

Supplement to the currently effective Class C prospectus of each of the listed funds:

Scudder 21st Century Growth Fund	Scudder High Income Opportunity Fund	Scudder Pathway Series — Moderate Portfolio
Scudder Aggressive Growth Fund	Scudder High Yield Tax-Free Fund	Scudder PreservationPlus Income Fund
Scudder Blue Chip Fund	Scudder Income Fund	Scudder S&P 500 Stock Fund
Scudder California Tax-Free Income Fund	Scudder Intermediate Tax/AMT Free Fund	Scudder Select 500 Fund
Scudder Capital Growth Fund	Scudder International Fund	Scudder Short Duration Fund
Scudder Dynamic Growth Fund	Scudder Japanese Equity Fund	Scudder Short-Term Bond Fund
Scudder Fixed Income Fund	Scudder Large Company Growth Fund	Scudder Small Cap Fund
Scudder Flag Investors Equity Partners Fund	Scudder Large Company Value Fund	Scudder Small Company Stock Fund
Scudder Flag Investors Value Builder Fund	Scudder Managed Municipal Bond Fund	Scudder Small Company Value Fund
Scudder Florida Tax-Free Income Fund	Scudder Massachusetts Tax-Free Fund	Scudder Strategic Income Fund
Scudder Global Biotechnology Fund	Scudder Micro Cap Fund	Scudder Tax Advantaged Dividend Fund
Scudder Global Fund	Scudder Mid Cap Fund	Scudder Technology Fund
Scudder Growth Fund	Scudder New York Tax-Free Income Fund	Scudder Technology Innovation Fund
Scudder Growth and Income Fund	Scudder Pathway Series — Conservative Portfolio	Scudder Top 50 US Fund
Scudder Health Care Fund	Scudder Pathway Series — Growth Portfolio	Scudder U.S. Government Securities Fund

The following information supplements each of the above-listed funds' currently effective Class C prospectus:

Effective March 1, 2004, the 1.00% front-end sales charge (load) imposed on purchases of Class C shares of the fund was eliminated. Class C shares of the fund are offered at net asset value and will continue to be subject to a contingent deferred sales charge of 1.00% (for shares sold within one year of purchase) and Rule 12b-1 fees, as described in each prospectus.

The following replaces the "Shareholder Fees" information for Class C shares of each fund as set forth in the Fee Table under "How Much Investors Pay":

Shareholder Fees, paid directly from your investment

Maximum Sales Charge (Load) Imposed on Purchases (as % of offering price)	None
Maximum Contingent Deferred Sales Charge (Load) (as % of redemption proceeds)	1.00%

The following information updates the expense example information for Class C shares in the "How Much Investors Pay" section of each fund's prospectus to reflect the elimination of the 1.00% front-end sales charge (load):

Example	Expenses, assuming you sold your shares at the end of each period				Expenses, assuming you kept your shares			
	1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Scudder 21 st Century Growth Fund	\$352	\$983	\$1,735	\$3,716	\$252	\$983	\$1,735	\$3,716
Scudder Aggressive Growth Fund	353	937	1,645	3,524	253	937	1,645	3,524
Scudder Blue Chip Fund	303	663	1,149	2,490	203	663	1,149	2,490
Scudder California Tax-Free Income Fund	262	502	866	1,889	162	502	866	1,889
Scudder Capital Growth Fund	303	795	1,412	3,079	203	795	1,412	3,079
Scudder Dynamic Growth Fund	355	967	1,702	3,643	255	967	1,702	3,643
Scudder Fixed Income Fund	258	490	845	1,845	158	490	845	1,845
Scudder Flag Investors Equity Partners Fund	300	618	1,062	2,296	200	618	1,062	2,296
Scudder Flag Investors Value Builder Fund	290	588	1,011	2,190	190	588	1,011	2,190

Example	Expenses, assuming you sold your shares at the end of each period				Expenses, assuming you kept your shares			
	1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Scudder Florida Tax-Free Income Fund	\$280	\$557	\$959	\$2,084	\$180	\$557	\$959	\$2,084
Scudder Global Biotechnology Fund	328	1,548	2,827	5,860	228	1,548	2,827	5,860
Scudder Global Fund	349	871	1,518	3,254	249	871	1,518	3,254
Scudder Growth Fund	302	773	1,371	2,989	202	773	1,371	2,989
Scudder Growth and Income Fund	299	671	1,170	2,544	199	671	1,170	2,544
Scudder Health Care Fund	343	802	1,441	3,158	243	802	1,441	3,158
Scudder High Income Fund	276	545	939	2,041	176	545	939	2,041
Scudder High Income Opportunity Fund	308	643	1,103	2,379	208	643	1,103	2,379
Scudder High Yield Tax-Free Fund	280	557	959	2,084	180	557	959	2,084
Scudder Income Fund	294	613	1,070	2,339	194	613	1,070	2,339
Scudder Intermediate Tax/AMT Free Fund	270	526	907	1,976	170	526	907	1,976
Scudder International Fund	338	752	1,292	2,769	238	752	1,292	2,769
Scudder Japanese Equity Fund	318	876	1,559	3,380	218	876	1,559	3,380
Scudder Large Company Growth Fund	306	865	1,548	3,371	206	865	1,548	3,371
Scudder Large Company Value Fund	305	782	1,386	3,018	205	782	1,386	3,018
Scudder Managed Municipal Bond Fund	259	493	850	1,856	159	493	850	1,856
Scudder Massachusetts Tax-Free Fund	282	563	970	2,105	182	563	970	2,105
Scudder Micro Cap Fund	352	861	1,496	3,203	252	861	1,496	3,203
Scudder Mid Cap Fund	303	646	1,115	2,414	203	646	1,115	2,414
Scudder New York Tax-Free Income Fund	265	511	881	1,922	165	511	881	1,922
Scudder Pathway Series — Conservative Portfolio	279	602	1,051	2,298	179	602	1,051	2,298
Scudder Pathway Series — Growth Portfolio	286	644	1,129	2,467	186	644	1,129	2,467
Scudder Pathway Series — Moderate Portfolio	284	607	1,056	2,302	184	607	1,056	2,302
Scudder PreservationPlus Income Fund	328	705	1,209	2,594	228	705	1,209	2,594
Scudder S&P 500 Stock Fund	282	657	1,159	2,540	182	657	1,159	2,540
Scudder Select 500 Fund	297	609	1,047	2,264	197	609	1,047	2,264
Scudder Short Duration Fund	258	508	883	1,936	158	508	883	1,936
Scudder Short-Term Bond Fund	283	566	975	2,116	183	566	975	2,116
Scudder Small Cap Fund	303	652	1,128	2,442	203	652	1,128	2,442
Scudder Small Company Stock Fund	351	838	1,451	3,105	251	838	1,451	3,105
Scudder Small Company Value Fund	329	706	1,210	2,595	229	706	1,210	2,595
Scudder Strategic Income Fund	300	618	1,062	2,296	200	618	1,062	2,296
Scudder Tax Advantaged Dividend Fund	279	652	1,152	2,528	179	652	1,152	2,528
Scudder Technology Fund	318	673	1,154	2,483	218	673	1,154	2,483
Scudder Technology Innovation Fund	359	847	1,510	3,286	259	847	1,510	3,286
Scudder Top 50 US Fund	293	891	1,613	3,525	193	891	1,613	3,525
Scudder U.S. Government Securities Fund	267	517	892	1,944	167	517	892	1,944

All other references to a front-end sales charge imposed on purchases of Class C shares that appear in the fund's current prospectus are hereby deleted.

Value Funds II
Classes A, B and C

Prospectus

December 1, 2003

Scudder **Large Company Value** Fund
Scudder **Small Company Value** Fund
Scudder **Small Company Stock** Fund
Scudder **Tax Advantaged Dividend** Fund

As with all mutual funds, the Securities and Exchange Commission (SEC) does not approve or disapprove these shares or determine whether the information in this prospectus is truthful or complete. It is a criminal offense for anyone to inform you otherwise.

Contents

How the Funds Work

- 4** Scudder Large Company Value Fund
- 10** Scudder Small Company Value Fund
- 16** Scudder Small Company Stock Fund
- 22** Scudder Tax Advantaged Dividend Fund
- 28** Other Policies and Secondary Risks
- 30** Who Manages and Oversees the Funds
- 34** Financial Highlights

How to Invest in the Funds

- 44** Choosing a Share Class
- 50** How to Buy Shares
- 51** How to Exchange or Sell Shares
- 52** Policies You Should Know About
- 60** Understanding Distributions and Taxes

How the Funds Work

On the next few pages, you'll find information about each fund's **investment goal**, the main **strategies** it uses to pursue that goal and the main **risks** that could affect performance.

Whether you are considering investing in a fund or are already a shareholder, you'll want to **look this information over carefully**. You may want to keep it on hand for reference as well.

Remember that mutual funds are **investments**, not bank deposits. They're not insured or guaranteed by the FDIC or any other government agency. Their **share prices** will go up and down and you could lose money by investing in them.

	Class A	Class B	Class C
ticker symbol	SDVAX	SDVBX	SDVCX
fund number	449	649	749

Scudder Large Company Value Fund

The Fund’s Main Investment Strategy

The fund seeks maximum long-term capital appreciation through a value-oriented investment approach. It does this by investing, under normal circumstances, at least 80% of net assets, plus the amount of any borrowings for investment purposes, in common stocks and other equities of large US companies that are similar in size to the companies in the Russell 1000 Value Index (as of October 31, 2003, the Russell 1000 Value Index had a median market capitalization of \$3.46 billion) and that the portfolio managers believe are undervalued. These are typically companies that have been sound historically but are temporarily out of favor. The fund intends to invest primarily in companies whose market capitalizations fall within the normal range of the Russell 1000 Value Index. Although the fund typically invests in stocks across a wide range of industries and economic sectors (a sector is comprised of two or more related industries), at times it may emphasize the financial services sector or other sectors. In fact, it may invest more than 25% of total assets in a single sector.

The portfolio managers begin by screening for stocks whose price-to-earnings ratios are below the average for the S&P 500 Index. The managers then compare a company’s stock price to its book value, cash flow and yield, and analyze individual companies to identify those that are financially sound and appear to have strong potential for long-term growth.

OTHER INVESTMENTS The fund may also invest up to 20% of net assets in foreign securities.

The fund is permitted, but not required, to use various types of derivatives (contracts whose value is based on, for example, indexes, currencies or securities). The fund may use derivatives in circumstances where the managers believe they

offer an economical means of gaining exposure to a particular asset class or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market. The fund currently does not utilize derivatives, and although the managers have no immediate intention to do so, the fund may choose to use them in the future.

The managers assemble the fund's portfolio from among the most attractive stocks, drawing on analysis of economic outlooks for various sectors and industries. The managers may favor securities from different sectors and industries at different times while still maintaining variety in terms of industries and companies represented.

The managers will normally sell a stock when the managers believe its price is unlikely to go higher, its fundamental factors have changed, other investments offer better opportunities or in the course of adjusting its emphasis on a given industry.

The Main Risks of Investing in the Fund

There are several risk factors that could hurt the fund's performance, cause you to lose money or cause the fund's performance to trail that of other investments.

Stock Market Risk. As with most stock funds, the most important factor with this fund is how stock markets perform. Because a stock represents ownership in its issuer, stock prices can be hurt by poor management, shrinking product demand and other business risks. These may affect single companies as well as groups of companies. In addition, movements in financial markets may adversely affect a stock's price, regardless of how well the company performs. The market as a whole may not favor the types of investments that the fund makes and the fund may not be able to get an attractive price for them.

Value Investing Risk. As with any investment strategy, the "value" strategy used in managing the fund's portfolio will, at times, perform better than or worse than other investment styles and the overall market. If the advisor overestimates the value or return

potential of one or more common stocks, the fund may underperform the general equity market. Value stocks may also be out of favor for certain periods in relation to growth stocks.

Industry Risk. While the fund does not concentrate in any industry, to the extent that the fund has exposure to a given industry or sector, any factors affecting that industry or sector could affect the value of portfolio securities. For example, manufacturers of consumer goods could be hurt by a rise in unemployment, or technology companies could be hurt by such factors as market saturation, price competition and rapid obsolescence.

This fund is designed for long-term investors who favor a value investment style and who are interested in broadly diversified exposure to large company stocks.

Foreign Investment Risk. To the extent that the fund holds the securities of companies based outside the US, it faces the risks inherent in foreign investing. Adverse political, economic or social developments could undermine the value of the fund's investments or prevent the fund from realizing their full value. Financial reporting standards for companies based in foreign markets differ from those in the US. Additionally, foreign securities markets generally are smaller and less liquid than the US markets. Finally, the currency of the country in which the fund has invested could decline relative to the value of the US dollar, which would decrease the value of the investment to US investors.

Other factors that could affect performance include:

- the managers could be wrong in their analysis of industries, companies, economic trends, the relative attractiveness of different sizes of stocks or other matters
- at times, market conditions might make it hard to value some investments or to get an attractive price for them
- derivatives could produce disproportionate losses due to a variety of factors, including the failure of the counterparty or unexpected price or interest rate movements (see "Secondary risks" for more information)

The Fund’s Performance History

While a fund’s past performance (before and after taxes) isn’t necessarily a sign of how it will do in the future, it can be valuable information for an investor to know.

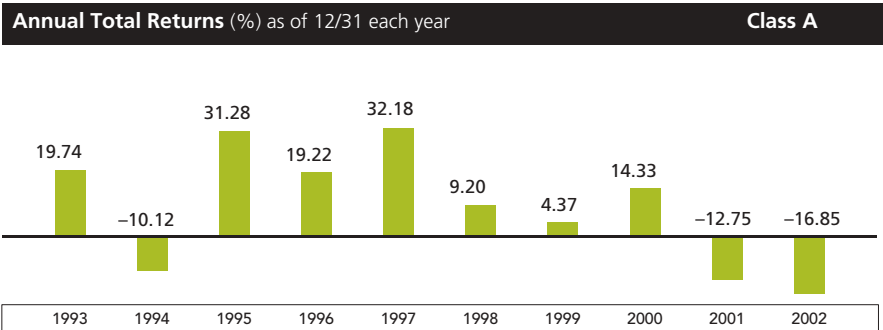
The bar chart shows how performance has varied from year to year, which may give some idea of risk. The bar chart does not reflect sales loads; if it did, total returns would be lower. The table on the following page shows how fund performance compares with a broad-based market index (which, unlike the fund, does not have any fees or expenses). The table includes the effects of maximum sales loads. The performance of both the fund and the index varies over time. All figures assume reinvestment of dividends and distributions (in the case of after-tax returns, reinvested net of assumed tax rates).

The inception date for Class A, B and C shares is June 25, 2001. In the bar chart, the performance figures for Class A before that date are based on the historical performance of the fund’s original share class (Class S), adjusted to reflect the higher gross total annual operating expenses of Class A.

In the table, the performance figures for each share class prior to its inception are based on the historical performance of Class S, adjusted to reflect both the higher gross total annual operating expenses of Class A, B or C and the current applicable sales charges of Class A, B or C. Class S shares are offered in a different prospectus.

The table shows returns on a before-tax and after-tax basis. After-tax returns are shown for Class A only and will vary for Class B and C. After-tax returns are estimates, calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown in the table. After-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

Scudder Large Company Value Fund



2003 Total Return as of September 30: 12.44%

For the periods included in the bar chart:

Best Quarter: 15.91%, Q4 1998

Worst Quarter: -19.42%, Q3 2002

Average Annual Total Returns (%) as of 12/31/2002

	1 Year	5 Years	10 Years
Class A			
Return before Taxes	-21.63	-2.28	7.09
Return after Taxes on Distributions	-22.12	-3.80	4.77
Return after Taxes on Distributions and Sale of Fund Shares	-15.50	-2.38	4.90
Class B (Return before Taxes)	-20.01	-2.06	6.86
Class C (Return before Taxes)	-18.37	-2.09	6.78
Index (reflects no deductions for fees, expenses or taxes)	-17.48	-0.92	7.97

Index: The **Russell 1000 Value Index** is an unmanaged index that consists of those stocks in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values.

Current performance may be higher or lower than the performance data quoted above. For more recent performance information, call your financial advisor or (800) 621-1048 or visit our Web site at www.scudder.com.

The **Return after Taxes on Distributions** assumes that an investor holds fund shares at the end of the period. The number represents only the fund's taxable distributions, not a shareholder's gain or loss from selling fund shares.

The **Return after Taxes on Distributions and Sale of Fund Shares** assumes that an investor sold his or her fund shares at the end of the period. The number reflects both the fund's taxable distributions and a shareholder's gain or loss from selling fund shares.

How Much Investors Pay

This table describes the fees and expenses that you may pay if you buy and hold fund shares.

Fee Table	Class A	Class B	Class C
Shareholder Fees , paid directly from your investment			
Maximum Cumulative Sales Charge (Load)	5.75%	4.00%	2.00%
Maximum Sales Charge (Load) Imposed on Purchases (as % of offering price)	5.75	None	1.00
Maximum Deferred Sales Charge (Load) (as % of redemption proceeds)	None*	4.00	1.00
Annual Operating Expenses , deducted from fund assets			
Management Fee	0.60%	0.60%	0.60%
Distribution/Service (12b-1) Fee	0.20	0.99	1.00
Other Expenses**	0.76	0.81	1.14
Total Annual Operating Expenses	1.56	2.40	2.74
Less Expense Waiver/Reimbursements***	0.34	0.38	0.72
Net Annual Fund Operating Expenses***	1.22	2.02	2.02

* The redemption of shares purchased at net asset value under the Large Order NAV Purchase Privilege (see “Policies You Should Know About — Policies about transactions”) may be subject to a contingent deferred sales charge of 1.00% if redeemed within one year of purchase and 0.50% if redeemed during the second year following purchase.

** Restated to reflect estimated costs due to the termination of the fixed rate administrative fee.

***Through September 30, 2005, the Advisor has contractually agreed to waive all or a portion of its management fee and reimburse or pay operating expenses of the fund to the extent necessary to maintain the fund’s operating expenses at 1.005%, 1.020%, and 1.010% for Class A, Class B and Class C shares respectively, excluding certain expenses such as extraordinary expenses, taxes, brokerage, interest, Rule 12b-1 and/or service fees, trustee and trustee counsel fees and organizational and offering expenses.

Based on the costs above (including one year of capped expenses in each period), this example helps you compare the expenses of each share class to those of other mutual funds. This example assumes the expenses above remain the same.

It also assumes that you invested \$10,000, earned 5% annual returns and reinvested all dividends and distributions. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
Expenses , assuming you sold your shares at the end of each period				
Class A shares	\$692	\$1,008	\$1,346	\$2,298
Class B shares	605	1,012	1,446	2,306
Class C shares	403	874	1,472	3,088
Expenses , assuming you kept your shares				
Class A shares	\$692	\$1,008	\$1,346	\$2,298
Class B shares	205	712	1,246	2,306
Class C shares	303	874	1,472	3,088

	Class A	Class B	Class C
ticker symbol	SAAUX	SABUX	SACUX
fund number	450	650	750

Scudder Small Company Value Fund

The Fund’s Main Investment Strategy

The fund seeks long-term growth of capital by investing, under normal circumstances, at least 90% of total assets, including the amount of any borrowings for investment purposes, in undervalued common stocks of small US companies. These are companies that are similar in size to those in the Russell 2000 Value Index (as of October 31, 2003, the Russell 2000 Value Index had a median market capitalization of \$428 million). The fund intends to invest primarily in companies whose market capitalizations fall within the normal range of the Russell 2000 Value Index.

A quantitative stock valuation model compares each company’s stock price to the company’s earnings, book value, sales and other measures of performance potential. The managers also look for factors that may signal a rebound for a company, whether through a recovery in its markets, a change in business strategy or other factors. The managers believe that by combining techniques used by fundamental value investors with extensive growth and earnings analysis they can minimize investment style bias and ultimately produce a “pure” stock selection process that seeks to add value in any market environment. The team also incorporates technical analysis to capture short-term price changes and evaluate the market’s responsiveness to new information.

OTHER INVESTMENTS The fund is permitted, but not required, to use various types of derivatives (contracts whose value is based on, for example, indexes, currencies or securities). In particular, the fund may use futures, options and covered call options. The fund may use deriv-

atives in circumstances where the managers believe they offer an economical means of gaining exposure to a particular asset class or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market.

The managers then assemble the fund's portfolio from among the qualifying stocks, using a tool known as Portfolio Optimizer — sophisticated portfolio management software that analyzes the potential return and risk characteristics of each stock and the overall portfolio.

The managers diversify the fund's investments among many industries and among many companies (typically over 150 companies).

The managers will normally sell a stock when the company no longer qualifies as a small company, when the managers no longer consider it to be undervalued or when the managers believe other investments offer better opportunities.

The Main Risks of Investing in the Fund

There are several risk factors that could hurt the fund's performance, cause you to lose money or cause the fund's performance to trail that of other investments.

Stock Market Risk. As with most stock funds, the most important factor with this fund is how stock markets perform. Because a stock represents ownership in its issuer, stock prices can be hurt by poor management, shrinking product demand and other business risks. These may affect single companies as well as groups of companies. In addition, movements in financial markets may adversely affect a stock's price, regardless of how well the company performs. The market as a whole may not favor the types of investments that the fund makes and the fund may not be able to get an attractive price for them.

This fund is designed for long-term investors who are looking for a fund that takes a value approach to investing in small company stocks.

Value Investing Risk. As with any investment strategy, the "value" strategy used in managing the fund's portfolio will, at times, perform better than or worse than other investment styles and the overall market. If the advisor overestimates the value or return potential of one or more common stocks, the fund may underperform the general equity market. Value stocks may also be out of favor for certain periods in relation to growth stocks.

Industry Risk. While the fund does not concentrate in any industry, to the extent that the fund has exposure to a given industry or sector, any factors affecting that industry or sector could affect the value of portfolio securities. For example, manufacturers of consumer goods could be hurt by a rise in unemployment, or technology companies could be hurt by such factors as market saturation, price competition and rapid obsolescence.

Small Company Capitalization Risk. Small company stocks tend to experience steeper price fluctuations — down as well as up — than the stocks of larger companies. A shortage of reliable information — the same information gap that creates opportunity — can also pose added risk. Industry-wide reversals may have a greater impact on small companies, since they lack a large company's financial resources. Small company stocks are typically less liquid than large company stocks: when things are going poorly, it is harder to find a buyer for a small company's shares.

Other factors that could affect performance include:

- the managers could be wrong in their analysis of industries, companies, economic trends, the relative attractiveness of different sizes of stocks or other matters
- at times, market conditions might make it hard to value some investments or to get an attractive price for them
- derivatives could produce disproportionate losses due to a variety of factors, including the failure of the counterparty or unexpected price or interest rate movements (see “Secondary risks” for more information)

The Fund’s Performance History

While a fund’s past performance (before and after taxes) isn’t necessarily a sign of how it will do in the future, it can be valuable information for an investor to know.

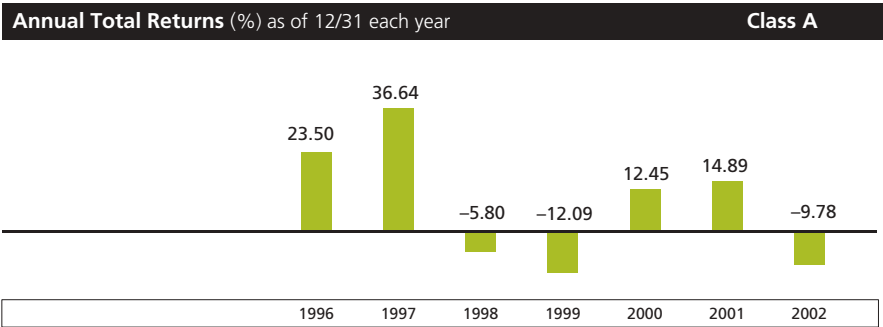
The bar chart shows how performance has varied from year to year, which may give some idea of risk. The bar chart does not reflect sales loads; if it did, total returns would be lower. The table on the following page shows how fund performance compares with a broad-based market index (which, unlike the fund, does not have any fees or expenses). The table includes the effects of maximum sales loads. The performance of both the fund and the index varies over time. All figures assume reinvestment of dividends and distributions (in the case of after-tax returns, reinvested net of assumed tax rates).

The inception date for Class A, B and C shares is December 3, 2001. In the bar chart, the performance figures for Class A before that date are based on the historical performance of the fund’s original share class (Class S), adjusted to reflect the higher gross total annual operating expenses of Class A.

In the table, the performance figures for each share class prior to its inception are based on the historical performance of Class S, adjusted to reflect both the higher gross total annual operating expenses of Class A, B or C and the current applicable sales charges of Class A, B or C. Class S shares are offered in a different prospectus.

The table shows returns on a before-tax and after-tax basis. After-tax returns are shown for Class A only and will vary for Class B and C. After-tax returns are estimates, calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown in the table. After-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

Scudder Small Company Value Fund



2003 Total Return as of September 30: 19.37%

For the periods included in the bar chart:

Best Quarter: 18.00%, Q3 1997

Worst Quarter: -21.14%, Q3 2002

Average Annual Total Returns (%) as of 12/31/2002

	1 Year	5 Years	Since Inception*
Class A			
Return before Taxes	-14.97	-1.87	6.75
Return after Taxes on Distributions	-16.88	-3.16	5.99
Return after Taxes on Distributions and Sale of Fund Shares	-9.63	-2.49	5.00
Class B (Return before Taxes)	-12.88	-1.68	6.76
Class C (Return before Taxes)	-11.39	-1.67	6.64
Index (reflects no deductions for fees, expenses or taxes)	-11.43	2.71	9.85

Index: The **Russell 2000 Value Index** measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth rates.

* The fund commenced operations on October 6, 1995. Index comparison begins October 31, 1995.

Total returns from inception through 1997 and for 1999–2001 would have been lower if operating expenses hadn't been reduced.

Current performance may be higher or lower than the performance data quoted above. For more recent performance information, call your financial advisor or (800) 621–1048 or visit our Web site at www.scudder.com.

The **Return after Taxes on Distributions** assumes that an investor holds fund shares at the end of the period. The number represents only the fund's taxable distributions, not a shareholder's gain or loss from selling fund shares.

The **Return after Taxes on Distributions and Sale of Fund Shares** assumes that an investor sold his or her fund shares at the end of the period. The number reflects both the fund's taxable distributions and a shareholder's gain or loss from selling fund shares.

How Much Investors Pay

This table describes the fees and expenses that you may pay if you buy and hold fund shares.

Fee Table	Class A	Class B	Class C
Shareholder Fees , paid directly from your investment			
Maximum Cumulative Sales Charge (Load)	5.75%	4.00%	2.00%
Maximum Sales Charge (Load) Imposed on Purchases (as % of offering price)	5.75	None	1.00
Maximum Deferred Sales Charge (Load) (as % of redemption proceeds)	None*	4.00	1.00
Annual Operating Expenses , deducted from fund assets			
Management Fee	0.75%	0.75%	0.75%
Distribution/Service (12b-1) Fee	0.20	0.97	0.99
Other Expenses**	0.86	0.56	0.52
Total Annual Operating Expenses	1.81	2.28	2.26
Less Expense Waiver/Reimbursements***	0.10	0.00	0.00
Net Annual Fund Operating Expenses***	1.71	2.28	2.26

* The redemption of shares purchased at net asset value under the Large Order NAV Purchase Privilege (see "Policies You Should Know About — Policies about transactions") may be subject to a contingent deferred sales charge of 1.00% if redeemed within one year of purchase and 0.50% if redeemed during the second year following purchase.

** Restated to reflect estimated costs due to the termination of the fixed rate administrative fee.

*** Through September 30, 2005, the Advisor has contractually agreed to waive all or a portion of its management fee and reimburse or pay operating expenses of the fund to the extent necessary to maintain the fund's operating expenses at 1.50%, for Class A, Class B and Class C shares, excluding certain expenses such as extraordinary expenses, taxes, brokerage, interest, Rule 12b-1 and/or service fees, trustee and trustee counsel fees and organizational and offering expenses.

Based on the costs above (including one year of capped expenses in each period), this example helps you compare the expenses of each share class to those of other mutual funds. This example assumes the expenses above remain the same.

It also assumes that you invested \$10,000, earned 5% annual returns and reinvested all dividends and distributions. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
Expenses , assuming you sold your shares at the end of each period				
Class A shares	\$739	\$1,103	\$1,490	\$2,572
Class B shares	631	1,012	1,420	2,391
Class C shares	427	799	1,298	2,669
Expenses , assuming you kept your shares				
Class A shares	\$739	\$1,103	\$1,490	\$2,572
Class B shares	231	712	1,220	2,391
Class C shares	327	799	1,298	2,669

	Class A	Class B	Class C
ticker symbol	SZCAX	SZCBX	SZCCX
fund number	439	639	739

Scudder Small Company Stock Fund

The Fund's Main Investment Strategy

The fund seeks to provide long-term capital growth while actively seeking to reduce downside risk as compared with other small company stock funds. It does this by investing, under normal circumstances, at least 80% of net assets, plus the amount of any borrowings for investment purposes, in common stocks of small US companies with potential for above-average long-term capital growth. These companies are similar in size to the companies in the Russell 2000 Index (as of October 31, 2003, the Russell 2000 Index had a median market capitalization of \$440.2 million). The fund intends to invest in companies whose market capitalizations fall within the normal range of the Russell 2000 Index.

In addition, the fund does not invest in securities issued by tobacco-producing companies.

A quantitative stock valuation model compares each company's stock price to the company's earnings, book value, sales and other measures of performance potential. The managers also look for factors that may signal a rebound for a company, whether through a recovery in its markets, a change in business strategy or other factors. The managers believe that by combining techniques used by fundamental value investors with extensive growth and earnings analysis they can minimize investment style bias and ultimately produce a "pure" stock selection process that seeks to add value in any market environment. The team also incorporates technical analysis to capture short-term price changes and evaluate the market's responsiveness to new information.

OTHER INVESTMENTS While the fund invests primarily in common stocks, it may invest up to 20% of total assets in US government securities. The fund is permitted, but not required, to use various types of derivatives (contracts whose value is based on, for example, indexes, currencies or securities). In particular, the fund may use futures, options and cov-

ered call options. The fund may use derivatives in circumstances where the managers believe they offer an economical means of gaining exposure to a particular asset class or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market.

The managers then build a diversified portfolio of attractively rated companies using analytical tools to actively monitor the risk profile of the portfolio compared to appropriate benchmarks and peer groups. The managers use several strategies in seeking to reduce downside risk, including:

- focusing on companies with reasonable valuations
- diversifying broadly among industries and companies (typically over 300 companies)
- limiting the majority of the portfolio to 2% in any one issuer (other funds may invest 5% or more)

The managers will normally sell a stock when the managers believe it is too highly valued, its fundamental qualities have deteriorated, when its potential risks have increased or when the company no longer qualifies as a small company.

The Main Risks of Investing in the Fund

There are several risk factors that could hurt the fund's performance, cause you to lose money or cause the fund's performance to trail that of other investments.

Stock Market Risk. As with most stock funds, the most important factor with this fund is how stock markets perform. Because a stock represents ownership in its issuer, stock prices can be hurt by poor management, shrinking product demand and other business risks. These may affect single companies as well as groups of companies. In addition, movements in financial markets may adversely affect a stock's price, regardless of how well the company performs. The market as a whole may not favor the types of investments that the fund makes and the fund may not be able to get an attractive price for them.

This fund is designed for long-term investors looking for broad exposure to small company stocks.

Value Investing Risk. As with any investment strategy, the "value" strategy used in managing the fund's portfolio will, at times, perform better than or worse than other investment styles and the overall market. If the advisor overestimates the value or return potential of one or more common stocks, the fund may underperform the general equity market. Value stocks may also be out of favor for certain periods in relation to growth stocks.

Industry Risk. While the fund does not concentrate in any industry, to the extent that the fund has exposure to a given industry or sector, any factors affecting that industry or sector could affect the value of portfolio securities. For example, manufacturers of consumer goods could be hurt by a rise in unemployment, or technology companies could be hurt by such factors as market saturation, price competition and rapid obsolescence.

Small Company Capitalization Risk. Small company stocks tend to experience steeper price fluctuations — down as well as up — than the stocks of larger companies. A shortage of reliable information — the same information gap that creates opportunity — can also pose added risk. Industry-wide reversals may have a greater impact on small companies, since they lack a large company's financial resources. Small company stocks are typically less liquid than large company stocks: when things are going poorly, it is harder to find a buyer for a small company's shares.

Other factors that could affect performance include:

- the managers could be wrong in their analysis of industries, companies, economic trends, the relative attractiveness of different sizes of stocks or other matters
- at times, market conditions might make it hard to value some investments or to get an attractive price for them
- derivatives could produce disproportionate losses due to a variety of factors, including the failure of the counterparty or unexpected price or interest rate movements (see “Secondary risks” for more information)

The Fund’s Performance History

While a fund’s past performance (before and after taxes) isn’t necessarily a sign of how it will do in the future, it can be valuable information for an investor to know.

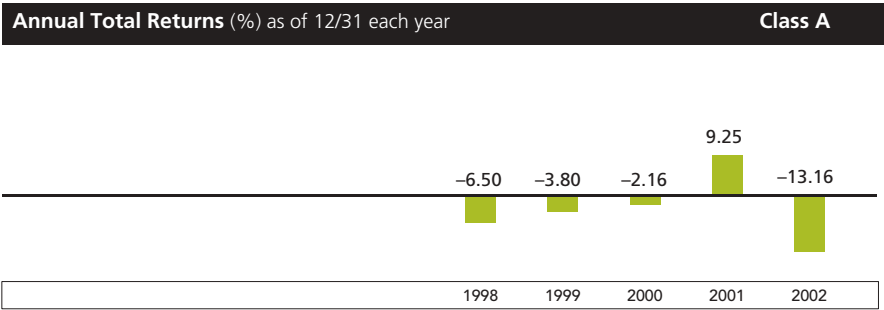
The bar chart shows how performance has varied from year to year, which may give some idea of risk. The bar chart does not reflect sales loads; if it did, total returns would be lower. The table on the following page shows how fund performance compares with a broad-based market index (which, unlike the fund, does not have any fees or expenses). The table includes the effects of maximum sales loads. The performance of both the fund and the index varies over time. All figures assume reinvestment of dividends and distributions (in the case of after-tax returns, reinvested net of assumed tax rates).

The inception date for Class A, B and C shares is June 25, 2001. In the bar chart, the performance figures for Class A before that date are based on the historical performance of the fund’s original share class (Class AARP), adjusted to reflect the higher gross total annual operating expenses of Class A.

In the table, the performance figures for each share class prior to its inception are based on the historical performance of Class AARP, adjusted to reflect both the higher gross total annual operating expenses of Class A, B or C and the current applicable sales charges of Class A, B or C. Class AARP shares are offered in a different prospectus.

The table shows returns on a before-tax and after-tax basis. After-tax returns are shown for Class A only and will vary for Class B and C. After-tax returns are estimates, calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor’s tax situation and may differ from those shown in the table. After-tax returns shown are not relevant to investors who hold their shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

Scudder Small Company Stock Fund



2003 Total Return as of September 30: 27.86%

For the periods included in the bar chart:

Best Quarter: 20.32%, Q4 2001

Worst Quarter: -20.02%, Q3 2002

Average Annual Total Returns (%) as of 12/31/2002

	1 Year	5 Years	Since Inception*
Class A			
Return before Taxes	-18.15	-4.68	0.82
Return after Taxes on Distributions	-18.15	-2.64	-2.24
Return after Taxes on Distributions and Sale of Fund Shares	-13.37	-1.95	-2.56
Class B (Return before Taxes)	-16.52	-4.53	0.84
Class C (Return before Taxes)	-14.80	-4.51	0.85
Index (reflects no deductions for fees, expenses or taxes)	-20.48	-1.36	1.94

Index: The **Russell 2000 Index** is an unmanaged capitalization-weighted measure of approximately 2,000 small US stocks.

* The fund commenced operations on February 1, 1997. Index comparison begins January 31, 1997.

Total return from inception through 1998 and for 2000 would have been lower if operating expenses hadn't been reduced.

Current performance may be higher or lower than the performance data quoted above. For more recent performance information, call your financial advisor or (800) 621-1048 or visit our Web site at www.scudder.com.

The **Return after Taxes on Distributions** assumes that an investor holds fund shares at the end of the period. The number represents only the fund's taxable distributions, not a shareholder's gain or loss from selling fund shares.

The **Return after Taxes on Distributions and Sale of Fund Shares** assumes that an investor sold his or her fund shares at the end of the period. The number reflects both the fund's taxable distributions and a shareholder's gain or loss from selling fund shares.

How Much Investors Pay

This table describes the fees and expenses that you may pay if you buy and hold fund shares.

Fee Table	Class A	Class B	Class C
Shareholder Fees , paid directly from your investment			
Maximum Cumulative Sales Charge (Load)	5.75%	4.00%	2.00%
Maximum Sales Charge (Load) Imposed on Purchases (as % of offering price)	5.75	None	1.00
Maximum Contingent Deferred Sales Charge (Load) (as % of redemption proceeds)	None*	4.00	1.00
Annual Operating Expenses , deducted from fund assets			
Management Fee	0.75%	0.75%	0.75%
Distribution/Service (12b-1) Fee	0.19	0.97	0.97
Other Expenses**	0.99	1.16	1.08
Total Annual Operating Expenses	1.93	2.88	2.80
Less Expense Waiver/Reimbursements***	0.23	0.40	0.32
Net Annual Fund Operating Expenses***	1.70	2.48	2.48

* The redemption of shares purchased at net asset value under the Large Order NAV Purchase Privilege (see "Policies You Should Know About — Policies about transactions") may be subject to a contingent deferred sales charge of 1.00% if redeemed within one year of purchase and 0.50% if redeemed during the second year following purchase.

** Restated to reflect estimated costs due to the termination of the fixed rate administrative fee.

*** Through September 30, 2005, the Advisor has contractually agreed to waive all or a portion of its management fee and reimburse or pay operating expenses of the fund to the extent necessary to maintain the fund's operating expenses at 1.50% for Class A, Class B and Class C shares, excluding certain expenses such as extraordinary expenses, taxes, brokerage, interest, Rule 12b-1 and/or service fees, trustee and trustee counsel fees and organizational and offering expenses.

Based on the costs above (including one year of capped expenses in each period), this example helps you compare the expenses of each share class to those of other mutual funds. This example assumes the expenses above remain the same. It

also assumes that you invested \$10,000, earned 5% annual returns and reinvested all dividends and distributions. This is only an example; actual expenses will be different.

Example	1 Year	3 Years	5 Years	10 Years
Expenses , assuming you sold your shares at the end of each period				
Class A shares	\$738	\$1,125	\$1,537	\$2,682
Class B shares	651	1,154	1,683	2,742
Class C shares	449	930	1,536	3,174
Expenses , assuming you kept your shares				
Class A shares	\$738	\$1,125	\$1,537	\$2,682
Class B shares	251	854	1,483	2,742
Class C shares	349	930	1,536	3,174

	Class A	Class B	Class C
ticker symbol	SDDAX	SDDBX	SDDCX
fund number	290	390	690

Scudder Tax Advantaged Dividend Fund

The Fund’s Main Investment Strategy

The fund seeks high income consistent with preservation of capital and, secondarily, long-term growth of capital. The fund seeks to achieve its objectives by investing primarily in a diversified portfolio of income-producing equity securities and debt securities. The fund attempts to provide a yield that exceeds the composite yield on the securities comprising the Standard & Poor’s 500 Composite Stock Index (S&P 500).

Under normal circumstances, the fund invests at least 80% of its assets in dividend-paying equity securities. These include common stocks, preferred stocks, convertible securities and securities of real estate investment trusts. By investing a significant portion of the fund’s assets in dividend-paying equity securities, the fund seeks to help investors take advantage of lower federal tax rates with respect to a portion of the dividend income generated by the fund. The fund may also invest up to 20% of its assets in non-dividend paying equity securities and debt securities. Although the fund invests primarily in US issuers, it may invest up to 25% of its assets in foreign securities.

OTHER INVESTMENTS Debt securities in which the fund invests include those rated investment grade (i.e., BBB/Baa or above) and below investment grade high yield/high risk bonds. The fund may invest up to 15% of net assets in high yield/high risk bonds (i.e., rated BB/Ba and below). In addition, the fund may invest in affiliated mutual funds. The fund initially expects to make part or all of its investments in debt securities through investment in affiliated mutual funds. By investing in affiliated mutual funds, the fund will achieve greater diversification of its fixed income investments (by holding more securities of

varying sizes and risks) than it could gain buying fixed income securities directly.

The fund is permitted, but not required, to use various types of derivatives (contracts whose value is based on, for example, indexes, currencies or securities). In particular, the fund may use futures, options and covered call options. The fund may use derivatives in circumstances where the managers believe they offer an economical means of gaining exposure to a particular asset class or to keep cash on hand to meet shareholder redemptions or other needs while maintaining exposure to the market.

The fund emphasizes a value-investing style focusing primarily on established companies that offer the prospects for future dividend payments and capital growth and whose current stock prices appear to be undervalued relative to the general market.

The portfolio managers begin by screening for stocks whose price-to-earnings ratios are below the average for the S&P 500 Index. The managers then compare a company's stock price to its book value, cash flow and yield, and analyze individual companies to identify those that are financially sound and appear to have strong potential for long-term growth.

The managers assemble the fund's portfolio from among the most attractive stocks, drawing on analysis of economic outlooks for various sectors and industries. The managers may favor securities from different sectors and industries at different times while still maintaining variety in terms of industries and companies represented.

Fixed income investments will be held in the fund to further enhance the income earned by the fund and to provide diversification benefits, in an effort to reduce the overall return volatility for the fund. Bond holdings may be of any maturity or quality, and will primarily be in the US Treasury, agency, mortgage pass-through and corporate sectors.

The allocation of the fund's portfolio among debt, equity and cash is based on a diversified approach to asset allocation that combines multiple uncorrelated styles and market views from multiple globally located investment teams within a rigorous, quantitative framework. The asset allocation model for the fund will be run periodically and used to re-balance new cash flows as well as set targets and re-balance the fund as needed.

The managers will normally sell a security when the managers believe the income or growth potential of the security has changed, other investments offer better opportunities, or in the course of adjusting the emphasis on or within a given industry.

The Main Risks of Investing in the Fund

There are several risk factors that could hurt the fund's performance, cause you to lose money or cause the fund's performance to trail that of other investments.

Stock Market Risk. As with most stock funds, the most important factor with this fund is how stock markets perform. Because a stock represents ownership in its issuer, stock prices can be hurt by poor management, shrinking product demand and other business risks. These may affect single companies as well as groups of companies. In addition, movements in financial markets may adversely affect a stock's price, regardless of how well the company performs. The market as a whole may not favor the types of investments the fund makes and the fund may not be able to get an attractive price for them.

Industry Risk. While the fund does not concentrate in any industry, to the extent that the fund has exposure to a given industry or sector, any factors affecting that industry or sector could affect the value of portfolio securities. For example, manufacturers of consumer goods could be hurt by a rise in unemployment, or technology companies could be hurt by such factors as market saturation, price competition and rapid obsolescence.

Value Investing Risk. As with any investment strategy, the "value" strategy used in managing the fund's portfolio will, at times, perform better than or worse than other investment styles and the overall market. If the advisor overestimates the value or return potential of one or more common stocks, the fund may underperform the general equity markets. Value stocks may also be out of favor for certain periods in relation to growth stocks.

Interest Rate Risk. Generally, fixed income securities will decrease in value when interest rates rise and increase in value when interest rates decline. The longer the effective maturity of the fund's securities, the more sensitive it will be to interest rate changes. (As a general rule, a 1% rise in interest rates means a 1% fall in value for every year of duration.) As interest rates decline, the issuers of securities held by the fund may prepay principal earlier than scheduled, forcing the fund to reinvest in lower yielding securities. Prepayment may reduce the fund's income. As interest rates increase, principal payments that are slower than expected may extend the average life of fixed income securities. This will have the effect of locking in a below-market interest rate, increasing the fund's duration and reducing the value of the security.

Credit Risk. A fund purchasing bonds faces the risk that the creditworthiness of the issuer may decline, causing the value of its bonds to decline. In addition, an issuer may be unable or unwilling to make timely payments on the interest and principal on the bonds it has issued. Because the issuers of high yield bonds (rated below the fourth highest category) may be in uncertain financial health, the prices of their bonds can be more vulnerable to bad economic news or even the expectation of bad news, than those of investment grade bonds. In some cases, bonds, particularly junk bonds, may decline in credit quality or go into default.

Foreign Investment Risk. To the extent that the fund holds the securities of companies based outside the US, it faces the risks inherent in foreign investing. Adverse political, economic or social developments could undermine the value of the fund's investments or prevent the fund from realizing their full value. Financial reporting standards for companies based in foreign markets differ from those in the US. Additionally, foreign securities markets generally are smaller and less liquid than the US markets. These risks tend to be greater in emerging markets, so to the extent the fund invests in emerging markets, it takes on greater risks. Finally, the currency of the country in which the fund has invested could decline relative to the value of the US dollar, which would decrease the value of the investment to US investors.

Other factors that could affect performance include:

- the managers could be wrong in their analysis of industries, companies, economic trends, the relative attractiveness of different sizes of stocks or other matters
- at times, market conditions might make it hard to value some investments or to get an attractive price for them
- derivatives could produce disproportionate losses due to a variety of factors, including the failure of the counterparty or unexpected price or interest rate movements (see "Secondary risks" for more information)

The Fund's Performance History

Because this is a new fund, it does not have a full calendar year of performance to report as of the date of this prospectus.

How Much Investors Pay

This table describes the fees and expenses that you may pay if you buy and hold fund shares.

Fee Table	Class A	Class B	Class C
Shareholder Fees , paid directly from your investment			
Maximum Cumulative Sales Charge (Load)	5.75%	4.00%	2.00%
Maximum Sales Charge (Load) Imposed on Purchases (as % of offering price)	5.75	None	1.00
Maximum Deferred Sales Charge (Load) (as % of redemption proceeds)	None ¹	4.00	1.00
Annual Operating Expenses , deducted from fund assets			
Management Fee ²	0.75%	0.75%	0.75%
Distribution/Service (12b-1) Fee	0.25	1.00	1.00
Other Expenses ³	0.42	0.49	0.48
Total Annual Operating Expenses⁴	1.42	2.24	2.23
Less Expense Waiver/Reimbursements ⁴	0.47	0.47	0.47
Net Annual Fund Operating Expenses^{4,5}	0.95	1.77	1.76

¹ The redemption of shares purchased at net asset value under the Large Order NAV Purchase Privilege (see "Policies You Should Know About — Policies about transactions") may be subject to a contingent deferred sales charge of 1.00% if redeemed within one year of purchase and 0.50% if redeemed during the second year following purchase.

² To the extent the fund invests in other mutual funds advised by the advisor and its affiliates ("affiliated mutual funds"), the advisor has agreed to waive its management fee by an amount equal to the amount of management fees borne by the fund as a shareholder of such other affiliated mutual funds.

³ Other expenses are based on estimated amounts for the current fiscal year.

⁴ Pursuant to an agreement between the fund and the advisor, the advisor has contractually agreed to waive its fees or reimburse expenses so that total annual operating expenses will not exceed 0.95%, 1.77% and 1.76% for Class A, B and C, respectively (excluding taxes, interest, brokerage and extraordinary expenses). These expense caps will remain in effect until December 31, 2004.

⁵ In addition to the fees shown in the table, the fund will also pay its pro rata share of the operating expenses of any affiliated mutual funds in which the fund invests. These expenses will vary depending upon the percentage of the fund's assets invested in affiliated mutual funds and the expense ratios of the particular affiliated mutual funds in which the fund invests.

Based on the costs above (including one year of capped expenses in each period), this example helps you compare the expenses of each share class to those of other mutual funds. This example assumes the expenses above remain the same.

It also assumes that you invested \$10,000, earned 5% annual returns and reinvested all dividends and distributions. This is only an example; actual expenses will be different.

Example	1 Year	3 Years
Expenses , assuming you sold your shares at the end of each period		
Class A shares	\$666	\$954
Class B shares	580	954
Class C shares	377	745
Expenses , assuming you kept your shares		
Class A shares	\$666	\$954
Class B shares	180	654
Class C shares	277	745

Other Policies and Secondary Risks

While the previous pages describe the main points of each fund's strategy and risks, there are a few other issues to know about:

- Although major changes tend to be infrequent, a fund's Board could change that fund's investment goal without seeking shareholder approval. The Board will provide shareholders with at least 60 days' notice prior to making any changes to Scudder Large Company Value Fund, Scudder Small Company Stock Fund and Scudder Tax Advantaged Dividend Fund's 80% investment policy and Scudder Small Company Value Fund's 90% investment policy as described herein.
- Certain funds may trade securities actively. This could raise transaction costs (thus lowering return) and could mean higher taxable distributions.
- As a temporary defensive measure, a fund could shift up to 100% of its assets into investments such as money market securities or other short-term bonds that offer comparable levels of risk. This could prevent losses but, while engaged in a temporary defensive position, a fund will not be pursuing its investment objective. However, the fund managers may choose not to use these strategies for various reasons, even in very volatile market conditions.
- Each fund's equity investments are mainly common stocks, but may also include other types of equities such as preferred stocks or convertible securities.
- Due to Scudder Tax Advantaged Dividend Fund's investments in dividend-paying equities, it is likely that a portion of fund distributions may be eligible to be treated as qualified dividend income, which is taxed in the hands of individuals at long-term capital gain rates. The portion of fund distributions eligible for such treatment will vary and may be less than the portion of the fund's assets invested in such dividend-paying equities. Investors should note that these lower federal tax rates apply only to dividend income that is eligible for treatment as qualified dividend income. Interest income from the fund's investments in fixed-income securities and dividend income from its investments in real estate investment trusts will not be eligible for treatment as qualified dividend income. In addition, a portion of the fund's dividend income from dividend-paying equity securities may not qualify. For more information, please see "Understanding Distributions and Taxes," below, and "Taxes" in the Statement of Additional Information.

Secondary risks

Derivatives Risk. Although not one of its principal investment strategies, each fund may invest in certain types of derivatives. Risks associated with derivatives include: the derivative is not well correlated with the security, index or currency for which it is acting as a substitute; derivatives used for risk management may not have the intended effects and may result in losses or missed opportunities; the risk that the fund cannot sell the derivative because of an illiquid secondary market; and the risk that the derivatives transaction could expose the fund to the effect of leverage, which could increase the fund's exposure to market volatility and greater potential losses than if it had not entered into these transactions. There is no guarantee that these derivatives activities will be employed or that they will work, and their use could cause lower returns or even losses to the fund.

Pricing Risk. At times, market conditions might make it hard to value some investments. For example, if the fund has valued its securities too highly, you may end up paying too much for fund shares when you buy into the fund. If the fund underestimates their price, you may not receive the full market value for your fund shares when you sell.

For more information

This prospectus doesn't tell you about every policy or risk of investing in the funds.

If you want more information on a fund's allowable securities and investment practices and the characteristics and risks of each one, you may want to request a copy of the Statement of Additional Information (the back cover tells you how to do this).

Keep in mind that there is no assurance that any mutual fund will achieve its goal.

Who Manages and Oversees the Funds

The investment advisor

Deutsche Investment Management Americas Inc. (“DeIM”), which is part of Deutsche Asset Management, is the investment advisor for each fund. Under the supervision of the Board of Trustees, DeIM, with headquarters at 345 Park Avenue, New York, NY, makes each fund’s investment decisions, buys and sells securities for each fund and conducts research that leads to these purchase and sale decisions. DeIM and its predecessors have more than 80 years of experience managing mutual funds and provide a full range of investment advisory services to institutional and retail clients. DeIM is also responsible for selecting brokers and dealers and for negotiating brokerage commissions and dealer charges.

Deutsche Asset Management is the marketing name in the US for the asset management activities of Deutsche Bank AG, DeIM, Deutsche Asset Management, Inc., Deutsche Asset Management Investment Services Ltd., Deutsche Bank Trust Company Americas and Scudder Trust Company.

Deutsche Asset Management is a global asset management organization that offers a wide range of investing expertise and resources, including hundreds of portfolio managers and analysts and an office network that reaches the world’s major investment centers. This well-resourced global investment platform brings together a wide variety of experience and investment insight across industries, regions, asset classes and investing styles.

DeIM is an indirect, wholly owned subsidiary of Deutsche Bank AG. Deutsche Bank AG is a major global banking institution that is engaged in a wide range of financial services, including investment management, mutual fund, retail, private and commercial banking, investment banking and insurance.

The advisor receives a management fee from each fund. Below are the actual rates paid by each fund for the most recent fiscal year, as a percentage of each fund's average daily net assets:

Fund Name	Fee Paid
Scudder Large Company Value Fund	0.60%
Scudder Small Company Value Fund	0.75%
Scudder Small Company Stock Fund	0.75%

The Scudder Tax Advantaged Dividend Fund entered into an investment management agreement with the advisor effective August 29, 2003. The table below describes the fee rates for the fund.

Average Daily Net Assets	Fee Rate
Investment Management Fee	
first \$250 million	0.75%
next \$750 million	0.72%
next \$1.5 billion	0.70%
next \$2.5 billion	0.68%
next \$2.5 billion	0.65%
next \$2.5 billion	0.64%
next \$2.5 billion	0.63%
over \$12.5 billion	0.62%

The portfolio managers

The following people handle the day-to-day management of each fund.

Scudder Large Company Value Fund

Thomas Sassi

Managing Director of Deutsche Asset Management and Lead Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1996 and the fund in 2003.
- Over 31 years of investment industry experience.
- MBA, Hofstra University.

Frederick L. Gaskin

Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1996 and the fund in 2003.
- Over 16 years of investment industry experience.
- MBA, Babcock Graduate School of Management at Wake Forest University.

Scudder Small Company Value Fund and Scudder Small Company Stock Fund

Janet Campagna

Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1999 and the fund in 2003.
- Head of global and tactical asset allocation.
- Investment strategist and manager of the asset allocation strategies group for Barclays Global Investors from 1994 to 1999.
- Over 15 years of investment industry experience.
- Master's degree in Social Science from California Institute of Technology.
- Ph.D in Political Science from University of California at Irvine.

Robert Wang

Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1995 as portfolio manager for asset allocation after 13 years of experience of trading fixed income and derivative securities at J.P. Morgan.
- Senior portfolio manager for Multi Asset Class Quantitative Strategies: New York.
- Joined the fund in 2003.

Scudder Tax Advantaged Dividend Fund

Frederick L. Gaskin

Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1996 and the fund in 2003.
- Over 16 years of investment industry experience.
- MBA, Babcock Graduate School of Management at Wake Forest University.

David Hone

CFA, Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1996 as equity analyst for the investment bank, having since served as assistant portfolio manager for US Large Cap Value Equity and analyst for sectors including consumer cyclicals, consumer staples and financials, after eight years of experience as senior underwriter for Chubb & Son.
- Portfolio manager for US Large Cap Value Equity: New York.
- Joined the fund in 2003.

Janet Campagna

Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1999 and the fund in 2003.
- Head of global and tactical asset allocation.
- Investment strategist and manager of the asset allocation strategies group for Barclays Global Investors from 1994 to 1999.
- Over 15 years of investment industry experience.
- Master's degree in Social Science from California Institute of Technology.
- Ph.D in Political Science from University of California at Irvine.

Jan C. Faller

CFA, Managing Director of Deutsche Asset Management and Portfolio Manager of the fund.

- Joined Deutsche Asset Management in 1999 after nine years of experience as investment manager for PanAgora Asset Management and banking officer for Wainwright Bank & Trust Co.
- Portfolio manager for Enhanced Strategies & Mutual Funds Group: New York.
- MBA, Amos Tuck School, Dartmouth College.
- Joined the fund in 2003.

Financial Highlights

These tables are designed to help you understand each fund's financial performance in recent years. The figures in the first part of each table are for a single share. The total return figures represent the percentage that an investor in a particular fund would have earned (or lost), assuming all dividends and distributions were reinvested. The information for each fund has been audited by PricewaterhouseCoopers LLP,

independent accountants, whose reports, along with each fund's financial statements, are included in that fund's annual report (see "Shareholder reports" on the last page).

The Scudder Tax Advantaged Dividend Fund commenced operations on August 29, 2003 and therefore does not have any financial information to report as of the date of this prospectus.

Scudder Large Company Value Fund — Class A

Years Ended July 31,	2003	2002	2001 ^a
Selected Per Share Data			
Net asset value, beginning of period	\$ 19.26	\$ 26.17	\$ 26.58
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	.25	.21	.00 ^c
Net realized and unrealized gain (loss) on investment transactions	1.51	(5.33)	(.41)
Total from investment operations	1.76	(5.12)	(.41)
<i>Less distributions from:</i>			
Net investment income	(.31)	(.10)	—
Net realized gains on investment transactions	—	(1.69)	—
Total distributions	(.31)	(1.79)	—
Net asset value, end of period	\$ 20.71	\$ 19.26	\$ 26.17
Total Return (%) ^d	9.31	(20.49)	(1.54)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	81	79	101
Ratio of expenses (%)	1.18	1.11	1.16*
Ratio of net investment income (loss) (%)	1.33	.94	.17*
Portfolio turnover rate (%)	93	52	80

^a For the period from June 25, 2001 (commencement of sales of Class A shares) to July 31, 2001.

^b Based on average shares outstanding during the period.

^c Amount is less than \$.005.

^d Total return does not reflect the effect of any sales charge.

* Annualized

** Not annualized

Scudder Large Company Value Fund — Class B

Years Ended July 31,	2003	2002	2001 ^a
Selected Per Share Data			
Net asset value, beginning of period	\$ 19.16	\$ 26.15	\$ 26.58
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	.10	.02	(.02)
Net realized and unrealized gain (loss) on investment transactions	1.50	(5.32)	(.41)
Total from investment operations	1.60	(5.30)	(.43)
<i>Less distributions from:</i>			
Net investment income	(.15)	—	—
Net realized gains on investment transactions	—	(1.69)	—
Total distributions	(.15)	(1.69)	—
Net asset value, end of period	\$ 20.61	\$ 19.16	\$ 26.15
Total Return (%)^c	8.42	(21.18)	(1.62)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	24	26	38
Ratio of expenses (%)	2.00	1.95	1.96*
Ratio of net investment income (loss) (%)	.51	.10	(.63)*
Portfolio turnover rate (%)	93	52	80

^a For the period from June 25, 2001 (commencement of sales of Class B shares) to July 31, 2001.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charge.

* Annualized

** Not annualized

Scudder Large Company Value Fund — Class C

Years Ended July 31,	2003	2002	2001 ^a
Selected Per Share Data			
Net asset value, beginning of period	\$ 19.16	\$ 26.16	\$ 26.58
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	.10	.03	(.02)
Net realized and unrealized gain (loss) on investment transactions	1.51	(5.34)	(.40)
Total from investment operations	1.61	(5.31)	(.42)
<i>Less distributions from:</i>			
Net investment income	(.15)	—	—
Net realized gains on investment transactions	—	(1.69)	—
Total distributions	(.15)	(1.69)	—
Net asset value, end of period	\$ 20.62	\$ 19.16	\$ 26.16
Total Return (%)^c	8.43	(21.14)	(1.58)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	10	10	12
Ratio of expenses (%)	1.99	1.94	1.94*
Ratio of net investment income (loss) (%)	.52	.11	(.60)*
Portfolio turnover rate (%)	93	52	80

^a For the period from June 25, 2001 (commencement of sales of Class C shares) to July 31, 2001.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charge.

* Annualized

** Not annualized

Scudder Small Company Value Fund — Class A

Years Ended July 31,	2003	2002 ^a
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Selected Per Share Data

Net asset value, beginning of period	\$ 20.77	\$ 20.89
<i>Income (loss) from investment operations:</i>		
Net investment income (loss) ^b	.05	.03
Net realized and unrealized gain (loss) on investment transactions	2.28	(.09)
Total from investment operations	2.33	(.06)
<i>Less distributions from:</i>		
Net investment income	—	(.07)
Net realized gains on investment transactions	(2.25)	—
Total distributions	(2.25)	(.07)
Redemption fees	— ^{***}	.01
Net asset value, end of period	\$ 20.85	\$ 20.77
Total Return (%) ^c	13.11	(.24) ^{**}

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	3	3
Ratio of expenses (%)	1.44	1.48 [*]
Ratio of net investment income (loss) (%)	.28	.23 [*]
Portfolio turnover rate (%)	168	157

^a For the period from December 3, 2001 (commencement of sales of Class A shares) to July 31, 2002.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

^{*} Annualized

^{**} Not annualized

^{***} Amount is less than \$.005.

Scudder Small Company Value Fund — Class B

Years Ended July 31,	2003	2002 ^a
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Selected Per Share Data

Net asset value, beginning of period	\$ 20.71	\$ 20.89
<i>Income (loss) from investment operations:</i>		
Net investment income (loss) ^b	(.10)	(.09)
Net realized and unrealized gain (loss) on investment transactions	2.25	(.07)
Total from investment operations	2.15	(.16)
<i>Less distributions from:</i>		
Net investment income	—	(.03)
Net realized gains on investment transactions	(2.25)	—
Total distributions	(2.25)	(.03)
Redemption fees	— ^{***}	.01
Net asset value, end of period	\$ 20.61	\$ 20.71
Total Return (%) ^c	12.21	(.74) ^{**}

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	2	2
Ratio of expenses (%)	2.26	2.28*
Ratio of net investment income (loss) (%)	(.54)	(.57)*
Portfolio turnover rate (%)	168	157

^a For the period from December 3, 2001 (commencement of sales of Class B shares) to July 31, 2002.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

* Annualized

** Not annualized

*** Amount is less than \$.005.

Scudder Small Company Value Fund — Class C

Year Ended July 31,	2003	2002 ^a
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Selected Per Share Data

Net asset value, beginning of period	\$ 20.71	\$ 20.89
<i>Income (loss) from investment operations:</i>		
Net investment income (loss) ^b	(.10)	(.08)
Net realized and unrealized gain (loss) on investment transactions	2.25	(.08)
Total from investment operations	2.15	(.16)
<i>Less distributions from:</i>		
Net investment income	—	(.03)
Net realized gains on investment transactions	(2.25)	—
Total distributions	(2.25)	(.03)
Redemption fees	— ^{***}	.01
Net asset value, end of period	\$ 20.61	\$ 20.71
Total Return (%) ^c	12.21	(.73) ^{**}

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	.66	.43
Ratio of expenses (%)	2.25	2.26*
Ratio of net investment income (loss) (%)	(.53)	(.55)*
Portfolio turnover rate (%)	168	157

^a For the period from December 3, 2001 (commencement of sales of Class C shares) to July 31, 2002.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

* Annualized

** Not annualized

*** Amount is less than \$.005.

Scudder Small Company Stock Fund — Class A

Years Ended September 30,	2003	2002	2001 ^a
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Selected Per Share Data

Net asset value, beginning of period	\$ 16.02	\$ 16.04	\$ 18.50
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	(.05)	(.08)	(.03)
Net realized and unrealized gain (loss) on investment transactions	5.46	.06	(2.43)
Total from investment operations	5.41	(.02)	(2.46)
Net asset value, end of period	\$ 21.43	\$ 16.02	\$ 16.04
Total Return (%)^c	33.77	(.12)	(13.30)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	5	1	.009
Ratio of expenses (%)	1.42	1.48	1.48*
Ratio of net investment income (loss) (%)	(.25)	(.44)	(.60)*
Portfolio turnover rate (%)	164	146	48

^a For the period from June 25, 2001 (commencement of sales of Class A shares) to September 30, 2001.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

* Annualized

** Not annualized

Scudder Small Company Stock Fund — Class B

Years Ended September 30,	2003	2002	2001 ^a
Selected Per Share Data			
Net asset value, beginning of period	\$ 15.85	\$ 16.01	\$ 18.50
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	(.19)	(.22)	(.06)
Net realized and unrealized gain (loss) on investment transactions	5.37	.06	(2.43)
Total from investment operations	5.18	(.16)	(2.49)
Net asset value, end of period	\$ 21.03	\$ 15.85	\$ 16.01
Total Return (%)^c	32.68	(1.00)	(13.46)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	2	.9	.02
Ratio of expenses (%)	2.25	2.28	2.28*
Ratio of net investment income (loss) (%)	(1.08)	(1.24)	(1.40)*
Portfolio turnover rate (%)	164	146	48

^a For the period from June 25, 2001 (commencement of sales of Class B shares) to September 30, 2001.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

* Annualized

** Not annualized

Scudder Small Company Stock Fund — Class C

Years Ended September 30,	2003	2002	2001 ^a
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Selected Per Share Data

Net asset value, beginning of period	\$ 15.85	\$ 16.01	\$ 18.50
<i>Income (loss) from investment operations:</i>			
Net investment income (loss) ^b	(.20)	(.22)	(.06)
Net realized and unrealized gain (loss) on investment transactions	5.39	.06	(2.43)
Total from investment operations	5.19	(.16)	(2.49)
Net asset value, end of period	\$ 21.04	\$ 15.85	\$ 16.01
Total Return (%)^c	32.74	(1.00)	(13.46)**

Ratios to Average Net Assets and Supplemental Data

Net assets, end of period (\$ millions)	.9	.1	.002
Ratio of expenses (%)	2.21	2.26	2.25*
Ratio of net investment income (loss) (%)	(1.04)	(1.22)	(1.37)*
Portfolio turnover rate (%)	164	146	48

^a For the period from June 25, 2001 (commencement of sales of Class C shares) to September 30, 2001.

^b Based on average shares outstanding during the period.

^c Total return does not reflect the effect of any sales charges.

* Annualized

** Not annualized

How to Invest in the Funds

The following pages tell you about many of the **services**, choices and **benefits** of being a shareholder. You'll also find information on how to check the status of your account using the method that's most **convenient** for you.

You can find out more about the topics covered here by speaking with your **financial advisor** or a representative of your workplace retirement plan or other investment provider.

Choosing a Share Class

Offered in this prospectus are three share classes for each fund. Each class has its own fees and expenses, offering you a choice of cost structures. Certain funds offer other classes of shares separately. Class A, Class B and Class C shares are intended for investors seeking the advice and assistance of a financial advisor, who will typically receive compensation for those services through sales commissions, service fees and/or distribution fees.

Before you invest, take a moment to look over the characteristics of each share class, so that you can be sure to choose the class that’s right for you. You may want to ask your financial advisor to help you with this decision.

We describe each share class in detail on the following pages. But first, you may want to look at the table below, which gives you a brief comparison of the main features of each class.

Classes and features	Points to help you compare
Class A <ul style="list-style-type: none">■ Sales charges of up to 5.75%, charged when you buy shares■ In most cases, no charges when you sell shares■ Up to 0.25% annual service fee	<ul style="list-style-type: none">■ Some investors may be able to reduce or eliminate their sales charges; see next page■ Total annual operating expenses are lower than those for Class B or Class C
Class B <ul style="list-style-type: none">■ No charges when you buy shares■ Deferred sales charge declining from 4.00%, charged when you sell shares you bought within the last six years■ 1.00% annual distribution/service fee	<ul style="list-style-type: none">■ The deferred sales charge rate falls to zero after six years■ Shares automatically convert to Class A after six years, which means lower annual expenses going forward
Class C <ul style="list-style-type: none">■ Sales charge of 1.00%, charged when you buy shares■ Deferred sales charge of 1.00%, charged when you sell shares you bought within the last year■ 1.00% annual distribution/service fee	<ul style="list-style-type: none">■ The deferred sales charge rate is lower than Class B, but your shares never convert to Class A, so annual expenses remain higher

Your financial advisor will typically be paid a fee when you buy shares and may receive different levels of compensation depending upon which class of shares you buy. In addition to these payments, the fund’s advisor may provide compensation to financial advisors for distribution, administrative and promotional services.

Class A shares

Class A shares have a 12b-1 plan, under which a service fee of up to 0.25% is deducted from class assets each year.

Class A shares have a sales charge that varies with the amount you invest:

Your investment	Sales charge as a % of offering price*	Sales charge as a % of your net investment
Up to \$50,000	5.75%	6.10%
\$50,000–\$99,999	4.50	4.71
\$100,000–\$249,999	3.50	3.63
\$250,000–\$499,999	2.60	2.67
\$500,000–\$999,999	2.00	2.04
\$1 million or more	See below and next page	

* The offering price includes the sales charge.

You may be able to lower your Class A sales charges if:

- you plan to invest at least \$50,000 over the next 24 months (“letter of intent”)
- the amount of shares you already own (including shares in certain other funds) plus the amount you’re investing now is at least \$50,000 (“cumulative discount”)
- you are investing a total of \$50,000 or more in several funds at once (“combined purchases”)

Class A shares may make sense for long-term investors, especially those who are eligible for reduced or eliminated sales charges.

The point of these three features is to let you count investments made at other times or in certain other funds for purposes of calculating your present sales charge. Any time you can use the privileges to “move” your investment into a lower sales charge category in the table above, it’s generally beneficial for you to do so. You can take advantage of these methods by filling in the appropriate sections of your application or by speaking with your financial advisor.

You may be able to buy Class A shares without sales charges when you are:

- reinvesting dividends or distributions
- investing through certain workplace retirement plans
- participating in an investment advisory program under which you pay a fee to an investment advisor or other firm for portfolio management services
- exchanging an investment in Class A shares of another fund for an investment in the fund unless the fund in which you are investing has a higher sales load, in which case you would be required to pay the difference
- a current or former director or trustee of the Deutsche or Scudder mutual funds
- an employee, the employee's spouse or life partner and children or stepchildren age 21 or younger of Deutsche Bank or its affiliates or a subadvisor to any fund in the Scudder family of funds or a broker-dealer authorized to sell shares of the funds

There are a number of additional provisions that apply in order to be eligible for a sales charge waiver. Each fund may waive the sales charges for investors in other situations as well. Your financial advisor or Shareholder Services can answer your questions and help you determine if you are eligible.

If you're investing \$1 million or more, either as a lump sum or through one of the sales charge reduction features described on the previous page, you may be eligible to buy Class A shares without sales charges. However, you may be charged a contingent deferred sales charge (CDSC) of 1.00% on any shares you sell within the first year of owning them and a similar charge of 0.50% on shares you sell within the second year of owning them ("Large Order NAV Purchase Privilege"). This CDSC is waived under certain circumstances (see "Policies You Should Know About — Policies About Transactions"). Your financial advisor or Shareholder Services can answer your questions and help you determine if you're eligible.

Class B shares

With Class B shares, you pay no up-front sales charges. Class B shares have a 12b-1 plan, under which a distribution fee of 0.75% and a service fee of up to 0.25% are deducted from class assets each year. This means the annual expenses for Class B shares are somewhat higher (and their performance correspondingly lower) compared to Class A shares. After six years, Class B shares automatically convert to Class A shares which has the net effect of lowering the annual expenses from the seventh year on. However, unlike Class A shares, your entire investment goes to work immediately.

Class B shares have a CDSC. This charge declines over the years you own shares and disappears completely after six years of ownership. But for any shares you sell within those six years, you may be charged as follows:

Year after you bought shares	CDSC on shares you sell
First year	4.00%
Second or third year	3.00
Fourth or fifth year	2.00
Sixth year	1.00
Seventh year and later	None (automatic conversion to Class A)

Class B shares may make sense for long-term investors who prefer to see all of their investment go to work right away and can accept somewhat higher annual expenses.

This CDSC is waived under certain circumstances (see “Policies You Should Know About — Policies About Transactions”). Your financial advisor or Shareholder Services can answer your questions and help you determine if you’re eligible.

While Class B shares don’t have any front-end sales charges, their higher annual expenses mean that over the years you could end up paying more than the equivalent of the maximum allowable front-end sales charge.

Class C shares

Class C shares have a 12b-1 plan under which a distribution fee of 0.75% and a service fee of up to 0.25% are deducted from class assets each year. Because of these fees, the annual expenses for Class C shares are similar to those of Class B shares, but higher than those for Class A shares (and the performance of Class C shares is correspondingly lower than that of Class A shares).

Unlike Class B shares, Class C shares do NOT automatically convert to Class A shares after six years, so they continue to have higher annual expenses.

Class C shares also have an up-front sales charge of 1.00%.

Front-end Sales Charge as a % of Offering Price*	Front-end Sales Charge as a % of your net investment
1.00%	1.01%

* The offering price includes the sales charge.

You may be able to buy Class C shares without an up-front sales charge when you purchase Class C shares in connection with the following types of transactions:

- Additional purchases of Class C shares made in an existing account and in the same fund by existing Class C shareowners as of January 31, 2003;
- Exchanges of Class C shares made in an existing account by current Class C shareowners as of January 31, 2003;

Class C shares may appeal to investors who plan to sell some or all shares within six years of buying them or who aren't certain of their investment time horizon.

- Purchases of Class C shares through certain omnibus accounts which have entered into an agreement with the advisor and/or the distributor;
- Purchases of Class C shares through certain retirement plans which have entered into an agreement with the advisor and/or the distributor; and
- Purchases of Class C shares through certain broker-dealers which have entered into an agreement with the advisor and/or the distributor.

Your financial advisor or Shareholder Services can answer your questions and help you determine if you are eligible for an up-front sales charge waiver.

Class C shares have a CDSC, but only on shares you sell within one year of buying them:

Year after you bought shares	CDSC on shares you sell
First year	1.00%
Second year and later	None

This CDSC is waived under certain circumstances (see “Policies You Should Know About — Policies About Transactions”). Your financial advisor or Shareholder Services can answer your questions and help you determine if you’re eligible.

Because Class C shares have an up-front sales charge and higher annual expenses, you could end up paying more than the equivalent of the maximum allowable front-end sales charge.

How to Buy Shares

Once you've chosen a share class, use these instructions to make investments.

First investment	Additional investments
<i>\$1,000 or more for regular accounts</i> <i>\$500 or more for IRAs</i>	<i>\$50 or more for regular accounts and IRA accounts</i> <i>\$50 or more with an Automatic Investment Plan</i>
Through a financial advisor <ul style="list-style-type: none">■ Contact your advisor using the method that's most convenient for you	<ul style="list-style-type: none">■ Contact your advisor using the method that's most convenient for you
By mail or express mail (see below) <ul style="list-style-type: none">■ Fill out and sign an application■ Send it to us at the appropriate address, along with an investment check	<ul style="list-style-type: none">■ Send a check made out to "Scudder Funds" and a Scudder investment slip to us at the appropriate address below■ If you don't have an investment slip, simply include a letter with your name, account number, the full name of the fund and the share class and your investment instructions
By wire <ul style="list-style-type: none">■ Call (800) 621-1048 for instructions	<ul style="list-style-type: none">■ Call (800) 621-1048 for instructions
By phone <i>Not available</i>	<ul style="list-style-type: none">■ Call (800) 621-1048 for instructions
With an automatic investment plan <i>Not available</i>	<ul style="list-style-type: none">■ To set up regular investments from a bank checking account, call (800) 621-1048
On the Internet <i>Not available</i>	<ul style="list-style-type: none">■ Call (800) 621-1048 to establish Internet access■ Go to www.scudder.com and log in■ Follow the instructions for buying shares with money from your bank account

Regular mail:

First Investment: Scudder Investments, PO Box 219356, Kansas City, MO 64121-9356

Additional Investments: Scudder Investments, PO Box 219154, Kansas City, MO 64121-9154

Express, registered or certified mail:

Scudder Investments, 811 Main Street, Kansas City, MO 64105-2005

Fax number: (800) 821-6234 *(for exchanging and selling only)*

How to Exchange or Sell Shares

Use these instructions to exchange or sell shares in your account.

Exchanging into another fund	Selling shares
<p><i>\$1,000 or more to open a new account (\$500 for IRAs)</i></p> <p><i>\$50 or more for exchanges between existing accounts</i></p>	<p><i>Some transactions, including most for over \$100,000, can only be ordered in writing with a signature guarantee; if you're in doubt, see page 55</i></p>
<p>Through a financial advisor</p> <ul style="list-style-type: none">■ Contact your advisor by the method that's most convenient for you	<ul style="list-style-type: none">■ Contact your advisor by the method that's most convenient for you
<p>By phone or wire</p> <ul style="list-style-type: none">■ Call (800) 621-1048 for instructions	<ul style="list-style-type: none">■ Call (800) 621-1048 for instructions
<p>By mail, express mail or fax (see previous page)</p> <p><i>Write a letter that includes:</i></p> <ul style="list-style-type: none">■ the fund, class and account number you're exchanging out of■ the dollar amount or number of shares you want to exchange■ the name and class of the fund you want to exchange into■ your name(s), signature(s) and address, as they appear on your account■ a daytime telephone number	<p><i>Write a letter that includes:</i></p> <ul style="list-style-type: none">■ the fund, class and account number from which you want to sell shares■ the dollar amount or number of shares you want to sell■ your name(s), signature(s) and address, as they appear on your account■ a daytime telephone number
<p>With an automatic exchange plan</p> <ul style="list-style-type: none">■ To set up regular exchanges from a fund account, call (800) 621-1048	<p><i>Not available</i></p>
<p>With an automatic withdrawal plan</p> <p><i>Not available</i></p>	<ul style="list-style-type: none">■ To set up regular cash payments from a fund account, call (800) 621-1048
<p>On the Internet</p> <ul style="list-style-type: none">■ Call (800) 621-1048 to establish Internet access■ Go to www.scudder.com and log in■ Follow the instructions for making on-line exchanges	<ul style="list-style-type: none">■ Call (800) 621-1048 to establish Internet access■ Go to www.scudder.com and log in■ Follow the instructions for making online redemptions

Policies You Should Know About

Along with the instructions on the previous pages, the policies below may affect you as a shareholder. Some of this information, such as the section on dividends and taxes, applies to all investors, including those investing through investment providers.

If you are investing through an investment provider, check the materials you received from them about how to buy and sell shares. As a general rule, you should follow the information in those materials wherever it contradicts the information given here. Please note that an investment provider may charge its own fees separate from those charged by a fund.

In either case, keep in mind that the information in this prospectus applies only to each fund's Class A, Class B and Class C shares. Each fund has other share classes, which are described in separate prospectuses and which have different fees, requirements and services.

In order to reduce the amount of mail you receive and to help reduce expenses, we generally send a single copy of any shareholder report and prospectus to each household. If you do not want the mailing of these documents to be combined with those for other members of your household, please contact your financial advisor or call (800) 621-1048.

Policies about transactions

The funds are open for business each day the New York Stock Exchange is open. Each fund calculates its share price for each class every business day, as of the close of regular trading on the Exchange (typically 4 p.m. (Eastern time), but sometimes earlier, as in the case of scheduled half-day trading or unscheduled suspensions of trading). You can place an order to buy or sell shares at any time.

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means to you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. Some or all of this information will be used to verify the identity of all persons opening an account.

The Scudder Web site can be a valuable resource for shareholders with Internet access. Go to www.scudder.com to get up-to-date information, review balances or even place orders for exchanges.

We might request additional information about you (which may include certain documents, such as articles of incorporation for companies) to help us verify your identity, and in some cases the information and/or documents may be required to conduct the verification. The information and documents will be used solely to verify your identity.

We will attempt to collect any missing required and requested information by contacting you or your financial intermediary. If we are unable to obtain this information within the time frames established by each fund then we may reject your application and order.

Each fund will not invest your purchase until all required and requested identification has been provided and your application has been submitted in “good order.” After we receive all the information, your application is deemed to be in good order and we accept your purchase, you will receive the net asset value per share next calculated (less any applicable sales charges).

If we are unable to verify your identity within time frames established by each fund, after a reasonable effort to do so, you will receive written notification.

Because orders placed through investment providers must be forwarded to the transfer agent before they can be processed, you’ll need to allow extra time. A representative of your investment provider should be able to tell you when your order will be processed. It is the responsibility of your financial advisor to forward your order to the transfer agent in a timely manner.

Ordinarily, your investment will start to accrue dividends the next business day after your purchase is processed. When selling shares, you’ll generally receive the dividend for the day on which your shares were sold.

If you ever
have difficulty
placing an order
by phone or
fax, you can
always send us
your order in
writing.

ScudderACCESS, the Scudder Automated Information Line, is available 24 hours a day by calling (800) 972-3060. You can use ScudderACCESS to get information on Scudder funds generally and on accounts held directly at Scudder. You can also use it to make exchanges and sell shares.

Telephone and electronic transactions. You are automatically entitled to telephone transaction privileges but you may elect not to have them when you open your account or by contacting Shareholder Services at a later date.

Since many transactions may be initiated by telephone or electronically, it's important to understand that as long as we take reasonable steps to ensure that an order to purchase or redeem shares is genuine, such as recording calls or requesting personalized security codes or other information, we are not responsible for any losses that may occur as a result. For transactions conducted over the Internet, we recommend the use of a secure Internet browser. In addition, you should verify the accuracy of your confirmation statements immediately after you receive them.

QuickBuy and QuickSell let you set up a link between a Scudder account and a bank account. Once this link is in place, you can move money between the two with a phone call. You'll need to make sure your bank has Automated Clearing House (ACH) services. Transactions take two to three days to be completed and there is a \$50 minimum and a \$250,000 maximum. To set up QuickBuy or QuickSell on a new account, see the account application; to add it to an existing account, call (800) 621-1048.

Each fund accepts payment for shares only in US dollars by check, bank or Federal Funds wire transfer, or by electronic bank transfer. Please note that we cannot accept cash, traveler's checks, starter checks, money orders, third party checks, checks drawn on foreign banks, or checks issued by credit card companies or Internet-based companies. The funds generally will not accept new account applications to establish an account with a non-US address (APO/FPO and US territories are acceptable) or for a non-resident alien.

When you ask us to send or receive a wire, please note that while we don't charge a fee to send or receive wires, it's possible that your bank may do so. Wire transactions are generally completed within 24 hours. The funds can only send wires of \$1,000 or more and accept wires of \$50 or more.

We do not issue share certificates. However, if you currently have shares in certificated form, you must include the share certificates properly endorsed or accompanied by a duly executed stock power when exchanging or redeeming shares. You may not exchange or redeem shares in certificate form by telephone or via the Internet.

Exchanges are a shareholder privilege, not a right: we may reject any exchange order or require a shareholder to own shares of a fund for 15 days before we process the purchase order for the other fund, particularly when there appears to be a pattern of “market timing” or other frequent purchases and sales. We may also reject or limit purchase orders for these or other reasons.

When you want to sell more than \$100,000 worth of shares or send proceeds to a third party or to a new address, you’ll usually need to place your order in writing and include a signature guarantee. The only exception is if you want money wired to a bank account that is already on file with us; in that case, you don’t need a signature guarantee. Also, you don’t need a signature guarantee for an exchange, although we may require one in certain other circumstances.

A signature guarantee is simply a certification of your signature — a valuable safeguard against fraud. You can get a signature guarantee from an eligible guarantor institution, including commercial banks, savings and loans, trust companies, credit unions, member firms of a national stock exchange, or any member or participant of an approved signature guarantor program. Note that you can’t get a signature guarantee from a notary public and we must be provided the original guarantee.

Selling shares of trust accounts and business or organization accounts may require additional documentation. Please contact your investment provider for more information.

When you sell shares that have a CDSC, we calculate the CDSC as a percentage of what you paid for the shares (less any initial sales charge) or what you are selling them for — whichever results in the lower charge to you. In processing orders to sell shares, we turn to the shares with the lowest CDSC first. Exchanges from one fund into another fund don’t affect CDSCs. For each investment you make, the date you first bought shares is the date we use to calculate a CDSC on that particular investment.

There are certain cases in which you may be exempt from a CDSC. These include:

- the death or disability of an account owner (including a joint owner)
- withdrawals made through an automatic withdrawal plan. Such withdrawals may be made at a maximum of 12% per year of the net asset value of the account
- withdrawals related to certain retirement or benefit plans
- redemptions for certain loan advances, hardship provisions or returns of excess contributions from retirement plans
- for Class A shares purchased through the Large Order NAV Purchase Privilege, redemption of shares whose dealer of record at the time of the investment notifies Scudder Distributors Inc., the funds' distributor, that the dealer waives the applicable commission
- for Class C shares, redemption of shares purchased through a dealer-sponsored asset allocation program maintained on an omnibus record-keeping system, provided the dealer of record has waived the advance of the first year distribution and service fees applicable to such shares and has agreed to receive such fees quarterly

In each of these cases, there are a number of additional provisions that apply in order to be eligible for a CDSC waiver. Your financial advisor or Shareholder Services can answer your questions and help you determine if you are eligible.

If you sell shares in a Scudder fund and then decide to invest with Scudder again within six months, you can take advantage of the "reinstatement feature." With this feature, you can put your money back into the same class of a Scudder fund at its current NAV and for purposes of sales charges it will be treated as if it had never left Scudder. You'll be reimbursed (in the form of fund shares) for any CDSC you paid when you sold. Future CDSC calculations will be based on your original investment date, rather than your reinstatement date. There is also an option that lets investors who sold Class B shares buy Class A shares with no sales charge, although they won't be reimbursed for any CDSC they paid. You can only use the reinstatement feature once for any given group of shares. To take advantage of this feature, contact Shareholder Services or your financial advisor.

Money from shares you sell is normally sent out within one business day of when your order is processed (not when it is received), although it could be delayed for up to seven days. There are also two circumstances when it could be longer: when you are selling shares you bought recently by check and that check hasn't cleared yet (maximum delay: 10 days) or when unusual circumstances prompt the SEC to allow further delays. Certain expedited redemption processes may also be delayed when you are selling recently purchased shares.

You may obtain additional information about other ways to sell your shares by contacting your investment provider.

How the funds calculate share price

To calculate net asset value per share or NAV, each share class uses the following equation:

$$\frac{\text{TOTAL ASSETS} - \text{TOTAL LIABILITIES}}{\text{TOTAL NUMBER OF SHARES OUTSTANDING}} = \text{NAV}$$

The price at which you buy shares is the NAV, although for Class A and Class C shares it will be adjusted to allow for any applicable sales charges (see “Choosing a Share Class”).

The price at which you sell shares is also the NAV, although for Class B and Class C investors a CDSC may be taken out of the proceeds (see “Choosing a Share Class”).

We typically value securities using market quotations or information furnished by a pricing service. However, we may use methods approved by a fund's Board which are intended to reflect fair value when a market quotation or pricing service information is not readily available or when a security's value is believed to have been materially affected by a significant event, such as a natural disaster, an economic event like a bankruptcy filing, or a substantial fluctuation in domestic or foreign markets, that has occurred after the close of the exchange or market on which the security is principally traded (for example, a foreign exchange or market). In such a case, the fund's value for a security is likely to be different from the last quoted market price or pricing service information.

To the extent that a fund invests in securities that are traded primarily in foreign markets, the value of its holdings could change at a time when you aren't able to buy or sell fund shares. This is because some foreign markets are open on days or at times when the funds don't price their shares.

Other rights we reserve

You should be aware that we may do any of the following:

- withdraw or suspend the offering of shares at any time
- withhold a portion of your distributions as federal income tax if we have been notified by the IRS that you are subject to backup withholding or if you fail to provide us with a correct taxpayer ID number or certification that you are exempt from backup withholding
- reject a new account application if you don't provide any required or requested identifying information, or for other reasons
- refuse, cancel or rescind any purchase or exchange order; freeze any account (meaning you will not be able to purchase fund shares in your account); suspend account services; and/or involuntarily redeem your account if we think that the account is being used for fraudulent or illegal purposes; one or more of these actions will be taken when, at our sole discretion, they are deemed to be in the fund's best interest or when the fund is requested or compelled to do so by governmental authority or by applicable law
- close and liquidate your account if we are unable to verify your identity, or for other reasons; if we decide to close your account, your fund shares will be redeemed at the net asset value per share next calculated after we determine to close your account (less any applicable sales charges); you may be subject to gain or loss on the redemption of your fund shares and you may incur tax liability
- close your account and send you the proceeds if your balance falls below \$1,000; we will give you 60 days' notice so you can either increase your balance or close your account (these policies don't apply to most retirement accounts, if you have an automatic investment plan, to investors with \$100,000 or more in Scudder fund shares or in any case, where a fall in share price created the low balance)

- pay you for shares you sell by “redeeming in kind,” that is, by giving you marketable securities (which typically will involve brokerage costs for you to liquidate) rather than cash; a fund generally won’t make a redemption in kind unless your requests over a 90-day period total more than \$250,000 or 1% of the value of a fund’s net assets, whichever is less
- change, add or withdraw various services, fees and account policies (for example, we may change or terminate the exchange privilege at any time)
- suspend or postpone redemptions during periods when the New York Stock Exchange is closed (other than customary closings), trading is restricted or when an emergency exists that prevents the fund from disposing of its portfolio securities or pricing its shares

Understanding Distributions and Taxes

By law, a mutual fund is required to pass through to its shareholders virtually all of its net earnings. A fund can earn money in two ways: by receiving interest, dividends or other income from securities it holds and by selling securities for more than it paid for them. (A fund's earnings are separate from any gains or losses stemming from your own purchase of shares.) A fund may not always pay a distribution for a given period.

Scudder Tax Advantaged Dividend Fund intends to pay dividends to shareholders quarterly. The fund also intends to pay distributions annually in December. The fund may make other distributions as needed.

Scudder Large Company Value Fund, Scudder Small Company Value Fund and Scudder Small Company Stock Fund intend to pay dividends and distributions to their shareholders in December and if necessary may do so at other times as well.

For federal income tax purposes, income and capital gains distribution are generally taxable. However, distribution by the fund to retirement plans that qualify for tax-exempt treatment under federal income tax laws will not be taxable.

You can choose how to receive your dividends and distributions.

You can have them all automatically reinvested in fund shares (at NAV), all deposited directly to your bank account or all sent to you by check, have one type reinvested and the other sent to you by

check or have them invested in a different fund. Tell us your preference on your application. If you don't indicate a preference, your dividends and distributions will all be reinvested without sales charges. Distributions are taxable whether you receive them in cash or reinvest them in additional shares. For retirement plans, reinvestment is the only option.

Buying and selling fund shares will usually have tax consequences for you (except in an IRA or other tax-advantaged account). Your sales of shares may result in a capital gain or loss for you; whether long-term or short-term depends on how long you owned the shares. For tax purposes, an exchange is the same as a sale.

Because each shareholder's tax situation is unique, ask your tax professional about the tax consequences of your investments, including any state and local tax consequences.

The tax status of the fund earnings you receive and your own fund transactions, generally depends on their type:

Generally taxed at capital gain rates:	Generally taxed at ordinary income rates:
Distributions from the fund <ul style="list-style-type: none"> ■ gains from the sale of securities held by the fund for more than one year ■ qualified dividend income 	<ul style="list-style-type: none"> ■ gains from the sale of securities held by the fund for one year or less ■ all other income
Transactions involving fund shares <ul style="list-style-type: none"> ■ gains from selling fund shares held for more than one year 	<ul style="list-style-type: none"> ■ gains from selling fund shares held for one year or less

Any investments in foreign securities may be subject to foreign withholding taxes. In that case, the fund's yield on those securities would be decreased. Shareholders generally will not be entitled to claim a credit or deduction with respect to foreign taxes. In addition, any investments in foreign securities or foreign currencies may increase or accelerate the fund's recognition of ordinary income and may affect the timing or amount of the fund's distributions.

For taxable years beginning on or before December 31, 2008, distributions of investment income designated by the fund as derived from qualified dividend income are eligible for taxation in the hands of individuals at long-term capital gain rates. Qualified dividend income generally includes dividends from domestic and some foreign corporations. It does not include interest from fixed-income securities. In addition, the fund must meet holding period and other requirements with respect to the dividend paying stocks in its portfolio and the shareholder must meet holding period and other requirements with respect to the fund's shares for the lower rates to apply.

For taxable years beginning on or before December 31, 2008, long-term capital gain rates applicable to individuals have been reduced to 15%. Capital gains realized before May 6, 2003 will not qualify for the reduced rates. For more information, see the Statement of Additional Information, under "Taxes."

Your fund will send you detailed tax information every January.

These statements tell you the amount and the tax category of any dividends or distributions you received. They also have certain details on your purchases and sales of shares. The tax status of dividends and distributions is the same whether you reinvest them or not. Dividends or distributions declared in the last quarter of a given year are taxed in that year, even though you may not receive the money until the following January.

If you invest right before a fund pays a dividend, you'll be getting some of your investment back as a taxable dividend. You can avoid this, if you want, by investing after the fund declares a dividend. In tax-advantaged retirement accounts you don't need to worry about this.

Corporations may be able to take a dividends-received deduction for a portion of income dividends they receive.

Notes

For More Information

Shareholder reports — These include commentary from each fund’s management team about recent market conditions and the effects of a fund’s strategies on its performance. They also have detailed performance figures, a list of everything each fund owns, and each fund’s financial statements. Shareholders get these reports automatically.

Statement of Additional Information (SAI) — This tells you more about each fund’s features and policies, including additional risk information. The SAI is incorporated by reference into this document (meaning that it’s legally part of this prospectus).

For a free copy of any of these documents or to request other information about the fund, call (800) 621-1048, or contact Scudder Investments at the address listed below. These documents and other information about the fund are available from the EDGAR Database on the SEC’s Internet site at www.sec.gov. If you like, you may obtain copies of this information, after paying a copying fee, by e-mailing a request to publicinfo@sec.gov or by writing the SEC at the address listed below. You can also review and copy these documents and other information about each fund, including each fund’s SAI, at the SEC’s Public Reference Room in Washington, D.C. Information on the operation of the SEC’s Public Reference Room may be obtained by calling (202) 942-8090.

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SEC File Numbers:

Scudder Large Company Value Fund	811-1444
Scudder Small Company Value Fund	811-2021
Scudder Small Company Stock Fund	811-43
Scudder Tax Advantaged Dividend Fund	811-1444