



BROWN ADVISORY FUNDS PLC

**(A company incorporated with limited liability as an
open-ended investment company with variable
capital under the laws of Ireland)**

**Brown Advisory US Equity Value Fund
Brown Advisory US Smaller Companies Fund
Brown Advisory American Fund
Brown Advisory US Equity Growth Fund
Brown Advisory American SRI Fund
Brown Advisory US Small Cap Blend Fund**

**Annual Report and Audited Financial Statements
For the Year ended 31st October, 2013**

TABLE OF CONTENTS

	Page
GENERAL INFORMATION	2
DIRECTORS' REPORT	6
REPORT OF THE CUSTODIAN TO THE SHAREHOLDERS	11
INVESTMENT MANAGER'S REPORT	
-BROWN ADVISORY US EQUITY VALUE FUND	12
-BROWN ADVISORY US SMALLER COMPANIES FUND	13
-BROWN ADVISORY AMERICAN FUND	15
-BROWN ADVISORY US EQUITY GROWTH FUND	17
-BROWN ADVISORY AMERICAN SRI FUND	18
-BROWN ADVISORY US SMALL CAP BLEND FUND	20
INDEPENDENT AUDITOR'S REPORT	21
STATEMENT OF INVESTMENTS	
-BROWN ADVISORY US EQUITY VALUE FUND	22
-BROWN ADVISORY US SMALLER COMPANIES FUND	24
-BROWN ADVISORY AMERICAN FUND	26
-BROWN ADVISORY US EQUITY GROWTH FUND	30
-BROWN ADVISORY AMERICAN SRI FUND	33
-BROWN ADVISORY US SMALL CAP BLEND FUND	36
STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)	
-BROWN ADVISORY US EQUITY VALUE FUND	39
-BROWN ADVISORY US SMALLER COMPANIES FUND	41
-BROWN ADVISORY AMERICAN FUND	44
-BROWN ADVISORY US EQUITY GROWTH FUND	46
-BROWN ADVISORY AMERICAN SRI FUND	48
-BROWN ADVISORY US SMALL CAP BLEND FUND	50
BALANCE SHEET	52
PROFIT AND LOSS ACCOUNT	58
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	60
NOTES TO THE FINANCIAL STATEMENTS	62
APPENDIX 1	96
APPENDIX 2	97
MANAGEMENT AND ADMINISTRATION	98

GENERAL INFORMATION

The following information is derived from and should be read in conjunction with the full text and definitions section of the Prospectus.

Brown Advisory Funds plc (the “Company”), was incorporated in Ireland on 11th October, 2005 and is an umbrella fund established as an open-ended investment company with segregated liability between sub-funds and with variable capital under the laws of Ireland as a public limited company pursuant to the European Communities (Undertaking for Collective Investments in Transferable Securities) Regulations, 2011 (as amended) (the “UCITS Regulations”) and any regulations made thereunder.

At 31st October, 2013 the Company comprised six separate portfolios of investments (“Funds”), each of which is represented by a separate series of Redeemable Participating Shares. These Funds are the Brown Advisory US Equity Value Fund which commenced operations on 9th February, 2006, the Brown Advisory US Smaller Companies Fund which commenced operations on 9th November, 2007, the Brown Advisory American Fund which commenced operations on 9th May, 2008, the Brown Advisory US Equity Growth Fund which commenced operations on 2nd November, 2009, the Brown Advisory American SRI Fund which commenced operations on 23rd May, 2011 and the Brown Advisory US Small Cap Blend Fund which commenced operations on 8th July, 2013.

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

The Company offered the following Share Classes in each of the Funds at year end:

Fund	Share Class	Launch Date	Launch Price
Brown Advisory US Equity Value Fund	Sterling Class A	9th February, 2006	STG£10.00
	Dollar Class A	4th May, 2006	US\$10.00
	Dollar Class B	24th July, 2007	US\$10.00
	Sterling Class B	9th May, 2008	STG£10.00
	Sterling Class B Hedged	6th October, 2009	STG£10.00
	Euro Class B	30th September, 2010	EUR€10.00
Brown Advisory US Smaller Companies Fund	Dollar Class B	9th November, 2007	US\$10.00
	Dollar Class A	14th December, 2007	US\$10.00
	Dollar Class C	27th March, 2013	US\$10.00
Brown Advisory American Fund	Dollar Class B	9th May, 2008	US\$10.00
	Sterling Class A	23rd February, 2009	STG£10.00
	Dollar Class A	2nd March, 2010	US\$10.00
	Euro Class B	20th April, 2010	EUR€10.00
	Sterling Class B	22nd April, 2010	STG£10.00
	Euro Class A Hedged	22nd October, 2010	EUR€10.00
	Sterling Class B Hedged	18th January, 2011	STG£10.00
	Dollar Class P	30th March, 2012	US\$10.00
Brown Advisory US Equity Growth Fund	Dollar Class B (Distributing)	1st November, 2010	US\$10.00
	Dollar Class A	29th June, 2009	US\$10.00
	Euro Class A Hedged	4th August, 2009	EUR€10.00
	Euro Class B	20th September, 2009	EUR€10.00
	Sterling Class A Hedged	17th June, 2011	STG£10.00
	Sterling Class B Hedged	17th June, 2011	STG£10.00
	Euro Class P Hedged	24th October, 2011	EUR€10.00
	Dollar Class P	6th February, 2012	US\$10.00
	Dollar Class B (Accumulating)	22nd April, 2013	US\$10.00

GENERAL INFORMATION (continued)

Fund	Share Class	Launch Date	Launch Price
Brown Advisory American SRI Fund	Dollar Class B	24th May, 2011	US\$10.00
	Dollar Class A	12th July, 2011	US\$10.00
Brown Advisory US Small Cap Blend Fund	Dollar Class B	8th July, 2013	US\$10.00

Brown Advisory US Equity Value Fund

The investment objective of the Brown Advisory US Equity Value Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by combining a highly disciplined approach to securities valuation with an emphasis on companies with attractive underlying fundamentals. The Fund invests in mid-size and large companies that are fundamentally solid, financially sound, have a demonstrable record of self-funded growth, generally with market capitalisations above US\$2 billion, are led by capable, shareholder-sensitive management, and which are listed or traded on the US markets and exchanges as listed in Appendix I of the Prospectus. The Fund may also invest in US Rule 144A Securities, American Depositary Receipts (“ADRs”), US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets, subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

The Fund utilised financial derivative instruments during the year.

Brown Advisory US Smaller Companies Fund

The investment objective of the Brown Advisory US Smaller Companies Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by investing at least 80% of its net assets in equity securities of small US companies. The Fund seeks to invest primarily in small companies with above average growth prospects that are listed or traded on the US markets and exchanges as listed in Appendix I of the Prospectus. Small companies are companies whose market capitalisations are equal to or less than US\$5 billion at the time the Fund purchases the issuer’s securities. The Fund may invest in US Rule 144A Securities, ADRs, US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

Brown Advisory American Fund

The investment objective of the Brown Advisory American Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by investing in small, medium and large-sized companies that are fundamentally solid, financially sound, have a demonstrable record of self-funded growth, are led by capable, shareholder-sensitive management, have strong sustainable earnings prospects and attractive stock prices, and which are listed or traded on the US markets and other exchanges as listed in Appendix I of the Prospectus. The Fund may also invest in US Rule 144A Securities, ADRs, US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

The Fund utilised financial derivative instruments during the year.

GENERAL INFORMATION (continued)

Brown Advisory US Equity Growth Fund

The investment objective of the Brown Advisory US Equity Growth Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by investing in medium and large-sized companies that have high, sustainable earnings prospects along with attractive valuations, and which are listed or traded on the US markets and exchanges as listed in Appendix I of the Prospectus. The Fund may also invest in US Rule 144A Securities, ADRs, US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

The Fund utilised financial derivative instruments during the year.

Brown Advisory American SRI Fund

The investment objective of the Brown Advisory American SRI Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by investing in small, medium and large-sized companies that are fundamentally solid, financially sound, have a demonstrable record of self-funded growth, are led by capable, shareholder-sensitive management, have strong sustainable earnings prospects and attractive stock prices, and which are listed or traded on the US markets and other exchanges as listed in Appendix I of the Prospectus. The Fund may also invest in US Rule 144A Securities, ADRs, US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

The Fund is managed in accordance with socially responsible investment guidelines which restrict investments to: (i) companies which adhere to principles covered by declarations and conventions signed by the international community; and (ii) companies where revenues derived from various activities are *de minimis*.

Brown Advisory US Small Cap Blend Fund

The investment objective of the Brown Advisory US Small Cap Blend Fund (the “Fund”) is to achieve capital appreciation by investing primarily in US equities.

The Fund aims to achieve its investment objective by investing at least 80% of its net assets in equity securities of small US companies. The Fund seeks to invest primarily in small companies with above average growth prospects that are listed or traded on the US markets and exchanges as listed in Appendix I of the Prospectus. Small companies are companies whose market capitalisations are equal to or less than US\$5 billion at the time the Fund purchases the issuer’s securities. The Fund may invest in US Rule 144A Securities, ADRs, US treasury bills, fixed and/or floating rate US government securities and hold ancillary liquid assets subject to the limits set out in the Prospectus.

The Fund’s investments are concentrated in US equity securities and accordingly the Fund is more vulnerable to economic, political, regulatory or other developments in the US than a more diversified portfolio would be.

Dividend Policy

The Articles of Association empower the Directors to declare dividends out of the profits of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund. The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant fund. A Shareholder may require the Company instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same.

GENERAL INFORMATION (continued)

Dividend Policy (continued)

For UK taxpayers to benefit from capital gains tax treatment on the disposal of their holdings of Shares, that share class must be certified as a “reporting fund”. Very broadly, a share class must report all its income to investors each year in order to continue to be certified as a “reporting fund”.

Each share class is an “offshore fund” for the purposes of the UK Offshore Funds (Tax) Regulations 2009 (SI 2009/3001). Under these regulations, the basic position is that any gain arising on the sale, redemption or other disposal of shares in an offshore fund held by persons who are resident or ordinarily resident in the UK for tax purposes will be taxed at the time of that sale, disposal or redemption as income and not as a capital gain. This income tax treatment does not apply, however, where a share class is certified by HMRC as a “reporting fund” (and, where relevant, a “distributing fund” (the predecessor to the reporting fund regime)) throughout the period during which the investor holds the shares. The following share classes have been granted “reporting fund” status by the HM Revenue and Customs with effect from the following dates:

1st November, 2010

Brown Advisory US Equity Value Sterling Class A	Brown Advisory American Dollar Class B
Brown Advisory US Equity Value Dollar Class A	Brown Advisory American Sterling Class A
Brown Advisory US Equity Value Dollar Class B	Brown Advisory American Dollar Class A
Brown Advisory US Equity Value Sterling Class B	Brown Advisory American Sterling Class B
Brown Advisory US Equity Value Sterling Class B Hedged	Brown Advisory US Equity Growth Dollar Class B
Brown Advisory US Equity Value Euro Class B	Brown Advisory US Equity Growth Dollar Class A
Brown Advisory US Smaller Companies Dollar Class B	Brown Advisory US Equity Growth Sterling Class A
Brown Advisory US Smaller Companies Dollar Class A	Brown Advisory US Equity Growth Sterling Class B

17th November, 2010

Brown Advisory American Sterling Class B Hedged

17th June, 2011

Brown Advisory US Equity Growth Sterling Class A Hedged

Brown Advisory US Equity Growth Sterling Class B Hedged

1st November, 2011

Brown Advisory American Euro Class A Hedged	Brown Advisory US Equity Growth Euro Class B
Brown Advisory American Euro Class B	Brown Advisory American SRI Dollar Class A
Brown Advisory US Equity Growth Euro Class A Hedged	Brown Advisory American SRI Dollar Class B

27th March, 2013

Brown Advisory US Smaller Companies Dollar Class C

22nd April, 2013

Brown Advisory US Equity Growth Dollar Class B

8th July, 2013

Brown Advisory US Small Cap Blend Fund Dollar Class B

Each of the share classes listed above will maintain reporting fund status without a requirement to apply for further certification by HM Revenue and Customs for so long as it continues to satisfy the conditions to be a “reporting fund”.

DIRECTORS' REPORT

The Directors have pleasure in submitting their eighth annual report together with the audited financial statements for Brown Advisory Funds plc (the "Company") for the year ended 31st October, 2013 and comparatives for the year ended 31st October, 2012.

The Company is organised in the form of an umbrella fund with segregated liability between each of the six sub-funds, Brown Advisory US Equity Value Fund, Brown Advisory US Smaller Companies Fund, Brown Advisory American Fund, Brown Advisory US Equity Growth Fund, Brown Advisory American SRI Fund and Brown Advisory US Small Cap Blend Fund (the "Funds") in existence at the year end.

Statement of Directors' Responsibilities

Irish company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2013, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (the "UCITS Regulations") and the Listing Rules of the Irish Stock Exchange. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under the UCITS Regulations, the Directors are required to entrust the assets of the Company to the custodian for safe-keeping. In carrying out this duty, the Company has delegated custody of the Company's assets to Brown Brothers Harriman Trustee Services (Ireland) Limited.

Books of Account

To ensure that proper books of account are kept in accordance with Section 202 of the Companies Act, 1990 the Directors of the Company have employed a service organisation, Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the "Administrator"). The books of account are located at the offices of the Administrator as stated within Management and Administration section of this document.

Directors

The names of the persons who served as Directors at any time during the year ended 31st October, 2013 are set out below:

Michael D. Hankin (American)
David M. Churchill (American)
Clinton R. Daly (American)
Paul McNaughton (Irish)*
Paul Montgomery (Irish)*
Gordon F. Rainey Jr. (American)

*Independent Non-Executive Directors

Directors' and Company Secretary's Interests

None of the Directors, the Company Secretary, or their families hold or held any beneficial interests in the Company at 31st October, 2013 or during the year (2012: Nil).

Transactions Involving Directors

There are no contracts or arrangements of any significance in relation to the business of the Company, other than those stated in Note 12 and Note 15 to the financial statements, in which the Directors or Company Secretary had any interest as defined in the Companies Act, 1990 at any time during the year ended 31st October, 2013.

DIRECTORS' REPORT (continued)

Results, Activities and Future Developments

A review of the principal activities is included in the Investment Manager's Report.

Details of the state of affairs of the Company and results for the year ended 31st October, 2013 are set out on pages 52 to 61. The Net Assets of the Company Attributable to Holders of Redeemable Participating Shares (for financial statement purposes) as at 31st October, 2013 were US\$2,693,074,120 (31st October, 2012: US\$1,546,389,304).

The Company will continue to pursue its investment objectives as set out in the Prospectus.

Risk Management Objectives and Policies

The main risks arising from the Company's financial instruments are market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk, as set out in Note 14 on pages 80 to 91.

Dividends

A distribution of STG£0.019 per share on the Sterling Class A Shares, US\$0.017 per share on the Dollar Class A Shares, STG£0.111 per share on the Sterling Class B Shares, US\$0.080 per share on the Dollar Class B Shares, STG£0.078 per share on the Sterling Class B Hedged Shares and EUR€0.112 per share on the Euro Class B Shares of the Brown Advisory US Equity Value Fund was declared on 1st November, 2012 and paid on 14th November, 2012.

A distribution of £0.026 per share on the Sterling Class B Shares, US\$0.025 per share on the Dollar Class B Shares and EUR€0.029 per share on the Euro Class B Shares of the Brown Advisory American Fund was declared on 1st November, 2012 and paid on 14th November, 2012.

A distribution of US\$0.018 per share on the Dollar Class B Shares of the Brown Advisory American SRI Fund was declared on 1st November, 2012 and paid on 14th November, 2012.

There were no dividends paid on the Brown Advisory US Smaller Companies Fund, the Brown Advisory US Equity Growth Fund and the Brown Advisory US Small Cap Blend Fund.

Significant Events During the Year

New versions of the Prospectus including supplements for the Brown Advisory US Equity Value Fund, the Brown Advisory US Smaller Companies Fund, the Brown Advisory American Fund, the Brown Advisory US Equity Growth Fund and the Brown Advisory American SRI Fund were noted by the Central Bank on 13th November, 2012 and on 22nd March, 2013. A new version of the supplements to the Prospectus for Brown Advisory US Equity Growth Fund was noted by the Central Bank on 9th July, 2013.

The Voluntary Corporate Governance Code for the Irish Domiciled Collective Investment Schemes as published by the Irish Funds Industry Association ("IFIA") (the "IFIA Code") was adopted by the Company with effect from 31st December, 2012.

On 18th February, 2013 Brown Advisory US Smaller Companies USD Class P Shares changed its name to Brown Advisory US Smaller Companies USD Class C Shares along with the change of management fee from 2.25% to 0.5%.

On 8th July, 2013 Brown Advisory US Small Cap Blend Fund was launched.

There have been no other significant events affecting the Company during the year.

DIRECTORS' REPORT (continued)

Events Since the Year End

New Supplement to the Prospectus was issued in November 2013 for the Brown Advisory US Small Cap Blend Fund revising annual fees of the Investment Manager from 0.75% to 1.00% for the Dollar Class B Shares and Euro Class B Shares, from 1.50% to 1.75% for Dollar Class A Shares and Euro Class A Hedged Shares and stating annual fee of the Investment Manager for Dollar Class C Shares to 0.50%.

Effective 3rd December 2013, Dechert replaced A&L Goodbody Solicitors as Legal Advisers to the Company.

Effective 3rd December 2013, Dechert Secretarial Limited replaced Goodbody Secretarial Limited as Company Secretary.

Effective 20th January 2014, the registered office of the Company changed to Ground Floor, Riverside Two, Sir John Rogerson's Quay, Dublin 2, Ireland.

On 1st November, 2013, a dividend distribution was declared. Details are presented in Note 16.

There have been no other significant events affecting the Company since the year end.

Corporate Governance Statement

The Board of Directors is responsible for overseeing the operations of the Company.

The European Communities (Directive 2006/46/EC) Regulations (S.I. 450 of 2009 and S.I. 83 of 2010) (the "Regulations") recommend the inclusion of a corporate governance statement in the Directors' Report.

The Company is subject to corporate governance practices imposed by:

- (i) The Irish Companies Acts 1963-2013 which are available for inspection at the registered office of the Company at Ground Floor, Riverside Two, Sir John Rogerson's Quay, Dublin 2, Ireland and may also be obtained at:- <http://www.irishstatutebook.ie/home.html>;
- (ii) The Articles of Association of the Company which are available for inspection at the registered office of the Company at Ground Floor, Riverside Two, Sir John Rogerson's Quay, Dublin 2, Ireland and at the Companies Registration Office in Ireland;
- (iii) The Central Bank in their UCITS Notices and Guidance Notes which can be obtained from the Central Bank's website at:- <http://www.centralbank.ie/regulation/industry-sectors/funds/ucits/Pages/default.aspx> and are available for inspection at the registered office of the Company; and
- (iv) The Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at:- http://www.ise.ie/Investment-Funds/Listing_Requirements_and_Procedures_for_Investment_Funds.pdf.

The Board of Directors has assessed the measures included in the IFIA Code as being consistent with its corporate governance practices and procedures for the financial period.

The Company adopted the IFIA Code with effect from 31st December, 2012.

Internal Control and Risk Management Systems in Relation to Financial Reporting

The Board of Directors is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

DIRECTORS' REPORT (continued)

Corporate Governance Statement (continued)

The Board of Directors has procedures in place to ensure all relevant books of account are properly maintained and are readily available, including production of annual and half-yearly financial statements. The annual financial statements of the Company are required to be approved by the Board of Directors of the Company and the annual and half yearly financial statements of the Company are required to be filed with the Central Bank and the ISE. The statutory financial statements are required to be audited by independent auditors who report annually to the Board of Directors on their findings.

The Administrator maintains the books and records of the Company. The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. From time to time the Board of Directors also examines and evaluates the Administrator's financial accounting and reporting routines and monitors and evaluates the external auditors' performance, qualifications and independence. The Board of Directors evaluates and discusses significant accounting and reporting issues as the need arises.

Dealing with Shareholders

The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene an annual general meeting of the Company within eighteen months of incorporation and fifteen months of the date of the previous annual general meeting thereafter. Shareholders representing not less than one-tenth of the paid up share capital of the Company may also request the Directors to convene a shareholders' meeting. Not less than twenty one days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders and fourteen days notice must be given in the case of any other general meeting unless the auditors of the Company and all the shareholders of the Company entitled to attend and vote agree to shorter notice.

Two members present either in person or by proxy constitute a quorum at a general meeting provided that the quorum for a general meeting convened to consider any alteration to the class rights of shares is two shareholders holding or representing by proxy at least one third of the issued shares of the relevant Sub-Fund or class.

Every holder of shares present in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of shares present in person or by proxy is entitled to one vote in respect of each share held by him/her. The chairperson of a general meeting of the Company or at least two members present in person or by proxy or any holder or holders of shares present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting may demand a poll.

Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting. An ordinary resolution of the Company or of the shareholders of a particular Sub-Fund or class requires a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company or of the shareholders of a particular Sub-Fund or class requires a majority of not less than 75% of the shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Board Composition and Activities

Unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than two. Currently the Board of Directors of the Company is composed of six Directors, being those listed on page 6 of the Directors' Report.

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are not by the Companies Acts or by the Articles of Association of the Company required to be exercised by the Company in general meeting.

A Director may, and the company secretary of the Company on the requisition of a Director will, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

There are no sub-committees of the Board of Directors.

DIRECTORS' REPORT (continued)

Corporate Governance Statement (continued)

Independent Auditors

The Independent Auditors, Deloitte & Touche, Chartered Accountants and Statutory Audit Firm have indicated their willingness to continue in office in accordance with section 160(2) of the Companies Act, 1963.

On behalf of the Board of Directors

Director

20th January, 2014

Director

REPORT OF THE CUSTODIAN TO THE SHAREHOLDERS

We have enquired into the conduct of Brown Advisory Funds plc (the “Company”) for the year ended 31st October, 2013, in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with the Central Bank’s UCITS Notice 4 (as amended), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Custodian

Our duties and responsibilities are outlined in the Central Bank’s UCITS Notice 4 (as amended). One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders. Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company’s Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in UCITS Notice 4 (as amended) and to ensure that, in all material respects, the Company has been managed:

- (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations; and
- (ii) otherwise in accordance with the Company’s constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, (‘the Regulations’); and
- (ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Regulations.

Brown Brothers Harriman Trustee Services (Ireland) Ltd
Styne House
Upper Hatch Street
Dublin 2
Ireland

20th January, 2014

INVESTMENT MANAGER'S REPORT
Brown Advisory US Equity Value Fund
For the year ended 31st October, 2013

For the financial year, the Brown Advisory US Equity Value Fund returned 30.8% versus the Russell 1000 Value benchmark return of 28.3% and the broad S&P 500 index return of 27.2%.

Our performance was relatively broad based as the portfolio benefited from both a revaluation of existing names and recent investments as well. Less investor emphasis on dividend yield, economic certainty, and static interest rates favoured our more economically sensitive stance. A specific example of this positioning was our lack of exposure to the telecom and utility sectors; two industries whose performances badly lagged the averages.

One major exception to the good news was our technology holdings. Although they rose a respectable 23%, they underperformed the benchmark's tech sector, which was up a staggering 50% for the financial year.

A larger detractor for us was **Apple**, as the company experienced slower growth and weaker than expected earnings in early 2013. The company continues to generate tremendous cash flow and earn industry-high profit returns. We expect earnings growth to reaccelerate next year as a result of new product launches, growing categories, and a wider-reaching global presence. Earnings should further benefit from margin stability and increased buybacks. Apple's stock has recovered somewhat from mid-year lows, but still trades at depressed valuation. We believe we essentially have a free call option on future innovations.

An additional relative detractor was our lack of exposure to the PC, memory, and semi equipment industries. These commoditized, highly cyclical, and capital intensive areas of technology enjoyed a very strong year off depressed levels. In general, our technology holdings have higher and more reliable free cash flows.

In aggregate, we continue to favour the technology sector given attractive valuations, strong free cash flow characteristics, and increasing return of capital to shareholders through dividends and share repurchases.

Leading contributors to performance during the year included **Best Buy, Charles Schwab, Eaton, Metlife, and Hartford Financial**. The consumer discretionary, energy, financials, and industrials sectors contributed the most to our relative performance this year. Performance detractors were **Apple, Abercrombie & Fitch, Diageo, Potash, and Freeport McMoran**. The technology and healthcare sectors were the largest detractors to performance.

Notwithstanding a challenging period of stock performance during the prior year, last year's investing climate did offer the opportunity to find many new ideas; several of which have contributed greatly to the portfolio this past year. During the year we added the following companies: **Abercrombie & Fitch, Best Buy, Canadian Natural Resources, Cisco Systems, City National, Deckers Outdoors, FirstMerit, Garmin, Hologic, Kennametal, Potash Corporation of Saskatchewan, SunTrust Banks, Terex, and Charles Schwab**.

We elected to sell our positions in the following companies as all either met their price target or were sold to make way for more attractive investments: **3M, ACE Limited, CA, Inc, Carbo Ceramics, Dell, Diageo plc, Emerson Electric, Harris, Johnson & Johnson, Pepsico, Prudential Financial, Southwestern Energy, Chubb, and Tiffany**.

While this past year has been very rewarding in a performance sense, the portfolio remains at a meaningful discount to the benchmark and to the low volatility/dividend income composite we discussed in last year's report. This condition, while less severe than last year, has still persisted despite our Value portfolio offering better financial quality, a much higher innovation orientation (as measured by R&D as a percent of sales), higher return on capital and free cash flow, and better historic growth. As investors become less cautious, we believe this portfolio of global leaders, with a proven history of innovation, strong finances, low valuations, and low expectations should offer attractive return prospects in the year ahead.

INVESTMENT MANAGER'S REPORT
Brown Advisory US Smaller Companies Fund
For the year ended 31st October, 2013

For the financial year, the Fund (Class B USD) returned 35.9% versus the Russell 2000 Growth index return of 39.8% and the broad Russell 2000 index return of 36.3%.

Fuelled by the Federal Reserve's highly accommodative monetary policy, modestly improving economic data and a cessation of "crisis" politics in Washington D.C., U.S. small-cap equities, as measured by the broad Russell 2000 index, rose approximately 36.3% for the fiscal year ending October 31, 2013. The Fund gained 35.9%, finishing the year slightly behind. Although not quite keeping pace with the benchmark, we were pleased to see that stock selection wasn't the cause. The portfolio maintained an average cash position in excess of 5%, a substantially higher portfolio average market capitalization and statistically possessed a higher quality bias. Given the nature of the rally witnessed, all these factors proved headwinds to performance, but represent outcropping of our investment process versus any expressed market view. Our goal continues to be to drive strong risk-adjusted returns, aiming to meet or exceed market averages with less risk in robust times through well-timed and appropriately weighted individual stock selection, and to preserve capital in more challenging market environments.

The strategy of the Fund relies primarily on bottom-up individual stock selection. Therefore, its success or failure will be driven by each holding's progress against our underlying investment thesis – why are we going to make money and why is the risk acceptable? However, in any given period, changes in the macroeconomic landscape can cause factors such as sector allocation, market capitalization, style biases, etc. to manifest themselves as either headwinds or tailwinds to short-term portfolio performance.

In the fiscal year, the Fund performed reasonably well across sectors. The top contributing sectors to relative results were Technology and Financial Services, each delivering 200 basis points or better in positive attribution. Technology was an overweight of an outperforming sector and the portfolio's constituents bested the benchmark constituents by nearly 750 basis points. Financial Services was a significant underweight of an underperforming sector and the portfolio's constituent bested those of the benchmark meaningfully. The lone negative relative contributor from a sector perspective was Energy. The portfolio holdings in this area trailed the sector gains of the benchmark. Fortunately, Energy represents a small allocation in the portfolio and the index.

Historically, the performance of the portfolio has been dictated by stock selection. This did not change in the most recent fiscal year. The following highlights the performance of the top 5 and bottom 5 contributors. We are pleased to see, in baseball parlance, that we not only had a few home runs, but also hit for a reasonable average as well. The top 10 contributors represented a weight of just over 22% of the portfolio and contributed nearly 1,700 basis points to results, returning, on average, 88%. The bottom 10 represented 7% of the portfolio, declining roughly 20%, on average, and detracting 200 basis points from results.

Top 5 Contributors:

Incyte Corporation (INCY, 144.36%). The company showed solid success with its launch of Jakafi for the treatment of myelofibrosis, but also released data demonstrated the drug's potential effectiveness in treating other indications, such as pancreatic cancer. Fiscal 2013 was a strong year for biotechnology stocks and Incyte's pipeline development news was some of the best in the industry.

CoStar Group, Inc. (CSGP, 113.50%). The company beat revenue and earnings forecasts during the fiscal year, solidifying its near monopolistic position as a provider of commercial real estate data.

Interactive Intelligence Group Inc. (ININ, 93.75%). The stock rose due to better than expected revenue and order results as the company's Contact Center-as-a-Service (CaaS) software offering allowed Interactive to gain meaningful share in its end markets.

Harman International Industries, Inc. (HAR, 93.23%). The company has been a very long-term holding and management finally saw market conditions conducive to beginning to demonstrate the profit margin and revenue potential of its new scalable infotainment platform. Harman was a relatively inexpensive stock at the beginning of the year that was re-rated by investors due to its positive results.

Covance Inc. (CVD, 83.25%). The company benefited substantially from its historical restructuring efforts once revenue trends began to improve, driven by healthier end market demand for its contract research services, which cater to pharmaceutical and biotechnology customers.

INVESTMENT MANAGER'S REPORT
Brown Advisory US Smaller Companies Fund (continued)
For the year ended 31st October, 2013

Bottom 5 Contributors:

Volcano Corporation (VOLC, -33.04%). The company's revenue growth remained sluggish and below expectations due to ongoing uncertainties in the healthcare vertical related to the implementation of the Affordable Care Act.

BJ's Restaurants, Inc. (BJRI, -26.92%). The market for casual dining became hyper competitive in fiscal 2013, hurting the company's ability to generate same-store-sales at a level necessary to leverage its expense base, thus falling short of investor expectations.

Vitamin Shoppe, Inc. (VSI, -14.52%). The company saw a deceleration in same-store-sales likely due to incremental competition from GNC Holdings and other online alternatives. Selling at a high multiple going into the year, this prompted some multiple contraction in Vitamin Shoppe shares. The stock has been sold.

Quanex Building Products Corporation (NX, -14.42%). Following a strong rally induced by improved data emanating from the housing sector, the company failed to achieve its target for organic growth and margin improvement, causing the stock to pull back modestly. The stock has been sold.

BroadSoft, Inc. (BSFT, -14.39%). Despite a solid leadership position, growth has remained choppy, keeping the stock range bound over the past 12-18 months.

In summary, it was a relatively good year of stock selection. However, the portfolio would have been better served by taking on more "risk" as investors got paid to do so in fiscal 2013. We are keenly aware that due to the market's substantial move higher, valuation dynamics have changed and, in some cases, markedly. Therefore, we enter fiscal 2014 with an eye toward risk mitigation, recycling capital to achieve the best risk/reward ratio possible.

Our goal is to constantly improve our investment process as we strive to become better stock pickers over time. We ardently believe that strong risk-adjusted returns are achievable by the investor who thinks and acts differently than the market and his/her peers. We are convinced the path we have chosen – stock selection through rigorous bottom-up due diligence, relative concentration and a multi-year time horizon – is the correct one. As always, it will be our attention to investment culture, team and, ultimately, execution that will determine if we are successful going forward.

INVESTMENT MANAGER'S REPORT

Brown Advisory American Fund

For the year ended 31st October, 2013

For the financial year, the Fund (Class B USD) returned 30.2% versus the Russell 3000 benchmark return of 29.0% and the broad S&P 500 index return of 27.2%.

US equity markets moved sharply higher in 2013, sustained by an ideal combination of low inflation, an improving economic backdrop, and extraordinarily accommodative monetary policy.

Our performance was relatively broad based as the portfolio benefited from both a revaluation of existing names and recent investments as well. Less investor emphasis on dividend yield, economic certainty, and static interest rates favoured our more economically sensitive stance. A specific example of this positioning was our lack of exposure to the telecom and utility sectors; two industries whose performances badly lagged the averages.

Energy and Technology were the standout performers in terms of sector attribution, whilst Healthcare, after two consecutive years of robust performance in the sector, was a major detractor. Nearly half of the underperformance is attributable to **Intuitive Surgical Inc.** The daVinci robotic surgical system, which is their main product, has recently become the subject of several controversies ranging from safety to quarterly system sales. In our opinion, much of this is misguided but it has created negative sentiment around the stock. This has been a distraction to the real issue which is the continued growth in the number of surgical procedures using the system. Very few companies operate in a world with no competition, Intuitive Surgical is one of them, and we believe the business model has as much potential as it did when we made our first investment more than five years ago.

The difficulty in healthcare was compounded by the fact that the sector was one of the top performing in the benchmark this year, and that biotechnology stocks in particular had their best year since 1998. New drug approvals hit a record in 2012 and expectations have not been this high in many years. This coupled with the fact that the new regulatory paradigm has created uncertainty for several of our holdings such as **Express Scripts Holdings** and **DaVita Healthcare Partners**. Where the market views short-term uncertainty, we see long-term opportunity especially for these two companies which we believe will ultimately be beneficiaries of this regulation. We are very comfortable continuing to hold them in the portfolio given the attractiveness of their upside potential relative to downside risk.

In terms of positive performance, Energy, for example, turned the corner from being one of the worst performing sector in the portfolio last year, to a top performing sector this year with notable contributions from **Core Laboratories** and **Schlumberger**, two very well managed oilfield service businesses. **Cimarex Energy Co.** rose over 80% for the period and we have been trimming our position as it reaches our target and to make way for more attractive investments.

The Consumer Discretionary sector was the top performing sector in terms of total return with standout contributors such as **Best Buy**, **Deckers Outdoor** and **CoStar Group**. Best Buy was purchased in February 2013, with the thesis that it was one of the U.S.'s leading retailer of consumer electronics that had put in place a quality new management team (with exceptional transformation records) who had a multi-pronged recovery strategy. We believed that if the management team could implement this new strategy (which involved removing substantial excess costs as well as improving various other areas), the upside case would offer substantial appreciation potential. In keeping with our bottom-up, fundamental stock selection process, we focused on the fact that the company had a decent balance sheet, high free cash flow and stable sales volume. The valuation at the time of purchase was approximately 0.1x sales and had a PE multiple of 7.5x 2013 EPS. This gave Best Buy very little credit for being able to fix some basic issues. Since initiating a position in Best Buy in February, the stock has rallied over 160%.

Historically, the American Fund has maintained a fixed 40%, 40% and 20% allocation to the three underlying strategies. From August 2013, we introduced some flexibility within the Fund allocations to take advantage of opportunities we see within each underlying strategy and the broad market. Any allocation changes will be long-term and made within specific bands; 30-50% in the U.S. Equity Growth strategy and the U.S. Equity Value strategy and 10-25% in the U.S. Smaller Companies strategy. This will allow for some flexibility but continue to ensure the Fund provides investors with broad exposure to the U.S. market and at any point the minimum large-cap exposure will be 75% and maximum small-cap exposure will be 25%.

INVESTMENT MANAGER'S REPORT
Brown Advisory American Fund (continued)
For the year ended 31st October, 2013

At the end of the financial year, during the month of October, we decided to reallocate the small-cap exposure in the Fund to a neutral weight (20%) and increase exposure to the Value Fund (50%). We have seen small-cap growth as one of the more attractive segments of the market ever since the financial crisis ended, however, we believe that valuations today have started to run slightly past the opportunity set. At the same time, we think the market has become bifurcated, with a majority of investors favouring defensive, income-producing sectors at the expense of more economically sensitive ones. We believe this consensus trade has created a significant opportunity in the shares of some cyclically oriented companies that continue to deliver strong business performance without the support of a robust economic recovery. In time, we expect the market will recognise and appreciate their underlying earnings power, allowing investors to benefit from a combination of a multiple re-rating on top of sustainable earnings growth.

INVESTMENT MANAGER'S REPORT
Brown Advisory US Equity Growth Fund
For the year ended 31st October, 2013

For the financial year, the Fund (Class B USD) returned 26.3% versus the Russell 1000 Growth benchmark return of 28.3% and the broad S&P 500 index return of 27.2%.

US equity markets moved sharply higher in 2013, sustained by an ideal combination of low inflation, an improving economic backdrop, and extraordinarily accommodative monetary policy. Altogether these factors drove our benchmark the Russell 1000 Growth Index to its best year since 2009, and in absolute terms, the Fund performed handsomely, yet trailed the benchmark. Despite the fact that the prices of our company's stocks did not appreciate at quite the same pace as the benchmark, for the most part we are pleased with the operating results that the companies were able to deliver as they generally met or exceeded the expectations set for them.

After two consecutive years of robust performance in healthcare it was our toughest performing sector this year. Nearly half of the underperformance is attributable to **Intuitive Surgical Inc.** The daVinci robotic surgical system, which is their main product, has recently become the subject of several controversies ranging from safety to quarterly system sales. In our opinion, much of this is misguided but it has created negative sentiment around the stock. This has been a distraction to the real issue which is the continued growth in the number of surgical procedures using the system. Very few companies operate in a world with no competition, Intuitive Surgical is one of them, and we believe the business model has as much potential as it did when we made our first investment more than five years ago.

The difficulty in healthcare was compounded by the fact that the sector was the top performer in the benchmark this year, and that biotechnology stocks in particular had their best year since 1998. New drug approvals hit a record in 2012 and expectations have not been this high in many years. This coupled with the fact that the new regulatory paradigm has created uncertainty for several of our holdings such as **Express Scripts Holdings** and **DaVita Healthcare Partners**. Where the market views short-term uncertainty, we see long-term opportunity especially for these two companies which we believe will ultimately be beneficiaries of this regulation. We are very comfortable continuing to hold them in the portfolio given the attractiveness of their upside potential relative to downside risk.

In terms of positive performance this year, it was fairly widespread across sectors and individual stocks. Energy, for example, turned the corner from being the worst performing sector in the portfolio last year, to a top performing sector this year with contributions from **Core Laboratories** and **Schlumberger** two very well managed oilfield service businesses.

We made several of our "one in one out" swaps during the year, the most notable being the swap out of **MasterCard** into **Visa Inc.** The decision was not based on concerns about MasterCard, but on our belief that Visa presents a better opportunity as faster-growing company with a superior franchise. Historically Visa has consistently traded at premium to MasterCard despite both companies having similar business models. The precise catalyst for the swap was the result of a court ruling which turned Visa's premium into a discount. We took advantage of the discrepancy to make the swap, a change we had been contemplating for many months prior.

We have experienced periods of underperformance in the past, and it is not unreasonable to assume that this time is not dissimilar. The one factor that we can control with absolute certainty is the consistent application of our investment process, and that has not changed. We remain steadfast in the strict criteria for the types of business models in which we will invest our client's capital. We will not chase returns by holding lower growth defensive companies that pay high dividends, nor will we expose the portfolio to unproven highly speculative business models in an attempt to capture a small piece of market euphoria.

INVESTMENT MANAGER'S REPORT
Brown Advisory American SRI Fund
For the year ended 31st October, 2013

For the financial year, the Fund (Class B USD) returned 30.4% versus the Russell 3000 benchmark return of 29.0% and the broad S&P 500 index return of 27.2%.

US equity markets moved sharply higher in 2013, sustained by an ideal combination of low inflation, an improving economic backdrop, and extraordinarily accommodative monetary policy.

Our performance was relatively broad based as the portfolio benefited from both a revaluation of existing names and recent investments as well. Less investor emphasis on dividend yield, economic certainty, and static interest rates favoured our more economically sensitive stance. A specific example of this positioning was our lack of exposure to the telecom and utility sectors; two industries whose performances badly lagged the averages.

Energy and Technology were the standout performers in terms of sector attribution, whilst Healthcare, after two consecutive years of robust performance in the sector, was a major detractor. Nearly half of the underperformance is attributable to **Intuitive Surgical Inc.** The daVinci robotic surgical system, which is their main product, has recently become the subject of several controversies ranging from safety to quarterly system sales. In our opinion, much of this is misguided but it has created negative sentiment around the stock. This has been a distraction to the real issue which is the continued growth in the number of surgical procedures using the system. Very few companies operate in a world with no competition, Intuitive Surgical is one of them, and we believe the business model has as much potential as it did when we made our first investment more than five years ago.

The difficulty in healthcare was compounded by the fact that the sector was one of the top performing in the benchmark this year, and that biotechnology stocks in particular had their best year since 1998. New drug approvals hit a record in 2012 and expectations have not been this high in many years. This coupled with the fact that the new regulatory paradigm has created uncertainty for several of our holdings such as **Express Scripts Holdings** and **DaVita Healthcare Partners**. Where the market views short-term uncertainty, we see long-term opportunity especially for these two companies which we believe will ultimately be beneficiaries of this regulation. We are very comfortable continuing to hold them in the portfolio given the attractiveness of their upside potential relative to downside risk.

In terms of positive performance, Energy, for example, turned the corner from being one of the worst performing sector in the portfolio last year, to a top performing sector this year with notable contributions from **Core Laboratories** and **Schlumberger**, two very well managed oilfield service businesses. **Cimarex Energy Co.** rose over 80% for the period and we have been trimming our position as it reaches our target and to make way for more attractive investments.

The Consumer Discretionary sector was the top performing sector in terms of total return with standout contributors such as **Best Buy**, **Deckers Outdoor** and **CoStar Group**. Best Buy was purchased in February 2013, with the thesis that it was one of the U.S.'s leading retailer of consumer electronics that had put in place a quality new management team (with exceptional transformation records) who had a multi-pronged recovery strategy. We believed that if the management team could implement this new strategy (which involved removing substantial excess costs as well as improving various other areas), the upside case would offer substantial appreciation potential. In keeping with our bottom-up, fundamental stock selection process, we focused on the fact that the company had a decent balance sheet, high free cash flow and stable sales volume. The valuation at the time of purchase was approximately 0.1x sales and had a PE multiple of 7.5x 2013 EPS. This gave Best Buy very little credit for being able to fix some basic issues. Since initiating a position in Best Buy in February, the stock has rallied over 160%.

INVESTMENT MANAGER'S REPORT
Brown Advisory American SRI Fund (continued)
For the year ended 31st October, 2013

As of the end of the financial year, there were seven companies excluded from the portfolio, according to its SRI screens:

- **Amphenol Corp.:** involvement in military equipment
- **BJ's Restaurants Inc.:** <5% turnover from alcohol products
- **Fluor Corp.:** involvement in controversial weapons
- **Freeport McMoRan Inc.:** alleged violations of the UN Global Compact Principles
- **Heico Corp.:** involvement in military equipment
- **Hexcel Corp.:** involvement in military equipment
- **Potash Corporation Inc.:** alleged violations of the UN Global Compact Principles

Historically, the American SRI Fund has maintained a fixed 40%, 40% and 20% allocation to the three underlying strategies. From August 2013, we introduced some flexibility within the Fund allocations to take advantage of opportunities we see within each underlying strategy and the broad market. Any allocation changes will be long-term and made within specific bands; 30-50% in the U.S. Equity Growth strategy and the U.S. Equity Value strategy and 10-25% in the U.S. Smaller Companies strategy. This will allow for some flexibility but continue to ensure the Fund provides investors with broad exposure to the U.S. market and at any point the minimum large-cap exposure will be 75% and maximum small-cap exposure will be 25%.

At the end of the financial year, during the month of October, we decided to reallocate the small-cap exposure in the Fund to a neutral weight (20%) and increase exposure to the Value Fund (50%). We have seen small-cap growth as one of the more attractive segments of the market ever since the financial crisis ended, however, we believe that valuations today have started to run slightly past the opportunity set. At the same time, we think the market has become bifurcated, with a majority of investors favouring defensive, income-producing sectors at the expense of more economically sensitive ones. We believe this consensus trade has created a significant opportunity in the shares of some cyclically oriented companies that continue to deliver strong business performance without the support of a robust economic recovery. In time, we expect the market will recognise and appreciate their underlying earnings power, allowing investors to benefit from a combination of a multiple re-rating on top of sustainable earnings growth.

INVESTMENT MANAGER'S REPORT
Brown Advisory US Small Cap Blend Fund
For the period ended 31st October, 2013

The Small-Cap Blend Fund was launched 8th July 2013. For the period from inception to the end of the financial year, the Fund (Class B USD) returned 11.0% versus the Russell 2000 index return of 9.4%.

Fuelled by the Federal Reserve's highly accommodative monetary policy, modestly improving economic data and a cessation of "crisis" politics in Washington D.C., 2013 has been a very strong year for U.S. small-cap equities. Whilst indices appear appropriately valued, we still believe that real opportunity remains in the small-cap space, especially for active managers who take a research intensive approach. The wholly inefficient nature of the small-cap market remains and our focus on exploiting these inefficiencies results in continued discovery of unique investment opportunities across the small-cap growth and value space. Our goal continues to be to drive strong risk-adjusted returns, aiming to meet or exceed market averages with less risk in robust times through well-timed and appropriately weighted individual stock selection, and to preserve capital in more challenging market environments.

Over the reporting period, the Fund generally performed well across its diverse sector exposure. According to attribution, the top contributing sectors to relative results were Technology, Health Care and Consumer Discretionary. Technology was an overweight of an outperforming sector and the portfolio's constituents bested the benchmark constituents as a result of good stock selection. Financial Services was an underweight of an underperforming sector and the portfolio's constituents again bested those of the benchmark. The Fund's weighting to the Consumer Discretionary sector was roughly in line with the benchmark, but yet again the portfolio's constituents bested those of the benchmark, with a return of nearly double.

CoreLogic Inc. is a top 10 position in the portfolio and was a large contributor to performance in the Technology sector. CoreLogic was up 23% on the back of its better than feared third quarter results and 2014 outlook. The company was able to withstand a slowing mortgage environment in its core MOS business through continued cost cutting and two very attractive acquisitions. Management continues to find costs to pull out of the system (\$25m slated for 2014) and is aggressively returning FCF to shareholders (shares outstanding have declined 13% since the beginning of 2012).

Incyte Corporation was the top performer in the Health Care sector, returning 70% over the period. The company showed solid success with its launch of Jakafi for the treatment of myelofibrosis, but also released data demonstrated the drug's potential effectiveness in treating other indications, such as pancreatic cancer. Fiscal 2013 was a strong year for biotechnology stocks and Incyte's pipeline development news was some of the best in the industry.

Harman International Industries, Inc. has been a very long-term holding in the Consumer Discretionary sector and management finally saw market conditions conducive to beginning to demonstrate the profit margin and revenue potential of its new scalable infotainment platform. Harman was a relatively inexpensive stock at the beginning of the year that was re-rated by investors due to its positive results.

Historically, the performance of the portfolio has been dictated by stock selection and as discussed above, this did not change in the most recent period. The Fund will continue to rely primarily on bottom-up individual stock selection. Therefore, its success or failure will be driven by each holding's progress against our underlying investment thesis – why are we going to make money and why is the risk acceptable? However, in any given period, changes in the macroeconomic landscape can cause factors such as sector allocation, market capitalization, style biases, etc. to manifest themselves as either headwinds or tailwinds to short-term portfolio performance.

We are keenly aware that due to the market's substantial move higher, valuation dynamics have changed and, in some cases, markedly. Therefore, we enter fiscal 2014 with an eye toward risk mitigation, recycling capital to achieve the best risk/reward ration possible. Our goal is to constantly improve our investment process as we strive to become better stock pickers over time. We ardently believe that strong risk-adjusted returns are achievable by the investor who thinks and acts differently than the market and his/her peers. As always, it will be our attention to investment culture, team and, ultimately, execution that will determine if we are successful going forward.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF BROWN ADVISORY FUNDS PLC

We have audited the financial statements of Brown Advisory Funds Plc for the period ended 31 October 2013 which comprise the Profit and Loss Account, the Balance Sheet and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and the related notes 1 to 24. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Company's shareholders, as a body, in accordance with Section 193 of the Companies Act, 1990 and the European Communities (Undertakings in Collective Investment in Transferable Securities) Regulations, 2011. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the affairs of the Company as at 31 October 2013 and of the profit for the period then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2013, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011.

Matters on which we are required to report by the Companies Acts, 1963 to 2013

- We have obtained all the information and explanations we considered necessary for the purpose of our audit.
- In our opinion proper books of account have been kept by the Company.
- The Company's Statement of Balance Sheet and its Profit and Loss Account are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 20th January 2014

STATEMENT OF INVESTMENTS
Brown Advisory US Equity Value Fund
As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Consumer Discretionary 8.59% (31st October, 2012: 4.10%)				
	293,112	Abercrombie & Fitch Co	10,982,907	2.04%
	428,725	Best Buy Co Inc	18,349,430	3.40%
	75,506	Deckers Outdoor Corp	5,195,568	0.96%
	377,066	Guess? Inc	11,775,771	2.19%
			46,303,676	8.59%
Energy 13.58% (31st October, 2012: 14.14%)				
	437,456	Canadian Natural Resources Ltd	13,884,854	2.58%
	69,026	Cimarex Energy Co	7,271,889	1.35%
	187,208	National Oilwell Varco Inc	15,197,545	2.82%
	138,894	Occidental Petroleum Corp	13,344,936	2.48%
	250,395	Schlumberger Ltd	23,467,019	4.35%
			73,166,243	13.58%
Financials 24.75% (31st October, 2012: 20.28%)				
	806,124	Charles Schwab Corp	18,258,709	3.39%
	159,075	City National Corp	11,470,898	2.13%
	367,490	FirstMerit Corp	8,246,475	1.53%
	445,556	Hartford Financial Services Group Inc	15,015,237	2.79%
	139,339	M&T Bank Corp	15,679,818	2.91%
	239,052	MetLife Inc	11,309,550	2.10%
	195,898	Northern Trust Corp	11,052,565	2.05%
	1,751,295	Regions Financial Corp	16,847,458	3.12%
	524,355	SunTrust Banks Inc	17,639,302	3.27%
	210,627	US Bancorp	7,869,025	1.46%
			133,389,037	24.75%
Health Care 6.08% (31st October, 2012: 11.41%)				
	516,991	Hologic Inc	11,570,258	2.15%
	211,809	Merck & Co Inc	9,550,468	1.77%
	150,235	Novartis AG	11,649,222	2.16%
			32,769,948	6.08%
Industrials 13.47% (31st October, 2012: 15.27%)				
	75,118	Eaton Corp PLC	5,300,326	0.98%
	244,503	Fluor Corp	18,147,013	3.37%
	268,805	Garmin Ltd	12,563,946	2.33%
	342,305	Kennametal Inc	15,746,030	2.92%
	215,929	PACCAR Inc	12,005,652	2.23%
	253,343	Terex Corp	8,849,271	1.64%
			72,612,238	13.47%
Information Technology 21.38% (31st October, 2012: 22.99%)				
	41,535	Apple Inc	21,695,807	4.02%
	142,137	Check Point Software Technologies Ltd	8,246,789	1.53%
	684,171	Cisco Systems Inc	15,393,848	2.86%
	239,347	Microchip Technology Inc	10,282,347	1.91%
	352,029	Microsoft Corp	12,444,225	2.31%
	340,978	NetApp Inc	13,233,356	2.45%
	446,736	Oracle Corp	14,965,656	2.78%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Equity Value Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Information Technology 21.38% (31st October, 2012: 22.99%) (continued)				
	273,224	QUALCOMM Inc	18,980,871	3.52%
			115,242,899	21.38%
Materials 6.44% (31st October, 2012: 5.93%)				
	122,254	EI du Pont de Nemours & Co	7,481,945	1.39%
	395,477	Freeport-McMoRan Copper & Gold Inc	14,533,780	2.70%
	407,260	Potash Corp of Saskatchewan Inc	12,661,713	2.35%
			34,677,438	6.44%
Total Equities*			508,161,479	94.29%

Forward Foreign Currency Contracts (0.07%) (31st October, 2012: 0.02%)

Currency Bought	Amount Currency Bought	Amount Currency Sold	Amount Currency Sold	Maturity Date	Counterparty	Unrealised (Loss) US\$	% of Fund
Brown Advisory US Equity Value Fund Sterling Class B Hedged							
STG£	17,176,196	US\$	(27,862,194)	27/11/2013	Brown Brothers Harriman	(371,780)	(0.07%)
Total Forward Foreign Currency Contracts[∞]						(371,780)	(0.07%)

	Fair Value US\$	% of Fund
Total Financial Assets at Fair Value through Profit or Loss	508,161,479	94.29%
Total Financial Liabilities at Fair Value through Profit or Loss	(371,780)	(0.07%)
Other Net Assets	31,147,625	5.78%
Net Assets Attributable to Holders of Redeemable Participating Shares	538,937,324	100.00%

Portfolio Analysis	Total Asset %
* Transferable securities admitted to an official stock exchange or traded on a regulated market	93.44%
∞ OTC financial derivative instruments	(0.07%)
Total Investments	93.37%

STATEMENT OF INVESTMENTS

Brown Advisory US Smaller Companies Fund

As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Commercial Services 4.00% (31st October, 2012: 4.13%)				
	18,701	CoStar Group Inc	3,309,703	2.28%
	126,447	Genpact Ltd	2,506,180	1.72%
			5,815,883	4.00%
Consumer Discretionary 10.54% (31st October, 2012: 12.75%)				
	38,463	ANN Inc	1,360,052	0.93%
	33,091	Ascent Media Corp	2,789,571	1.92%
	48,546	BJ's Restaurants Inc	1,311,713	0.90%
	29,148	Harman International Industries Inc	2,361,571	1.62%
	104,635	HomeAway Inc	3,098,242	2.13%
	438,213	Quiksilver Inc	3,645,932	2.51%
	37,304	Stage Stores Inc	770,328	0.53%
			15,337,409	10.54%
Consumer Staples 3.18% (31st October, 2012: 1.94%)				
	26,182	Pricesmart Inc	2,975,584	2.05%
	30,082	Susser Holdings Corp	1,649,697	1.13%
			4,625,281	3.18%
Energy 1.75% (31st October, 2012: 2.30%)				
	107,868	Helix Energy Solutions Group Inc	2,552,157	1.75%
			2,552,157	1.75%
Financials 2.49% (31st October, 2012: 0.00%)				
	57,987	Prosperity Bancshares Inc	3,621,288	2.49%
			3,621,288	2.49%
Health Care 15.07% (31st October, 2012: 23.36%)				
	39,830	Charles River Laboratories International Inc	1,958,839	1.35%
	47,288	Covance Inc	4,220,927	2.90%
	87,559	Endologix Inc	1,580,440	1.09%
	24,401	Henry Schein Inc	2,742,916	1.89%
	18,531	IDEXX Laboratories Inc	1,998,198	1.37%
	67,332	Incyte Corp Ltd	2,625,948	1.80%
	79,035	MAXIMUS Inc	3,829,246	2.63%
	45,045	Seattle Genetics Inc	1,739,187	1.20%
	63,550	Volcano Corp	1,216,983	0.84%
			21,912,684	15.07%
Industrials 25.44% (31st October, 2012: 25.93%)				
	15,090	Acuity Brands Inc	1,516,696	1.04%
	40,361	Advisory Board Co	2,768,361	1.90%
	21,384	Colfax Corp	1,196,435	0.82%
	36,984	Corporate Executive Board Co	2,696,134	1.86%
	93,930	DigitalGlobe Inc	2,988,853	2.06%
	54,231	HEICO Corp	2,905,697	2.00%
	51,009	Hexcel Corp	2,157,171	1.48%
	44,023	IDEX Corp	3,043,750	2.09%
	152,048	Knight Transportation Inc	2,580,254	1.78%
	41,140	Landstar System Inc	2,273,808	1.56%
	77,531	Roadrunner Transportation Systems Inc	2,054,571	1.41%

All the above securities are transferable securities listed on a recognised stock exchange.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Smaller Companies Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Industrials 25.44% (31st October, 2012: 25.93%) (continued)				
	3,379	Team Inc	126,003	0.09%
	53,152	United Rentals Inc	3,433,088	2.36%
	165,406	UTi Worldwide Inc	2,512,517	1.73%
	2,718	Valmont Industries Inc	381,879	0.26%
	102,241	Waste Connections Inc	4,367,735	3.00%
			37,002,952	25.44%
Information Technology 28.08% (31st October, 2012: 25.11%)				
	234,971	Accelrys Inc	2,196,979	1.51%
	111,915	Applied Micro Circuits Corp	1,303,810	0.90%
	113,612	Broadridge Financial Solutions Inc	3,994,598	2.75%
	54,010	BroadSoft Inc	1,766,127	1.21%
	30,785	Cavium Inc	1,240,943	0.85%
	29,938	CommVault Systems Inc	2,337,559	1.61%
	15,417	Concur Technologies Inc	1,612,001	1.11%
	119,669	CoreLogic Inc	3,980,191	2.74%
	23,779	E2open Inc	535,027	0.37%
	9,584	EXFO Inc	53,383	0.04%
	33,612	Fair Isaac Corp	1,925,295	1.32%
	34,502	Global Payments Inc	2,052,179	1.41%
	96,755	Informatica Corp	3,734,743	2.57%
	97,811	Interactive Intelligence Group Inc	6,009,508	4.13%
	92,597	Pegasystems Inc	3,522,390	2.42%
	75,101	Riverbed Technology Inc	1,112,246	0.76%
	42,546	Sapient Corp	672,227	0.46%
	18,044	Ultimate Software Group Inc	2,787,257	1.92%
			40,836,463	28.08%
Materials 1.59% (31st October, 2012: 1.43%)				
	36,676	Rockwood Holdings Inc	2,319,757	1.59%
			2,319,757	1.59%
Total Equities			134,023,874	92.14%
Total Financial Assets at Fair Value through Profit or Loss			134,023,874	92.14%
Other Net Assets			11,425,978	7.86%
Net Assets Attributable to Holders of Redeemable Participating Shares			145,449,852	100.00%

All the above securities are transferable securities listed on a recognised stock exchange and represent 90.18% of Total Assets.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory American Fund

As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Commercial Services 1.42% (31st October, 2012: 1.57%)				
	10,411	CoStar Group Inc	1,842,538	0.45%
	198,301	Genpact Ltd	3,930,326	0.97%
			5,772,864	1.42%
Consumer Discretionary 8.31% (31st October, 2012: 7.57%)				
	109,933	Abercrombie & Fitch Co	4,119,189	1.02%
	21,412	ANN Inc	757,128	0.19%
	18,422	Ascent Media Corp	1,552,975	0.38%
	163,313	Best Buy Co Inc	6,989,796	1.72%
	26,896	BJ's Restaurants Inc	726,730	0.18%
	28,455	Deckers Outdoor Corp	1,957,989	0.48%
	22,820	Fossil Group Inc	2,896,771	0.71%
	141,417	Guess? Inc	4,416,453	1.09%
	16,594	Harman International Industries Inc	1,344,446	0.33%
	58,250	HomeAway Inc	1,724,782	0.43%
	243,952	Quiksilver Inc	2,029,681	0.50%
	20,667	Stage Stores Inc	426,774	0.11%
	58,542	Starbucks Corp	4,744,829	1.17%
			33,687,543	8.31%
Consumer Staples 4.54% (31st October, 2012: 4.83%)				
	27,583	Costco Wholesale Corp	3,254,794	0.80%
	57,069	Estee Lauder Cos Inc	4,049,616	1.00%
	51,869	Mead Johnson Nutrition Co	4,235,623	1.05%
	14,905	Pricesmart Inc	1,693,953	0.42%
	16,747	Susser Holdings Corp	918,406	0.23%
	67,060	Whole Foods Market Inc	4,232,827	1.04%
			18,385,219	4.54%
Energy 10.11% (31st October, 2012: 10.65%)				
	164,066	Canadian Natural Resources Ltd	5,207,455	1.28%
	26,013	Cimarex Energy Co	2,740,470	0.68%
	20,774	Core Laboratories NV	3,886,192	0.96%
	65,194	FMC Technologies Inc	3,295,557	0.81%
	60,021	Helix Energy Solutions Group Inc	1,420,097	0.35%
	70,214	National Oilwell Varco Inc	5,699,972	1.41%
	52,093	Occidental Petroleum Corp	5,005,095	1.23%
	146,542	Schlumberger Ltd	13,733,916	3.39%
			40,988,754	10.11%
Financials 15.13% (31st October, 2012: 9.36%)				
	482,878	Charles Schwab Corp	10,937,187	2.70%
	59,660	City National Corp	4,302,083	1.06%
	137,830	FirstMerit Corp	3,092,905	0.76%
	167,106	Hartford Financial Services Group Inc	5,631,472	1.39%
	52,259	M&T Bank Corp	5,880,705	1.45%
	89,656	MetLife Inc	4,241,625	1.05%
	73,472	Northern Trust Corp	4,145,290	1.02%
	32,281	Prosperity Bancshares Inc	2,015,948	0.50%
	656,827	Regions Financial Corp	6,318,676	1.56%
	196,659	SunTrust Banks Inc	6,615,609	1.63%

All the above securities are transferable securities listed on a recognised stock exchange.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory American Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Financials 15.13% (31st October, 2012: 9.36%) (continued)				
	78,996	US Bancorp	2,951,291	0.73%
	26,476	Visa Inc	5,207,035	1.28%
			61,339,826	15.13%
Health Care 10.36% (31st October, 2012: 15.27%)				
	22,173	Charles River Laboratories International Inc	1,090,468	0.27%
	59,342	Covance Inc	5,296,867	1.31%
	52,917	DaVita HealthCare Partners Inc	2,973,935	0.73%
	48,744	Endologix Inc	879,829	0.22%
	77,203	Express Scripts Holding Co	4,826,732	1.19%
	13,584	Henry Schein Inc	1,526,977	0.37%
	193,899	Hologic Inc	4,339,460	1.07%
	36,508	IDEXX Laboratories Inc	3,936,658	0.97%
	37,483	Incyte Corp Ltd	1,461,837	0.36%
	10,582	Intuitive Surgical Inc	3,931,213	0.97%
	43,999	MAXIMUS Inc	2,131,752	0.52%
	79,825	Merck & Co Inc	3,599,309	0.89%
	56,346	Novartis AG	4,369,069	1.08%
	25,076	Seattle Genetics Inc	968,184	0.24%
	35,378	Volcano Corp	677,489	0.17%
			42,009,779	10.36%
Industrials 17.09% (31st October, 2012: 18.60%)				
	8,401	Acuity Brands Inc	844,384	0.21%
	22,469	Advisory Board Co	1,541,149	0.38%
	42,544	Amphenol Corp	3,415,858	0.84%
	11,904	Colfax Corp	666,029	0.16%
	20,589	Corporate Executive Board Co	1,500,938	0.37%
	58,002	Danaher Corp	4,181,364	1.03%
	52,301	DigitalGlobe Inc	1,664,218	0.41%
	28,171	Eaton Corp PLC	1,987,746	0.49%
	155,923	Fluor Corp	11,572,605	2.86%
	100,815	Garmin Ltd	4,712,093	1.16%
	30,190	HEICO Corp	1,617,580	0.40%
	28,396	Hexcel Corp	1,200,867	0.30%
	24,508	IDEX Corp	1,694,483	0.42%
	128,382	Kennametal Inc	5,905,572	1.46%
	84,645	Knight Transportation Inc	1,436,426	0.36%
	22,903	Landstar System Inc	1,265,849	0.31%
	68,826	National Instruments Corp	1,999,395	0.49%
	80,983	PACCAR Inc	4,502,655	1.11%
	43,161	Roadrunner Transportation Systems Inc	1,143,766	0.28%
	26,292	Roper Industries Inc	3,334,089	0.82%
	32,184	Stericycle Inc	3,737,206	0.92%
	1,967	Team Inc	73,349	0.02%
	95,015	Terex Corp	3,318,874	0.82%
	29,589	United Rentals Inc	1,911,154	0.47%
	92,081	UTi Worldwide Inc	1,398,710	0.35%
	1,508	Valmont Industries Inc	211,874	0.05%
	56,917	Waste Connections Inc	2,431,494	0.60%
			69,269,727	17.09%

All the above securities are transferable securities listed on a recognised stock exchange.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory American Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Information Technology 23.48% (31st October, 2012: 26.92%)				
	130,808	Accelrys Inc	1,223,055	0.30%
	38,475	Accenture PLC	2,827,913	0.70%
	25,426	ANSYS Inc	2,222,741	0.55%
	25,615	Apple Inc	13,379,995	3.30%
	62,303	Applied Micro Circuits Corp	725,830	0.18%
	63,247	Broadridge Financial Solutions Inc	2,223,765	0.55%
	30,067	BroadSoft Inc	983,191	0.24%
	17,526	Cavium Inc	706,473	0.18%
	53,310	Check Point Software Technologies Ltd	3,093,046	0.76%
	256,450	Cisco Systems Inc	5,770,125	1.42%
	24,293	Cognizant Technology Solutions Corp	2,111,791	0.52%
	16,666	CommVault Systems Inc	1,301,281	0.32%
	8,583	Concur Technologies Inc	897,439	0.22%
	66,619	CoreLogic Inc	2,215,748	0.55%
	15,160	E2open Inc	341,100	0.08%
	77,552	EXFO Inc	431,965	0.11%
	18,712	Fair Isaac Corp	1,071,823	0.27%
	19,207	Global Payments Inc	1,142,432	0.28%
	5,492	Google Inc	5,659,945	1.40%
	53,863	Informatica Corp	2,079,112	0.51%
	54,451	Interactive Intelligence Group Inc	3,345,469	0.83%
	89,770	Microchip Technology Inc	3,856,519	0.95%
	132,028	Microsoft Corp	4,667,190	1.15%
	196,245	NetApp Inc	7,616,268	1.88%
	167,549	Oracle Corp	5,612,892	1.39%
	51,548	Pegasystems Inc	1,960,886	0.48%
	170,525	QUALCOMM Inc	11,846,372	2.92%
	41,756	Riverbed Technology Inc	618,406	0.15%
	60,595	Salesforce.com Inc	3,232,743	0.80%
	27,513	Sapient Corp	434,705	0.11%
	10,045	Ultimate Software Group Inc	1,551,651	0.38%
			95,151,871	23.48%
Materials 4.47% (31st October, 2012: 2.69%)				
	36,136	Ecolab Inc	3,830,416	0.95%
	45,853	EI du Pont de Nemours & Co	2,806,204	0.69%
	148,325	Freeport-McMoRan Copper & Gold Inc	5,450,944	1.34%
	152,605	Potash Corp of Saskatchewan Inc	4,744,489	1.17%
	20,417	Rockwood Holdings Inc	1,291,375	0.32%
			18,123,428	4.47%
Total Equities*			384,729,011	94.91%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory American Fund (continued)

As at 31st October, 2013

Forward Foreign Currency Contracts (0.03%) (31st October, 2012: 0.02%)

Currency Bought	Amount Currency Bought	Amount Currency Sold	Amount Currency Sold	Maturity Date	Counterparty	Unrealised (Loss) US\$	% of Fund
Brown Advisory American Fund Euro Class A Hedged							
EUR€	372,773	US\$	(515,185)	27/11/2013	Brown Brothers Harriman	(10,518)	(0.00%)
Brown Advisory American Fund Sterling Class B Hedged							
STG£	6,374,792	US\$	(10,340,805)	27/11/2013	Brown Brothers Harriman	(137,983)	(0.03%)
Total Forward Foreign Currency Contracts[∞]						(148,501)	(0.03%)
						Fair Value US\$	% of Fund
Total Financial Assets at Fair Value through Profit or Loss						384,729,011	94.91%
Total Financial Liabilities at Fair Value through Profit or Loss						(148,501)	(0.03%)
Other Net Assets						20,765,573	5.12%
Net Assets Attributable to Holders of Redeemable Participating Shares						405,346,083	100.00%

Portfolio Analysis	Total Asset %
* Transferable securities admitted to an official stock exchange or traded on a regulated market	384,729,011 94.43%
∞ OTC financial derivative instruments	(148,501) (0.03%)
Total Investments	384,580,510 94.40%

STATEMENT OF INVESTMENTS
Brown Advisory US Equity Growth Fund
As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Commercial Services 2.08% (31st October, 2012: 1.91%)				
	1,596,521	Genpact Ltd	31,643,046	2.08%
			31,643,046	2.08%
Consumer Discretionary 6.27% (31st October, 2012: 8.52%)				
	284,832	Fossil Group Inc	36,156,574	2.38%
	730,713	Starbucks Corp	59,224,289	3.89%
			95,380,863	6.27%
Consumer Staples 12.99% (31st October, 2012: 8.35%)				
	346,223	Costco Wholesale Corp	40,854,314	2.69%
	711,746	Estee Lauder Cos Inc	50,505,496	3.32%
	651,852	Mead Johnson Nutrition Co	53,230,235	3.50%
	837,026	Whole Foods Market Inc	52,833,081	3.48%
			197,423,126	12.99%
Energy 9.97% (31st October, 2012: 11.14%)				
	259,293	Core Laboratories NV	48,505,941	3.19%
	813,733	FMC Technologies Inc	41,134,203	2.71%
	660,254	Schlumberger Ltd	61,879,005	4.07%
			151,519,149	9.97%
Financials 7.63% (31st October, 2012: 2.75%)				
	2,253,447	Charles Schwab Corp	51,040,574	3.36%
	330,168	Visa Inc	64,934,141	4.27%
			115,974,715	7.63%
Health Care 14.30% (31st October, 2012: 15.12%)				
	412,107	Covance Inc	36,784,671	2.42%
	660,503	DaVita HealthCare Partners Inc	37,120,269	2.44%
	963,885	Express Scripts Holding Co	60,262,090	3.97%
	326,924	IDEXX Laboratories Inc	35,252,215	2.32%
	129,023	Intuitive Surgical Inc	47,932,044	3.15%
			217,351,289	14.30%
Industrials 17.62% (31st October, 2012: 18.14%)				
	533,810	Amphenol Corp	42,859,605	2.82%
	723,975	Danaher Corp	52,191,358	3.43%
	801,588	Fluor Corp	59,493,861	3.92%
	859,070	National Instruments Corp	24,955,984	1.64%
	328,172	Roper Industries Inc	41,615,491	2.74%
	401,709	Stericycle Inc	46,646,449	3.07%
			267,762,748	17.62%
Information Technology 23.53% (31st October, 2012: 31.62%)				
	480,237	Accenture PLC	35,297,419	2.32%
	313,460	ANSYS Inc	27,402,673	1.80%
	125,279	Apple Inc	65,439,486	4.31%
	303,216	Cognizant Technology Solutions Corp	26,358,567	1.73%
	68,546	Google Inc	70,642,137	4.65%
	853,247	NetApp Inc	33,114,516	2.18%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Equity Growth Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Information Technology 23.53% (31st October, 2012: 31.62%) (continued)				
	849,420	QUALCOMM Inc	59,009,207	3.88%
	756,334	Salesforce.com Inc	40,350,419	2.66%
			357,614,424	23.53%
Materials 3.14% (31st October, 2012: 0.00%)				
	451,039	Ecolab Inc	47,810,134	3.14%
			47,810,134	3.14%
Total Equities*			1,482,479,494	97.53%

Forward Foreign Currency Contracts (0.23%) (31st October, 2012: 0.02%)

Currency Bought	Amount Currency Bought	Currency Sold	Amount Currency Sold	Maturity Date	Counterparty	Unrealised (Loss) US\$	% of Fund
Brown Advisory US Equity Growth Fund Euro Class A Hedged							
EUR€	79,403,952	US\$	(109,741,423)	27/11/2013	Brown Brothers Harriman	(2,242,849)	(0.15%)
Brown Advisory US Equity Growth Fund Sterling Class A Hedged							
STG£	1,858,843	US\$	(3,015,304)	27/11/2013	Brown Brothers Harriman	(40,235)	(0.00%)
Brown Advisory US Equity Growth Fund Sterling Class B Hedged							
STG£	49,309,768	US\$	(79,987,347)	27/11/2013	Brown Brothers Harriman	(1,067,315)	(0.07%)
Brown Advisory US Equity Growth Fund Euro Class P Hedged							
EUR€	3,995,708	US\$	(5,517,076)	27/11/2013	Brown Brothers Harriman	(107,612)	(0.01%)
Total Forward Foreign Currency Contracts[∞]						(3,458,011)	(0.23%)

	Fair Value US\$	% of Fund
Total Financial Assets at Fair Value through Profit or Loss	1,482,479,494	97.53%
Total Financial Liabilities at Fair Value through Profit or Loss	(3,458,011)	(0.23%)
Other Net Assets	40,933,598	2.70%
Net Assets Attributable to Holders of Redeemable Participating Shares	1,519,955,081	100.00%

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS**Brown Advisory US Equity Growth Fund (continued)****As at 31st October, 2013**

Portfolio Analysis		Total Asset %
* Transferable securities admitted to an official stock exchange or traded on a regulated market	1,482,479,494	96.43%
∞ OTC financial derivative instruments	(3,458,011)	(0.23%)
Total Investments	1,479,021,483	96.20%

STATEMENT OF INVESTMENTS
Brown Advisory American SRI Fund
As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Commercial Services 1.53% (31st October, 2012: 1.68%)				
	2,243	CoStar Group Inc	396,966	0.49%
	43,242	Genpact Ltd	857,057	1.04%
			1,254,023	1.53%
Consumer Discretionary 8.68% (31st October, 2012: 8.05%)				
	24,675	Abercrombie & Fitch Co	924,572	1.13%
	4,612	ANN Inc	163,080	0.20%
	3,968	Ascent Media Corp	334,502	0.41%
	35,958	Best Buy Co Inc	1,539,002	1.87%
	6,248	Deckers Outdoor Corp	429,925	0.52%
	4,669	Fossil Group Inc	592,683	0.72%
	31,742	Guess? Inc	991,303	1.21%
	3,574	Harman International Industries Inc	289,566	0.35%
	12,548	HomeAway Inc	371,546	0.45%
	52,549	Quiksilver Inc	437,208	0.53%
	4,452	Stage Stores Inc	91,934	0.11%
	11,976	Starbucks Corp	970,655	1.18%
			7,135,976	8.68%
Consumer Staples 4.58% (31st October, 2012: 4.39%)				
	5,596	Costco Wholesale Corp	660,328	0.80%
	11,582	Estee Lauder Cos Inc	821,859	1.00%
	10,536	Mead Johnson Nutrition Co	860,370	1.05%
	3,211	Pricesmart Inc	364,930	0.44%
	3,607	Susser Holdings Corp	197,808	0.24%
	13,613	Whole Foods Market Inc	859,252	1.05%
			3,764,547	4.58%
Energy 10.80% (31st October, 2012: 11.59%)				
	36,826	Canadian Natural Resources Ltd	1,168,857	1.42%
	5,257	Cimarex Energy Co	553,825	0.67%
	4,250	Core Laboratories NV	795,048	0.97%
	13,338	FMC Technologies Inc	674,236	0.82%
	12,879	Helix Energy Solutions Group Inc	304,717	0.37%
	15,759	National Oilwell Varco Inc	1,279,316	1.56%
	11,691	Occidental Petroleum Corp	1,123,271	1.37%
	31,753	Schlumberger Ltd	2,975,891	3.62%
			8,875,161	10.80%
Financials 16.60% (31st October, 2012: 10.33%)				
	104,798	Charles Schwab Corp	2,373,675	2.89%
	13,390	City National Corp	965,553	1.17%
	30,935	FirstMerit Corp	694,181	0.84%
	37,505	Hartford Financial Services Group Inc	1,263,919	1.54%
	11,728	M&T Bank Corp	1,319,752	1.61%
	20,124	MetLife Inc	952,066	1.16%
	16,490	Northern Trust Corp	930,366	1.13%
	6,954	Prosperity Bancshares Inc	434,277	0.53%
	147,426	Regions Financial Corp	1,418,238	1.72%
	44,141	SunTrust Banks Inc	1,484,903	1.81%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

STATEMENT OF INVESTMENTS

Brown Advisory American SRI Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Financials 16.60% (31st October, 2012: 10.33%) (continued)				
	17,733	US Bancorp	662,505	0.81%
	5,821	Visa Inc	1,144,816	1.39%
			13,644,251	16.60%
Health Care 10.86% (31st October, 2012: 16.50%)				
	4,776	Charles River Laboratories International Inc	234,884	0.29%
	12,426	Covance Inc	1,109,145	1.35%
	10,826	DaVita HealthCare Partners Inc	608,421	0.74%
	10,500	Endologix Inc	189,525	0.23%
	15,679	Express Scripts Holding Co	980,251	1.19%
	2,926	Henry Schein Inc	328,912	0.40%
	43,520	Hologic Inc	973,978	1.18%
	7,581	IDEXX Laboratories Inc	817,459	0.99%
	8,074	Incyte Corp Ltd	314,886	0.38%
	2,115	Intuitive Surgical Inc	785,722	0.96%
	9,478	MAXIMUS Inc	459,209	0.56%
	17,635	Merck & Co Inc	795,162	0.97%
	12,648	Novartis AG	980,726	1.19%
	5,402	Seattle Genetics Inc	208,571	0.25%
	7,621	Volcano Corp	145,942	0.18%
			8,932,793	10.86%
Industrials 14.70% (31st October, 2012: 15.43%)				
	1,810	Acuity Brands Inc	181,923	0.22%
	4,840	Advisory Board Co	331,976	0.40%
	2,564	Colfax Corp	143,456	0.17%
	4,435	Corporate Executive Board Co	323,311	0.39%
	16,658	Danaher Corp	1,200,875	1.46%
	11,229	DigitalGlobe Inc	357,307	0.44%
	6,325	Eaton Corp PLC	446,292	0.54%
	22,630	Garmin Ltd	1,057,726	1.29%
	5,279	IDEX Corp	364,990	0.44%
	28,813	Kennametal Inc	1,325,398	1.61%
	18,233	Knight Transportation Inc	309,414	0.38%
	4,933	Landstar System Inc	272,647	0.33%
	15,109	National Instruments Corp	438,916	0.53%
	18,178	PACCAR Inc	1,010,697	1.23%
	9,297	Roadrunner Transportation Systems Inc	246,370	0.30%
	7,551	Roper Industries Inc	957,542	1.17%
	9,243	Stericycle Inc	1,073,297	1.31%
	430	Team Inc	16,035	0.02%
	21,325	Terex Corp	744,882	0.91%
	6,374	United Rentals Inc	411,697	0.50%
	19,835	UTi Worldwide Inc	301,294	0.37%
	309	Valmont Industries Inc	43,415	0.05%
	12,260	Waste Connections Inc	523,747	0.64%
			12,083,207	14.70%
Information Technology 25.51% (31st October, 2012: 28.07%)				
	28,177	Accelrys Inc	263,455	0.32%

All the above securities are transferable securities listed on a recognised stock exchange
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory American SRI Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Information Technology 25.51% (31st October, 2012: 28.07%) (continued)				
	8,446	Accenture PLC	620,781	0.76%
	5,566	ANSYS Inc	486,580	0.59%
	5,686	Apple Inc	2,970,082	3.61%
	13,421	Applied Micro Circuits Corp	156,355	0.19%
	13,624	Broadridge Financial Solutions Inc	479,020	0.58%
	6,477	BroadSoft Inc	211,798	0.26%
	3,775	Cavium Inc	152,170	0.19%
	11,965	Check Point Software Technologies Ltd	694,209	0.84%
	57,595	Cisco Systems Inc	1,295,887	1.58%
	5,333	Cognizant Technology Solutions Corp	463,598	0.56%
	3,590	CommVault Systems Inc	280,307	0.34%
	1,849	Concur Technologies Inc	193,331	0.24%
	14,350	CoreLogic Inc	477,281	0.58%
	3,258	E2open Inc	73,305	0.09%
	12,682	EXFO Inc	70,639	0.09%
	4,031	Fair Isaac Corp	230,896	0.28%
	4,137	Global Payments Inc	246,069	0.30%
	1,206	Google Inc	1,242,879	1.51%
	11,603	Informatica Corp	447,876	0.55%
	11,729	Interactive Intelligence Group Inc	720,630	0.88%
	20,150	Microchip Technology Inc	865,644	1.05%
	29,635	Microsoft Corp	1,047,597	1.27%
	43,711	NetApp Inc	1,696,424	2.06%
	37,607	Oracle Corp	1,259,834	1.53%
	11,104	Pegasystems Inc	422,396	0.51%
	37,939	QUALCOMM Inc	2,635,622	3.21%
	8,996	Riverbed Technology Inc	133,231	0.16%
	13,302	Salesforce.com Inc	709,662	0.86%
	5,926	Sapient Corp	93,631	0.11%
	2,164	Ultimate Software Group Inc	334,273	0.41%
			20,975,462	25.51%
Materials 2.06% (31st October, 2012: 1.57%)				
	7,393	Ecolab Inc	783,658	0.95%
	10,290	EI du Pont de Nemours & Co	629,748	0.77%
	4,398	Rockwood Holdings Inc	278,174	0.34%
			1,691,580	2.06%
Total Equities			78,357,000	95.32%
Total Financial Assets at Fair Value through Profit or Loss			78,357,000	95.32%
Other Net Assets			3,844,556	4.68%
Net Assets Attributable to Holders of Redeemable Participating Shares			82,201,556	100.00%

All the above securities are transferable securities listed on a recognised stock exchange and represent 94.36% of Total Assets.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Small Cap Blend Fund

As at 31st October, 2013

Equities

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Commercial Services 1.94%				
	74	CoStar Group Inc	13,096	1.11%
	497	Genpact Ltd	9,851	0.83%
			22,947	1.94%
Consumer Discretionary 13.47%				
	151	ANN Inc	5,339	0.45%
	331	Ascent Media Corp	27,903	2.36%
	190	BJ's Restaurants Inc	5,134	0.43%
	186	Cato Corp	5,574	0.47%
	350	Core-Mark Holding Co Inc	24,717	2.09%
	2,860	Denny's Corp	18,161	1.53%
	436	Destination Maternity Corp	13,621	1.15%
	117	Harman International Industries Inc	9,479	0.80%
	411	HomeAway Inc	12,170	1.03%
	170	Mac-Gray Corp	3,584	0.30%
	1,723	Quiksilver Inc	14,335	1.21%
	146	Stage Stores Inc	3,015	0.25%
	392	Starz	11,819	1.00%
	151	Susser Petroleum Partners LP	4,692	0.40%
			159,543	13.47%
Consumer Staples 4.20%				
	90	Casey's General Stores Inc	6,556	0.55%
	105	Pricesmart Inc	11,933	1.01%
	570	Susser Holdings Corp	31,259	2.64%
			49,748	4.20%
Energy 2.36%				
	424	Helix Energy Solutions Group Inc	10,032	0.85%
	485	RigNet Inc	17,872	1.51%
			27,904	2.36%
Financials 15.47%				
	630	American Capital Ltd	8,820	0.74%
	482	American Equity Investment Life Holding Co	10,045	0.85%
	214	Assurant Inc	12,515	1.06%
	424	Capitol Federal Financial Inc	5,368	0.45%
	574	CYS Investments Inc	4,873	0.41%
	505	FirstMerit Corp	11,332	0.96%
	290	Fly Leasing Ltd	4,173	0.35%
	295	Forest City Enterprises Inc	5,974	0.50%
	1,473	GFI Group Inc	5,111	0.43%
	233	Kemper Corp	8,626	0.73%
	917	Maiden Holdings Ltd	10,032	0.85%
	1,421	MFA Financial Inc	10,515	0.89%
	404	OceanFirst Financial Corp	7,086	0.60%
	399	Oritani Financial Corp	6,468	0.55%
	232	Pacific Premier Bancorp Inc	3,222	0.27%
	377	PHH Corp	9,067	0.77%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Small Cap Blend Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Financials 15.47% (continued)				
	228	Prosperity Bancshares Inc	14,239	1.20%
	255	Renasant Corp	7,311	0.62%
	32	Springleaf Holdings Inc	651	0.05%
	415	Starwood Property Trust Inc	10,657	0.90%
	4,207	Synovus Financial Corp	13,673	1.15%
	1,110	TFS Financial Corp	13,475	1.14%
			183,233	15.47%
Health Care 9.38%				
	306	Air Methods Corp	13,378	1.14%
	157	Charles River Laboratories International Inc	7,721	0.65%
	186	Covance Inc	16,603	1.40%
	344	Endologix Inc	6,209	0.52%
	96	Henry Schein Inc	10,791	0.91%
	73	IDEXX Laboratories Inc	7,872	0.66%
	265	Incyte Corp Ltd	10,335	0.87%
	549	MAXIMUS Inc	26,599	2.25%
	177	Seattle Genetics Inc	6,834	0.58%
	250	Volcano Corp	4,788	0.40%
			111,130	9.38%
Industrials 20.91%				
	150	Actuant Corp	5,634	0.48%
	59	Acuity Brands Inc	5,930	0.50%
	159	Advisory Board Co	10,906	0.92%
	371	Albany International Corp	13,657	1.15%
	197	Bristow Group Inc	15,853	1.34%
	84	Colfax Corp	4,700	0.40%
	145	Corporate Executive Board Co	10,570	0.89%
	674	DigitalGlobe Inc	21,447	1.81%
	280	EnPro Industries Inc	16,708	1.41%
	213	HEICO Corp	11,413	0.96%
	201	Hexcel Corp	8,500	0.72%
	173	IDEX Corp	11,961	1.01%
	293	Kadant Inc	10,489	0.89%
	598	Knight Transportation Inc	10,148	0.86%
	162	Landstar System Inc	8,954	0.76%
	49	Measurement Specialties Inc	2,726	0.23%
	305	Roadrunner Transportation Systems Inc	8,083	0.68%
	10	Team Inc	373	0.03%
	273	Thermon Group Holdings Inc	6,418	0.54%
	410	Trimas Corp	15,506	1.31%
	209	United Rentals Inc	13,499	1.14%
	650	UTi Worldwide Inc	9,874	0.83%
	10	Valmont Industries Inc	1,405	0.12%
	346	Vishay Precision Group Inc	5,674	0.48%
	402	Waste Connections Inc	17,173	1.45%
			247,601	20.91%

All the above securities are transferable securities listed on a recognised stock exchange.
The accompanying notes form an integral part of the financial statements.

STATEMENT OF INVESTMENTS

Brown Advisory US Small Cap Blend Fund (continued)

As at 31st October, 2013

Equities (continued)

Industry	Holding	Security Description	Fair Value US\$	% of Fund
Information Technology 21.45%				
	924	Accelrys Inc	8,639	0.73%
	440	Applied Micro Circuits Corp	5,126	0.43%
	1,093	Broadridge Financial Solutions Inc	38,430	3.25%
	212	BroadSoft Inc	6,932	0.58%
	124	Cavium Inc	4,999	0.42%
	118	CommVault Systems Inc	9,213	0.78%
	61	Concur Technologies Inc	6,378	0.54%
	1,114	CoreLogic Inc	37,052	3.13%
	116	DST Systems Inc	9,825	0.83%
	85	E2open Inc	1,913	0.16%
	604	EchoStar Corp	28,920	2.44%
	507	EXFO Inc	2,824	0.24%
	132	Fair Isaac Corp	7,561	0.64%
	136	Global Payments Inc	8,089	0.68%
	380	Informatica Corp	14,668	1.24%
	385	Interactive Intelligence Group Inc	23,654	2.00%
	119	MTS Systems Corp	7,771	0.65%
	364	Pegasystems Inc	13,847	1.17%
	295	Riverbed Technology Inc	4,369	0.37%
	180	Sapient Corp	2,844	0.24%
	71	Ultimate Software Group Inc	10,967	0.93%
			254,021	21.45%
Materials 2.47%				
	184	Innophos Holdings Inc	9,218	0.78%
	187	KMG Chemicals Inc	3,736	0.31%
	175	Neenah Paper Inc	7,200	0.61%
	144	Rockwood Holdings Inc	9,108	0.77%
			29,262	2.47%
Telecommunication Services 0.72%				
	796	Boingo Wireless Inc	5,381	0.45%
	524	ORBCOMM Inc	3,149	0.27%
			8,530	0.72%
Total Equities			1,093,919	92.37%
Total Financial Assets at Fair Value through Profit or Loss			1,093,919	92.37%
Other Net Assets			90,305	7.63%
Net Assets Attributable to Holders of Redeemable Participating Shares			1,184,224	100.00%

All the above securities are transferable securities listed on a recognised stock exchange and represent 84.56% of Total Assets.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)**Brown Advisory US Equity Value Fund
For the year ended 31st October, 2013**

In accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended), a statement of changes in the composition of the Statement of Investments during the reporting period is provided to ensure that Shareholders can identify changes in the investments held by the Company. These statements present the aggregate purchases and sales of transferable securities exceeding 1% of the total value of purchases and sales for the year. At a minimum the largest 20 purchases and sales must be given.

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
553,345	SunTrust Banks Inc	16,176,461
706,751	Cisco Systems Inc	15,436,298
952,359	Charles Schwab Corp	15,392,811
1,970,733	Regions Financial Corp	14,956,521
355,770	Kennametal Inc	14,347,187
454,666	Canadian Natural Resources Ltd	13,887,029
305,193	Abercrombie & Fitch Co	13,559,234
416,590	Potash Corp of Saskatchewan Inc	12,861,854
24,726	Apple Inc	11,270,370
565,495	Best Buy Co Inc	11,070,761
534,931	Hologic Inc	10,988,004
159,075	City National Corp	10,881,711
268,805	Garmin Ltd	10,225,813
302,189	Freeport-McMoRan Copper & Gold Inc	9,076,490
194,566	Deckers Outdoor Corp	8,245,870
99,648	Occidental Petroleum Corp	8,168,884
116,083	National Oilwell Varco Inc	8,064,998
122,163	QUALCOMM Inc	7,711,249
263,308	Terex Corp	7,554,730
381,945	FirstMerit Corp	7,363,775
81,944	Schlumberger Ltd	6,485,473
184,320	Oracle Corp	5,971,291
207,539	Hartford Financial Services Group Inc	5,744,881
52,772	M&T Bank Corp	5,678,999
135,818	Guess? Inc	3,865,557
57,636	Cimarex Energy Co	3,789,525
58,219	Fluor Corp	3,762,096
118,509	Microsoft Corp	3,695,290
81,475	MetLife Inc	3,685,730
81,191	NetApp Inc	3,183,989
52,645	Northern Trust Corp	3,034,217
55,635	PACCAR Inc	3,031,319

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Equity Value Fund (continued)
For the year ended 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
196,400	Johnson & Johnson	15,148,763
252,249	Eaton Corp PLC	15,096,275
114,353	CARBO Ceramics Inc	11,995,904
322,714	Southwestern Energy Co	11,099,427
222,441	MetLife Inc	10,093,898
177,310	Prudential Financial Inc	9,899,714
198,616	PACCAR Inc	9,892,282
177,945	Emerson Electric Co	9,665,840
132,960	Novartis AG	9,255,353
97,943	ACE Ltd	8,558,131
155,563	EI du Pont de Nemours & Co	8,256,277
76,744	3M Co	7,927,538
119,060	Deckers Outdoor Corp	7,527,153
94,170	Cimarex Energy Co	7,290,412
230,951	Microsoft Corp	7,274,102
59,745	Diageo PLC	7,110,046
156,422	Merck & Co Inc	6,933,788
205,297	Freeport-McMoRan Copper & Gold Inc	6,645,499
126,671	Harris Corp	6,240,886
78,273	Chubb Corp	5,983,881
156,594	Microchip Technology Inc	5,741,635
69,329	Occidental Petroleum Corp	5,647,305
82,090	Tiffany & Co	5,565,498
422,243	Dell Inc	5,466,987
136,770	Best Buy Co Inc	5,101,004
153,200	US Bancorp	5,097,442
171,947	Guess? Inc	4,303,662
114,589	Oracle Corp	3,794,317
53,955	PepsiCo Inc	3,740,948
67,868	Northern Trust Corp	3,737,417
144,770	CA Inc	3,575,321
146,235	Charles Schwab Corp	3,040,868
102,793	Hartford Financial Services Group Inc	2,712,013
36,639	Schlumberger Ltd	2,703,286

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Smaller Companies Fund
For the year ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
90,523	Interactive Intelligence Group Inc	4,537,725
92,847	Waste Connections Inc	3,665,793
43,738	Covance Inc	3,381,133
122,827	CoreLogic Inc	3,262,643
89,574	Informatica Corp	3,166,818
59,498	Prosperity Bancshares Inc	3,046,790
94,087	HomeAway Inc	2,923,514
44,750	MAXIMUS Inc	2,866,203
438,213	Quiksilver Inc	2,858,226
93,930	DigitalGlobe Inc	2,810,916
103,575	Broadridge Financial Solutions Inc	2,773,925
48,282	United Rentals Inc	2,757,752
161,301	Knight Transportation Inc	2,680,845
110,396	Helix Energy Solutions Group Inc	2,675,423
83,975	Pegasystems Inc	2,644,879
25,972	Henry Schein Inc	2,501,222
150,745	UTi Worldwide Inc	2,349,193
39,852	IDEX Corp	2,237,319
114,639	Genpact Ltd	2,215,455
33,424	Rockwood Holdings Inc	2,194,007
41,423	Advisory Board Co	2,161,253
241,093	Accelrys Inc	2,159,205
91,038	Incyte Corp Ltd	2,114,764
29,191	Ascent Media Corp	2,110,937
34,486	Corporate Executive Board Co	2,109,692
23,734	Pricesmart Inc	2,101,504
27,651	CommVault Systems Inc	2,098,222
16,975	CoStar Group Inc	2,076,488
95,622	ExactTarget Inc	2,075,938
37,555	Landstar System Inc	2,075,490
43,168	HEICO Corp	2,051,592
76,896	Roadrunner Transportation Systems Inc	2,021,664
36,373	Catamaran Corp	1,951,527
16,355	Ultimate Software Group Inc	1,892,491
122,592	Riverbed Technology Inc	1,890,055
46,571	World Fuel Services Corp	1,863,667
48,687	Seattle Genetics Inc	1,809,966
39,830	Charles River Laboratories International Inc	1,772,287
37,388	Global Payments Inc	1,771,515
33,612	Fair Isaac Corp	1,753,693
48,546	BJ's Restaurants Inc	1,720,339
46,990	Hexcel Corp	1,559,188
16,731	IDEXX Laboratories Inc	1,519,600
83,542	Ariad Pharmaceuticals Inc	1,467,412

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Smaller Companies Fund (continued)
For the year ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases (continued)

Units	Security Description	Cost US\$
51,939	BroadSoft Inc	1,431,145
30,082	Susser Holdings Corp	1,421,053
26,498	Harman International Industries Inc	1,345,949
151,594	Applied Micro Circuits Corp	1,285,103
84,892	Endologix Inc	1,247,690

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Smaller Companies Fund (continued)
For the year ended 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
44,963	Catamaran Corp	2,269,869
55,687	World Fuel Services Corp	2,096,513
74,553	SHFL Entertainment Inc	1,649,362
75,235	Quanex Building Products Corp	1,315,215
35,747	Incyte Corp Ltd	1,239,432
21,698	Monro Muffler Brake Inc	939,157
6,720	Valmont Industries Inc	904,399
65,181	Applied Micro Circuits Corp	803,137
15,204	Vitamin Shoppe Inc	726,568
47,491	Riverbed Technology Inc	679,597
5,395	Henry Schein Inc	533,568
31,859	Knight Transportation Inc	515,588
20,895	HMS Holdings Corp	510,407
9,052	Global Payments Inc	451,234
20,886	Microsemi Corp	430,676
83,542	Ariad Pharmaceuticals Inc	418,612
9,172	Seattle Genetics Inc	375,212
5,058	Gardner Denver Inc	347,063
5,218	Interactive Intelligence Group Inc	317,057
4,083	Acuity Brands Inc	310,873
10,312	Roadrunner Transportation Systems Inc	287,422
3,841	Covance Inc	277,477
12,452	Masimo Corp	245,246
4,252	Harman International Industries Inc	218,688

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory American Fund
For the year ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
484,308	Charles Schwab Corp	8,119,529
17,213	Apple Inc	8,066,161
230,769	SunTrust Banks Inc	6,844,539
274,915	Cisco Systems Inc	6,047,072
146,855	Kennametal Inc	6,042,288
764,547	Regions Financial Corp	5,959,099
188,629	Canadian Natural Resources Ltd	5,787,874
86,105	QUALCOMM Inc	5,574,404
123,055	Abercrombie & Fitch Co	5,337,163
236,849	Best Buy Co Inc	5,083,310
27,054	Visa Inc	4,837,278
57,659	Schlumberger Ltd	4,753,991
152,605	Potash Corp of Saskatchewan Inc	4,731,579
54,881	Whole Foods Market Inc	4,374,509
55,059	Ecolab Inc	4,085,893
59,660	City National Corp/CA	4,069,314
194,604	Hologic Inc	4,056,811
100,815	Garmin Ltd	3,980,445
120,385	Freeport-McMoRan Copper & Gold Inc	3,688,348
55,594	Fluor Corp	3,643,547
51,255	National Oilwell Varco Inc	3,637,539
79,465	Deckers Outdoor Corp	3,454,216
40,290	Occidental Petroleum Corp	3,343,236
7,206	Intuitive Surgical Inc	3,173,690
95,545	Terex Corp	2,813,159
137,830	FirstMerit Corp	2,715,349
24,236	M&T Bank Corp	2,661,578
79,615	Oracle Corp	2,605,178
89,725	Hartford Financial Services Group Inc	2,565,355
57,770	NetApp Inc	2,343,095
34,919	Estee Lauder Cos Inc	2,306,697
88,284	CoreLogic Inc	2,290,503

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory American Fund (continued)
For the year ended 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
10,278	Mastercard Inc	6,250,334
69,265	Johnson & Johnson	5,388,366
85,944	Eaton Corp PLC	5,212,961
259,832	Charles Schwab Corp	5,118,052
9,154	Apple Inc	4,194,920
39,187	CARBO Ceramics Inc	4,088,288
4,659	Google Inc	3,992,747
112,650	Southwestern Energy Co	3,870,505
78,746	Coach Inc	3,867,104
73,332	PACCAR Inc	3,737,549
56,386	Fluor Corp	3,651,752
77,478	MetLife Inc	3,532,708
62,585	Prudential Financial Inc	3,528,557
49,175	Novartis AG	3,504,833
47,213	Covance Inc	3,472,419
52,889	QUALCOMM Inc	3,470,874
43,748	Schlumberger Ltd	3,434,134
118,469	Canadian Natural Resources Ltd	3,398,940
62,115	Emerson Electric Co	3,398,658
49,963	Starbucks Corp	3,385,155
52,028	Citrix Systems Inc	3,314,878
51,010	Deckers Outdoor Corp	3,123,638
35,092	ACE Ltd	3,093,495
79,488	NetApp Inc	3,047,420
48,550	Express Scripts Holding Co	3,007,192
43,007	Cognizant Technology Solutions Corp	2,997,109
55,224	EI du Pont de Nemours & Co	2,991,795
91,168	Microsoft Corp	2,967,058
27,136	3M Co	2,844,872
35,777	Cimarex Energy Co	2,811,172
34,259	Salesforce.com Inc	2,664,376
38,923	Estee Lauder Cos Inc	2,644,125
24,901	Stericycle Inc	2,637,625
58,187	Merck & Co Inc	2,588,441
34,663	Amphenol Corp	2,575,066
31,902	Mead Johnson Nutrition Co	2,511,907
76,285	Freeport-McMoRan Copper & Gold Inc	2,472,347
20,445	Diageo PLC	2,432,547

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Equity Growth Fund
For the year ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
330,168	Visa Inc	58,594,641
92,483	Intuitive Surgical Inc	43,150,725
526,732	Whole Foods Market Inc	42,124,512
88,614	Apple Inc	40,482,080
492,330	Ecolab Inc	37,301,147
584,352	Express Scripts Holding Co	34,135,122
493,888	Estee Lauder Cos Inc	32,559,544
489,299	QUALCOMM Inc	31,339,131
404,699	Mead Johnson Nutrition Co	30,856,858
508,149	Starbucks Corp	28,999,098
33,752	Google Inc	27,830,391
447,605	Fluor Corp	27,543,486
344,212	Schlumberger Ltd	26,411,509
1,460,565	Charles Schwab Corp	24,979,687
205,846	DaVita HealthCare Partners Inc	24,396,859
290,026	Amphenol Corp	21,964,558
38,990	Mastercard Inc	21,136,779
329,004	Danaher Corp	20,301,737
381,010	FMC Technologies Inc	20,085,097
181,411	Stericycle Inc	18,906,404
170,558	Costco Wholesale Corp	18,483,928
149,895	Roper Industries Inc	18,349,546
131,103	Core Laboratories NV	17,956,301
223,463	Accenture PLC	17,049,151
285,803	Salesforce.com Inc	17,048,389
453,317	NetApp Inc	16,264,523
895,597	Genpact Ltd	16,240,286
241,627	Citrix Systems Inc	16,079,877
169,267	IDEXX Laboratories Inc	15,351,464
147,257	Fossil Inc	14,399,960
176,803	Cognizant Technology Solutions Corp	12,868,863
174,617	Covance Inc	12,542,839
158,162	ANSYS Inc	11,899,521
392,694	National Instruments Corp	11,397,065

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Equity Growth Fund (continued)
For the year ended 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
96,442	Mastercard Inc	59,083,957
481,463	Citrix Systems Inc	29,377,865
511,378	Coach Inc	25,125,519
245,454	Cognizant Technology Solutions Corp	16,579,345
583,592	Canadian Natural Resources Ltd	16,483,338
236,931	Starbucks Corp	16,377,880
19,352	Google Inc	16,131,658
786,836	Charles Schwab Corp	15,611,491
25,611	Apple Inc	12,051,521
117,870	Salesforce.com Inc	11,107,518
263,209	NetApp Inc	10,774,122
155,527	Estee Lauder Cos Inc	10,565,017
143,801	Amphenol Corp	10,412,132
70,345	Core Laboratories NV	10,263,800
165,179	Express Scripts Holding Co	10,245,806
86,583	Stericycle Inc	8,846,145
109,716	Covance Inc	7,952,324
101,354	Mead Johnson Nutrition Co	7,843,949
63,535	Fossil Group Inc	7,748,555
121,352	Fluor Corp	7,671,502
90,161	Accenture PLC	6,869,480
77,763	ANSYS Inc	6,601,263
127,219	FMC Technologies Inc	6,537,644
69,016	IDEXX Laboratories Inc	6,475,806
53,266	Roper Industries Inc	6,340,036
49,671	DaVita HealthCare Partners Inc	5,810,661
86,705	QUALCOMM Inc	5,632,191
76,733	Danaher Corp	4,883,103
11,102	Intuitive Surgical Inc	4,757,567
57,126	Schlumberger Ltd	4,522,968

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory American SRI Fund
For the year ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
3,257	Apple Inc	1,530,258
89,069	Charles Schwab Corp	1,457,665
45,231	SunTrust Banks Inc	1,341,682
57,595	Cisco Systems Inc	1,257,509
28,813	Kennametal Inc	1,176,816
150,726	Regions Financial Corp	1,159,536
37,211	Canadian Natural Resources Ltd	1,141,882
24,940	Abercrombie & Fitch Co	1,077,834
5,821	Visa Inc	1,033,280
15,942	QUALCOMM Inc	1,018,941
45,253	Best Buy Co Inc	937,234
13,390	City National Corp/CA	922,933
43,520	Hologic Inc	906,621
22,630	Garmin Ltd	891,366
9,793	Whole Foods Market Inc	813,931
9,625	Schlumberger Ltd	787,564
10,117	Ecolab Inc	733,681
9,944	National Oilwell Varco Inc	701,779
15,218	Deckers Outdoor Corp	648,671
21,325	Terex Corp	627,986
7,540	Occidental Petroleum Corp	621,578
30,935	FirstMerit Corp	610,086
1,233	Intuitive Surgical Inc	550,769
15,245	Oracle Corp	495,499
4,498	M&T Bank Corp	491,817
17,000	Hartford Financial Services Group Inc	479,224
17,303	CoreLogic Inc	446,845
8,385	Prosperity Bancshares Inc	421,435
13,522	DigitalGlobe Inc	405,880

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory American SRI Fund (continued)
For the year ended 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
2,013	Mastercard Inc	1,248,952
14,125	Johnson & Johnson	1,100,926
16,510	Eaton Corp PLC	1,001,300
7,879	CARBO Ceramics Inc	847,504
22,935	Southwestern Energy Co	790,605
15,580	Coach Inc	770,982
12,630	Prudential Financial Inc	709,965
34,496	Charles Schwab Corp	702,774
12,645	Emerson Electric Co	691,463
12,782	PACCAR Inc	650,257
10,107	Citrix Systems Inc	639,181
13,105	MetLife Inc	626,145
7,038	ACE Ltd	620,499
8,270	Novartis AG	587,644
674	Google Inc	586,100
5,605	3M Co	585,114
7,008	Cimarex Energy Co	571,414
8,970	Deckers Outdoor Corp	570,186
1,144	Apple Inc	548,812
9,955	EI du Pont de Nemours & Co	546,484
7,262	Covance Inc	531,493
18,637	Canadian Natural Resources Ltd	527,108
7,510	Cognizant Technology Solutions Corp	516,833
15,830	Microsoft Corp	513,313
7,246	Starbucks Corp	510,050
7,232	Express Scripts Holding Co	451,339
5,526	Salesforce.com Inc	431,529
5,458	Chubb Corp	416,704
3,837	Stericycle Inc	413,705
7,891	Catamaran Corp	406,287
6,054	Estee Lauder Cos Inc	404,941
5,865	Tiffany & Co	403,639
9,160	Merck & Co Inc	402,571
30,008	Dell Inc	397,730
9,270	NetApp Inc	377,278
9,711	World Fuel Services Corp	374,457

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Small Cap Blend Fund
For the period ended 31st October, 2013

Aggregate purchases greater than 1% of the total cost of purchases

Units	Security Description	Cost US\$
1,142	Broadridge Financial Solutions Inc	32,199
1,164	CoreLogic Inc	30,487
593	Susser Holdings Corp	29,626
340	Ascent Media Corp	27,978
635	EchoStar Corp	25,689
365	Core-Mark Holding Co Inc	23,455
600	MAXIMUS Inc	22,443
403	Interactive Intelligence Group Inc	21,876
691	DigitalGlobe Inc	21,665
495	Trimas Corp	19,544
421	Waste Connections Inc	17,978
2,985	Denny's Corp	17,621
290	EnPro Industries Inc	16,371
388	World Fuel Service Corp	15,661
195	Covance Inc	15,563
685	PHH Corp	14,919
1,495	CapitalSource Inc	14,599
395	Informatica Corp	14,559
207	Bristow Group Inc	14,323
506	RigNet Inc	13,983
236	Prosperity Bancshares Inc	13,618
4,405	Synovus Financial Corp	13,606
427	HomeAway Inc	13,477
1,160	TFS Financial Corp	13,454
374	Albany International Corp	13,160
381	Pegasystems Inc	12,994
1,080	Maiden Holdings Ltd	12,625
436	Destination Maternity Corp	12,523
711	Knight Transportation Inc	12,138
1,490	MFA Financial Inc	12,126
1,723	Quiksilver Inc	11,756
225	Assurant Inc	11,739
219	United Rentals Inc	11,596

STATEMENT OF CHANGES IN THE PORTFOLIO (UNAUDITED)
Brown Advisory US Small Cap Blend Fund (continued)
For the period 31st October, 2013

Aggregate sales greater than 1% of the total value of sales

Units	Security Description	Proceeds US\$
1,495	CapitalSource Inc	17,802
388	World Fuel Service Corp	14,660
308	PHH Corp	7,245
304	SHFL Entertainment Inc	6,903
140	Actuant Corp	5,098
100	Catamaran Corp	5,079
123	Incyte Corp Ltd	4,402
71	Measurement Specialties Inc	3,501
85	Trimas Corp	3,305
196	Quanex Building Products Corp	3,296
148	American Equity Investment Life Holding Co	3,037
231	Applied Micro Circuits Corp	2,921
20	Valmont Industries Inc	2,652
182	Riverbed Technology Inc	2,618
60	GameStop Corp	2,536
486	ORBCOMM Inc	2,351
51	MAXIMUS Inc	2,349
163	Maiden Holdings Ltd	2,080
68	Starz	1,986
113	Knight Transportation Inc	1,820
315	Ariad Pharmaceuticals Inc	1,809
123	Sapient Corp	1,760
33	Global Payments Inc	1,617
37	Seattle Genetics Inc	1,535
49	Broadridge Financial Solutions Inc	1,528
95	Fly Leasing Ltd	1,496

BALANCE SHEET

		Brown Advisory US Equity Value Fund As at 31st October, 2013 US\$	Brown Advisory US Equity Value Fund As at 31st October, 2012 US\$	Brown Advisory US Smaller Companies Fund As at 31st October, 2013 US\$	Brown Advisory US Smaller Companies Fund As at 31st October, 2012 US\$	Brown Advisory American Fund As at 31st October, 2013 US\$	Brown Advisory American Fund As at 31st October, 2012 US\$
Assets							
Financial Assets at Fair Value through Profit or Loss	1,14	508,161,479	363,223,193	134,023,874	13,319,155	384,729,011	312,616,626
Cash at bank	1,2	26,569,067	10,963,193	11,524,880	546,280	19,304,699	8,937,487
Debtors - Amounts falling due within one year	1,4	9,102,928	1,440,974	3,061,832	14,584	3,379,095	897,130
		543,833,474	375,627,360	148,610,586	13,880,019	407,412,805	322,451,243
Current Liabilities							
Financial Liabilities at Fair Value through Profit or Loss	1,14	(371,780)	—	—	—	(148,501)	—
Bank Overdraft	1,3	—	—	—	—	—	—
Creditors - Amounts falling due within one year	1,5	(4,524,370)	(1,014,962)	(3,160,734)	(141,282)	(1,918,221)	(1,748,775)
Net Assets Attributable to Holders of Redeemable Participating Shares		538,937,324	374,612,398	145,449,852	13,738,737	405,346,083	320,702,468
Represented By:							
Net Assets Attributable to Holders of Redeemable Participating Shares based on dealing NAV (for shareholder dealing purposes)	1	538,612,832	373,947,537	142,831,009	13,843,199	404,708,653	321,384,759
Adjustment to revalue assets on bid basis	17	(63,674)	(78,196)	(36,368)	(14,609)	(55,976)	(145,068)
Trade Date adjustment	17	388,166	743,057	2,655,211	(89,853)	693,406	(537,223)
Adjustment to fully write off establishment expenses	17	—	—	—	—	—	—
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial statement purposes)		538,937,324	374,612,398	145,449,852	13,738,737	405,346,083	320,702,468

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

BALANCE SHEET (continued)

		Brown Advisory US Equity Growth Fund As at 31st October, 2013 US\$	Brown Advisory US Equity Growth Fund As at 31st October, 2012 US\$	Brown Advisory American SRI Fund As at 31st October, 2013 US\$	Brown Advisory American SRI Fund As at 31st October, 2012 US\$	Brown Advisory US Small Cap Blend Fund* As at 31st October, 2013 US\$	Total As at 31st October, 2013 US\$	Total As at 31st October, 2012 US\$
Assets								
Financial Assets at Fair Value through Profit or Loss	1,14	1,482,479,494	759,676,741	78,357,000	57,360,406	1,093,919	2,588,844,777	1,506,196,121
Cash at bank	1,2	42,581,226	18,415,542	4,162,740	1,482,041	55,621	104,198,233	40,344,543
Debtors - Amounts falling due within one year	1,4	12,377,489	5,916,646	519,521	127,086	144,078	28,584,943	8,396,420
		1,537,438,209	784,008,929	83,039,261	58,969,533	1,293,618	2,721,627,953	1,554,937,084
Current Liabilities								
Financial Liabilities at Fair Value through Profit or Loss	1,14	(3,458,011)	–	–	–	–	(3,978,292)	–
Bank Overdraft	1,3	–	–	–	(88)	–	–	(88)
Creditors - Amounts falling due within one year	1,5	(14,025,117)	(5,439,533)	(837,705)	(203,140)	(109,394)	(24,575,541)	(8,547,692)
Net Assets Attributable to Holders of Redeemable Participating Shares		1,519,955,081	778,569,396	82,201,556	58,766,305	1,184,224	2,693,074,120	1,546,389,304
Represented By:								
Net Assets Attributable to Holders of Redeemable Participating Shares based on dealing NAV (for shareholder dealing purposes)	1	1,519,011,329	778,156,059	82,249,796	58,815,177	1,208,839	2,688,622,458	1,546,146,731
Adjustment to revalue assets on bid basis	17	(128,746)	(305,937)	(11,300)	(27,922)	(432)	(296,496)	(571,732)
Trade Date adjustment	17	1,072,498	719,274	(21,603)	387	(41)	4,787,637	835,642
Adjustment to fully write off establishment expenses	17	–	–	(15,337)	(21,337)	(24,142)	(39,479)	(21,337)
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial statement purposes)		1,519,955,081	778,569,396	82,201,556	58,766,305	1,184,224	2,693,074,120	1,546,389,304

* The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

On Behalf of the Board of Directors

Director
20th January, 2014

Director

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

BALANCE SHEET (continued)

As at 31st October, 2013

Brown Advisory US Equity Value Fund	Sterling Class A	Dollar Class A	Sterling Class B	Sterling Class B Hedged	Dollar Class B	Euro Class B
Net Assets [†]	US\$951,603	US\$5,053,649	US\$263,973,049	US\$29,883,244	US\$224,025,418	US\$14,725,869
Number of Shares outstanding [†]	40,220	388,177	10,209,519	1,100,913	19,396,817	702,766
Net Asset Value per Share (base currency)	US\$23.66	US\$13.02	US\$25.86	US\$27.14	US\$11.55	US\$20.95
Net Asset Value per Share (class currency)	GBP14.78	US\$13.02	GBP16.15	GBP16.96	US\$11.55	EUR15.48

Brown Advisory US Smaller Companies Fund	Dollar Class A	Dollar Class B	Dollar Class C*
Net Assets [†]	US\$8,577,341	US\$55,595,089	US\$78,658,579
Number of Shares outstanding [†]	569,507	3,660,910	6,627,585
Net Asset Value per Share (base currency)	US\$15.06	US\$15.19	US\$11.87
Net Asset Value per Share (class currency)	US\$15.06	US\$15.19	US\$11.87

Brown Advisory American Fund	Dollar Class B	Sterling Class A	Dollar Class A	Euro Class B	Euro Class A Hedged	Sterling Class B	Sterling Class B Hedged	Dollar Class P
Net Assets [†]	US\$195,333,650	US\$70,863,856	US\$33,520,469	US\$70,014,675	US\$517,077	US\$23,127,221	US\$11,180,872	US\$150,833
Number of Shares outstanding [†]	13,458,624	1,855,906	2,037,080	3,337,569	26,545	966,615	514,337	12,205
Net Asset Value per Share (base currency)	US\$14.51	US\$38.18	US\$16.46	US\$20.98	US\$19.48	US\$23.93	US\$21.74	US\$12.36
Net Asset Value per Share (class currency)	US\$14.51	GBP23.85	US\$16.46	EUR15.50	EUR14.39	GBP14.95	GBP13.58	US\$12.36

Brown Advisory US Equity Growth Fund	Dollar Class B (Distributing)	Dollar Class A	Euro Class A Hedged	Euro Class B	Sterling Class A Hedged	Sterling Class B Hedged	Euro Class P Hedged	Dollar Class P (Accumulating)	Dollar Class B
Net Assets [†]	US\$873,442,938	US\$318,240,739	US\$119,034,879	US\$73,535,734	US\$3,200,653	US\$84,147,153	US\$5,711,640	US\$38,388,689	US\$3,308,904
Number of Shares outstanding [†]	45,403,507	18,358,631	5,983,114	3,508,242	147,479	3,831,492	316,192	3,041,952	285,485
Net Asset Value per Share (base currency)	US\$19.24	US\$17.33	US\$19.90	US\$20.96	US\$21.70	US\$21.96	US\$18.06	US\$12.62	US\$11.59
Net Asset Value per Share (class currency)	US\$19.24	US\$17.33	EUR14.70	EUR15.48	GBP13.56	GBP13.72	EUR13.34	US\$12.62	US\$11.59

[†] References amounts for Shareholder dealing purposes

*Dollar Class P changed to Dollar Class C on 18th February, 2013

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

BALANCE SHEET (continued)

As at 31st October, 2013

Brown Advisory American SRI Fund

	Dollar Class B	Dollar Class A
Net Assets [†]	US\$70,842,921	US\$11,406,875
Number of Shares outstanding [†]	5,260,732	861,473
Net Asset Value per Share (base currency)	US\$13.47	US\$13.24
Net Asset Value per Share (class currency)	US\$13.47	US\$13.24

Brown Advisory US Small Cap Blend Fund¹

	Dollar Class B
Net Assets [†]	US\$1,208,839
Number of Shares outstanding [†]	108,913
Net Asset Value per Share (base currency)	US\$11.10
Net Asset Value per Share (class currency)	US\$11.10

[†] References amounts for Shareholder dealing purposes

*Dollar Class P changed to Dollar Class C on 18th February, 2013

¹The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

BROWN ADVISORY FUNDS PLC

BALANCE SHEET (continued)

As at 31st October, 2012

				Sterling Class B					
Brown Advisory US Equity Value Fund		Sterling Class A	Dollar Class A	Sterling Class B	Hedged	Dollar Class B	Euro Class B		
Net Assets [†]		US\$624,492	US\$3,555,594	US\$161,041,170	US\$22,451,254	US\$172,752,344	US\$13,522,683		
Number of Shares outstanding [†]		34,197	354,088	8,076,308	1,064,700	19,392,393	837,340		
Net Asset Value per Share (base currency)		US\$18.26	US\$10.04	US\$19.94	US\$21.09	US\$8.91	US\$16.15		
Net Asset Value per Share (class currency)		STG£11.30	US\$10.04	STG£12.34	STG£13.05	US\$8.91	EUR€12.48		
Brown Advisory US Smaller Companies Fund						Dollar Class A	Dollar Class B		
Net Assets [†]						US\$3,570,608	US\$10,272,592		
Number of Shares outstanding [†]						319,657	918,868		
Net Asset Value per Share (base currency)						US\$11.17	US\$11.18		
Net Asset Value per Share (class currency)						US\$11.17	US\$11.18		
Brown Advisory American Fund		Dollar Class B	Sterling Class A	Dollar Class A	Euro Class B	Euro Class A Hedged	Sterling Class B	Sterling Class B Hedged	Dollar Class P
Net Assets [†]		US\$146,553,717	US\$28,735,717	US\$26,633,830	US\$74,428,770	US\$113,782	US\$22,284,497	US\$22,516,829	US\$117,617
Number of Shares outstanding [†]		13,116,122	972,466	2,091,179	4,607,999	7,782	1,209,669	1,334,937	12,205
Net Asset Value per Share (base currency)		US\$11.17	US\$29.55	US\$12.74	US\$16.15	US\$14.62	US\$18.42	US\$16.87	US\$9.64
Net Asset Value per Share (class currency)		US\$11.17	STG£18.28	US\$12.74	EUR€12.48	EUR€11.30	STG£11.40	STG£10.44	US\$9.64
Brown Advisory US Equity Growth Fund		Dollar Class B	Dollar Class A	Euro Class A Hedged	Euro Class B	Sterling Class A Hedged	Sterling Class B Hedged	Euro Class P Hedged	Dollar Class P
Net Assets [†]		US\$519,970,648	US\$142,077,108	US\$38,055,622	US\$33,571,483	US\$1,943,351	US\$40,068,477	US\$277,164	US\$2,192,206
Number of Shares outstanding [†]		34,132,282	10,272,806	2,487,461	2,022,548	111,166	2,279,138	19,721	216,213
Net Asset Value per Share (base currency)		US\$15.23	US\$13.83	US\$15.30	US\$16.60	US\$17.48	US\$17.58	US\$14.05	US\$10.14
Net Asset Value per Share (class currency)		US\$15.23	US\$13.83	EUR€11.82	EUR€12.82	STG£10.82	STG£10.88	EUR€10.86	US\$10.14
Brown Advisory American SRI Fund								Dollar Class B	Dollar Class A
Net Assets [†]								US\$50,902,936	US\$7,912,241
Number of Shares outstanding [†]								4,916,410	772,731
Net Asset Value per Share (base currency)								US\$10.35	US\$10.24
Net Asset Value per Share (class currency)								US\$10.35	US\$10.24

[†] References amounts for Shareholder dealing purposes

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

BALANCE SHEET (continued)

As at 31st October, 2011

				Sterling Class B			
Brown Advisory US Equity Value Fund		Sterling Class A	Dollar Class A	Sterling Class B	Hedged	Dollar Class B	Euro Class B
Net Assets [†]		US\$2,844,854	US\$3,747,915	US\$145,833,031	US\$24,344,425	US\$148,622,432	US\$7,636,497
Number of Shares outstanding [†]		165,936	398,873	7,888,809	1,252,032	17,967,629	509,106
Net Asset Value per Share (base currency)		US\$17.14	US\$9.40	US\$18.49	US\$19.44	US\$8.27	US\$15.00
Net Asset Value per Share (class currency)		STG£10.72	US\$9.40	STG£11.56	STG£12.16	US\$8.27	EUR€10.94
Brown Advisory US Smaller Companies Fund						Dollar Class A	Dollar Class B
Net Assets [†]						US\$766,029	US\$8,144,412
Number of Shares outstanding [†]						76,534	818,130
Net Asset Value per Share (base currency)						US\$10.01	US\$9.95
Net Asset Value per Share (class currency)						US\$10.01	US\$9.95
				Euro Class A			Sterling Class B
Brown Advisory American Fund	Dollar Class B	Sterling Class A	Dollar Class A	Euro Class B	Hedged*	Sterling Class B	Hedged
Net Assets [†]	US\$105,040,455	US\$1,098,224	US\$4,235,512	US\$28,681,370	US\$101,043	US\$19,554,933	US\$14,259,945
Number of Shares outstanding [†]	10,292,130	40,388	361,296	1,944,047	7,064	1,161,973	931,058
Net Asset Value per Share (base currency)	US\$10.21	US\$27.19	US\$11.72	US\$14.75	US\$14.30	US\$16.83	US\$15.32
Net Asset Value per Share (class currency)	US\$10.21	STG£17.00	US\$11.72	EUR€10.76	EUR€10.43	STG£10.53	STG£9.58
				Euro Class A	Sterling Class A	Sterling Class B	Euro Class P
Brown Advisory US Equity Growth Fund	Dollar Class B	Dollar Class A	Hedged*	Euro Class B	Hedged	Hedged	Hedged
Net Assets [†]	US\$361,577,309	US\$78,688,318	US\$12,050,712	US\$18,702,894	US\$99,389	US\$5,964,843	US\$97,482
Number of Shares outstanding [†]	25,959,018	6,175,962	803,800	1,232,289	6,192	372,740	7,018
Net Asset Value per Share (base currency)	US\$13.93	US\$12.74	US\$14.99	US\$15.18	US\$16.05	US\$16.00	US\$13.89
Net Asset Value per Share (class currency)	US\$13.93	US\$12.74	EUR€10.93	EUR€11.07	STG£10.04	STG£10.01	EUR€10.13
Brown Advisory American SRI Fund ¹						Dollar Class B	Dollar Class A
Net Assets [†]						US\$34,189,198	US\$198,145
Number of Shares outstanding [†]						3,602,279	20,962
Net Asset Value per Share (base currency)						US\$9.49	US\$9.45
Net Asset Value per Share (class currency)						US\$9.49	US\$9.45

[†] References amounts for Shareholder dealing purposes

¹The Brown Advisory American SRI Fund launched on 23rd May, 2011

*Euro Class A changed to Euro Class A Hedged on 23rd May, 2011

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

PROFIT AND LOSS ACCOUNT

	Note	Brown Advisory US Equity Value Fund Year Ended 31st October, 2013 US\$	Brown Advisory US Equity Value Fund Year Ended 31st October, 2012 US\$	Brown Advisory US Smaller Companies Fund Year Ended 31st October, 2013 US\$	Brown Advisory US Smaller Companies Fund Year Ended 31st October, 2012 US\$	Brown Advisory American Fund Year Ended 31st October, 2013 US\$	Brown Advisory American Fund Year Ended 31st October, 2012 US\$
Income	1,7	10,070,958	8,279,620	275,625	66,516	4,998,916	3,638,260
Net gain on Financial Assets at Fair Value through Profit or Loss	1	108,432,768	29,867,208	22,199,679	784,956	91,217,694	18,576,696
Total income		118,503,726	38,146,828	22,475,304	851,472	96,216,610	22,214,956
Expenses	1,8	(4,104,586)	(3,869,828)	(775,491)	(131,304)	(3,945,359)	(3,214,124)
Net income before finance costs		114,399,140	34,277,000	21,699,813	720,168	92,271,251	19,000,832
Finance Costs							
Dividend paid	1,16	(3,274,153)	(2,272,979)	–	–	(547,987)	–
Interest expense		–	–	–	(116)	(35)	(756)
Profit for the year/period before taxation		111,124,987	32,004,021	21,699,813	720,052	91,723,229	19,000,076
Withholding taxes on dividends		(5,165,197)	(1,290,363)	(101,883)	(4,771)	(1,935,624)	(464,323)
Increase in Net Assets Attributable to Holders of Redeemable Participating Shares		105,959,790	30,713,658	21,597,930	715,281	89,787,605	18,535,753

BROWN ADVISORY FUNDS PLC

PROFIT AND LOSS ACCOUNT (continued)

		Brown Advisory US Equity Growth Fund	Brown Advisory US Equity Growth Fund	Brown Advisory American SRI Fund	Brown Advisory American SRI Fund	Brown Advisory US Small Cap Blend Fund*	Total Year/Period Ended	Total Year Ended
	Note	Year Ended 31st October, 2013 US\$	Year Ended 31st October, 2012 US\$	Year Ended 31st October, 2013 US\$	Year Ended 31st October, 2012 US\$	Period Ended 31st October, 2013 US\$	31st October, 2013 US\$	31st October, 2012 US\$
Income	1,7	10,295,674	5,624,416	970,575	641,765	3,312	26,615,060	18,250,577
Net gain on Financial Assets at Fair Value through Profit or Loss	1	280,012,483	52,846,194	18,588,158	4,257,643	110,915	520,561,697	106,332,697
Total income		290,308,157	58,470,610	19,558,733	4,899,408	114,227	547,176,757	124,583,274
Expenses	1,8	(13,702,264)	(7,260,467)	(808,246)	(613,580)	(29,051)	(23,364,997)	(15,089,303)
Net income before finance costs		276,605,893	51,210,143	18,750,487	4,285,828	85,176	523,811,760	109,493,971
Finance Costs								
Dividend paid	1,16	–	–	(88,495)	–	–	(3,910,635)	(2,272,979)
Interest expense		–	–	(36)	(120)	–	(71)	(992)
Profit for the year/period before taxation		276,605,893	51,210,143	18,661,956	4,285,708	85,176	519,901,054	107,220,000
Withholding taxes on dividends		(3,145,023)	(493,897)	(345,893)	(83,364)	(952)	(10,694,572)	(2,336,718)
Increase in Net Assets Attributable to Holders of Redeemable Participating Shares		273,460,870	50,716,246	18,316,063	4,202,344	84,224	509,206,482	104,883,282

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

All recognised gains and losses for both the current year and the previous year/period are included in the Profit and Loss Account. All gains and losses arise solely from continuing operations

On Behalf of the Board of Directors

Director
20th January, 2014

Director

The accompanying notes form an integral part of the financial statements.

BROWN ADVISORY FUNDS PLC

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

	Brown Advisory US Equity Value Fund Year Ended 31st October, 2013 US\$	Brown Advisory US Equity Value Fund Year Ended 31st October, 2012 US\$	Brown Advisory US Smaller Companies Fund Year Ended 31st October, 2013 US\$	Brown Advisory US Smaller Companies Fund Year Ended 31st October, 2012 US\$	Brown Advisory American Fund Year Ended 31st October, 2013 US\$	Brown Advisory American Fund Year Ended 31st October, 2012 US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year/period	374,612,398	332,900,711	13,738,737	8,907,345	320,702,468	172,914,060
Change in Net Assets Attributable to Holders of Redeemable Participating Shares	105,959,790	30,713,658	21,597,930	715,281	89,787,605	18,535,753
Capital transactions						
Proceeds from Redeemable Participating Shares issued	194,765,142	151,141,257	142,685,025	10,864,159	162,222,055	199,310,198
Distributions Reinvested	601,989	421,554	–	–	225,907	–
Cost of Redeemable Participating Shares redeemed	(137,001,995)	(140,564,782)	(32,571,840)	(6,748,048)	(167,591,952)	(70,057,543)
Net proceeds from capital transactions	58,365,136	10,998,029	110,113,185	4,116,111	(5,143,990)	129,252,655
Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the year/period	538,937,324	374,612,398	145,449,852	13,738,737	405,346,083	320,702,468

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
HOLDERS OF REDEEMABLE PARTICIPATING SHARES (continued)**

	Brown Advisory US Equity Growth Fund Year Ended 31st October, 2013 US\$	Brown Advisory US Equity Growth Fund Year Ended 31st October, 2012 US\$	Brown Advisory American SRI Fund Year Ended 31st October, 2013 US\$	Brown Advisory American SRI Fund Year Ended 31st October, 2012 US\$	Brown Advisory US Small Cap Blend Fund* Period Ended 31st October, 2013 US\$	Total Year/Period Ended 31st October, 2013 US\$	Total Year Ended 31st October, 2012 US\$
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year/period	778,569,396	477,094,076	58,766,305	34,376,939	–	1,546,389,304	1,026,193,131
Change in Net Assets Attributable to Holders of Redeemable Participating Shares	273,460,870	50,716,246	18,316,063	4,202,344	84,224	509,206,482	104,883,282
Capital transactions							
Proceeds from Redeemable Participating Shares issued	1,046,789,980	721,426,867	5,824,249	20,615,753	1,100,000	1,553,386,451	1,103,358,234
Distributions Reinvested	–	–	69,235	–	–	897,131	421,554
Cost of Redeemable Participating Shares redeemed	(578,865,165)	(470,667,793)	(774,296)	(428,731)	–	(916,805,248)	(688,466,897)
Net proceeds from capital transactions	467,924,815	250,759,074	5,119,188	20,187,022	1,100,000	637,478,334	415,312,891
Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the year/period	1,519,955,081	778,569,396	82,201,556	58,766,305	1,184,224	2,693,074,120	1,546,389,304

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st October, 2013

1 Statement of Accounting Policies

The significant accounting policies adopted by Brown Advisory Funds plc (the “Company”), consisting of the six sub-funds (the Brown Advisory US Equity Value Fund, the Brown Advisory US Smaller Companies Fund, the Brown Advisory American Fund, the Brown Advisory US Equity Growth Fund, the Brown Advisory American SRI Fund and the Brown Advisory US Small Cap Blend Fund), (the “Funds”), are as follows:

a) Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Listing Rules of the Irish Stock Exchange. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council (“FRC”) formerly the Accounting Standards Board.

The financial statements are prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. Valuation time is 5 p.m. (EST), on the relevant dealing day.

The information required by Financial Reporting Standard (“FRS”) 3: “Reporting Financial Performance”, to be included in a statement of total recognised gains and losses and a reconciliation of movements in shareholders’ funds is, in the opinion of the Directors, contained in the Profit and Loss Account and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. The Company has availed of the exemption available to open-ended investment funds under FRS 1: “Cash Flow Statements”, not to prepare a cash flow statement as substantially all of the entity’s investments are carried at market value and are highly liquid and a Statement of Changes in Net Assets is included as part of these financial statements.

b) Valuation of Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

In accordance with FRS 26: “Financial Instruments: Measurement”, the Company has classified its investments as financial assets or financial liabilities at fair value through profit or loss.

Initial Measurement

Purchases and sales of financial instruments are accounted for at trade date for financial statement purposes. Realised gains and losses on disposals of financial instruments are calculated using the first in first out (FIFO) method. Financial instruments categorised at fair value through profit or loss, are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Profit and Loss Account.

Subsequent Measurement

After initial measurement, the Company measures financial instruments which are classified at fair value through profit or loss, at their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction. The fair value of financial instruments is based on their official quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty in the case of non-exchange traded instruments, at the balance sheet date without any deduction for estimated future selling costs. Financial Assets are valued at their last quoted market price for pricing purposes and at their bid prices for financial reporting purposes.

If a quoted official market price is not available on a recognised stock exchange or from a broker/counterparty, the fair value of the financial instrument may be estimated by the Directors using valuation techniques, including use of recent arm’s length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. Excluding forward foreign currency contracts, there were no investments priced in this manner as at 31st October, 2013 or 31st October, 2012.

Subsequent changes in the fair value of financial instruments at fair value through profit or loss are recognised in the Profit and Loss Account.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

1 Statement of Accounting Policies (continued)

c) Forward Foreign Currency Contracts

The Company may enter into forward foreign currency contracts. The fair value of open forward foreign currency contracts is calculated as the difference between the contractual rate and the current forward rate that would close out the contract on the valuation date. Net gains or losses on contracts which have been settled are included in the Profit and Loss Account. Gains or losses on open forward foreign currency exchange contracts are reported as Financial Assets or Liabilities at Fair Value through Profit or Loss as appropriate in the Balance Sheet. Gains or losses on forward currency contracts are recognised in the Profit and Loss Account.

d) Cash and Other Liquid Assets

Cash and other liquid assets will be valued at their face value together with accrued interest, where applicable, to the valuation point on the relevant dealing day unless, in the opinion of the Directors (in “consultation with” the Investment Manager and the Administrator), any adjustment should be made to reflect the true value thereof.

e) Income and Expense Recognition

Dividend income is recognised in the Profit and Loss Account on the date upon which the relevant security is listed as “ex-dividend” to the extent that information thereon is reasonably available to the Fund. Dividend and interest income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Profit and Loss Account, and net of any tax credits. Bank deposit interest and other income and expenses are accounted for on an accruals basis.

f) Receivable from/Payable to Brokers

Receivable from/payable to brokers represent payables for securities purchased and receivables for securities sold that have been contracted for but not yet delivered on the balance sheet date.

g) Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B (1) of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income or capital gains. However, Irish tax can arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares or on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary. Any tax arising on a chargeable event is a liability of the shareholder, albeit it is paid by the Company (although if the Company fails to deduct the tax or the correct amount of tax it becomes ultimately a liability of the Company).

No tax will arise on the Company in respect of chargeable events in respect of a shareholder who is:

- (i) an Exempt Irish Investor (as defined in Section 739D of the Taxes Consolidation Act, 1997, as amended) who has provided the Company with the necessary signed statutory declarations; or
- (ii) who is neither Irish resident nor ordinarily resident in Ireland for tax purposes at the time of the chargeable event, provided that the necessary signed declarations are held by the Company.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

h) Foreign Exchange Translation

Functional and Presentation Currency

The functional and presentation currency of each of the Funds is US Dollar. This is considered to be the currency of the primary economic environments of the Funds. The presentation currency of the aggregated financial statements is US Dollar.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

1 Statement of Accounting Policies (continued)

h) Foreign Exchange Translation (continued)

Transactions and Balances

Assets and liabilities denominated in currencies other than the functional currency of the Fund are translated into the functional currency at the exchange rates ruling at the balance sheet date. Transactions in currencies other than the functional currency of the Fund are translated into the functional currency at the exchange rates ruling at the dates of the transactions. Gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account in determining the results for the year. Proceeds from subscriptions and amounts paid for redemptions in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transactions.

i) Dividend Policy

The Articles of Association empower the Directors to declare dividends out of the profits of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund. The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant fund. A Shareholder may require the Company instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same.

The distributions on the distributing shares are recognised in the Profit and Loss Account as finance costs.

j) Transaction Costs

Transaction costs are the costs incurred in the acquisition, issue or disposal of financial assets and liabilities. Transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs. Transaction costs are recognised on the Profit and Loss Account in "Expenses". Transaction costs on trades charged by the Custodian are recognised on the Profit and Loss Account under "Expenses".

k) Redeemable Participating Shares

Redeemable Participating Shares provide the shareholders with the right to redeem their shares for cash equal to their proportionate share of the Net Asset Value of the Company and, accordingly, are classified as liabilities. The liability to shareholders is presented in the Balance Sheet as "Net Assets Attributable to Holders of Redeemable Participating Shares" and is based on the residual assets of the Company after deducting all other liabilities.

l) Withholding Taxes

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

Dividend and interest income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Profit and Loss Account, net of any tax credits.

The charge for withholding tax for the year ended 31 October 2013 as shown in the Profit and Loss Account includes an adjustment of an underaccrual in prior years.

BROWN ADVISORY FUNDS PLC

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

2 Cash at Bank

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Brown Advisory US Small Cap Blend* Fund US\$	Total US\$
As at 31st October, 2013							
Bank of America	4,369,423	-	2,535,832	2,580,061	514,684	-	10,000,000
Citibank	-	-	-	10,000,000	-	-	10,000,000
Deutsche Bank, Grand Cayman	5,000,000	291,153	3,679,478	-	1,029,368	-	9,999,999
JP Morgan Chase	-	-	-	10,000,000	-	-	10,000,000
SEB	-	-	-	10,000,000	-	-	10,000,000
Wells Fargo	-	-	-	10,000,000	-	-	10,000,000
Brown Brothers Harriman and Co.	17,199,644	11,233,727	13,089,389	1,165	2,618,688	55,621	44,198,234
	<u>26,569,067</u>	<u>11,524,880</u>	<u>19,304,699</u>	<u>42,581,226</u>	<u>4,162,740</u>	<u>55,621</u>	<u>104,198,233</u>
	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$	
As at 31st October, 2012							
Bank of America	3,480,629	-	776,810	-	-	4,257,439	
BNY Mellon	-	-	-	5,000,000	-	5,000,000	
Citibank	3,741,136	341,459	2,184,285	-	733,120	7,000,000	
Credit Suisse	-	-	-	5,000,000	-	5,000,000	
DnB NOR Bank ASA	-	-	-	1,970,323	-	1,970,323	
Nordea Bank	3,741,136	204,803	2,705,657	-	348,401	6,999,997	
Royal Bank of Canada	-	-	2,002,808	4,630,632	366,560	7,000,000	
Wells Fargo	-	-	1,267,628	1,813,994	33,898	3,115,520	
Brown Brothers Harriman and Co.	292	18	299	593	62	1,264	
	<u>10,963,193</u>	<u>546,280</u>	<u>8,937,487</u>	<u>18,415,542</u>	<u>1,482,041</u>	<u>40,344,543</u>	

For cash accounts, funds deposited are liabilities of the banks, creating a debtor-creditor relationship between the bank and the Company. All cash balances at the year end are held with Brown Brothers Harriman & Co., or with third party institutions approved by the Company on overnight deposit, or directly with a sub-custodian.

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

3 Bank Overdraft

As at 31st October, 2013 there were no overdrawn bank accounts.

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$
As at 31st October, 2012						
Brown Brothers Harriman and Co.	-	-	-	-	(88)	(88)
	-	-	-	-	(88)	(88)

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

4 Debtors

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Brown Advisory US Small Cap Blend Fund* US\$	Total US\$
As at 31st October, 2013							
Subscriptions Receivable	3,067,766	3,089,013	1,124,821	10,383,285	49,934	100,000	17,814,819
Receivable from Broker	5,776,583	–	2,122,003	1,510,725	455,225	–	9,864,536
Dividends Receivable	191,074	1,322	103,574	425,060	10,463	148	731,641
Other Receivables	64,149	679	19,837	43,217	226	18,893	147,001
Prepaid Fees	3,356	2,417	6,023	12,249	3,673	–	27,718
Expense Reimbursement (Note 9)	–	(31,599)	2,837	2,953	–	25,037	(772)
	<u>9,102,928</u>	<u>3,061,832</u>	<u>3,379,095</u>	<u>12,377,489</u>	<u>519,521</u>	<u>144,078</u>	<u>28,584,943</u>

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$
As at 31st October, 2012						
Receivable from Broker	–	–	591,123	3,845,260	111,613	4,547,996
Subscriptions Receivable	1,311,664	21,787	199,236	1,821,546	–	3,354,233
Dividends Receivable	121,465	394	97,946	311,655	13,159	544,619
Prepaid Fees	7,845	3,033	6,893	3,124	2,314	23,209
Expense Reimbursement (Note 9)	–	(10,630)	1,932	(64,939)	–	(73,637)
	<u>1,440,974</u>	<u>14,584</u>	<u>897,130</u>	<u>5,916,646</u>	<u>127,086</u>	<u>8,396,420</u>

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

5 Creditors

As at 31st October, 2013	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Brown Advisory US Small Cap Blend Fund* US\$	Total US\$
Payable to Broker	2,296,245	2,920,702	175,376	9,705,533	613,055	93,585	15,804,496
Redemptions Payable	362,079	122,420	687,738	1,890,890	9,856	–	3,072,983
Other Payables	1,413,365	15,229	613,837	802,898	116,144	13,450	2,974,923
Investment Management Fees (Note 9)	333,110	52,414	325,124	1,284,939	60,746	1,355	2,057,688
Administration and Transfer Agent Fees (Note 10)	71,376	26,536	68,826	175,977	15,734	790	359,239
Custody and Trustee Fees (Note 11)	30,135	7,980	22,578	88,553	5,417	184	154,847
Audit Fees	11,097	3,019	12,344	32,909	1,494	20	60,883
Directors Fees and Expenses (Note 12)	5,376	1,937	11,021	29,436	1,953	10	49,733
Legal and Professional Fees	785	10,267	791	11,594	13,193	–	36,630
Accrued Tax payable	802	230	586	2,388	113	–	4,119
	<u>4,524,370</u>	<u>3,160,734</u>	<u>1,918,221</u>	<u>14,025,117</u>	<u>837,705</u>	<u>109,394</u>	<u>24,575,541</u>

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

5 Creditors (continued)

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$
As at 31st October, 2012						
Payable to Broker	–	2,254	569,620	3,458,173	107,370	4,137,417
Redemptions Payable	568,887	111,683	738,936	1,115,277	–	2,534,783
Investment Management Fees (Note 9)	257,556	11,715	254,918	556,202	45,120	1,125,511
Administration and Transfer Agent Fees (Note 10)	90,324	4,548	88,905	158,648	11,955	354,380
Legal and Professional Fees	37,736	6,099	33,184	38,493	17,758	133,270
Custody and Trustee Fees (Note 11)	32,346	786	21,355	61,757	4,251	120,495
Audit Fees	13,716	487	11,810	26,641	2,064	54,718
Other Payables	4,328	3,383	22,160	7,270	13,237	50,378
Directors Fees and Expenses (Note 12)	9,518	308	7,411	15,997	1,302	34,536
Accrued Tax payable	551	19	476	1,075	83	2,204
	<u>1,014,962</u>	<u>141,282</u>	<u>1,748,775</u>	<u>5,439,533</u>	<u>203,140</u>	<u>8,547,692</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

6 Share Capital

The authorised share capital of the Company is 1,000,000,000,000 shares of no par value, initially designated as unclassified shares.

Movement in Redeemable Participating Shares during the year ended 31st October, 2013

Brown Advisory US Equity Value Fund	Sterling Class A Shares	Dollar Class A Shares	Sterling Class B Shares	Sterling Class B Hedged Shares	Dollar Class B Shares	Euro Class B Shares
Shares in issue as at 1st November, 2012	34,197	354,119	8,091,747	1,068,575	19,436,929	834,473
Redeemable Participating Shares issued	13,585	224,590	5,349,902	271,176	5,317,441	204,763
Reinvestment of Dividend	2	95	276	27	53,026	7,208
Redeemable Participating Shares redeemed	<u>(7,564)</u>	<u>(186,934)</u>	<u>(3,211,213)</u>	<u>(238,570)</u>	<u>(5,406,294)</u>	<u>(345,613)</u>
Shares in issue as at 31st October, 2013 [†]	<u>40,220</u>	<u>391,870</u>	<u>10,230,712</u>	<u>1,101,208</u>	<u>19,401,102</u>	<u>700,831</u>

Brown Advisory US Smaller Companies Fund

	Dollar Class A Shares	Dollar Class B Shares	Dollar Class C* Shares
Shares in issue as at 1st November, 2012	310,008	920,468	-
Redeemable Participating Shares issued	589,808	3,990,553	7,745,185
Redeemable Participating Shares redeemed	<u>(321,107)</u>	<u>(1,250,111)</u>	<u>(903,393)</u>
Shares in issue as at 31st October, 2013 [†]	<u>578,709</u>	<u>3,660,910</u>	<u>6,841,792</u>

Brown Advisory American Fund	Dollar Class B Shares	Sterling Class A Shares	Dollar Class A Shares	Euro Class B Shares	Euro Class A Hedged Shares	Sterling Class B Shares	Sterling Class B Hedged Shares	Dollar Class P Shares
Shares in issue as at 1st November, 2012	13,082,140	972,193	2,091,591	4,607,999	8,012	1,200,897	1,335,008	12,205
Redeemable Participating Shares issued	5,365,820	1,143,692	1,001,316	629,641	63,165	1,067,610	150,210	-
Reinvestment of Dividend	10,587			6,161		280		
Redeemable Participating Shares redeemed	<u>(4,948,069)</u>	<u>(259,979)</u>	<u>(1,055,827)</u>	<u>(1,906,232)</u>	<u>(43,652)</u>	<u>(1,301,977)</u>	<u>(970,881)</u>	<u>-</u>
Shares in issue as at 31st October, 2013 [†]	<u>13,510,478</u>	<u>1,855,906</u>	<u>2,037,080</u>	<u>3,337,569</u>	<u>27,525</u>	<u>966,810</u>	<u>514,337</u>	<u>12,205</u>

*Dollar Class P changed to Dollar Class C on 18th February, 2013

[†] For financial statement purposes

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

6 Share Capital (continued)

Movement in Redeemable Participating Shares during the year ended 31st October, 2013 (continued)

Brown Advisory US Equity Growth Fund	Dollar Class B (Distributing) Shares	Dollar Class A (Accumulating) Shares	Euro Class A Hedged Shares	Euro Class B Shares	Sterling Class A Hedged Shares	Sterling Class B Hedged Shares	Euro Class P Hedged Shares	Dollar Class P Shares	Dollar Class B (Accumulating) Shares
Shares in issue as at 1st November, 2012	34,201,750	10,273,067	2,507,334	1,979,915	111,166	2,281,903	19,721	216,2013	-
Redeemable Participating Shares issued	26,956,543	18,353,847	6,391,165	2,393,082	109,467	3,227,223	366,284	3,609,426	2,698,111
Redeemable Participating Shares redeemed	(15,734,137)	(10,256,642)	(2,906,706)	(865,660)	(73,154)	(1,669,223)	(59,888)	(783,131)	(2,412,626)
Shares in issue as at 31st October, 2013 [†]	<u>45,424,156</u>	<u>18,370,272</u>	<u>5,991,793</u>	<u>3,507,337</u>	<u>147,479</u>	<u>3,839,903</u>	<u>326,117</u>	<u>3,042,508</u>	<u>285,485</u>

Brown Advisory American SRI Fund

	Dollar Class B Shares	Dollar Class A Shares
Shares in issue as at 1st November, 2012	4,916,411	772,731
Redeemable Participating Shares issued	376,208	114,052
Reinvestment of Dividend	6,600	-
Redeemable Participating Shares redeemed	(38,487)	(25,383)
Shares in issue as at 31st October, 2013 [†]	<u>5,260,732</u>	<u>861,400</u>

Brown Advisory US Small Cap Blend Fund*

	Dollar Class B Shares
Shares in issue as at 8th July, 2013	-
Redeemable Participating Shares issued	108,913
Redeemable Participating Shares redeemed	-
Shares in issue as at 31st October, 2013 [†]	<u>108,913</u>

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

[†] For financial statement purposes

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

6 Share Capital (continued)

Movement in Redeemable Participating Shares during the year ended 31st October, 2012

Brown Advisory US Equity Value Fund	Sterling Class A Shares	Dollar Class A Shares	Sterling Class B Shares	Sterling Class B Hedged Shares	Dollar Class B Shares	Euro Class B Shares
Shares in issue as at 1st November, 2011	165,936	398,891	7,886,801	1,252,587	17,967,149	509,106
Redeemable Participating Shares issued	5,250	293,601	3,223,617	641,729	7,100,777	871,662
Reinvestment of dividends	-	761	-	-	51,963	-
Redeemable Participating Shares redeemed	(136,989)	(339,134)	(3,018,671)	(825,741)	(5,682,960)	(546,295)
Shares in issue as at 31st October, 2012 [†]	<u>34,197</u>	<u>354,119</u>	<u>8,091,747</u>	<u>1,068,575</u>	<u>19,436,929</u>	<u>834,473</u>

Brown Advisory US Smaller Companies Fund	Dollar Class A Shares	Dollar Class B Shares
Shares in issue as at 1st November, 2011	76,534	818,130
Redeemable Participating Shares issued	392,534	599,327
Reinvestment of dividends	-	-
Redeemable Participating Shares redeemed	(159,060)	(496,989)
Shares in issue as at 31st October, 2012 [†]	<u>310,008</u>	<u>920,468</u>

Brown Advisory American Fund	Dollar Class B Shares	Sterling Class A Shares	Dollar Class A Shares	Euro Class B Shares	Euro Class A Hedged Shares	Sterling Class B Shares	Sterling Class B Hedged Shares	Dollar Class P Shares
Shares in issue as at 1st November, 2011	10,292,130	40,388	361,630	1,944,047	7,064	1,161,973	930,602	-
Redeemable Participating Shares issued	6,291,356	1,050,945	2,458,012	3,510,645	948	247,885	500,654	12,205
Reinvestment of dividends	-	-	-	-	-	-	-	-
Redeemable Participating Shares redeemed	(3,501,346)	(119,140)	(728,051)	(846,693)	-	(208,961)	(96,248)	-
Shares in issue as at 31st October, 2012 [†]	<u>13,082,140</u>	<u>972,193</u>	<u>2,091,591</u>	<u>4,607,999</u>	<u>8,012</u>	<u>1,200,897</u>	<u>1,335,008</u>	<u>12,205</u>

[†] For financial statement purposes

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

6 Share Capital (continued)

Movement in Redeemable Participating Shares during the year ended 31st October, 2012 (continued)

	Dollar Class B Shares	Dollar Class A Shares	Euro Class A Hedged Shares	Euro Class B Shares	Sterling Class A Hedged Shares	Sterling Class B Hedged Shares	Euro Class P Hedged Shares	Dollar Class P Shares
Brown Advisory US Equity Growth Fund								
Shares in issue as at 1st November, 2011	25,960,907	6,177,212	803,800	1,234,773	6,192	372,740	7,047	-
Redeemable Participating Shares issued	25,639,826	18,005,984	2,346,532	1,399,583	152,318	2,330,715	80,910	297,963
Reinvestment of dividends	-	-	-	-	-	-	-	-
Redeemable Participating Shares redeemed	(17,398,983)	(13,910,129)	(642,998)	(654,441)	(47,344)	(421,552)	(68,236)	(81,750)
Shares in issue as at 31st October, 2012 [†]	<u>34,201,750</u>	<u>10,273,067</u>	<u>2,507,334</u>	<u>1,979,915</u>	<u>111,166</u>	<u>2,281,903</u>	<u>19,721</u>	<u>216,213</u>

Brown Advisory American SRI Fund

	Dollar Class B Shares	Dollar Class A Shares
Shares in issue as at 1st November, 2011	3,602,673	20,962
Redeemable Participating Shares issued	1,320,358	787,420
Reinvestment of dividends	-	-
Redeemable Participating Shares redeemed	(6,620)	(35,651)
Shares in issue as at 31st October, 2012 [†]	<u>4,916,411</u>	<u>772,731</u>

[†] For financial statement purposes

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

7 Income

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Brown Advisory US Small Cap Blend Fund* US\$	Total US\$
For the year/period ended 31st October, 2013							
Dividend Income	9,648,244	273,551	4,988,959	10,266,342	968,502	3,312	26,148,910
Miscellaneous Income	418,142	599	6,502	20,153	1,261	–	446,657
Deposit Interest Income	4,572	1,475	3,455	9,179	812	–	19,493
	<u>10,070,958</u>	<u>275,625</u>	<u>4,998,916</u>	<u>10,295,674</u>	<u>970,575</u>	<u>3,312</u>	<u>26,615,060</u>

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$
For the year ended 31st October, 2012						
Dividend Income	8,265,491	66,184	3,630,572	5,607,783	640,408	18,210,438
Miscellaneous Income	10,014	198	4,576	11,386	841	27,015
Deposit Interest Income	4,115	134	3,112	5,247	516	13,124
	<u>8,279,620</u>	<u>66,516</u>	<u>3,638,260</u>	<u>5,624,416</u>	<u>641,765</u>	<u>18,250,577</u>

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

8 Expenses

For the year/period ended 31st October, 2013	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Brown Advisory US Small Cap Blend Fund* US\$	Total US\$
Investment Management Fees (Note 9)	3,133,060	478,021	3,091,689	11,772,763	591,298	2,498	19,069,329
Administration and Transfer Agent Fees (Note 10)	280,545	86,436	275,070	687,971	60,254	998	1,391,274
Transaction Fees	458,640	160,334	386,218	506,987	80,666	3,987	1,596,832
Legal and Professional Fees	70,221	19,875	54,951	271,126	46,226	22,670	485,069
Custodian and Trustee Fees (Note 11)	100,799	15,404	86,315	298,880	16,160	186	517,744
Directors' Fees and Expenses (Note 12)	18,982	5,391	23,406	84,018	4,742	19	136,558
Listing and Printing Fees	29,823	7,135	24,362	52,111	6,925	220	120,576
Audit Fees	9,885	3,048	12,785	37,245	1,975	20	64,958
Other Expenses	2,631	258	2,071	8,231	–	25,766	38,957
Total Expenses	4,104,586	775,902	3,956,867	13,719,332	808,246	56,364	23,421,297
Less: Expense Reimbursement (Note 9)	–	(411)	(11,508)	(17,068)	–	(27,313)	(56,300)
Total Expenses after Expense Reimbursement	4,104,586	775,491	3,945,359	13,702,264	808,246	29,051	23,364,997

*The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31st October, 2013

8 Expenses (continued)

	Brown Advisory US Equity Value Fund US\$	Brown Advisory US Smaller Companies Fund US\$	Brown Advisory American Fund US\$	Brown Advisory US Equity Growth Fund US\$	Brown Advisory American SRI Fund US\$	Total US\$
For the year ended 31st October, 2012						
Investment Management Fees (Note 9)	2,981,522	89,688	2,442,521	6,001,472	417,746	11,932,949
Administration and Transfer Agent Fees (Note 10)	286,807	12,992	261,572	453,996	38,380	1,053,747
Transaction Fees	370,586	29,878	340,315	404,597	69,365	1,214,741
Legal and Professional Fees	83,489	(5,031)	58,068	115,570	41,881	293,977
Custodian and Trustee Fees (Note 11)	96,922	630	67,586	168,723	10,690	344,551
Directors' Fees and Expenses (Note 12)	26,605	742	22,543	52,628	5,737	108,255
Listing and Printing Fees	19,729	2,430	14,939	41,899	2,037	81,034
Audit Fees	4,168	491	14,532	35,409	3,744	58,344
Other Expenses	—	—	—	—	24,000	24,000
Total Expenses	3,869,828	131,820	3,222,076	7,274,294	613,580	15,111,598
Less: Expense Reimbursement (Note 9)	—	(516)	(7,952)	(13,827)	—	(22,295)
Total Expenses after Expense Reimbursement	3,869,828	131,304	3,214,124	7,260,467	613,580	15,089,303

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

9 Investment Management Fee**Brown Advisory US Equity Value Fund**

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares. The Investment Manager is also entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.00% (until 21st of August 2013) and 0.75% (effective from 22nd of August 2013) (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Hedged Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 2.25% (plus VAT, if any) of the net assets of the Fund attributable to the Euro Class P Hedged Shares and Dollar Class P Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$3,133,060 for the year ended 31st October, 2013 (31st October, 2012: US\$2,981,522), of which US\$333,110 (31st October, 2012: US\$257,556) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$Nil for the year ended 31st October, 2013 (31st October, 2012: US\$Nil), in order that total expenses of the Fund do not exceed 1.75% of its Net Asset Value of the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares, 1.00% of the Net Asset Value of the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares, and 1.25% of the Net Asset Value of the Sterling Class B Hedged Shares during the year.

Brown Advisory US Smaller Companies Fund

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager is entitled to receive an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 2.25% (plus VAT, if any) of the net assets of the Fund attributable to the Euro Class P Hedged Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 0.50% (plus VAT, if any) of the net assets of the Fund attributable to the Dollar Class C Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$478,021 for the year ended 31st October, 2013 (31st October, 2012: US\$89,688), of which US\$52,414 (31st October, 2012: US\$11,715) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$411 for the year ended 31st October, 2013 (31st October, 2012: US\$516), in order that total expenses of the Fund do not exceed 1.75% of the Net Asset Value of the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares and 1.00% of the Net Asset Value of the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares and 0.75% of the Net Asset Value of the Dollar Class C Shares during the year.

Brown Advisory American Fund

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager is entitled to receive an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares. The Investment Manager is also entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.00% (until 21st of August 2013) and 0.75% (effective from 22nd of August 2013) (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Hedged Shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

9 Investment Management Fee (continued)

Brown Advisory American Fund (continued)

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 2.25% (plus VAT, if any) of the net assets of the Fund attributable to the Euro Class P Hedged Shares and Dollar Class P Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$3,091,689 for the year ended 31st October, 2013 (31st October, 2012: US\$2,442,521), of which US\$325,124 (31st October, 2012: US\$254,918) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$11,508 for the year ended 31st October, 2013 (31st October, 2012: US\$7,952), in order that total expenses of the Fund do not exceed 1.75% of its Net Asset Value of the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares, 1.00% of the Net Asset Value of the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares, 1.25% of the Net Asset Value of the Sterling Class B Hedged Shares and 2.50% of the Net Asset Value of the Dollar Class P Shares during the year.

Brown Advisory US Equity Growth Fund

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Shares, Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Shares, Dollar Class B Shares and Euro Class B Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 2.25% (plus VAT, if any) of the net assets of the Fund attributable to the Euro Class P Hedged Shares and Dollar Class P Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.75% (until 21st of August 2013) and 1.50% (effective from 22nd of August 2013) (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Hedged Shares. The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.00% (until 21st of August 2013) and 0.75% (effective from 22nd of August 2013) (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Hedged Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager may, at its absolute discretion, pay any portion of the investment management fee to any third party in any manner whatsoever, whether by rebate or otherwise. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$11,772,763 for the year ended 31st October, 2013 (31st October, 2012: US\$6,001,472), of which US\$1,284,939 (31st October, 2012: US\$556,202) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$17,068 for the year ended 31st October, 2013 (31st October, 2012: US\$13,827), in order that total expenses of the Fund do not exceed 1.75% of the Net Asset Value of the Dollar Class A Shares and Euro Class A Hedged Shares, 1.00% of the Net Assets Value of the Dollar Class B Shares and Euro Class B Shares, 2.50% of the Net Assets Value of the Dollar Class P Shares and Euro Class P Hedged Shares, 2.00% of the Net Assets Value of the Sterling Class A Hedged Shares, 1.25% of the Net Asset Value of the Sterling Class B Hedged Shares during the year.

Brown Advisory American SRI Fund

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager will receive an annual fee not exceeding 1.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Hedged Shares. The Investment Manager will receive an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Dollar Class B Shares and Euro Class B Hedged Shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

9 Investment Management Fee (continued)

Brown Advisory American SRI Fund (continued)

The Investment Manager will receive an annual fee not exceeding 1.00% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Hedged Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager may, at its absolute discretion, pay any portion of the investment management fee to any third party in any manner whatsoever, whether by rebate or otherwise. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$591,298 for the year ended 31st October, 2013 (31st October, 2012: US\$417,746), of which US\$60,746 (31st October, 2012: US\$45,120) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$Nil for the year ended 31st October, 2013 (31st October, 2012: US\$Nil), in order that total expenses of the Fund do not exceed 1.75% of its Net Asset Value of the Dollar Class A Shares and Euro Class A Hedged Shares and 1.00% of the Net Asset Value of the Dollar Class B Shares and Sterling Class B Hedged Shares during the year.

Brown Advisory US Small Cap Blend Fund

The Investment Manager is entitled to receive from the Company out of the assets of the Fund an annual fee not exceeding 1.50% (plus VAT, if any) of the net assets of the Fund attributable to the Dollar Class A Shares and Euro Class A Hedged Shares. The Investment Manager will receive an annual fee not exceeding 1.75% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class A Hedged Shares. The Investment Manager will receive an annual fee not exceeding 0.75% (plus VAT, if any) of the net assets of the Fund attributable to the Dollar Class B Shares and Euro Class B Hedged Shares. The Investment Manager will receive an annual fee not exceeding 1.00% (plus VAT, if any) of the net assets of the Fund attributable to the Sterling Class B Hedged Shares. The Investment Manager will receive an annual fee not exceeding 2.25% (plus VAT, if any) of the net assets of the Fund attributable to the Euro Class P Hedged Shares. These fees accrue and are calculated at each valuation point and are payable monthly in arrears. The Investment Manager may, at its absolute discretion, pay any portion of the investment management fee to any third party in any manner whatsoever, whether by rebate or otherwise. The Investment Manager is also entitled to be reimbursed out of the assets of the Fund for its properly vouched out-of-pocket costs and expenses in the performance of its duties.

The Investment Manager earned a fee of US\$2,498 for the period ended 31st October, 2013 (31st October, 2012: US\$Nil), of which US\$1,355 (31st October, 2012: US\$Nil) was outstanding at 31st October, 2013.

The Investment Manager has agreed to reimburse the Fund US\$27,313 for the period ended 31st October, 2013 (31st October, 2012: US\$Nil), in order that total expenses of the Fund do not exceed 1.00% of its Net Asset Value of the Dollar Class B Shares during the period.

10 Administration and Transfer Agent Fees

The Administrator shall be entitled to receive out of the net assets of the Fund an annual fee, accrued and calculated at each Valuation Point and payable monthly in arrears at an annual rate which will not exceed 0.07% of the net assets of the Fund (plus VAT, if any) subject to an annual minimum fee which will not exceed US\$48,000 and will also receive registration fees and transaction charges at normal commercial rates. The Administrator shall also be entitled to receive a monthly fee of up to US\$500 per share class of the Fund launched (this fee will not be applied to the first two share classes of the Fund launched by the Company). The Administrator is entitled to be repaid all of its properly vouched out-of-pocket expenses out of the assets of the Fund (plus VAT thereon, if any).

The Administrator earned a fee of US\$1,391,274 for the year ended 31st October, 2013 (31st October, 2012: US\$1,053,747), of which US\$359,239 (31st October, 2012: US\$354,380) was outstanding at 31st October, 2013.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

11 Custodian and Trustee Fees

The Custodian is entitled to receive from the Company an annual Custody fee (including sub-custodian fees) which will not exceed 0.005% of the net assets of the Funds, subject to a minimum fee of US\$12,000 together with reasonable costs and expenses incurred by the Custodian in the performance of its duties. The Custodian is also entitled to transaction charges and other out-of-pocket expenses out of the assets of the Funds (plus VAT thereon, if any).

The Custodian is also entitled to receive a Trustee fee of up to 0.02% of the net assets of the Funds. This fee is accrued and calculated at each valuation point and is payable monthly in arrears.

The Custodian earned a combined Custodian and Trustee fee of US\$517,744 for the year ended 31st October, 2013 (31st October, 2012: US\$344,551), of which US\$154,847 (31st October, 2012: US\$120,495) was outstanding at 31st October, 2013.

12 Directors' Fees and Expenses

The Directors are entitled to such remuneration for their services as Directors, as the Directors may determine, provided that the aggregate emoluments of the Directors in respect of any twelve month accounting period shall not exceed US\$100,000, or such higher amounts as may be approved by the Board of Directors or the Company in a general meeting. In addition, the Directors are also entitled to be reimbursed for their reasonable out of pocket expenses incurred in discharging their duties as Directors. Directors' fees during the reporting period until 31 December 2012 were EUR€15,000 per Director per annum and from 1st January, 2013 were EUR€25,000 per annum for Paul McNaughton and EUR€20,000 per annum for Gordon F. Rainey Jr. and Paul Montgomery.

The aggregate emoluments of the Directors (including expenses) for the year ended 31st October, 2013 was US\$136,558 (31st October, 2012: US\$108,255) of which US\$49,733 (31st October, 2012: US\$34,536) was outstanding at 31st October, 2013.

The Directors who are connected with the Investment Manager, namely Mr. Michael D. Hankin, Mr. David M. Churchill and Mr. Clinton R. Daly, chose to waive their fees for the years ended 31st October, 2013 and 31st October, 2012.

13 Other Fees

The Company also pay out of the assets of the Funds, fees in respect of the publication and circulation of details of the Net Asset Value per Redeemable Participating Share, stamp duties, taxes, brokerage, the fees and expenses of auditors, tax, legal and other professional advisers.

14 Financial Risk Management

Strategy in Using Financial Instruments

As an investment company, Brown Advisory Funds plc invests in equities and other investments so as to achieve its investment objectives.

The objective of the Funds, as set out in the General Information section, is to achieve capital appreciation by investing primarily in US equities. In pursuing its investment objective, the Company is exposed to a variety of financial risks: market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk that could result in a reduction in the Company's net assets. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance.

The risks and the Directors' approach to the management of the risks are as follows:

Market Risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements: market price risk, currency risk and interest rate risk. The Board of Directors reviews and agrees policies for managing these risks. The policies have remained substantially unchanged from those applying at the prior year end. The Company's Investment Manager assesses the exposure to market risk when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolios on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Market Risk (continued)

The Company calculates its global risk exposure by using the commitment approach. Currency forwards will be used for hedging purposes only. Due to foreign exchange rate changes, changes to market values of underlying cash securities, or portfolio subscriptions/redemptions modest levels of inadvertent exposure may arise from time to time. In this case, the global exposures will be measured using the commitment approach based on the market value of the underlying assets i.e. the notional value of the currency leg(s). Exposures will be monitored on spreadsheets as at each valuation point.

It is not the Company's intention to use netting or hedging within the meaning of UCITS Notice 10, paragraph 31 when calculating the commitment approach. Should the policy of any sub-fund of the Company change regarding such netting or hedging an amended or new RMP will be filed with the Central Bank satisfying the criteria as per paragraph 31 of UCITS Notice 10 and Appendix 2 thereto.

Market Price Risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Company's assets consist principally of quoted equities, the values of which are determined by market forces. All security investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Board of Directors manage the market price risks inherent in the investment portfolios by ensuring full and timely access to relevant information from the Investment Manager. The Board of Directors meets regularly and at each meeting reviews investment performance and overall market positions. They monitor the Investment Manager's compliance with the Company's objectives.

An analysis of each Fund's investment portfolios are shown in the Statement of Investments. This shows the majority of the investments' value is in equity securities of US companies. Accordingly, there is a concentration of exposure to that country, though it is recognised that an investment's country of domicile or of listing does not necessarily equate to its exposure to the economic conditions in that country.

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory US Equity Value Fund by approximately US\$25,408,074 (31st October, 2012: US\$18,158,343). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory US Smaller Companies Fund by approximately US\$6,701,194 (31st October, 2012: US\$ 665,958). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory American Fund by approximately US\$19,236,451 (31st October, 2012: US\$15,627,939). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Market Risk (continued)

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory US Equity Growth Fund by approximately US\$74,123,975 (31st October, 2012: US\$37,976,505). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory American SRI Fund by approximately US\$3,917,850 (31st October, 2012: US\$2,868,020). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

If prices of equity securities at 31st October, 2013 had increased by 5%, with all other variables remaining constant, this would have increased Net Assets Attributable to Holders of Redeemable Participating Shares of the Brown Advisory US Small CAP Blend Fund by approximately US\$54,696 (31st October, 2012: US\$Nil). Conversely, if prices had decreased by 5%, this would have resulted in an equal but opposite effect on Net Assets Attributable to Holders of Redeemable Participating Shares, on the basis that all other variables remain constant.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Most of the financial assets and financial liabilities of each Fund are denominated in the functional currency of the Fund, with the effect that the Company has no significant exposure to foreign currency risk. As such, no sensitivity analysis is disclosed.

In accordance with Company policy, the Investment Manager monitors the Company's currency position on a daily basis. The Board of Directors relies upon the Investment Manager to keep it informed of any material event.

Interest Rate Risk

The majority of the Funds financial assets and liabilities are non-interest bearing. As a result, the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

In accordance with Company policy, the Investment Manager monitors the Funds' overall interest sensitivity on a daily basis. The Board of Directors relies upon the Investment Manager to keep it informed of any material event.

Credit Risk

The Company takes on exposure to credit risk, which is the risk that a counterparty or issuer will be unable to pay amounts in full when due.

The majority of the Funds' financial assets are non-interest bearing equity securities. As a result, they are not subject to significant amounts of credit risk.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)**Credit Risk (continued)**

Credit risk is managed, in part, by the Funds' investment restrictions, including that, subject to other provisions set forth in the Prospectus:

- (a) each Fund may not invest more than 10% of Net Assets in transferable securities or money market instruments issued by the same body provided that;
- (b) the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5%, is less than 40%.

All transactions in listed securities are settled in a timely manner. The risk of default is considered minimal.

For cash accounts, funds deposited are liabilities of the banks, creating a debtor-creditor relationship between the bank and the Company. Cash accounts opened on the books of Brown Brothers Harriman & Co. are obligations of Brown Brothers Harriman & Co. while cash accounts opened on the books of a sub-custodian (agency accounts) are obligations of the sub-custodian. Accordingly, while Brown Brothers Harriman & Co. is responsible for exercising reasonable care in the administration of agency cash accounts, it is not liable for their repayment in the event the sub-custodian, by reason of its bankruptcy, insolvency or otherwise, fails to make repayment.

All cash at bank balances at the year end are held with Brown Brothers Harriman & Co., or with third party institutions approved by the Company on overnight deposit, or directly with a sub-custodian.

The short-term credit rating for Brown Brothers Harriman & Co. is F1, this indicates the strongest intrinsic capacity for timely payment of financial commitments, as rated by Fitch.

The short-term credit ratings for those institutions where cash was held at the year end are outlined in the table below:

	Standard and Poor's 31st October 2013	Standard and Poor's 31st October 2012
Bank of America	A-2	A-2
BNY Mellon	A-1	A-1
Citibank	A-1	A-1
Credit Suisse	A-1	A-1
Deutsche Bank	A-1	n/a
DnB NOR Bank ASA	A-1	A-1
JP Morgan Chase	A-1	n/a
Nordea Bank	A-1+	A-1+
Royal Bank of Canada	A-1+	A-1+
SEB	A-1	n/a
Wells Fargo	A-1	A-1

A short-term obligation rated "A-1" is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

There is no cash held with those institutions marked as "n/a" for the year ends noted.

A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Credit Risk (continued)

Brown Brothers Harriman & Co. performs both initial and ongoing due diligence on the sub-custodians in its global custody network. Such reviews include an assessment of the sub-custodian's financial strength and general reputation and standing and, at a minimum, meet the due diligence requirements established by applicable law. The financial analysis is focused on the sub-custodian bank's capital adequacy, asset quality, financial flexibility and strength, management expertise, earnings, and liquidity as key indicators of its financial standing in the market. These reviews are not audits.

In accordance with Company policy, the Investment Manager monitors the Funds' credit position on a daily basis. The Board of Directors relies upon the Investment Manager to keep it informed of any material event. There were no material changes to the Company's policies and processes for managing credit risk and the methods used to measure risk since the year end.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of Redeemable Participating Shares. The Funds invest the majority of their assets in equities that are traded in an active market and can be readily disposed of. The Funds' listed securities are considered readily realisable as they are listed on a recognised stock exchange.

In accordance with Company policy, the Investment Manager monitors the Funds' liquidity position on a daily basis. The Board of Directors relies upon the Investment Manager to keep it informed of any material event. There were no material changes to the Company's policies and processes for managing liquidity risk and the methods used to measure risk since the year end.

The following tables analyse the Funds' financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances as the impact of discounting is not significant.

Brown Advisory US Equity Value Fund

	As at 31st October, 2013		As at 31st October, 2012	
	Less than 1 Month US\$	More than 1 month US\$	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	371,780	—	—	—
Payable to broker	2,296,245	—	—	—
Accrued expenses	—	1,866,046	—	446,075
Redeemable Participating Shares	538,974,911	—	374,516,424	—
Total Financial Liabilities	541,642,936	1,866,046	374,516,424	446,075

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Liquidity Risk (continued)

Brown Advisory US Smaller Companies Fund

	As at 31st October, 2013		As at 31st October, 2012	
	Less than 1 Month US\$	More than 1 month US\$	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–
Payable to broker	2,920,702	–	2,254	–
Accrued expenses	–	117,612	–	27,345
Redeemable Participating Shares	142,953,429	–	13,954,882	–
Total Financial Liabilities	145,874,131	117,612	13,957,136	27,345

Brown Advisory American Fund

	As at 31st October, 2013		As at 31st October, 2012	
	Less than 1 Month US\$	More than 1 month US\$	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	148,501	–	–	–
Payable to broker	175,376	–	569,620	–
Accrued expenses	–	1,055,107	–	440,219
Redeemable Participating Shares	405,396,391	–	322,123,695	–
Total Financial Liabilities	405,720,268	1,055,107	322,693,315	440,219

Brown Advisory US Equity Growth Fund

	As at 31st October, 2013		As at 31st October, 2012	
	Less than 1 Month US\$	More than 1 month US\$	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	3,458,011	–	–	–
Payable to broker	9,705,533	–	3,458,173	–
Accrued expenses	–	2,428,694	–	866,083
Redeemable Participating Shares	1,520,902,219	–	779,271,336	–
Total Financial Liabilities	1,534,065,763	2,428,694	782,729,509	866,083

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)**Liquidity Risk (continued)****Brown Advisory American SRI Fund**

	As at 31st October, 2013		As at 31st October, 2012	
	Less than 1 Month US\$	More than 1 month US\$	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	–	–	–	–
Payable to broker	613,055	–	107,370	–
Accrued expenses	–	214,794	–	95,770
Redeemable Participating Shares	82,259,652	–	58,815,177	–
Bank Overdraft	–	–	88	–
Total Financial Liabilities	82,872,707	214,794	58,922,635	95,770

Brown Advisory US Small Cap Blend Fund

	As at 31st October, 2013	
	Less than 1 Month US\$	More than 1 month US\$
Financial Liabilities at Fair Value through Profit or Loss	–	–
Payable to broker	93,585	–
Accrued expenses	–	15,809
Redeemable Participating Shares	1,208,839	–
Total Financial Liabilities	1,302,424	15,809

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Fair Value Estimation

The Company has classified fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- (i) Level 1: Investments, whose values are based on quoted market prices in active markets, and therefore are classified within level 1, include active listed equities. Quoted prices for these instruments are not adjusted.
- (ii) Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include over-the-counter traded derivatives. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.
- (iii) Level 3: Investments classified within level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgement or estimation. As observable prices are not available for these securities, a Fund would use valuation techniques to derive the fair value. The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the financial asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Directors in consultation with the Investment Adviser. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

No Level 3 investments are held by the Funds. There was no transfers between levels during the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Fair Value Estimation (continued)

The following table provides an analysis within the fair value hierarchy of the Fund's financial assets and liabilities measured at fair value at 31st October, 2013:

Brown Advisory US Equity Value Fund, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US \$	Significant Unobservable Inputs Level 3 US \$	Total US \$
Financial Assets				
Equities	508,161,479	–	–	508,161,479
Total Financial Assets	<u>508,161,479</u>	<u>–</u>	<u>–</u>	<u>508,161,479</u>
Financial Liabilities				
Forward Foreign Currency Contracts	–	(371,780)	–	(371,780)
Total Financial Liabilities	<u>–</u>	<u>(371,780)</u>	<u>–</u>	<u>(371,780)</u>
	<u>508,161,479</u>	<u>(371,780)</u>	<u>–</u>	<u>507,789,699</u>

Brown Advisory US Equity Value Fund, 31st October, 2012

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	363,166,852	–	–	363,166,852
Forward Foreign Currency Contracts	–	56,341	–	56,341
Total Financial Assets	<u>363,166,852</u>	<u>56,341</u>	<u>–</u>	<u>363,223,193</u>
	<u>363,166,852</u>	<u>56,341</u>	<u>–</u>	<u>363,223,193</u>

Brown Advisory US Smaller Companies Fund, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	134,023,874	–	–	134,023,874
Total Financial Assets	<u>134,023,874</u>	<u>–</u>	<u>–</u>	<u>134,023,874</u>
	<u>134,023,874</u>	<u>–</u>	<u>–</u>	<u>134,023,874</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Fair Value Estimation (continued)

Brown Advisory US Smaller Companies Fund, 31st October, 2012

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	13,319,155	–	–	13,319,155
Total Financial Assets	13,319,155	–	–	13,319,155
	13,319,155	–	–	13,319,155

Brown Advisory American Fund, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US \$	Significant Unobservable Inputs Level 3 US \$	Total US \$
Financial Assets				
Equities	384,729,011	–	–	384,729,011
Total Financial Assets	384,729,011	–	–	384,729,011
Financial Liabilities				
Forward Foreign Currency Contracts	–	(148,501)	–	(148,501)
Total Financial Liabilities	–	(148,501)	–	(148,501)
	384,729,011	(148,501)	–	384,580,510

Brown Advisory American Fund, 31st October, 2012

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	312,558,787	–	–	312,558,787
Forward Foreign Currency Contracts	–	57,839	–	57,839
Total Financial Assets	312,558,787	57,839	–	312,616,626
	312,558,787	57,839	–	312,616,626

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Fair Value Estimation (continued)

Brown Advisory US Equity Growth Fund, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US \$	Significant Unobservable Inputs Level 3 US \$	Total US \$
Financial Assets				
Equities	1,482,479,494	–	–	1,482,479,494
Total Financial Assets	<u>1,482,479,494</u>	<u>–</u>	<u>–</u>	<u>1,482,479,494</u>
Financial Liabilities				
Forward Foreign Currency Contracts	–	(3,458,011)	–	(3,458,011)
Total Financial Liabilities	<u>–</u>	<u>(3,458,011)</u>	<u>–</u>	<u>(3,458,011)</u>
	<u>1,482,479,494</u>	<u>(3,458,011)</u>	<u>–</u>	<u>1,479,021,483</u>

Brown Advisory US Equity Growth Fund, 31st October, 2012

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	759,530,108	–	–	759,530,108
Forward Foreign Currency Contracts	–	146,633	–	146,633
Total Financial Assets	<u>759,530,108</u>	<u>146,633</u>	<u>–</u>	<u>759,676,741</u>
	<u>759,530,108</u>	<u>146,633</u>	<u>–</u>	<u>759,676,741</u>

Brown Advisory American SRI Fund, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	78,357,000	–	–	78,357,000
Total Financial Assets	<u>78,357,000</u>	<u>–</u>	<u>–</u>	<u>78,357,000</u>
	<u>78,357,000</u>	<u>–</u>	<u>–</u>	<u>78,357,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

14 Financial Risk Management (continued)

Fair Value Estimation (continued)

Brown Advisory American SRI Fund*, 31st October, 2012

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	57,360,406	–	–	57,360,406
Total Financial Assets	57,360,406	–	–	57,360,406
	57,360,406	–	–	57,360,406

Brown Advisory US Small Cap Blend Fund*, 31st October, 2013

	Quoted Prices in Active Markets for Identical Assets Level 1 US\$	Significant other Observable Inputs Level 2 US\$	Significant Unobservable Inputs Level 3 US\$	Total US\$
Financial Assets				
Equities	1,093,919	–	–	1,093,919
Total Financial Assets	1,093,919	–	–	1,093,919
	1,093,919	–	–	1,093,919

* The Brown Advisory US Small Cap Blend Fund launched on 8th July, 2013

There were no transfers between levels during the years ended 31st October, 2013 or 31st October, 2012.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

15 Related Parties Transactions

Under FRS 8 “Related Party Transactions”, parties are related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Mr. Michael D. Hankin is President and Chief Executive Officer of the Investment Manager. Mr. David M. Churchill is the treasurer of the Investment Manager. As disclosed in Notes 8 and 9, the Investment Manager earned a fee of US\$19,069,329 for the year ended 31st October, 2013 (31st October, 2012: US\$11,932,949). For the year ended 31st October, 2013 Mr. Michael D. Hankin and Mr. David M. Churchill waived their fees as Directors of Brown Advisory Funds plc.

Mr. Gordon F. Rainey Jr. is a director of Brown Investment Advisory & Trust Company an affiliate of the Investment Manager and Brown Advisory Incorporated, the parent of the Investment Manager and ultimate parent of the Brown Advisory Group.

Mr. Michael Hankin and Mr. David M. Churchill are directors of Brown Advisory Limited. Brown Advisory Limited provides consultancy services to the Company. Fees earned by Brown Advisory Limited for the year ended 31st October, 2013 amounted to EUR€1,000 (31st October, 2012: EUR€1,000)

Brown Advisory Limited acts as UK Facilities Agent and is contractually entitled to receive a fee for this service. For the year ended 31st October, 2013, this fee was waived by Brown Advisory Limited.

As at 31st October 2013, Brown Advisory Limited held:

Sub-Fund	Share class	No of shares	31st October, 2013	No of shares	31st October, 2012
			Value		Value
Brown Advisory US Smaller Companies Fund	Dollar Class B	-	-	10,040	US\$112,249
Brown Advisory American Fund	Euro Class A Hedged	7,064	EUR€101,651 (US\$137,607)	7,064	EUR€79,819 (US\$103,276)
Brown Advisory US Equity Growth Fund	Euro Class A Hedged	-	-	3,827	EUR€45,244 (US\$58,553)
Brown Advisory US Equity Growth Fund	Sterling Class A Hedged	-	-	6,192	STG£66,997 (US\$108,236)
Brown Advisory US Equity Growth Fund	Euro Class P Hedged	7,017	EUR€3,607 (US\$126,727)	7,017	EUR€76,211 (US\$98,589)
Brown Advisory American SRI Fund	Dollar Class A	-	-	4,999	US\$51,200

As at 31st October 2013, Brown Advisory LLC held 108,913 shares, value US\$1,208,839 in Brown Advisory US Small Cap Blend Fund Dollar Class B shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

16 Dividends

During the year ended 31st October, 2013 the Directors distributed substantially all of the net investment income of the Company for the year ended 31st October, 2012, US\$3,910,635 (distributed during the year ended 31st October, 2012 for the year ended 31st October, 2011: US\$ US\$2,272,979).

The following dividends per share of the Company were declared on 1st November, 2013:

		31st October, 2013	31st October, 2012
Sub-Fund		Rate Per Share	Rate Per Share
US Equity Value Fund	Sterling Class A	STG£Nil	STG£0.019
US Equity Value Fund	Dollar Class A	US\$Nil	US\$0.017
US Equity Value Fund	Dollar Class B	US\$0.027	US\$0.080
US Equity Value Fund	Sterling Class B	STG£0.038	STG£0.111
US Equity Value Fund	Sterling Class B Hedged	STG£0.007	STG£0.078
US Equity Value Fund	Euro Class B	EUR€0.036	EUR€0.112
American Fund	Dollar Class B	US\$Nil	US\$0.025
American Fund	Euro Class B	EUR€Nil	EUR€0.029
American Fund	Sterling Class B	STG£Nil	STG£0.026
American SRI Fund	Dollar Class B	US\$Nil	US\$0.018

17 Net Asset Value per Redeemable Participating Share

The Net Asset Value per Redeemable Participating Share is calculated by dividing the total Net Assets of each Fund attributable to a class by the number of Redeemable Participating Shares of that class in issue.

In accordance with the provisions of the Company's Prospectus, investment positions are valued based on the last price at the valuation point on the relevant valuation date for the purposes of determining the Net Asset Value per Redeemable Participating Share for shareholder dealing and for various fee calculations. For financial statement purposes and to comply with FRS 26 "Financial Instruments Measurement" investment positions are valued at the bid for long positions/ask for short positions at the balance sheet date. The difference between the valuation of investment positions are prescribed by FRS and the methodology indicated in the Company's Prospectus results in a decrease in the value of investments for the Brown Advisory US Equity Value Fund of US\$(63,674) (31st October, 2012: US\$(78,196)); for the Brown Advisory US Smaller Companies Fund of US\$(36,368) (31st October, 2012: US\$(14,609)); for the Brown Advisory American Fund of US\$(55,976) (31st October, 2012: US\$(145,068)); for the Brown Advisory US Equity Growth Fund of US\$(128,746) (31st October, 2012: US\$(305,937)); for the Brown Advisory American SRI Fund of US\$(11,300) (31st October, 2012: US\$(27,922)) and for the Brown Advisory US Small CAP Blend Fund of US\$(423) (31st October, 2012: US\$Nil).

Trade Date adjustment

For shareholder dealing purposes, transactions are accounted for on a trade date plus 1 business day basis. For financial purposes, transactions are accounted for on a trade date basis. Any differences due to activity on trade date are shown as "Trade Date adjustment" on the Balance Sheet.

Recalculation of Net Asset Value for Pricing Purposes

For financial statement purposes, establishment expenses totaling US\$123,634, including fees paid to the professional advisors of the Company and for the listing of Shares on the Irish Stock Exchange, were entirely written off in the period 11th October, 2005 to 31st October, 2013 in accordance with FRS 10 "Goodwill and Intangible Assets". For the purpose of calculating the shareholder dealing NAV, establishment expenses are being amortised over the first five financial years of the lifetime of the sub-fund. US\$7,624 was amortised for the year ended 31st October, 2013 (31st October, 2012: US\$6,016).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

18 Efficient Portfolio Management

The Company may employ techniques and instruments relating to transferable securities and/or other financial instruments in which it invests for investment purposes or hedging.

Where a Fund invests in financial derivative instruments for such purposes, a risk management process will be submitted to the Central Bank of Ireland by the Company, prior to the Fund engaging in such transactions in accordance with the Central Bank's requirements as such are set out in Guidance Note 3/03. The Company on behalf of the Funds, will on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

During the year ended 31st October 2013, the Company did not engage in any Efficient Portfolio Management Techniques.

19 Soft Commissions

During the year ended 31st October, 2013, the Investment Manager entered into soft commission arrangements with brokers/dealers whereby certain goods and services used by the Investment Manager are paid for by the commissions generated from trades executed under these arrangements. The goods and services are directly relevant and are used to assist in the provision to clients of investment management services or for valuation or performance measurement of portfolios.

These arrangements do not affect a broker's duty to provide best execution.

20 Exchange Rates

The following exchange rates to US Dollar were used:

	31st October, 2013	31st October, 2012
British Pound Sterling	1.603	1.614
Euro	1.358	1.296

21 Auditors' Remuneration

The charges for work carried out for the Company by its statutory audit firm, Deloitte & Touche, for the years ended 31st October, 2013 and 31st October, 2012 (excluding VAT) were as follows:

	Year ended 31st October, 2013	Year ended 31st October, 2012
	EUR	EUR
Audit services	35,050	35,000
Tax advisory services	64,816	9,320
Other non-audit services	14,100	10,998
	113,966	55,318

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31st October, 2013

22 Significant Events during the Year

New versions of the Prospectus including supplements for the Brown Advisory US Equity Value Fund, the Brown Advisory US Smaller Companies Fund, the Brown Advisory American Fund, the Brown Advisory US Equity Growth Fund and the Brown Advisory American SRI Fund were noted by the Central Bank on 13th November, 2012 and on 22nd March, 2013. A new version of the supplements to the Prospectus for Brown Advisory US Equity Growth Fund was noted by the Central Bank on 9th July, 2013.

The Voluntary Corporate Governance Code for the Irish Domiciled Collective Investment Schemes as published by the Irish Funds Industry Association (“IFIA”) (the “IFIA Code”) was adopted by the Company with effect from 31st December, 2012.

On 18th February, 2013 Brown Advisory US Smaller Companies USD Class P Shares changed its name to Brown Advisory US Smaller Companies USD Class C Shares along with the change of management fee from 2.25% to 0.5%.

On 8th July, 2013 Brown Advisory US Small Cap Blend Fund was launched.

There have been no other significant events affecting the Company during the year.

23 Events since the Year End

A new supplement to the Prospectus was issued in November 2013 for the Brown Advisory US Small Cap Blend Fund revising annual fees of the Investment Manager from 0.75% to 1.00% for the Dollar Class B Shares and Euro Class B Shares, from 1.50% to 1.75% for Dollar Class A Shares and Euro Class A Hedged Shares and stating annual fee of the Investment Manager for Dollar Class C Shares to 0.50%.

Effective 3rd December, 2013 Dechert replaced A&L Goodbody Solicitors as Legal Advisers to the Company.

Effective 3rd December, 2013 Dechert Secretarial Limited replaced Goodbody Secretarial Limited as Company Secretary.

Effective 20th January, 2014 the registered office of the Company changed to Ground Floor, Riverside Two, Sir John Rogerson’s Quay, Dublin 2, Ireland.

On 1st November, 2013 dividends distribution was declared. Details are presented in Note 16.

There have been no other significant events affecting the Company since the year end.

24 Approval of Financial Statements

The Board of Directors approved the report and audited financial statements on 20th January, 2014.

APPENDIX 1

TOTAL EXPENSE RATIOS (UNAUDITED)

The total expense ratios (TERs) for the year are set out in the table below.

The annualised TER calculation includes all annual operating costs including performance fees (where applicable) and excludes bank interest, FX and dealing costs, and withdrawn taxes on dividends and interest in compliance with the guidelines set out by the Swiss Funds Association (SFA). The TERs are not required to be included in this Report by the Central Bank of Ireland or the Irish Stock Exchange. They are provided for information purpose only and are unaudited. Only Swiss registered Funds are presented in the table below.

For the year ended 31st October, 2013 and 31st October, 2012

	31st October, 2013	31st October, 2012
Brown Advisory US Equity Value Fund		
Sterling Class A	1.62%	1.64%
Dollar Class A	1.62%	1.63%
Dollar Class B	0.87%	0.88%
Sterling Class B	0.87%	0.88%
Sterling Class B Hedged	1.11%	1.18%
Euro Class B	0.87%	0.88%
Brown Advisory US Smaller Companies Fund		
Dollar Class B	0.96%	1.00%
Dollar Class A	1.75%	1.61%
Dollar Class C	0.74%	N/A%
Brown Advisory American Fund		
Dollar Class B	0.90%	0.92%
Sterling Class A	1.65%	1.66%
Dollar Class A	1.64%	1.67%
Euro Class B	0.89%	0.92%
Sterling Class B	0.89%	0.92%
Euro Class A Hedged	1.75%	1.75%
Sterling Class B Hedged	1.20%	1.23%
Dollar Class P	2.40%	2.43%
Brown Advisory US Equity Growth Fund		
Dollar Class B (Distributing)	0.87%	0.88%
Dollar Class A	1.62%	1.63%
Euro Class A Hedged	1.63%	1.67%
Euro Class B	0.87%	0.88%
Sterling Class A Hedged	2.00%	2.00%
Sterling Class B Hedged	1.06%	1.16%
Euro Class P Hedged	2.50%	2.50%
Dollar Class P	2.37%	2.38%
Dollar Class B (Accumulating)	0.87%	N/A%
Brown Advisory American SRI Fund		
Dollar Class B	0.99%	1.02%
Dollar Class A	1.74%	1.77%
Brown Advisory US Small CAP Blend Fund		
Dollar Class B	1.00%	N/A%

Total Expense Ratios are based on the trailing 12 months preceding the dates listed above.

APPENDIX 2

PORTFOLIO TURNOVER RATES (UNAUDITED)

For the year ended 31st October, 2013 and 31st October, 2012

The portfolio turnover of the assets reflects the turnover ratio of the Funds' assets during the year ended 31st October, 2013, expressed as a ratio on a twelve month period basis of the average net assets.

[(Total 1 - Total 2)/D multiplied by 100]

Acquisitions of securities + Disposal of securities = Total 1

Subscriptions of Shares + Redemptions of Shares = Total 2

Average Net Assets (ie., average of daily net asset values) = D

	<u>31st October, 2013</u>	<u>31st October, 2012</u>
Brown Advisory US Equity Value Fund	55.37%	62.77%
Brown Advisory US Smaller Companies Fund	(43.00)%	24.21%
Brown Advisory American Fund	39.56%	46.28%
Brown Advisory US Equity Growth Fund	(33.96)%	(60.84%)
Brown Advisory American SRI Fund	97.76%	92.21%
Brown Advisory US Small CAP Blend Fund	19.04%	N/A%

Portfolio Turnover Rates are based on the trailing 12 months preceding the dates listed above.

MANAGEMENT AND ADMINISTRATION

DIRECTORS

Michael D. Hankin (American)
David M. Churchill (American)
Clinton R. Daly (American)
Paul McNaughton (Irish)*
Paul Montgomery (Irish)*
Gordon F. Rainey Jr. (American)

*Independent Non-Executive Director

ADMINISTRATOR AND REGISTRAR

Brown Brothers Harriman Fund Administration
Services (Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

CUSTODIAN

Brown Brothers Harriman Trustee
Services (Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

COMPANY SECRETARY

Goodbody Secretarial Limited
International Financial Services Centre
25/28 North Wall Quay
Dublin 1
Ireland

Effective from 3rd December, 2013:
Dechert
Riverside Two
Sir John Rogerson's Quay
Dublin 2
Ireland

SPONSORING BROKER

A&L Listing Limited
International Financial Services Centre
25/28 North Wall Quay
Dublin 1
Ireland

Swiss Representative and Paying Agent

RBC Investor Services Bank S.A.,
Esch-sur-Alzette, Zurich Branch,
Badenerstrasse 567
8048 Zurich
Switzerland

REGISTERED OFFICE OF THE COMPANY

c/o A&L Goodbody Solicitors
International Financial Services Centre
25/28 North Wall Quay
Dublin 1
Ireland

Effective from 20th January, 2014:
c/o Dechert Secretarial Limited
Ground Floor, Riverside Two
Sir John Rogerson's Quay
Dublin 2
Ireland

INVESTMENT MANAGER

Brown Advisory, LLC
901 South Bond Street
Suite 400
Baltimore
Maryland 21231
USA

INDEPENDENT AUDITORS

Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

LEGAL ADVISERS

A&L Goodbody Solicitors
International Financial Services Centre
25/28 North Wall Quay
Dublin 1
Ireland

Effective from 3rd December, 2013:
Dechert
Riverside Two
Sir John Rogerson's Quay
Dublin 2
Ireland

UK FACILITIES AGENT

Brown Advisory Limited
Brookfield House
44 Davies Street
London W1K5JA
United Kingdom

Effective from 12th November, 2012:

6-10 Bruton Street
London W1J 6PX
United Kingdom

MANAGEMENT AND ADMINISTRATION (continued)

Information for the Swiss Investors:

The Fund's Prospectus, Key Investor Information Documents (KIIDs), Instrument of Incorporation, annual and interim report and accounts may be obtained, free of charge, from the Swiss Representative and Paying Agent, RBC Investor Services Bank S.A., Esch-sur-Alzette, Zurich Branch, Badenerstrasse 567, 8048 Zurich. A copy of the full portfolio changes during the year under review is available free of charge from the Swiss Representative and Paying Agent.