

# Assessment of Value

## EF Brunswick Portfolio Fund

Incorporating sub-funds

EF Brunswick Diversified Portfolio Fund

EF Brunswick Growth Portfolio Fund

Period ending: 28th February 2023



## **WAY Fund Managers Limited & Brunswick Investment Management Limited**

WAY Fund Managers (WFM), as the Authorised Fund Manager (AFM) offers an independent fund structuring and fund operation facility to regulated asset management professionals such as investment managers, wealth managers, IFAs, stockbroking firms and other financial institutions, who are looking to establish new, or maintain existing, regulated collective investment schemes in the UK.

WFM's flexible approach is built around a solid core operating model which allows it to adapt its service offering and level of interaction to meet the business needs of its professional clients and in turn, its mutual investors.

WFM, as AFM to the EF Brunswick Portfolio Fund, acts with Brunswick Investment Management Limited ('Brunswick'), the Sponsor and appointed investment adviser of the sub-funds EF Brunswick Diversified Portfolio Fund and EF Brunswick Growth Portfolio Fund (both hereinafter referred to as the 'Fund' under their respective sections in this document), as joint manufacturer.



### **Assessment of Value-an overview**

The assessment of value (AoV) is undertaken annually by WFM to determine whether the payments taken for each class of shares or units of a fund or a sub-fund, are justified in the context of the overall service and value delivered to investors, taking into consideration regulation and guidance from the FCA.

WFM's Product Governance Committee carries out the initial assessment of a fund/sub-fund taking into consideration the 'Value Factors' detailed below. This assessment is then passed to WFM's independent non-executive directors (iNEDs) for scrutiny and agreement, ensuring that the outcome reflects a clear and fair assessment. A final review is carried out by the WFM Board before publication.

### **Outcome of the Assessment**



To provide a clear presentation of the value assessment outcomes in this report, WFM has adopted the grading method that the wider industry uses for sharing with distributors and intermediaries. This involves using two possible outcomes. To make these outcomes easier to read at the end of the values section in this report, you will find a table for each /sub-fund and share class.


	Charges are justified based on assessment and any action identified or, where the first assessment is not yet due, based on initial product design.
	Charges are not justified; significant action is required.


For each share or unit class, WFM uses a green (justified)/red (not justified) signal for each of the Value Factors, to indicate whether it believes the charges are justified in the context of the overall service and value delivered to investors.


## **Value factors that contribute to our assessment of value**


WFM considers, but is not limited to considering, the following value factors for each class of shares within each fund or sub-fund:



	<b>The range of services provided to investors by the Sponsor</b>	<p>Brunswick offers Investors a blended Investment solution which delivers exceptional accuracy in relation to risk and return, by managing two regionally diversified multi asset unitised portfolios at different ends of the risk spectrum. The building blocks for Brunswick's investment suite are two unitised portfolios, managed to be used as complete solutions but also as two halves of the complete suite. The benefits of managing investor risk in this fashion is an accuracy which is hard to replicate in multiple funds.</p> <p>Utilising Discretionary permissions, 'The Brunswick Investment Solution' uses the EF Brunswick Diversified Portfolio and EF Brunswick Growth Portfolio Funds with the Brunswick Investment managers who rebalance the two funds regularly to keep investors within their tolerances, manage CGT and personal allowances and offer an Income Solution, if required, with absolutely no further charges levied other than those incurred by the relevant fund share class. Drawing a line from the EF Brunswick Diversified Portfolio Fund to the EF Brunswick Growth Portfolio Fund, investors can choose whereabouts on the line they wish to invest in relation to risk and potential return. Once invested, dedicated Portfolio Managers within Brunswick's Investment Team will manage the portfolio diligently maintaining the risk profile within tolerances and managing investor needs.</p> <p>More information in regard to experience and services offered by Brunswick can be found on its website at <a href="https://www.brunswickim.com/">https://www.brunswickim.com/</a>.</p>
	<b>Investor Service &amp; Fund Governance from the AFM</b>	<p>As the AFM, WFM is responsible for overseeing any third-party that provides services to its funds/sub-funds. Being based in Wimborne, Dorset allows WFM's operating costs to typically be lower than a London-based organisation and, as a smaller business, WFM has built strong relationships with its third-party service providers. This allows WFM to nimbly exchange expertise and business development ideas for the benefit of investors and to provide a good quality personal service. The Wimborne-based Transfer Agency was originally developed by WFM specifically for its own funds/sub-funds and that close relationship continues, with a dedicated team all experienced in the understanding of the full WFM fund range and typical investor requirements. The Wimborne office also provides in-house corporate governance and oversight expertise in investment, product, compliance, risk, and other operational arrangements.</p>

	<p><b>Comparable Services</b></p>	<p>WFM provides a similar range of services across its entire fund range. This means WFM adheres to all applicable financial regulations in the UK and provides the information and dealing services that its investors need. WFM's added value is its customer service and WFM prides itself on high quality personal service compared to other institutions. Charging structures may vary between funds/sub-funds, because the size, investment nature and risk can vary between different funds/sub-funds, depending on its investment objective(s) and policy. However, WFM endeavours to ensure that the ongoing fees paid by a fund/sub-fund are similar to those paid by other comparable funds/sub-funds in its range. Unit/Shareholders can compare the charges across WFM's fund range at: <a href="https://www.wayfunds.com/Funds/FundChargesandCosts">https://www.wayfunds.com/Funds/FundChargesandCosts</a></p>
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	<p><b>Economies of Scale</b></p>	<p>WFM has used its overall asset base to negotiate the best possible terms available with its current outsourced service providers, for the benefit of its entire fund range. Service arrangements are reviewed on an ongoing basis and WFM negotiates fee rates on an appropriate sliding scale, with lower percentage fees applying as the /sub-funds reach certain sizes, ensuring all benefits of economies of scale are applied directly to the funds/sub-funds and their investors. This means that as a /sub-fund grows, it benefits from the improved economies of scale. Certain services may have fixed or minimum fees, which are applied to each individual fund/sub-fund. WFM seeks to ensure that each fund/sub-fund offers value to investors and is viable considering the impact of any fixed or minimum fees.</p>
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	<p><b>Performance of a fund/ sub-fund</b></p>	<p>WFM assesses the value represented by the investment performance achieved by a fund/sub-fund after charges, at the end of each annual review period, taking into consideration the sub-fund's investment objective(s), its policy, its benchmark, its recommended holding period and, where relevant, its relative exposure to investment risk to achieve this. If a fund/sub-fund has been assessed as 'Charges are not justified', WFM will provide a table of the relevant period's performance data for the fund/sub-fund, together with any explanation or proposed action, later in this report for further information.</p>
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	<p><b>The Cost of Investing</b></p>	<p>All expenses and general disbursements paid by a fund/sub-fund, such as the annual management charge, the cost of any investment advisory services, regulatory reporting, accounting, transfer agency, platform services, depositary and custody services, together with the synthetic cost arising where investment is made into any underlying funds are reflected in the ongoing charges figure ("OCF"). The cost of investing may be different depending upon the share or unit class selected.</p>
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	<p><b>Classes of shares or units available</b></p>	<p>Each fund/sub-fund may have a number of unit/share classes, each with different characteristics and charging structures, to cater for the ways in which they may have been previously, or are currently, offered and are determined by the fund's/sub-fund's Sponsor. The selection of the appropriate unit/share class is made by investors or their financial advisers. During this assessment WFM will review each of the unit/share classes across a fund/sub-fund to ensure, as far as WFM reasonably can, that unit/shareholders are in the correct unit/share class given the size of their holding. However, WFM is unable to determine whether one unit/share class is more suitable for an individual investor than another. A table setting out the characteristics of each unit/share class is provided later in this report.</p>
	<p><b>Comparable Market Rates</b></p>	<p>Given the confidential nature of commercial arrangements, it is not possible to objectively compare the rates that WFM is paying for its services against its competitors. As described above not all unit/share classes can be comparable to each other across different funds/sub-funds. However, all funds/sub-funds have a "primary" unit/share class registered with the Investment Association. WFM has, therefore, used the primary unit/share class in its assessment. Using data supplied to FE Fund Analytics by AFMs for publication, WFM can compare funds/sub-funds of a similar size, structure and Investment Association Sector for an average investment cost. It should be noted that this section is based on the total charges incurred and includes the asset transaction costs charged to the fund/sub-fund, which are not included in the OCF calculation. The table included later in this report showing the costs of investing in a fund/sub-fund also includes this comparison data, which is how it is considered in this assessment.</p>

# EF Brunswick Diversified Portfolio Fund

The objective of the Fund is to achieve a total positive return in all market conditions, over a rolling period of 3 years, through investment in a diversified portfolio of transferable securities (including investment trusts), collective investment schemes, warrants, cash or near cash, deposits, money market instruments and derivatives.

Share/Unit Class	ISIN	Overall Share Class Rating	AFM Investor Service & Governance	Comparable Services	Economies of Scale	Performance of the Sub-Fund	Cost of Investing	Share/Unit classes Available	Comparable Market Rates
B Accumulation	GB00B16ZKG13	●	●	●	●	●	●	●	●
C Accumulation	GB00B8HD8H09	●	●	●	●	●	●	●	●

## Summary of Grading: ●

The Fund has met its objective and reduced its fees in January 2023 to support the continued provision of value to its investors. WFM has determined that the Fund is providing value to its individual investors and the charges taken are justified in the context of the overall service and value delivered to investors.

### Performance

*The Fund has met its objective of total positive return against the IA Mixed Investment 20-60% Shares Sector average over a 3-year rolling period. The primary class (B) has returned performance above its Investment Association ('IA') Sector benchmark, also absorbing market volatility. The C class performance is very slightly below the IA sector benchmark.*

### Classes of shares/units

*WFM endeavours to ensure that all shareholders are in the most appropriate share classes. However, the selection of share class is driven by the investor's choice, the investor's financial adviser and the distribution channel.*

Share Class	Sponsor Distribution Channel	Investor Channel
B Acc	Primary Share Class	The primary share class open to all investors
C Acc	Discretionary management/Platforms	The share class is restricted to authorised channels only and not open to new investment.

### The Cost of Investing

*WFM considered both the performance return and the above information during its assessment. In relation to this section of the review, WFM has assessed that the Fund is providing value to all of its investors.*

### Comparable Market Rates

*When comparing the charges to other funds of funds in the same IA sector, of the same size and structure, the charges are higher. However, the Sponsor and WFM reduced their fees in January 2023 and the Fund continues to perform well. WFM has determined that the Fund is providing value to its investors.*

**Quality of Service**

*A good level of service is provided to shareholders by all parties involved and is commensurate with the amounts paid by the Fund for those services. WFM has, therefore, determined that the Fund provides value to its investors.*

**Comparable Services**

*All investors are provided with the same services by WFM, and the Fund has the same direct service providers across the WFM fund range.*

**Economies of Scale**

*Any available savings from economies of scale obtained by WFM, or the Fund are passed on to investors.*



# EF Brunswick Growth Portfolio Fund

The objective of the Fund is to achieve a total positive return in all market conditions, over a rolling period of 3 years, through investment in a diversified portfolio of transferable securities (including investment trusts), collective investment schemes, warrants, cash or near cash, deposits, money market instruments and derivatives.

Share/Unit Class	ISIN	Overall Share Class Rating	AFM Investor Service & Governance	Comparable Services	Economies of Scale	Performance of the Sub-Fund	Cost of Investing	Share/Unit classes Available	Comparable Market Rates
B Accumulation	GB00B3MFZ081	●	●	●	●	●	●	●	●
C Accumulation	GB00B9C67D02	●	●	●	●	●	●	●	●

## Summary of Grading: ●

The Fund has met its objective and reduced its fees in January 2023 to support the continued provision of value to its investors. WFM has determined that the Fund is providing value to its individual investors and the charges taken are justified in the context of the overall service and value delivered to investors.

### Performance

*The Fund has met its objective of total positive return against the IA Flexible Investment Sector average over a 3-year rolling period, with the B class performance above the IA Sector and the C class running on a par with it.*

### Classes of shares/units

*WFM endeavours to ensure that all shareholders are in the most appropriate share classes. However, the selection of share class is driven by the investor's choice, the investor's financial adviser and the distribution channel.*

Share Class	Sponsor Distribution Channel	Investor Channel
B Acc	Primary Share Class	The primary share class open to all investors
C Acc	Discretionary management/Platforms	The share class is restricted to authorised channels only and not open to new investment.

### The Cost of Investing

*WFM considered both the performance return and the above information during its assessment. In relation to this section of the review, WFM has assessed that the Fund is providing value to all of its investors.*

### Comparable Market Rates

*When comparing the charges to other funds of funds in the same IA sector, of the same size and structure, the charges are higher. However, the Sponsor and WFM reduced their fees in January 2023 and the Fund continues to perform well. WFM has determined that the Fund is providing value to its investors.*

**Quality of Service**

*A good level of service is provided to shareholders by all parties involved and is commensurate with the amounts paid by the Fund for those services. WFM has, therefore, determined that the Fund provides value to its investors.*

**Comparable Services**

*All investors are provided with the same services by WFM, and the Fund has the same direct service providers across the WFM fund range.*

**Economies of Scale**

*Any available savings from economies of scale obtained by WFM, or the Fund are passed on to investors.*