is not limited to investing in accordance with the composition of the benchmark. The target benchmarks have been selected because they are representative of the type of investments in which the Fund is likely to invest, and they are, 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.

Participation

Charities in England and Wales (and every 'appropriate body' in Scotland and Northern Ireland) may participate in the Fund unless specifically precluded by their deeds or other governing instrument. For A Income units and A Accumulation units the minimum initial investment is £10,000 and, for subsequent purchases £1,000. Applications for subscriptions into the S Income units and S Accumulation units are accepted at Schroder Unit Trusts Limited (the Manager's) discretion. There is no maximum limit on the amount which may be invested. The Fund can issue both Income and Accumulation units. Income unitholders receive regular quarterly distributions, while accumulation unitholders benefit from the reinvestment of their revenue into the Fund.

Advisory Committee

The duties and responsibilities of the Advisory Committee are set out in the Prospectus. The Advisory Committee represents the interests of unitholders in the Trust and consults with and makes representations to the Manager and to the Trustee in respect of the management and administration of the Trust, including (without limitation) in relation to the appointment by the Manager and the Trustee of delegates providing key services in respect of the Trust; the investment objective and policy of the sub funds; the income distribution policy of the sub funds; and the fees and charges borne or to be borne by any class of units of a sub fund (including any changes proposed to the fees and charges).

Review of Investment Activities

From 30 September 2020 to 30 September 2021, the price of A Accumulation units on a dealing price basis rose 27.96%. In the same period, the FTSE¹ All Share Index generated a total return of 27.90%².

The fund recorded a 12 month trailing yield of 4.1% for the fund³ versus 3.1% for the benchmark⁴.

The fund performed broadly in line with the index. For the majority of the period global markets were driven by a recovery in cyclical value sectors where the UK is well represented. The outperformance of sectors such as energy and financials reflected the powerful reflation and reopening trends set in motion by the news of highly effective Covid-19 vaccines. Merger and acquisition activity also re-accelerated, with new bids across a variety of sectors. The value recovery began to falter, however, towards the end of the period as Western monetary policymakers grew markedly more hawkish as a result of inflationary pressures proving to be less transitory than had been first hoped.

Positive influences on fund performance included stock selection within financials and consumer goods sectors. Among our top individual contributors were overweight positions in life insurance Legal & General Group, specialist asset managers Polar Capital Holdings and Intermediate Capital Group and underweights in household goods businesses Unilever and Reckitt Benckiser (not owned). Our underweight in oil and gas producers and overweight in healthcare stocks were the largest negatives. The more significant individual detractors included pharmaceutical companies GlaxoSmithKline and Roche and our underweights in Royal Dutch Shell and BP. We sold out of security solutions firm G4S and infrastructure group John Laing following bid activity. We also exited energy companies BP and Galp Energia, water company Penmon and brick manufacturer Ibstock. Sale proceeds were invested into new positions in telecoms firm BT Group, power companies Drax Group and SSE, media conglomerate Daily Mail & General Trust and building materials firm Travis Perkins.

We hold a range of companies that could benefit from trends that have been accelerated by changes brought on by the pandemic; companies leading digitisation (Pearson, PayPoint, Avast – the latter was also a new position in the period) and those contributing to the energy transition (Drax Group and SSE). We also have exposure to re-opening opportunities as lockdowns lift (Burberry Group and Whitbread) as well as infrastructure development (Anglo American and Balfour Beatty), anticipating increased government spend will play a significant role in the pandemic recovery.

Co-Fund Manager:
Matt Bennison



Co-manager of the Schroder Core UK Equity Fund since September 2018 and Fund manager for Prime UK equity portfolios since 2017. Research responsibility focuses on UK companies, for the Prime UK Equity team since 2015 and the Core UK Equity Fund from September 2018

Investment career commenced in 2012 at Schroders Private Bank (that subsequently became Cazenove Capital), where he worked for the Chief Investment Officer

CFA charterholder

Degree in Natural Sciences, Cambridge University and one year Management Studies, Judge Business School, Cambridge

Co-Fund Manager:
Sue Noffke



Sue Noffke is a UK Equity Fund Manager at Schroders, and a founding member of the Prime UK Equity team established in 2006. She is co-fund manager of the Schroder Prime UK Equity Fund and fund manager of the Schroder Income Growth Fund plc. Sue has managed UK equity portfolios for institutional clients since 1993. She joined Schroders in 1989 and is based in London

Sue was an analyst at Schroders from 1989 to 1993, with responsibilities for insurance, tobacco and retail sectors in the UK market

Honorary Doctorate Degree from Aston University; BSc in Business Administration and Biochemistry from Aston University

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2 Source: Refinitiv Eikon Datastream.

3 Based on income accrued over 12 month period to 30 September 2021 divided by A Accumulation unit price on 30 September 2021.

4 Refinitiv Eikon, as at 30 September 2021.

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 simulated 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.

Comparative Table

Financial year to 30 September	A Accumulation units ¹			A Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	100.39	119.88	125.70	70.16	88.34	100.30
Return before operating charges*	28.28	(18.91)	(5.03)	19.65	(13.84)	(4.06)
Operating charges	(0.62)	(0.58)	(0.79)	(0.43)	(0.42)	(0.61)
Return after operating charges*	27.66	(19.49)	(5.82)	19.22	(14.26)	(4.67)
Distributions**	(6.00)	(5.40)	(9.37)	(4.13)	(3.92)	(7.29)
Retained distributions**	6.00	5.40	9.37	–	–	–
Closing net asset value	128.05	100.39	119.88	85.25	70.16	88.34
*after direct transaction costs of	(0.04)	(0.03)	(0.06)	(0.02)	(0.02)	(0.05)
Performance						
Return after charges (%)	27.55	(16.26)	(4.63)	27.39	(16.14)	(4.66)
Other information						
Closing net asset value (£000's)	1,188	1,284	2,211	9,361	9,664	16,604
Closing number of units	927,718	1,279,370	1,844,180	10,980,716	13,774,819	18,795,338
Operating charges (%)	0.52	0.52	0.67	0.52	0.52	0.67
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	133.10p	132.00p	122.30p	90.27p	97.27p	95.30p
Lowest dealing price	95.47p	82.46p	106.00p	66.73p	60.21p	82.64p

Comparative Table

(continued)

Financial year to 30 September	S Accumulation units ¹			S Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	101.49	120.95	126.50	39.34	49.43	56.00
Return before operating charges*	28.61	(19.09)	(5.06)	11.03	(7.74)	(2.29)
Operating charges	(0.39)	(0.37)	(0.49)	(0.15)	(0.15)	(0.21)
Return after operating charges*	28.22	(19.46)	(5.55)	10.88	(7.89)	(2.50)
Distributions**	(6.08)	(5.46)	(9.44)	(2.32)	(2.20)	(4.07)
Retained distributions**	6.08	5.46	9.44	–	–	–
Closing net asset value	129.71	101.49	120.95	47.90	39.34	49.43
*after direct transaction costs of	(0.04)	(0.03)	(0.06)	(0.01)	(0.01)	(0.03)
Performance						
Return after charges (%)	27.81	(16.09)	(4.39)	27.66	(15.96)	(4.46)
Other information						
Closing net asset value (£000's)	210	270	896	43,863	57,884	173,143
Closing number of units	161,582	266,140	741,064	91,580,367	147,149,666	350,265,177
Operating charges (%)	0.32	0.32	0.41	0.32	0.32	0.41
Direct transaction costs (%)***	0.03	0.03	0.05	0.03	0.03	0.05
Prices						
Highest dealing price	134.80p	133.24p	123.30p	50.70p	54.46p	53.22p
Lowest dealing price	96.53p	83.28p	106.80p	37.42p	33.72p	46.17p

** 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 A Accumulation, A Income, S Accumulation and S Income units launched on 8 June 2018.

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 30.9.21	Market Value £000's	% of net assets
Equities 100.77% (99.20%)			
Basic Materials 13.59% (13.77%)			
Anglo American	100,426	2,634	4.82
BHP Group	127,494	2,407	4.41
Croda International	9,935	849	1.55
Johnson Matthey	24,232	650	1.19
Rio Tinto	17,986	884	1.62
		7,424	13.59
Consumer Discretionary 13.44% (5.74%)			
Burberry Group	38,072	691	1.26
Daily Mail & General Trust A	75,858	812	1.49
Hollywood Bowl Group	465,181	1,128	2.07
Pearson	150,455	1,071	1.96
Persimmon	40,523	1,081	1.98
RELX	65,216	1,400	2.56
Travis Perkins	37,962	583	1.07
Whitbread	17,329	574	1.05
		7,340	13.44
Consumer Staples 7.26% (7.11%)			
Tesco	861,740	2,183	4.00
Unilever	44,502	1,782	3.26
		3,965	7.26
Energy 5.79% (3.18%)			
Royal Dutch Shell B	191,711	3,162	5.79
		3,162	5.79
Financials 22.09% (22.57%)			
3i Group	95,767	1,227	2.24
Brewin Dolphin Holdings	286,912	1,093	2.00
Bridgepoint Group	46,602	234	0.43
Direct Line Insurance Group	476,106	1,379	2.52
Intermediate Capital Group	51,563	1,054	1.93
Legal & General Group	1,074,009	3,019	5.53
M&G	608,437	1,239	2.27
Petershill Partners	115,062	403	0.74
Polar Capital Holdings*	115,684	930	1.70

	Holding at 30.9.21	Market Value £000's	% of net assets
Prudential	59,245	862	1.58
Sabre Insurance Group	286,851	628	1.15
		12,068	22.09
Health Care 12.32% (16.23%)			
AstraZeneca	42,290	3,787	6.93
ConvaTec Group	167,921	363	0.66
GlaxoSmithKline	183,980	2,582	4.73
		6,732	12.32
Industrials 9.19% (14.27%)			
BAE Systems	252,089	1,425	2.61
Balfour Beatty	377,574	1,023	1.87
Bunzl	24,165	593	1.09
Hays	339,632	549	1.01
PayPoint	123,357	876	1.60
QinetiQ Group	169,898	551	1.01
		5,017	9.19
Real Estate 6.09% (7.34%)			
Assura	1,567,371	1,122	2.05
Empiric Student Property	1,430,168	1,267	2.32
Workspace Group	114,021	940	1.72
		3,329	6.09
Technology 1.23% (0.00%)			
Avast	118,697	674	1.23
		674	1.23
Telecommunications 2.24% (1.74%)			
BT Group	764,648	1,222	2.24
		1,222	2.24
Utilities 7.53% (7.25%)			
Drax Group	309,690	1,492	2.73
National Grid	232,639	2,058	3.77
SSE	35,724	561	1.03
		4,111	7.53
Equities total		55,044	100.77
Portfolio of investments		55,044	100.77
Net other liabilities		(422)	(0.77)
Net assets attributable to unitholders		54,622	100.00

The comparative percentage figures in brackets are as at 30 September 2020.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Security traded on another regulated market.

Statement of Total Return

For the year ended 30 September 2021

		2021	2020
	Notes	£000's	£000's
Income			
Net capital gains/(losses)	2	13,504	(19,123)
Revenue	3	3,031	4,829
Expenses	4	(229)	(424)
Net revenue before taxation		2,802	4,405
Taxation	5	(6)	(53)
Net revenue after taxation		2,796	4,352
Total return before distributions		16,300	(14,771)
Distributions	6	(3,033)	(6,076)
Change in net assets attributable to unitholders from investment activities		13,267	(20,847)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30 September 2021

	2021	2020
	£000's	£000's
Opening net assets attributable to unitholders	69,102	192,854
Amounts receivable on issue of units	802	1,566
Amounts payable on cancellation of units	(28,630)	(104,672)
	(27,828)	(103,106)
Dilution adjustment	16	102
Change in net assets attributable to unitholders from investment activities	13,267	(20,847)
Retained distribution on Accumulation units	65	99
Closing net assets attributable to unitholders	54,622	69,102

Balance Sheet

As at 30 September 2021

		2021	2020
	Notes	£000's	£000's
Assets			
Investments		55,044	68,548
Current assets			
Debtors	8	286	737
Cash and bank balances		836	1,277
Total assets		56,166	70,562
Liabilities			
Creditors			
Distributions payable		(1,004)	(1,026)
Other creditors	9	(540)	(434)
Total liabilities		(1,544)	(1,460)
Net assets attributable to unitholders		54,622	69,102

The Manager's report and accounts for the year ended 30 September 2021 were signed on 14 January 2022 on behalf of the Manager by:

P. Chislett
Directors

P. Truscott

Notes to the Accounts

For the year ended 30 September 2021

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by SUTL Cazenove Charity Equity Income Fund are disclosed on page 9.

2 Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	2021 £000's	2020 £000's
Non-derivative securities	13,507	(19,105)
Forward foreign currency contracts	(1)	3
Foreign currency losses	(1)	(18)
Transaction costs	(1)	(3)
Net capital gains/(losses)	13,504	(19,123)

3 Revenue

	2021 £000's	2020 £000's
UK dividends	2,819	4,429
Overseas dividends	89	300
Real estate income distributions	50	68
Scrip dividends	73	22
Bank interest	–	10
Total revenue	3,031	4,829

4 Expenses

	2021 £000's	2020 £000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	93	399
Schroders Annual Charge ^{1,2}	128	–
	221	399
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	3	13
Safe custody fees	–	1
	3	14
Other expenses:		
Audit fee ²	5	10
Professional fee	–	1
	5	11
Total expenses	229	424

1 Fees such as the Annual Management Charge, Trustee fee and Audit fee were paid separately to 28 February 2021. From 1 March 2021 these fees were replaced with the Schroders Annual Charge.

2 Audit fees including VAT for the financial year ending 2021 were £9,674 (2020 – £10,458).

5 Taxation

The SUTL Cazenove Charity Equity Income Fund is a registered charity and its unitholders are restricted to those with charitable status in England and Wales. Investment policy is set in recognition of the charitable restrictions and accordingly the revenue and the net capital gains are exempt from direct taxation in the United Kingdom. Indirect taxation suffered is included in the expenditure to which it relates. The Trustee, J.P.Morgan Europe Limited, arranges for the reclaim of tax on revenue received by the Fund. However, it may not always be possible for overseas tax to be reclaimed.

Quarterly distributions are paid without deduction of tax.

Notes to the Accounts

For the year ended 30 September 2021 (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:

	2021 £000's	2020 £000's
Quarterly Dividend distribution	378	1,765
Interim Dividend distribution	730	1,317
Quarterly Dividend distribution	761	1,132
Final Dividend distribution	1,030	1,049
	2,899	5,263
Add: Revenue deducted on cancellation of units	140	826
Deduct: Revenue received on issue of units	(6)	(13)
Distributions	3,033	6,076
Net revenue after taxation	2,796	4,352
Expenses taken to capital	220	400
Movement in undistributed revenue	17	1,324
Distributions	3,033	6,076

Details of the distributions per unit are set out in the Distribution Tables on pages 38 to 39.

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 Fair value hierarchy disclosures.

	2021		2020	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	55,044	–	68,548	–
Level 2: Observable market data	–	–	–	–
Level 3: Unobservable data	–	–	–	–
Total	55,044	–	68,548	–

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's 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

	2021 £000's	2020 £000's
Amounts receivable for issue of units	147	–
Sales awaiting settlement	13	613
Accrued revenue	126	124
Total debtors	286	737

Notes to the Accounts

For the year ended 30 September 2021 (continued)

9 Other creditors

	2021 £000's	2020 £000's
Amounts payable for cancellation of units	76	–
Purchases awaiting settlement	287	265
Accrued expenses	177	169
Total other creditors	540	434

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2020 – Nil).

11 Related party transactions

The Manager exercises control over the Fund and is therefore a related party by virtue of its controlling influence.

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 paid 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.

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 80.78% (2020 – 84.22%).

12 Unit classes

The Fund currently has four unit classes. Following the introduction of the Schroders Annual Charge on 1 March 2021, as detailed on page 3, the Annual Management Charge from this date is included within the “all in one” fund management fee. Details of the Schroders Annual Charge and the amount for each unit class are disclosed in the Prospectus. Up to 1 March 2021, the Annual Management Charge was based on the average value of the Fund, calculated on a daily basis, and covered the remuneration of the Manager, the Investment Adviser and their overhead expenses and for each unit class was as follows:

A Accumulation units	0.50%
A Income units	0.50%
S Accumulation units	0.30%
S Income units	0.30%

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 28 to 29.

The distributions per unit class are given in the Distribution Tables on pages 38 to 39.

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.

Foreign currency risk

Where a portion of the net assets of the Fund are denominated in currencies other than sterling the balance sheet and total return can be affected by currency movements. Therefore the Manager may decide that a proportion of the investments that are not priced in sterling, may be covered by forward currency contracts, so that the Fund's exposure to currency risk is reduced.

Revenue received in other currencies is translated to sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid currency movement risk on accrued revenue.

Notes to the Accounts

For the year ended 30 September 2021 (continued)

Currency risk profile

The currency risk profile of the Fund's net assets and liabilities at the balance sheet date was as follows:

Currency	2021 £000's	2020 £000's
Euro	–	1,109
Sterling	54,622	65,395
Swiss franc	–	2,598

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.

Interest receivable on bank deposits positions will be affected by fluctuations in interest rates.

At the year end date 1.53% (2020 – 1.85%) 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. Foreign currency bank balances bear interest at rates based on the London Interbank Offer Rate or its international equivalent.

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.

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 30 September 2021 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

2021				2020			
Lowest	Highest	Average	Leverage 30 September	Lowest	Highest	Average	Leverage 30 September
0.00%	0.11%	0.00%	0.00%	0.00%	2.02%	0.01%	0.00%

Notes to the Accounts

For the year ended 30 September 2021 (continued)

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.

2021	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Purchases ¹ :						
Equities	18,889	7	4	18,900	0.04	0.02
Corporate actions purchases:						
Equities	161	–	–	161	–	–
	19,050	7	4	19,061		
Sales						
Equities	46,089	(16)	–	46,073	(0.03)	–
Total cost of the Fund's average net asset value (%)		0.03	0.01			

1 Excluding corporate actions.

2020	Principal £000's	Commissions £000's	Taxes £000's	Total cost £000's	Commissions % of principal	Taxes % of principal
Purchases						
Equities	38,434	17	–	38,451	0.04	–
Sales						
Equities	141,961	(56)	–	141,905	(0.04)	–
Total cost of the Fund's average net asset value (%)		0.06	–			

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.09% (2020 – 0.16%).

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.

15 Units in issue reconciliation

	Number of units in issue 30.9.20	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 30.9.21
A Accumulation units	1,279,370	154,083	(526,046)	20,311	927,718
A Income units	13,774,819	51,759	(2,815,741)	(30,121)	10,980,716
S Accumulation units	266,140	–	(104,558)	–	161,582
S Income units	147,149,666	1,280,540	(56,849,839)	–	91,580,367

Notes to the Accounts

For the year ended 30 September 2021 (continued)

16 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 30 September 2021, the price of each unit class has changed as follows:

	Dealing price 11.1.22	Dealing price 30.9.21	% change
A Accumulation units	134.80p	128.60p	4.82
A Income units	89.25p	87.21p	2.34
S Accumulation units	136.70p	130.20p	4.99
S Income units	50.17p	48.99p	2.41

Distribution Tables

Quarterly distribution for the three months ended 31 December 2020

Group 1 Units purchased prior to 1 October 2020

Group 2 Units purchased on or after 1 October 2020

	Net revenue 2020 per unit	Equalisation 2020 per unit	Distribution paid 28.2.21 per unit	Distribution paid 29.2.20 per unit
A Accumulation units				
Group 1	0.6360p	–	0.6360p	1.1986p
Group 2	0.6360p	–	0.6360p	1.1986p
A Income units				
Group 1	0.4451p	–	0.4451p	0.8900p
Group 2	0.3110p	0.1341p	0.4451p	0.8900p
S Accumulation units				
Group 1	0.6430p	–	0.6430p	1.2093p
Group 2	0.6430p	–	0.6430p	1.2093p
S Income units				
Group 1	0.2496p	–	0.2496p	0.4980p
Group 2	0.2108p	0.0388p	0.2496p	0.4980p

Interim distribution for the three months ended 31 March 2021

Group 1 Units purchased prior to 1 January 2021

Group 2 Units purchased on or after 1 January 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.5.21 per unit	Distribution paid 31.5.20 per unit
A Accumulation units				
Group 1	1.3497p	–	1.3497p	1.2540p
Group 2	1.3497p	–	1.3497p	1.2540p
A Income units				
Group 1	0.9383p	–	0.9383p	0.9886p
Group 2	0.6085p	0.3298p	0.9383p	0.9886p
S Accumulation units				
Group 1	1.3657p	–	1.3657p	1.2624p
Group 2	1.3657p	–	1.3657p	1.2624p
S Income units				
Group 1	0.5265p	–	0.5265p	0.5519p
Group 2	0.4004p	0.1261p	0.5265p	0.5519p

Distribution Tables

(continued)

Quarterly distribution for the three months ended 30 June 2021

Group 1 Units purchased prior to 1 April 2021

Group 2 Units purchased on or after 1 April 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.8.21 per unit	Distribution paid 31.8.20 per unit
A Accumulation units				
Group 1	1.6480p	–	1.6480p	1.4473p
Group 2	1.6480p	–	1.6480p	1.4473p
A Income units				
Group 1	1.1326p	–	1.1326p	0.9788p
Group 2	1.1326p	–	1.1326p	0.9788p
S Accumulation units				
Group 1	1.6679p	–	1.6679p	1.4652p
Group 2	1.6679p	–	1.6679p	1.4652p
S Income units				
Group 1	0.6358p	–	0.6358p	0.5500p
Group 2	0.3233p	0.3125p	0.6358p	0.5500p

Final distribution for the three months ended 30 September 2021

Group 1 Units purchased prior to 1 July 2021

Group 2 Units purchased on or after 1 July 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution payable 30.11.21 per unit	Distribution paid 30.11.20 per unit
A Accumulation units				
Group 1	2.3712p	–	2.3712p	1.5022p
Group 2	0.7292p	1.6420p	2.3712p	1.5022p
A Income units				
Group 1	1.6091p	–	1.6091p	1.0658p
Group 2	0.0610p	1.5481p	1.6091p	1.0658p
S Accumulation units				
Group 1	2.4014p	–	2.4014p	1.5182p
Group 2	2.4014p	–	2.4014p	1.5182p
S Income units				
Group 1	0.9038p	–	0.9038p	0.5973p
Group 2	–	0.9038p	0.9038p	0.5973p

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.

SUTL Cazenove Charity Bond Fund

Fund Information

Investment objective and policy

The SUTL Cazenove Charity Bond Fund (the 'Fund') aims to provide income by investing in fixed and floating rate securities. The Fund aims to provide a total return in excess of the FTSE A Government All Stocks (Gross Total Return) index (after fees have been deducted) over rolling five-year periods but this cannot be guaranteed and your capital is at risk.

The Fund is actively managed and invests at least 80% of its assets in fixed and floating rate securities denominated in sterling (or in other currencies and hedged back into sterling) issued by governments, government agencies, supra-nationals and companies worldwide.

The Fund has a responsible investment policy. The responsible investment policy applies investment restrictions on companies involved in military products and services, non-military firearms, pornography, tobacco, gambling, alcoholic drinks, high interest rate lending, human embryonic cloning, tar sands and thermal coal.

The Fund will invest up to 50% of the Fund's assets in fixed and floating rate securities issued by companies (including credit default swaps).

The Fund may invest up to 20% of its asset on a currency hedged basis in bonds denominated in currencies other than sterling.

The Fund invests no more than 20% of its assets in below investment grade instruments (as measured by Standard & Poor's or any other equivalent credit rating agencies). The Fund will be restricted to the following investment limits in non-investment grade bonds:

- a maximum of 5% of its assets in B rated bonds with no more than 1% in any one name;
- a maximum of 15% of its assets in BB rated bonds with no more than 2% in any one name.

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

The Fund may use derivatives with the aim of achieving investment gains, reducing risk or managing the Fund more efficiently (for more information please refer to section 6 of Appendix I of the Prospectus). The Fund may use leverage and take short positions.

Fund characteristics

The Fund's performance should be assessed against its target benchmark, being to exceed the FTSE A Government All Stocks (Gross Total Return) index, and compared against the Investment Association's UK Gilt sector average. 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.

Participation

Charities in England and Wales (and every 'appropriate body' in Scotland and Northern Ireland) may participate in the Fund unless specifically precluded by their deeds or other governing instrument. For A Income units and A Accumulation units the minimum initial investment is £10,000 and, for subsequent purchases £1,000. Applications for subscriptions into the S Income units and S Accumulation units are accepted at Schroder Unit Trusts Limited (the Manager's) discretion. There is no maximum limit on the amount which may be invested. The Fund can issue both Income and Accumulation units. Income unitholders receive regular quarterly distributions, while accumulation unitholders benefit from the reinvestment of their revenue into the Fund.

Advisory Committee

The duties and responsibilities of the Advisory Committee are set out in the Prospectus. The Advisory Committee represents the interests of unitholders in the Trust and consults with and makes representations to the Manager and to the Trustee in respect of the management and administration of the Trust, including (without limitation) in relation to the appointment by the Manager and the Trustee of delegates providing key services in respect of the Trust; the investment objective and policy of the sub funds; the income distribution policy of the sub funds; and the fees and charges borne or to be borne by any class of units of a sub fund (including any changes proposed to the fees and charges).

Review of Investment Activities

From 30 September 2020 to 30 September 2021, the price of A Accumulation units on a dealing price basis fell 5.87%. In the same period the FTSE¹ A Government All Stocks index generated a negative total return of 6.81%².

Gilt yields rose significantly, in Q1 2021 and then in September. At the start of 2021, markets started to discount a sharp rebound in economic activity, prompted by the roll out of the Covid-19 vaccination programme, higher inflation and monetary tightening. Amid commodity prices bouncing sharply and significant supply chain bottlenecks, markets expectations for interest rates and inflation rose again later in the period. Central bank rhetoric became more hawkish in the UK as well as the US. Expectations for UK rate hikes were brought forward to early 2022 and two members of the Bank of England's Monetary Policy Committee wanted to end its bond purchase programme immediately. The UK 10-year yield rose from 0.23% to 1.02% over the period. Sterling investment grade corporate bonds were flat over the year, outperforming government bonds.

The fund's positive relative performance resulted from being overweight in corporate bonds, and its shorter maturity profile relative to the benchmark. We remained underweight core gilts.

We reduced duration (interest rate sensitivity) to 10.4, from 11.7, over the period, remaining underweight versus the benchmark level, which declined over the period to 11.8. The outlook for credit is still fair, with incremental yield and good fundamentals, even if valuations are not as attractive as they were. We remain overweight, predominantly in senior financials, though we have trimmed slightly and have an increasing quality focus.

Although Covid has obviously not gone away, markets are now concentrating more on inflation and central bank responses. Whilst there are many drivers of the spike higher in inflation that are likely to prove transitory, the danger lies in wages and inflation expectations becoming unanchored on the upside the longer they persist. The Bank of England has suggested that they will probably only be able to judge the underlying state of the labour market some time next year once the distortions from the furlough schemes wash out. We would agree with that. The imminent ending of gilt purchases by the Bank of England may bring about some further underperformance of the market. However higher rates and yields are not a solution to inflation brought about by energy price moves or supply bottlenecks.

Fund Manager:
Alex Smitten



Alex Smitten joined Schrodgers in July 2013 following the acquisition of Cazenove Capital

He joined Cazenove Capital in 2000. As head of the Cazenove Capital Fixed Income team at Schrodgers, his responsibilities include management of The SUTL Cazenove Charity Bond Fund

Prior to joining Cazenove Capital, Alex worked in the bond capital markets divisions of Daiwa and Nat West. At TSB/Hill Samuel he was responsible for all proprietary bond activity on behalf of the Group

He studied at City University with a degree in Banking and International Finance

Member of the Investment Policy Committee

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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 simulated 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.

Comparative Table

Financial year to 30 September	A Accumulation units ¹			A Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value						
Opening net asset value	90.34	87.27	78.67	71.08	70.04	66.33
Return before operating charges*	(4.90)	3.37	8.96	(3.83)	2.68	7.25
Operating charges	(0.30)	(0.30)	(0.36)	(0.24)	(0.24)	(0.29)
Return after operating charges*	(5.20)	3.07	8.60	(4.07)	2.44	6.96
Distributions**	(1.32)	(1.60)	(3.78)	(1.00)	(1.40)	(3.25)
Retained distributions**	1.32	1.60	3.78	–	–	–
Closing net asset value	85.14	90.34	87.27	66.01	71.08	70.04
*after direct transaction costs of	–	–	–	–	–	–
Performance						
Return after charges (%)	(5.76)	3.52	10.93	(5.73)	3.48	10.49
Other information						
Closing net asset value (£000's)	1,480	1,556	1,629	9,034	11,117	11,871
Closing number of units	1,737,685	1,722,729	1,866,194	13,686,133	15,639,792	16,949,250
Operating charges (%)	0.34	0.34	0.45	0.34	0.34	0.45
Prices						
Highest dealing price	91.77p	93.38p	88.19p	72.20p	74.56p	71.14p
Lowest dealing price	84.56p	83.38p	76.38p	66.12p	66.57p	62.93p

Comparative Table

(continued)

Financial year to 30 September	S Income units ¹		
	2021 pence per unit	2020 pence per unit	2019 pence per unit
Change in net asset value			
Opening net asset value	71.28	70.48	66.86
Return before operating charges*	(3.84)	2.69	7.32
Operating charges	(0.24)	(0.24)	(0.30)
Return after operating charges*	(4.08)	2.45	7.02
Distributions**	(1.12)	(1.65)	(3.40)
Retained distributions**	–	–	–
Closing net asset value	66.08	71.28	70.48
*after direct transaction costs of	–	–	–
Performance			
Return after charges (%)	(5.72)	3.48	10.50
Other information			
Closing net asset value (£000's)	23,165	24,130	28,965
Closing number of units	35,054,084	33,853,270	41,095,553
Operating charges (%)	0.34	0.34	0.45
Prices			
Highest dealing price	72.40p	74.92p	71.69p
Lowest dealing price	66.25p	66.90p	63.45p

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

¹ A Accumulation, A Income and S Income units launched on 15 June 2018.

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 30.9.21	Market Value £000's	% of net assets
Government Bonds 70.01% (72.34%)			
Guernsey 3.80% (4.83%)			
Guernsey Government Bond 3.375% 12/12/2046	1,000,000	1,281	3.80
		1,281	3.80
United Kingdom 66.21% (67.51%)			
UK Treasury 0.5% 22/07/2022	950,000	953	2.83
UK Treasury 5% 07/03/2025	2,600,000	3,000	8.91
UK Treasury 1.25% 22/07/2027	3,050,000	3,151	9.36
UK Treasury 4.25% 07/06/2032	750,000	991	2.94
UK Treasury 4.25% 07/03/2036	1,709,000	2,392	7.10
UK Treasury 1.75% 07/09/2037	800,000	851	2.53
UK Treasury 4.75% 07/12/2038	1,684,192	2,586	7.68
UK Treasury 4.25% 07/12/2040	1,362,000	2,031	6.03
UK Treasury 1.25% 22/10/2041	500,000	489	1.45
UK Treasury 4.25% 07/12/2046	1,195,000	1,918	5.69
UK Treasury 3.75% 22/07/2052	500,000	798	2.37
UK Treasury 4.25% 07/12/2055	1,062,000	1,906	5.66
UK Treasury 1.75% 22/07/2057	1,100,000	1,231	3.66
		22,297	66.21
Government Bonds total		23,578	70.01
Corporate Bonds 22.49% (23.18%)			
Bermuda 1.39% (1.31%)			
Fidelity International 7.125% 13/02/2024	410,000	466	1.39
		466	1.39
Canada 0.00% (2.72%)			
Germany 1.54% (1.45%)			
Deutsche Bahn Finance GMBH 1.875% 13/02/2026	500,000	519	1.54
		519	1.54

	Holding at 30.9.21	Market Value £000's	% of net assets
Netherlands 2.35% (0.00%)			
Deutsche Telekom International Finance 2.5% 10/10/2025	750,000	792	2.35
		792	2.35
United Kingdom 15.17% (15.84%)			
Annington Funding 2.646% 12/07/2025	322,000	336	1.00
Santander UK Group Holdings 3.625% 14/01/2026	750,000	814	2.42
Crh Finance UK FRN 4.125% 02/12/2029	500,000	587	1.74
Network Rail Infrastructure Finance 4.375% 09/12/2030	1,000,000	1,276	3.79
Experian Finance 3.25% 07/04/2032	100,000	111	0.33
Telereal Securitisation 6.165% 10/12/2033	441,500	545	1.62
LCR Finance 4.5% 07/12/2038	500,000	725	2.15
Tesco Property Finance 3 5.744% 13/04/2040	547,894	716	2.12
		5,110	15.17
United States of America 2.04% (1.86%)			
Digital Stout Holding REIT 2.75% 19/07/2024	147,000	154	0.46
AT&T 2.9% 04/12/2026	500,000	533	1.58
		687	2.04
Corporate Bonds total		7,574	22.49
Supranationals 2.62% (2.57%)			
European Investment Bank 0.75% 15/11/2024	193,000	193	0.57
Nordic Investment Bank 5.2% 07/06/2032	500,000	691	2.05
		884	2.62
Supranationals total		884	2.62
Portfolio of investments		32,036	95.12
Net other assets		1,643	4.88
Net assets attributable to unitholders		33,679	100.00

The comparative percentage figures in brackets are as at 30 September 2020.
Unless otherwise stated, all securities are admitted to official stock exchange listings.

Statement of Total Return

For the year ended 30 September 2021

		2021	2020
	Notes	£000's	£000's
Income			
Net capital (losses)/gains	2	(2,511)	880
Revenue	3	514	618
Expenses	4	(119)	(136)
Net revenue before taxation		395	482
Taxation	5	-	-
Net revenue after taxation		395	482
Total return before distributions		(2,116)	1,362
Distributions	6	(543)	(914)
Change in net assets attributable to unitholders from investment activities		(2,659)	448

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30 September 2021

	2021	2020
	£000's	£000's
Opening net assets attributable to unitholders	36,803	42,465
Amounts receivable on issue of units	8,101	4,503
Amounts payable on cancellation of units	(8,600)	(10,654)
	(499)	(6,151)
Dilution adjustment	11	11
Change in net assets attributable to unitholders from investment activities	(2,659)	448
Retained distribution on Accumulation units	23	28
Unclaimed distributions	-	2
Closing net assets attributable to unitholders	33,679	36,803

Balance Sheet

As at 30 September 2021

	2021	2020
Notes	£000's	£000's
Assets		
Investments	32,036	36,099
Current assets		
Debtors	8	272
Cash and bank balances	505	2,150
Total assets	34,233	38,521
Liabilities		
Creditors		
Distributions payable	(132)	(190)
Other creditors	9	(1,528)
Total liabilities	(554)	(1,718)
Net assets attributable to unitholders	33,679	36,803

The Manager's report and accounts for the year ended 30 September 2021 were signed on 14 January 2022 on behalf of the Manager by:

P. Chislett
Directors

P. Truscott

Notes to the Accounts

For the year ended 30 September 2021

1 Accounting policies

Basis of preparation

The applicable accounting policies adopted by SUTL Cazenove Charity Bond Fund are disclosed on page 9.

2 Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2021 £000's	2020 £000's
Non-derivative securities	(2,511)	841
Derivative contracts	-	40
Transaction costs	-	(1)
Net capital (losses)/gains	(2,511)	880

3 Revenue

	2021 £000's	2020 £000's
UK dividends	1	-
Interest on debt securities	513	611
Bank interest	-	6
Net revenue return from derivative contracts	-	1
Total revenue	514	618

4 Expenses

	2021 £000's	2020 £000's
Payable to the Manager, associates of the Manager and agents of either of them:		
Annual management charge	46	120
Schroders Annual Charge ¹	66	-
	112	120
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee's fees	2	4
Safe custody fees	-	1
	2	5
Other expenses:		
Audit fee ¹	5	11
Total expenses	119	136

1 Fees such as the Annual Management Charge, Trustee fee and Audit fee were paid separately to 28 February 2021. From 1 March 2021 these fees were replaced with the Schroders Annual Charge.

2 Audit fees including VAT for the financial year ending 2021 were £10,471 (2020 – £11,320).

5 Taxation

The SUTL Cazenove Charity Bond Fund is a registered charity and its unitholders are restricted to those with charitable status in England and Wales. Investment policy is set in recognition of the charitable restrictions and accordingly the revenue and the net capital gains are exempt from direct taxation in the United Kingdom. Indirect taxation suffered is included in the expenditure to which it relates. The Trustee, J.P.Morgan Europe Limited, arranges for the reclaim of tax on revenue received by the Fund. However, it may not always be possible for overseas tax to be reclaimed.

Quarterly distributions are paid without deduction of tax.

Notes to the Accounts

For the year ended 30 September 2021 (continued)

6 Distributions

The distributions, which are on effective yield basis, take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	2021	2020
	£000's	£000's
Quarterly Interest distribution	142	249
Interim Interest distribution	135	212
Quarterly Interest distribution	133	201
Final Interest distribution	139	197
	549	859
Add: Revenue deducted on cancellation of units	27	98
Deduct: Revenue received on issue of units	(33)	(43)
Distributions	543	914
Net revenue after taxation	395	482
Expenses taken to capital	119	136
Movement in undistributed revenue	29	296
Distributions	543	914

Details of the distributions per unit are set out in the Distribution Tables on pages 52 to 53.

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 Fair value hierarchy disclosures.

	2021		2020	
Basis of valuation	Assets £000's	Liabilities £000's	Assets £000's	Liabilities £000's
Level 1: Quoted prices	22,297	–	27,568	–
Level 2: Observable market data	9,739	–	8,531	–
Level 3: Unobservable data	–	–	–	–
Total	32,036	–	36,099	–

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

	2021	2020
	£000's	£000's
Amounts receivable for issue of units	1,426	2
Accrued revenue	266	270
Total debtors	1,692	272

Notes to the Accounts

For the year ended 30 September 2021 (continued)

9 Other creditors

	2021 £000's	2020 £000's
Amounts payable for cancellation of units	–	1,507
Purchases awaiting settlement	399	–
Accrued expenses	23	21
Total other creditors	422	1,528

10 Contingent liabilities

There were no contingent liabilities at the balance sheet date (2020 – Nil).

11 Related party transactions

The Manager exercises control over the Fund and is therefore a related party by virtue of its controlling influence.

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 paid 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 40.79% (2020 – 55.71%).

12 Unit classes

The Fund currently has three unit classes. Following the introduction of the Schroders Annual Charge on 1 March 2021, as detailed on page 3, the Annual Management Charge from this date is included within the “all in one” fund management fee. Details of the Schroders Annual Charge and the amount for each unit class are disclosed in the Prospectus. Up to 1 March 2021, the Annual Management Charge was based on the average value of the Fund, calculated on a daily basis, and covered the remuneration of the Manager, the Investment Adviser and their overhead expenses and for each unit class was as follows:

A Accumulation units	0.30%
A Income units	0.30%
S Income units	0.30%

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 43 to 44.

The distributions per unit class are given in the Distribution Tables on pages 52 to 53.

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, credit 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.

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.

Credit risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Notes to the Accounts

For the year ended 30 September 2021 (continued)

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.

The Fund may invest in fixed and floating rate securities. The revenue of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the Manager being unable to secure similar returns on the expiry of contracts or sale of securities.

The value of interest bearing securities may be affected by interest rate movements or the expectation of such movements in the future.

Interest receivable on bank deposits positions will be affected by fluctuations in interest rates.

Interest rate risk profile of financial assets and financial liabilities

The interest rate risk profile of financial assets and financial liabilities at the balance sheet date was as follows:

Currency	2021				2020			
	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's	Floating rate financial assets £000's	Fixed rate financial assets £000's	Financial assets not carrying interest £000's	Total £000's
Sterling	505	32,036	1,692	34,233	3,152	35,097	272	38,521

Currency	2021				2020			
	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's	Floating rate financial liabilities £000's	Fixed rate financial liabilities £000's	Financial liabilities not carrying interest £000's	Total £000's
Sterling	-	-	554	554	-	-	1,718	1,718

There are no material amounts of non-interest bearing financial assets which do not have a maturity date.

Floating rate financial assets and financial liabilities

Sterling denominated bank balances bear interest at rates based on the Sterling Overnight Index Average Rate. Foreign currency bank balances bear interest at rates based on the London Interbank Offer Rate or its international equivalent.

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.

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 30 September 2021 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

2021				2020			
Lowest	Highest	Average	Leverage 30 September	Lowest	Highest	Average	Leverage 30 September
0.00%	0.00%	0.00%	0.00%	0.00%	4.13%	0.40%	0.00%

Notes to the Accounts

For the year ended 30 September 2021 (continued)

14 Debt security credit analysis

	2021 £000's	2020 £000's
Investment grade securities	32,036	36,099
Total debt securities	32,036	36,099

15 Direct transaction costs

No transaction costs on the purchase or sale of investments were incurred by the Fund during the year or prior year. The total purchases for the year amounted to £5,256,243 (2020 – £1,698,184) and the total sales amounted to £6,359,342 (2020 – £7,809,938).

Average portfolio dealing spread

As at the balance sheet date the average portfolio dealing spread was 0.16% (2020 – 0.21%).

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.

16 Units in issue reconciliation

	Number of units in issue 30.9.20	Number of units issued	Number of units cancelled	Number of units converted	Number of units in issue 30.9.21
A Accumulation units	1,722,729	–	(3,939)	18,895	1,737,685
A Income units	15,639,792	–	(1,929,381)	(24,278)	13,686,133
S Income units	33,853,270	11,833,293	(10,632,479)	–	35,054,084

17 Non-adjusting post balance sheet events

As a result of market movements and foreign exchange rates, since the balance sheet date on 30 September 2021, the price of each unit class has changed as follows:

	Dealing price 11.1.22	Dealing price 30.9.21	% change
A Accumulation units	84.96p	85.54p	(0.68)
A Income units	65.62p	66.57p	(1.43)
S Income units	65.66p	66.68p	(1.53)

Distribution Tables

Quarterly distribution for the three months ended 31 December 2020

Group 1 Units purchased prior to 1 October 2020

Group 2 Units purchased on or after 1 October 2020

	Net revenue 2020 per unit	Equalisation 2020 per unit	Distribution paid 28.2.21 per unit	Distribution paid 29.2.20 per unit
A Accumulation units				
Group 1	0.2800p	–	0.2800p	0.4000p
Group 2	0.2800p	–	0.2800p	0.4000p
A Income units				
Group 1	0.2500p	–	0.2500p	0.3500p
Group 2	0.2500p	–	0.2500p	0.3500p
S Income units				
Group 1	0.2800p	–	0.2800p	0.4500p
Group 2	–	0.2800p	0.2800p	0.4500p

Interim distribution for the three months ended 31 March 2021

Group 1 Units purchased prior to 1 January 2021

Group 2 Units purchased on or after 1 January 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.5.21 per unit	Distribution paid 31.5.20 per unit
A Accumulation units				
Group 1	0.2800p	–	0.2800p	0.4000p
Group 2	0.2800p	–	0.2800p	0.4000p
A Income units				
Group 1	0.2500p	–	0.2500p	0.3500p
Group 2	0.2500p	–	0.2500p	0.3500p
S Income units				
Group 1	0.2800p	–	0.2800p	0.4000p
Group 2	0.0493p	0.2307p	0.2800p	0.4000p

Quarterly distribution for the three months ended 30 June 2021

Group 1 Units purchased prior to 1 April 2021

Group 2 Units purchased on or after 1 April 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.8.21 per unit	Distribution paid 31.8.20 per unit
A Accumulation units				
Group 1	0.3800p	–	0.3800p	0.4000p
Group 2	0.3800p	–	0.3800p	0.4000p
A Income units				
Group 1	0.2500p	–	0.2500p	0.3500p
Group 2	0.2500p	–	0.2500p	0.3500p

Distribution Tables

(continued)

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution paid 31.8.21 per unit	Distribution paid 31.8.20 per unit
S Income units				
Group 1	0.2800p	–	0.2800p	0.4000p
Group 2	0.0686p	0.2114p	0.2800p	0.4000p

Final distribution for the three months ended 30 September 2021

Group 1 Units purchased prior to 1 July 2021

Group 2 Units purchased on or after 1 July 2021

	Net revenue 2021 per unit	Equalisation 2021 per unit	Distribution payable 30.11.21 per unit	Distribution paid 30.11.20 per unit
A Accumulation units				
Group 1	0.3800p	–	0.3800p	0.4000p
Group 2	0.3800p	–	0.3800p	0.4000p
A Income units				
Group 1	0.2500p	–	0.2500p	0.3500p
Group 2	0.2500p	–	0.2500p	0.3500p
S Income units				
Group 1	0.2800p	–	0.2800p	0.4000p
Group 2	–	0.2800p	0.2800p	0.4000p

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 2020

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 75 to 102 of the 2020 Annual Report & Accounts (available on the Group's website –<https://www.schroders.com/en/investor-relations/results-and-reports/annual-report-and-accounts-2020/>), 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, for reviewing its general principles at least annually, for overseeing its implementation and for ensuring compliance with relevant local legislation and regulation. During 2020 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 a range of more minor recommendations, principally improvements to process and policy documentation.

The total spend on remuneration is determined based on a profit share ratio, measuring variable remuneration charge against pre-bonus profit, and from a total compensation ratio, measuring total remuneration expense against net income. This ensures that the interests of employees are aligned 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 2020.
- 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 151 UCITS MRTs of SUTL in respect of the financial year ended 31 December 2020 is £107.41 million, of which £40.88 million was paid to senior management, and £66.53 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 www.schroders.com/rem-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 by the Prudential Regulation Authority and regulated
by the Financial Conduct Authority and Prudential Regulation Authority

Advisory Committee

M. Pomery (Chairman)
C. Brown
D. Gibbons
R.E. Hills
C. Fraser
J. Brooke Turner

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

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' 30 June.

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.

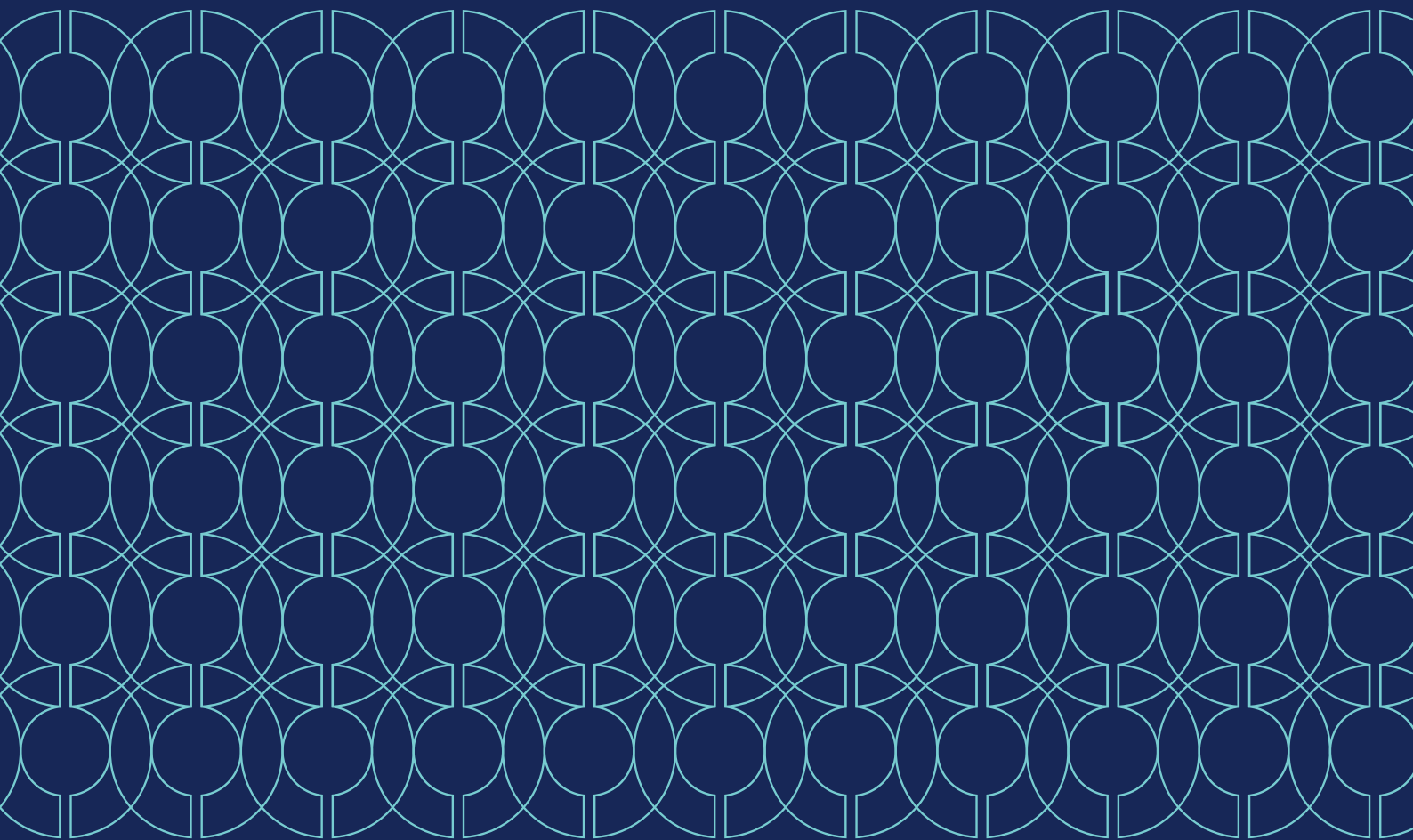
Administration Details

Schroders Investor Services
PO BOX 1402
Sunderland
SR43 4AF

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

**The SUTL Cazenove Charity UCITS Fund is a registered charity.
Its registered number is 1178343**



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.

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