

RIVER AND MERCANTILE

**ES Dynamic Asset Allocation Fund
(sub-fund of ES River and Mercantile Funds ICVC)
Termination Accounts**

For the period ended 27 March 2023

ES Dynamic Asset Allocation Fund

Authorised Corporate Director's Report

Report

ES Dynamic Asset Allocation Fund changed Investment Manager from River and Mercantile Investments Limited to Schroders IS Limited on 1 February 2022. Schroders IS Limited advised of their intention to terminate on 22 April 2022 as they did not believe the sub-fund formed part of their ongoing strategy. There was no impact on any other sub-fund within the ES River and Mercantile Funds ICVC.

The FCA approved the proposal on 25 July 2022.

The Shareholders were notified in a letter dated 29 July 2022 of the termination of the ES Dynamic Asset Allocation Fund (the Fund), which is a Sub-Fund of the ES River & Mercantile ICVC. The termination would take effect on 31 August 2022 (the Effective Date) when dealings of the Fund would be suspended.

The Shareholders were asked to consider 2 options: redeeming their holdings or switching their investment into another ES River & Mercantile fund.

If they took no action before the effective date, the procedure explained below would commence and, from that point, they would not be able to deal in shares of the Fund.

Dealing in the shares of the Fund ceased at 12 noon on the Effective Date. Where no instructions to redeem or switch holdings prior to this time were received, shares were redeemed at the price calculated at 12 noon on the Effective Date.

After the Fund is terminated any cash remaining within the Fund will be paid to shareholders who were invested in the Fund on the Effective Date. If there were to be a cash shortfall, this would be covered by Equity Trustees Fund Services. Following the Fund's termination, there will be no further accumulations of income.

In accordance with regulations 7.3.7 and 7.3.8 of the Collective Investment Schemes Sourcebook (COLL) the Manager is required to prepare a Termination Account for the Fund showing how the termination has been conducted and how the scheme property of the Fund has been disposed of.

In preparing this Termination Account, the Manager is required to make judgements and estimates that are reasonable and prudent; select suitable accounting policies and apply them consistently; follow generally accepted accounting principles and applicable accounting standards, and to comply with the requirements of the Prospectus and the relevant regulations.

This report constitutes an account of the Fund's termination as required by regulation 7.3.7 and 7.3.8 of the COLL. This is the Termination Account; no further accounts will be prepared.

ACD's responsibility

The Authorised Corporate Director ("the ACD") of the Fund is responsible for preparing the Annual Report and the Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Authority's Collective Investment Schemes' Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the Financial Statements comply with the applicable IMA SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ES Dynamic Asset Allocation Fund

Independent Auditors' Report

We report in respect of the termination account (the "Account") of the ES Dynamic Asset Allocation Fund (the "Fund"), a sub-fund of ES River and Mercantile Funds ICVC (the "Company").

Respective responsibilities of the Authorised Corporate Director and auditors

The Authorised Corporate Director is responsible for preparing an Account of the Fund's Termination for the period ended 27 March 2023 showing how the termination has been conducted and how the scheme property has been disposed of.

This report, including the opinion, has been prepared for and only for the Authorised Corporate Director of the Company in accordance with regulation 7.3.8 of the Collective Investment Schemes sourcebook ("the COLL") and for no other purpose. We do not, in giving this opinion, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which our report or opinion may be used, or to any other person to whom our report is shown or in to whose hands it may come, and no other persons shall be entitled to rely on our opinion save where they have obtained our prior written consent that they may do so.

We report to you whether, in our opinion, the Account of the Fund's Termination has been properly prepared by the Authorised Corporate Director for the purpose of regulation 7.3.8 of the COLL.

Scope

We have examined the Account of the Fund's Termination in accordance with regulation 7.3.8 of the COLL.

Our work for the purposes of this engagement is substantially less in scope than an audit in accordance with international Standards on Auditing (UK) and therefore provides a lower level of assurance than an audit. It consists principally of tests of transactions, the verification of assets and liabilities and making enquiries of the Authorised Corporate Director and the administrator.

Our examination is not designed to and therefore cannot be relied upon to disclose any irregularity including fraud and non-compliance with all relevant laws and regulations or reveal weaknesses in internal controls, errors in accounting records, misstatement in management estimates or other matters which may be revealed if we conducted an audit in accordance with International Standards on Auditing (UK).

There is no assurance that our examination will reveal all matters of significance relating to the Account of the Fund's Termination.

Basis of opinion

We have examined, on a test basis, evidence relevant to the disposition of the scheme property in order to provide us with reasonable assurance that the Account of the Fund's Termination has been properly prepared. Our work included obtaining all the information and explanations which we considered necessary for the purposes of our report.

Opinion

In our opinion, the Account of the Fund's Termination has been properly prepared for the purpose of regulation 7.3.8 of the COLL.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
21 June 2023

ES Dynamic Asset Allocation Fund

For the period from 31 August 2022 to 27 March 2023

The Collective Investment Schemes Sourcebook, as issued and amended by the Financial Conduct Authority, requires the Authorised Corporate Director ("ACD") to, as soon as practicable after the termination has commenced, cause the scheme's property to be realised and its liabilities to be met out of the proceeds from the disposal of the scheme's property. Once the termination has been completed, the ACD must prepare an account of the termination showing how this has been conducted and how the scheme's property has been appropriately disposed of.

The scheme's property on 31 August 2022 has since been realised and the proceeds have been paid to its former shareholders. All shares of the Company have been cancelled.

The account for the termination of the ES Dynamic Asset Allocation Fund is shown below.

For the period from 31 August 2022 to 27 March 2023

Fund year end:	31 March 2022
Termination date:	27 March 2023
Last normal valuation point (VP):	31 August 2022
	£'000
Net assets as at 31 August 2022	28,950
Expropriation paid out	(28,950)
Retained Sum	—
Net operating revenue since last valuation point	18
Amounts available to be transferred	(18)
Assets at completion of termination	—

In accordance with the requirements of the COLL Sourcebook as issued and amended by the FCA, I hereby certify the Termination Account on behalf of Equity Trustees Funds Services Ltd, the ACD.



James Gardner

Director - UK

For and on behalf of Equity Trustees Fund Services Ltd

Authorised Corporate Director

Date: 21 June 2023