

# **VT TATTON OAK ICVC**

**Interim Report and Financial Statements (unaudited)  
for the period ended 31 October 2023**

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## COMPANY OVERVIEW

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**Type of Company:**

VT Tatton Oak ICVC ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000737 and authorised by the Financial Conduct Authority with effect from 13 March 2009. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

The Company is a 'Non-UCITS Retail Scheme (NURS)' and the base currency of the Company and each Sub-fund is pounds Sterling. The Company is structured as an umbrella company, and different Sub-funds may be established from time to time. Each Sub-fund would be a NURS if it had a separate authorisation order.

## STATEMENT OF THE AUTHORISED FUND MANAGER'S (AFM's) RESPONSIBILITIES

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The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Fund Manager to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the end of the financial period and its net revenue and net capital losses for the period. In preparing these financial statements the Authorised Fund Manager is required to:

- > comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements.
- > select suitable accounting policies and then apply them consistently.
- > make judgements and estimates that are reasonable and prudent.
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Fund Manager is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the FCA's Investment Funds Sourcebook ("FUND"), the Instrument of Incorporation, and the Prospectus. The Authorised Fund Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## DIRECTOR'S STATEMENT

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In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook and FUND, we hereby certify the interim report.

David E. Smith CA

Valu-Trac Investment Management Limited  
Authorised Fund Manager

Date 18 December 2023

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Active Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£638,034,561
<b>Launch date</b>	07 December 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (7 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 75%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>

## SUB-FUND OVERVIEW (Continued)

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**Individual Savings Account (ISA)** The Sub-fund is a qualifying investment for inclusion in an ISA – however direct ISA investment is not currently available.

**Class of shares** C Class (Institutional) Accumulation

Minimum initial investment £2,500,000

Minimum subsequent investment £1,000,000

Minimum holding £1,000,000

Minimum redemption N/A

The AFM may waive the minimum levels at its discretion.

**Initial charge** 10% (The AFM may waive or discount the initial charge at its discretion.)

**Redemption charge** 0%

**Annual management charge** 0.25%

Investment in this Sub-fund is restricted to investors who are investing through the Tatton Investment Management discretionary management proposition.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -1.8%. In comparison, the average return for the IA Mixed Investment 40-85% Shares peer group (Investment Association – IA sector) was -3.2% meaning the Sub-fund outperformed the reference index by 1.4% over the period. The Sub-fund returned 3.0% over the last twelve months to 31st October 2023, while the reference index returned 1.0% over the same period.

### Overview

The Sub-fund positioning was adjusted 15 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index holding.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	163.0829	163.0318	158.0349
Return before operating charges	(2.5378)	1.0457	6.0725
Operating charges (note 1)	(0.4605)	(0.9946)	(1.0756)
Return after operating charges *	(2.9983)	0.0511	4.9969
Closing net asset value per share	160.0846	163.0829	163.0318
Retained distributions on accumulated shares	-	2.4653	1.8546
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.84%)	0.03%	3.16%
Other information			
Closing net asset value	£638,055,327	£591,036,122	£507,824,158
Closing number of shares	398,573,865	362,414,585	311,487,839
Operating charges (note 2)	0.57%	0.61%	0.67%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	167.8044	169.3237	169.8485
Lowest share price	160.0846	153.2174	154.0307

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 5). The Sub-fund is ranked '5' because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.23: 93.57%)</b>			
13,411,838	Allianz Strategic Bond	13,127,507	2.06%
8,174,993	Artemis US Select	25,099,681	3.94%
19,590,971	AXA Framlington UK Mid Cap	18,578,117	2.91%
56,228	Barings Emerging Markets Debt Blended Tracker	6,268,863	0.98%
15,753,385	BCIF 100 UK Equity Tracker	31,822,295	4.99%
62,785	Cheyne Global Credit	6,394,864	1.00%
3,157,858	Dimensional Global Ultra Short Fixed Income	34,641,700	5.43%
25,197,204	ES Alliance Bernstein Concentrated US Equity	37,745,411	5.92%
7,273,403	Fidelity Index Pacific ex Japan	12,849,195	2.01%
5,894,570	FTF Brandywine Global Income Optimiser Fund	6,318,978	0.99%
1,477,780	Goldman Sachs Emerging Markets CORE Equity	16,078,243	2.52%
172,538	HC Snyder US All Cap Equity Fund	18,276,957	2.86%
5,232,645	HSBC American Index	50,065,421	7.85%
672,508	HSBC European Index	7,857,242	1.23%
728,350	HSBC Global Aggregate Bond Index	6,409,698	1.00%
693,237	HSBC Global Government Bond Index	6,431,023	1.01%
10,627,020	iShares UK Equity Tracker	27,785,035	4.35%
5,070,076	Invesco Perpetual UK Enhanced Index	31,682,906	4.97%
492,976	Janus Henderson European Selected Opportunities Fund	12,763,160	2.00%
4,676,578	JOHCM UK Dynamic	13,908,142	2.18%
4,102,454	JPM Europe Dynamic ex-UK	12,709,404	2.00%
2,163,324	JPM Japan	6,176,291	0.97%
6,423,163	JPM US Equity Income	25,031,065	3.92%
8,865,960	Jupiter Merian North American Equity	31,187,787	4.89%
163,339	Lazard Emerging Markets Equity Advantage Fund	16,150,370	2.53%
2,475,258	Liontrust European Growth Fund	7,913,304	1.24%
7,868,367	M&G Japan	11,188,818	1.75%
4,734,368	Neuberger Berman Uncorrelated Strategies	51,320,552	8.04%
61,894	Robeco QI Dynamic High Yield	6,342,943	0.99%
10,716,774	Schroder Recovery	14,017,540	2.20%
72,431	Vanguard Global Credit Bond	6,457,798	1.01%
		<b>572,600,310</b>	<b>89.74%</b>
<b>Exchange Traded Funds (30.04.2023: 4.31%)</b>			
3,121,812	HSBC MSCI China UCITS ETF	14,494,573	2.27%
12,961,995	iShares \$ Treasury Bond 20+yr UCITS ETF	38,075,860	5.97%
		<b>52,570,433</b>	<b>8.24%</b>
	<b>Portfolio of investments (30.04.2023: 97.88%)</b>	<b>625,170,743</b>	<b>97.98%</b>
	<b>Net other assets (30.04.2023: 2.12%)</b>	<b>12,863,818</b>	<b>2.02%</b>
		<b>638,034,561</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>189,622,159</b>
IShares UK Equity Tracker	30,162,159
iShares \$ Treasury Bond 20+yr UCITS ETF	29,800,189
Dimensional Global Ultra Short Fixed Income	23,647,548
HSBC Global Aggregate Bond Index	17,228,923
JOHCM UK Dynamic	14,060,139
Neuberger Berman Uncorrelated Strategies	6,519,063
BCIF 100 UK Equity Tracker	6,112,768
ES Alliance Bernstein Concentrated US Equity	5,812,171
HSBC American Index	5,326,655
AXA Framlington UK Mid Cap	5,217,715
Other various purchases	45,734,829

	£
<b>Total sales for the period</b>	<b>130,643,539</b>
HSBC Global Aggregate Bond Index	26,523,217
Jupiter UK Alpha Fund	24,632,683
Schroder Recovery	20,675,462
iShares \$ Treasury Bond 20+yr UCITS ETF	13,245,919
HSBC American Index	11,924,722
Neuberger Berman Uncorrelated Strategies	4,603,947
Jupiter Merian North American Equity	3,679,649
Invesco Perpetual UK Enhanced Index	2,525,764
ES Alliance Bernstein Concentrated US Equity	2,352,628
Allianz Strategic Bond	2,289,857
Other various sales	18,189,691

The above transactions represent the top 10 purchases and sales in the period

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(19,831,048)		(28,208,390)
Revenue	8,346,010		5,028,551	
Expenses	(905,955)		(717,775)	
Interest payable and similar charges	<u>(1,204)</u>		<u>(660)</u>	
Net revenue before taxation	7,438,851		4,310,116	
Taxation	<u>(11,254)</u>		<u>-</u>	
Net revenue after taxation		<u>7,427,597</u>		<u>4,310,116</u>
Total return before distributions		(12,403,451)		(23,898,274)
Finance costs: distributions		<u>322,561</u>		<u>198,822</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>(12,080,890)</u>		<u>(23,699,452)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	590,993,459	507,713,889
Amounts receivable on creation of shares	112,069,992	74,045,553
Amounts payable on cancellation of shares	(52,948,000)	(55,434,064)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(12,080,890)</u>	<u>(23,699,452)</u>
<b>Closing net assets attributable to shareholders</b>	<u>638,034,561</u>	<u>502,625,926</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £590,993,459.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		625,170,743		578,510,698
<b>Current assets</b>				
Debtors	3,019,542		4,746,536	
Cash and bank balances	<u>13,175,061</u>		<u>14,239,119</u>	
<b>Total current assets</b>		<u>16,194,603</u>		<u>18,985,655</u>
<b>Total assets</b>		641,365,346		597,496,353
<b>Current liabilities</b>				
Bank overdraft	(29,751)		-	
Creditors	<u>(3,301,034)</u>		<u>(6,502,894)</u>	
<b>Total current liabilities</b>		<u>(3,330,785)</u>		<u>(6,502,894)</u>
<b>Net assets attributable to shareholders</b>		<u>638,034,561</u>		<u>590,993,459</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Aggressive Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£180,352,865
<b>Launch date</b>	07 December 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (8 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 90%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be IA OE Flexible Investment.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA however direct ISA investment is not currently available.

**SUB-FUND OVERVIEW (Continued)**

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**Class of shares** C Class (Institutional) Accumulation

Minimum initial investment £2,500,000

Minimum subsequent investment £1,000,000

Minimum holding £1,000,000

Minimum redemption N/A

The AFM may waive the minimum levels at its discretion.

**Initial charge** 10% (The AFM may waive or discount the initial charge at its discretion.)

**Redemption charge** 0%

**Annual management charge** 0.25%

Investment in this Sub-fund is restricted to investors who are investing through the Tatton Investment Management discretionary management proposition.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -1.5%. In comparison, the average return for the IA Flexible Investment peer group (Investment Association – IA sector) was -2.9% meaning the Sub-fund outperformed the reference index by 1.4% over the period. The Sub-fund returned 3.9% over the last twelve months to 31st October 2023, while the reference index returned 2.0% over the same period.

### Overview

The Sub-fund positioning was adjusted 15 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index holding.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	179.9293	179.1425	171.5361
Return before operating charges	(2.2629)	1.8820	8.7286
Operating charges (note 1)	(0.4999)	(1.0952)	(1.1222)
Return after operating charges *	(2.7628)	0.7868	7.6064
Closing net asset value per share	177.1665	179.9293	179.1425
Retained distributions on accumulated shares	-	2.5088	1.8979
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.54%)	0.44%	4.43%
Other information			
Closing net asset value	£180,358,661	£169,999,962	£143,073,824
Closing number of shares	101,801,786	94,481,534	79,865,923
Operating charges (note 2)	0.56%	0.61%	0.64%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	186.6474	187.2147	186.8208
Lowest share price	177.1665	167.3595	166.4077

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. (30 April 2023: Ranked '5') The Sub-fund is ranked '5' because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 93.39%)</b>			
2,894,570	Artemis US Select	8,887,200	4.93%
7,357,843	AXA Framlington UK Mid Cap	6,977,441	3.87%
15,950	Barings Emerging Markets Debt Blended Tracker	1,778,283	0.99%
4,417,294	BCIF 100 UK Equity Tracker	8,923,062	4.95%
885,212	Dimensional Global Ultra Short Fixed Income	9,710,772	5.38%
8,284,732	ES Alliance Bernstein Concentrated US Equity	12,410,528	6.88%
2,057,280	Fidelity Index Pacific ex Japan	3,634,391	2.02%
502,038	Goldman Sachs Emerging Markets CORE Equity	5,462,172	3.03%
49,000	HC Snyder US All Cap Equity Fund	5,190,621	2.88%
1,612,955	HSBC American Index	15,432,594	8.56%
265,812	HSBC European Index	3,105,620	1.72%
198,204	HSBC Global Government Bond Index	1,838,701	1.02%
1,714,100	Invesco Perpetual UK Enhanced Index	10,711,412	5.94%
3,378,977	iShares UK Equity Tracker	8,834,554	4.90%
139,858	Janus Henderson European Selected Opportunities Fund	3,620,911	2.01%
1,325,619	JOHCM UK Dynamic	3,942,390	2.19%
1,161,825	JPM Europe Dynamic ex-UK	3,599,335	2.00%
612,856	JPM Japan	1,749,704	0.97%
2,265,930	JPM US Equity Income	8,830,328	4.90%
2,488,088	Jupiter Merian North American Equity	8,752,347	4.85%
54,753	Lazard Emerging Markets Equity Advantage Fund	5,413,764	3.00%
965,958	Liontrust European Growth Fund	3,088,131	1.71%
3,494,795	M&G Japan	4,969,599	2.76%
666,558	Neuberger Berman Uncorrelated Strategies	7,225,490	4.01%
17,178	Robeco QI Dynamic High Yield	1,760,416	0.98%
3,013,516	Schroder Recovery	3,941,679	2.19%
20,389	Vanguard Global Credit Bond	1,817,807	1.01%
		<b>161,609,252</b>	<b>89.61%</b>
<b>Exchange Traded Funds (30.04.2023: 4.47%)</b>			
982,423	HSBC MSCI China UCITS ETF	4,561,390	2.53%
3,340,416	iShares \$ Treasury Bond 20+yr UCITS ETF	9,812,472	5.44%
		<b>14,373,862</b>	<b>7.97%</b>
<b>Portfolio of investments (30.04.2023: 97.86%)</b>		<b>175,983,114</b>	<b>97.58%</b>
<b>Net other assets (30.04.2023: 2.14%)</b>		<b>4,369,751</b>	<b>2.42%</b>
		<b>180,352,865</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>49,459,899</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	9,354,723
iShares UK Equity Tracker	9,177,914
Dimensional Global Ultra Short Fixed Income	6,944,155
JOHCM UK Dynamic	3,979,898
HSBC Global Aggregate Bond Index	3,029,768
AXA Framlington UK Mid Cap	1,794,405
Vanguard Global Credit Bond	1,664,795
BCIF 100 UK Equity Tracker	1,596,289
HSBC MSCI China UCITS ETF	1,504,799
Invesco Perpetual UK Enhanced Index	1,125,792
Other various purchases	9,287,361

	£
<b>Total sales for the period</b>	<b>37,050,215</b>
Jupiter UK Alpha Fund	8,718,274
HSBC Global Aggregate Bond Index	7,748,201
Schroder Recovery	5,354,720
HSBC American Index	3,077,584
iShares \$ Treasury Bond 20+yr UCITS ETF	2,842,832
Vanguard Global Credit Bond	1,426,391
Neuberger Berman Uncorrelated Strategies	1,278,114
M&G Japan	1,097,012
HSBC European Index	979,677
Dimensional Global Ultra Short Fixed Income	735,979
Other various sales	3,791,431

The above transactions represent the top 10 purchases and sales during the period.

**STATEMENT OF TOTAL RETURN****For the six months ended 31 October (Unaudited)**

	<b>2023</b>		<b>2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
Net capital (losses)		(4,870,536)		(8,213,315)
Revenue	2,283,696		1,508,642	
Expenses	(271,195)		(218,843)	
Interest payable and similar charges	-		(8)	
Net revenue before taxation	2,012,501		1,289,791	
Taxation	-		-	
Net revenue after taxation		2,012,501		1,289,791
Total return before distributions		(2,858,035)		(6,923,524)
Finance costs: distributions		62,187		5,717
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(2,795,848)</b>		<b>(6,917,807)</b>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS****For the six months ended 31 October (Unaudited)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	169,995,352	143,046,703
Amounts receivable on creation of shares	31,246,295	24,384,617
Amounts payable on cancellation of shares	(18,092,934)	(17,984,146)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(2,795,848)</u>	<u>(6,917,807)</u>
<b>Closing net assets attributable to shareholders</b>	<b><u>180,352,865</u></b>	<b><u>142,529,367</u></b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £169,995,352.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		175,983,114		166,351,037
<b>Current assets</b>				
Debtors	1,710,717		645,926	
Cash and bank balances	<u>3,116,481</u>		<u>3,604,381</u>	
<b>Total current assets</b>		<u>4,827,198</u>		<u>4,250,307</u>
<b>Total assets</b>		180,810,312		170,601,344
<b>Current liabilities</b>				
Bank overdraft	(23,292)		-	
Creditors	<u>(434,155)</u>		<u>(605,992)</u>	
<b>Total current liabilities</b>		<u>(457,447)</u>		<u>(605,992)</u>
<b>Net assets attributable to shareholders</b>		<u>180,352,865</u>		<u>169,995,352</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Balanced Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£1,138,580,595
<b>Launch date</b>	07 December 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (7 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 60%. In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be a blend (50%) of the IA OE Mixed Investment 20-60% Shares - (50%) IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA - However direct ISA investment is not currently available.

**SUB-FUND OVERVIEW (Continued)**

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**Class of shares** C Class (Institutional) Accumulation

Minimum initial investment £2,500,000

Minimum subsequent investment £1,000,000

Minimum holding £1,000,000

Minimum redemption N/A

The AFM may waive the minimum levels at its discretion.

**Initial charge** 10% (The AFM may waive or discount the initial charge at its discretion.)

**Redemption charge** 0%

**Annual management charge** 0.25%

Investment in this Sub-fund is restricted to investors who are investing through the Tatton Investment Management discretionary management proposition.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -2.6%. In comparison, the average return for the 5050 - IA Mixed Investment 20-60 & 40-85 peer group (Investment Association – IA sector) was -3.0% meaning the Sub-fund outperformed the reference index by 0.4% over the period. The Sub-fund returned 1.9% over the last twelve months to 31st October 2023, while the reference index returned 0.1% over the same period.

### Overview

The Sub-fund positioning was adjusted 15 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

April saw a reduction in equities overall and the addition of a new strategic bond manager, Allianz. This holding represents a more defensive bond manager which should improve the overall blend of the strategic bond section of the portfolio. The purchase was funded through reductions in other strategic bond managers. At the same time there was also a small rotation out of UK Government bonds into a Global Government bond fund.

Within equities a small position was initiated in Chinese equity via a passive ETF, this was funded by small reductions in other regions.

Later in the period during July, holdings in Hermes Unconstrained bond fund were removed entirely, after some poor performance and team changes. September saw a switch between share classes of the Brandywine Global Income Optimiser fund as the manager reorganised their fund line-up operationally, with no impact on strategy.

During October, towards the end of the period the manager elected to redeploy some shorter dated and investment grade bonds into longer dated, inflation Linked UK bonds and nominal US Bonds (hedged to GBP), to gain exposure to bonds generating higher yields than had been seen in recent history.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	150.6129	151.9074	150.5522
Return before operating charges	(3.4949)	(0.3718)	2.3231
Operating charges (note 1)	(0.4162)	(0.9227)	(0.9679)
Return after operating charges *	(3.9111)	(1.2945)	1.3552
Closing net asset value per share	146.7018	150.6129	151.9074
Retained distributions on accumulated shares	-	2.2962	1.9162
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.60%)	(0.85%)	0.90%
Other information			
Closing net asset value	£1,138,620,353	£1,149,330,315	£1,076,312,984
Closing number of shares	776,146,260	763,102,009	708,532,327
Operating charges (note 2)	0.56%	0.61%	0.64%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	153.3819	155.3960	159.5934
Lowest share price	146.7018	142.1783	146.1007

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked "4" because monthly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

## PORTFOLIO STATEMENT

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 90.18%)</b>			
47,568,987	Allianz Strategic Bond	46,560,524	4.09%
14,805,321	Artemis US Select	45,456,779	3.99%
35,147,636	AXA Framlington UK Mid Cap	33,330,503	2.93%
203,864	Barings Emerging Market Debt Blended Total Return	22,728,784	2.00%
19,766,765	BCIF 100 UK Equity Tracker	39,929,439	3.51%
221,201	Cheyne Global Credit	22,530,100	1.98%
5,283,395	Dimensional Global Ultra Short Fixed Income	57,958,842	5.09%
37,632,640	ES Alliance Bernstein Concentrated US Equity	56,373,695	4.95%
6,569,847	Fidelity Index Pacific ex Japan	11,606,292	1.02%
31,966,701	FTF Brandywine Global Income Optimiser Fund	34,268,303	3.01%
2,141,373	Goldman Sachs Emerging Markets CORE Equity	23,298,136	2.05%
208,507	HC Snyder US All Cap Equity Fund	22,087,122	1.94%
6,473,950	HSBC American Index	61,942,104	5.44%
1,212,598	HSBC European Index	14,167,386	1.24%
6,555,800	HSBC Global Aggregate Bond Index	57,693,005	5.07%
1,148,192	HSBC Global Corporate Bond Index	11,212,209	0.98%
2,524,768	HSBC Global Government Bond Index	23,421,764	2.06%
7,204,521	Invesco Perpetual UK Enhanced Index	45,021,055	3.95%
12,940,285	IShares UK Equity Tracker	33,833,216	2.97%
653,047	Janus Henderson European Selected Opportunities	16,907,376	1.48%
5,753,230	JOHCM UK Dynamic	17,110,107	1.50%
5,586,254	JPM Europe Dynamic ex-UK	17,306,214	1.52%
3,904,163	JPM Japan	11,146,386	0.98%
8,691,014	JPM US Equity Income	33,868,880	2.97%
12,820,404	Jupiter Merian North American Equity	45,098,335	3.96%
236,850	Lazard Emerging Markets Equity Advantage Fund	23,418,953	2.06%
4,514,420	Liontrust European Growth Fund	14,432,423	1.27%
12,145,824	M&G Japan	17,271,361	1.52%
8,500,131	Neuberger Berman Uncorrelated Strategies	92,141,421	8.09%
223,309	Robeco QI Dynamic High Yield	22,884,670	2.01%
12,684,675	Schroder Recovery	16,591,555	1.46%
126,899	Vanguard Global Credit Bond	11,314,002	0.99%
91,250	Vanguard UK Government Bond Index	11,345,424	1.00%
		<b>1,014,256,365</b>	<b>89.08%</b>
<b>Exchange Traded Funds (30.04.2023: 7.92%)</b>			
5,028,887	HSBC MSCI China UCITS ETF	23,349,122	2.05%
27,185,534	iShares \$ Treasury Bond 20+yr UCITS ETF	79,857,506	7.01%
		<b>103,206,628</b>	<b>9.06%</b>
	<b>Portfolio of investments (30.04.2023: 98.10%)</b>	<b>1,117,462,993</b>	<b>98.15%</b>
	<b>Net other assets (30.04.2023: 1.90%)</b>	<b>21,117,602</b>	<b>1.85%</b>
		<b>1,138,580,595</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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<b>Total purchases for the period</b>	<b>£</b> <b>236,831,202</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	54,085,639
HSBC Global Aggregate Bond Index	41,998,407
iShares UK Equity Tracker	35,137,690
Dimensional Global Ultra Short Fixed Income	34,630,540
JOHCM UK Dynamic	17,272,866
HSBC MSCI China UCITS ETF	7,711,639
Allianz Strategic Bond	6,157,842
AXA Framlington UK Mid Cap	5,885,482
Jupiter Merian North American Equity	5,156,131
Neuberger Berman Uncorrelated Strategies	4,845,428
Other various purchases	23,949,538
<b>Total sales for the period</b>	<b>£</b> <b>216,461,596</b>
HSBC Global Aggregate Bond Index	48,033,451
Jupiter UK Alpha Fund	38,311,262
iShares \$ Treasury Bond 20+yr UCITS ETF	33,575,038
Schroder Recovery	27,082,539
HSBC American Index	18,795,053
M&G Japan	7,089,849
AXA Framlington UK Mid Cap	6,593,217
Jupiter Merian North American Equity	5,061,498
Invesco Perpetual UK Enhanced Index	4,617,278
JPM Japan	3,775,529
Other various sales	23,526,882

The above transactions represent the top 10 purchases during the period.

**STATEMENT OF TOTAL RETURN****For the six months ended 31 October (Unaudited)**

	<b>2023</b>		<b>2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
Net capital (losses)		(45,861,174)		(65,209,369)
Revenue	18,569,669		9,675,679	
Expenses	(1,668,905)		(1,520,353)	
Interest payable and similar charges	-		-	
Net revenue before taxation	16,900,764		8,155,326	
Taxation	(706,301)		(191,959)	
Net revenue after taxation		<u>16,194,463</u>		<u>7,963,367</u>
Total return before distributions		(29,666,711)		(57,246,002)
Finance costs: distributions		<u>56,477</u>		<u>289,352</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>(29,610,234)</u>		<u>(56,956,650)</u>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS****For the six months ended 31 October (Unaudited)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	1,148,184,160	1,076,168,763
Amounts receivable on creation of shares	120,873,452	136,122,219
Amounts payable on cancellation of shares	(100,866,783)	(89,890,571)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(29,610,234)</u>	<u>(56,956,650)</u>
<b>Closing net assets attributable to shareholders</b>	<u>1,138,580,595</u>	<u>1,065,443,761</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £1,148,184,160

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		1,117,462,993		1,126,265,088
<b>Current assets</b>				
Debtors	3,130,211		4,314,427	
Cash and bank balances	<u>24,488,134</u>		<u>21,719,972</u>	
<b>Total current assets</b>		<u>27,618,345</u>		<u>26,034,399</u>
<b>Total assets</b>		1,145,081,338		1,152,299,487
<b>Current liabilities</b>				
Bank overdraft	(1,805,308)		-	
Creditors	<u>(4,695,435)</u>		<u>(4,115,327)</u>	
<b>Total current liabilities</b>		<u>(6,500,743)</u>		<u>(4,115,327)</u>
<b>Net assets attributable to shareholders</b>		<u>1,138,580,595</u>		<u>1,148,184,160</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Cautious Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£427,989,737
<b>Launch date</b>	07 December 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (5 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 45%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 20-60% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA however direct ISA investment is not currently available.

**SUB-FUND OVERVIEW (Continued)**

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<b>Class of shares</b>	C Class (Institutional) Accumulation
Minimum initial investment	£2,500,000
Minimum subsequent investment	£1,000,000
Minimum holding	£1,000,000
Minimum redemption	N/A
The AFM may waive the minimum levels at its discretion.	
<b>Initial charge</b>	10% (The AFM may waive or discount the initial charge at its discretion.)
<b>Redemption charge</b>	0%
<b>Annual management charge</b>	0.25%

Investment in this Sub-fund is restricted to investors who are investing through the Tatton Investment Management discretionary management proposition.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -3.0%. In comparison, the average return for the IA Mixed Investment 20-60% Shares peer group (Investment Association – IA sector) was -2.8% meaning the Sub-fund underperformed the reference index by -0.2% over the period. The Sub-fund returned 1.1% over the last twelve months to 31st October 2023, while the reference index returned -0.6% over the same period.

### Overview

The Sub-fund positioning was adjusted 16 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index holding.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	138.3848	141.1060	142.4339
Return before operating charges	(3.7681)	(1.9107)	(0.4489)
Operating charges (note 1)	(0.3749)	(0.8105)	(0.8790)
Return after operating charges *	(4.1430)	(2.7212)	(1.3279)
Closing net asset value per share	134.2418	138.3848	141.1060
Retained distributions on accumulated shares	-	2.2312	1.9908
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.99%)	(1.93%)	(0.93%)
Other information			
Closing net asset value	£428,004,225	£462,563,714	£476,685,355
Closing number of shares	318,830,813	334,259,140	337,820,647
Operating charges (note 2)	0.55%	0.58%	0.62%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	139.9414	142.3122	149.5291
Lowest share price	134.1485	131.0345	137.7030

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked '4' because monthly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value % of net assets	
<b>Collective Investment Schemes (30.04.2023: 89.28%)</b>			
22,420,857	Allianz Strategic Bond	21,945,535	5.13%
3,668,360	Artemis US Select	11,262,967	2.63%
8,626,625	AXA Framlington UK Mid Cap	8,180,629	1.91%
135,974	Barings Emerging Markets Debt Blended Total Return	15,159,703	3.54%
6,410,588	BCIF 100 UK Equity Tracker	12,949,573	3.03%
85,628	Cheyne Global Credit	8,721,538	2.04%
1,991,856	Dimensional Global Ultra Short Fixed Income	21,850,659	5.11%
8,483,851	ES Alliance Bernstein Concentrated US Equity	12,708,809	2.97%
2,409,377	Fidelity Index Pacific ex Japan	4,256,405	0.99%
20,198,924	FTF Brandywine Global Income Optimiser Fund	21,653,246	5.06%
612,615	Goldman Sachs Emerging Markets CORE Equity	6,665,252	1.56%
39,723	HC Snyder US All Cap Equity Fund	4,207,843	0.98%
1,503,727	HSBC American Index	14,387,505	3.36%
274,240	HSBC European Index	3,204,088	0.75%
4,451,665	HSBC Global Aggregate Bond Index	39,175,985	9.15%
903,884	HSBC Global Corporate Bond Index	8,826,515	2.06%
2,349,540	HSBC Global Government Bond Index	21,796,209	5.09%
2,381,531	Invesco Perpetual UK Enhanced Index	14,882,188	3.48%
3,254,276	iShares UK Equity Tracker	8,508,517	1.99%
171,490	Janus Henderson European Selected Opportunities	4,439,868	1.04%
1,416,251	JOHCM UK Dynamic	4,211,932	0.98%
1,412,676	JPM Europe Dynamic ex-UK	4,376,469	1.02%
3,231,074	JPM US Equity Income	12,591,494	2.94%
3,598,678	Jupiter Merian North American Equity	12,659,069	2.96%
66,941	Lazard Emerging Markets Equity Advantage Fund	6,618,880	1.55%
1,067,008	Liontrust European Growth Fund	3,411,184	0.80%
5,337,755	M&G Japan	7,590,287	1.76%
3,204,885	Neuberger Berman Uncorrelated Strategies	34,740,956	8.12%
84,854	Robeco QI Dynamic High Yield	8,695,851	2.03%
3,190,688	Schroder Recovery	4,173,420	0.98%
100,098	Vanguard Global Credit Bond	8,924,544	2.09%
70,095	Vanguard UK Government Bond Index	8,715,066	2.04%
		<b>381,492,186</b>	<b>89.14%</b>
<b>Exchange Traded Funds (30.04.2023: 8.92%)</b>			
1,403,565	HSBC MSCI China UCITS ETF	6,516,752	1.52%
10,978,720	iShares \$ Treasury Bond 20+yr UCITS ETF	32,249,990	7.54%
		<b>38,766,742</b>	<b>9.06%</b>
	<b>Portfolio of investments (30.04.2023: 98.20%)</b>	<b>420,258,928</b>	<b>98.20%</b>
	<b>Net other assets (30.04.2023: 1.80%)</b>	<b>7,730,809</b>	<b>1.80%</b>
		<b>427,989,737</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>79,030,930</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	19,729,801
HSBC Global Aggregate Bond Index	15,918,867
Dimensional Global Ultra Short Fixed Income	14,646,513
iShares UK Equity Tracker	9,098,436
JOHCM UK Dynamic	4,549,218
Allianz Strategic Bond	2,262,808
BCIF 100 UK Equity Tracker	2,025,731
HSBC MSCI China UCITS ETF	2,014,436
JPM US Equity Income	1,967,097
Artemis US Select	1,848,663
Other various purchases	4,969,360
	£
<b>Total sales for the period</b>	<b>100,013,066</b>
HSBC Global Aggregate Bond Index	18,417,762
iShares \$ Treasury Bond 20+yr UCITS ETF	16,602,529
Schroder Recovery	9,424,924
Jupiter UK Alpha Fund	9,372,334
HSBC American Index	8,147,218
Artemis US Select	5,614,644
Dimensional Global Ultra Short Fixed Income	2,976,903
M&G Japan	2,556,679
Neuberger Berman Uncorrelated Strategies	2,430,077
Invesco Perpetual UK Enhanced Index	2,368,716
Other various sales	22,101,244

The above transactions represent the top 10 purchase and sales during the period.

## STATEMENT OF TOTAL RETURN

### For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(20,187,426)		(31,252,090)
Revenue	8,602,314		3,952,461	
Expenses	(658,182)		(676,976)	
Interest payable and similar charges	-		-	
Net revenue before taxation	7,944,132		3,275,485	
Taxation	(514,072)		(217,303)	
Net revenue after taxation		7,430,060		3,058,182
Total return before distributions		(12,757,366)		(28,193,908)
Finance costs: distributions		(138,191)		29,274
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(12,895,557)</b>		<b>(28,164,634)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	461,960,794	476,431,025
Amounts receivable on creation of shares	34,410,789	51,528,155
Amounts payable on cancellation of shares	(55,486,289)	(43,359,525)
Changes in net assets attributable to shareholders from investment activities (see above)	(12,895,557)	(28,164,634)
<b>Closing net assets attributable to shareholders</b>	<b>427,989,737</b>	<b>456,435,021</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £461,960,794.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		420,258,928		453,637,192
<b>Current assets</b>				
Debtors	910,117		1,143,978	
Cash and bank balances	<u>9,979,449</u>		<u>9,715,043</u>	
<b>Total current assets</b>		<u>10,889,566</u>		<u>10,859,021</u>
<b>Total assets</b>		431,148,494		464,496,213
<b>Current liabilities</b>				
Bank overdraft	(1,050,214)		-	
Creditors	<u>(2,108,543)</u>		<u>(2,535,419)</u>	
<b>Total current liabilities</b>		<u>(3,158,757)</u>		<u>(2,535,419)</u>
<b>Net assets attributable to shareholders</b>		<u>427,989,737</u>		<u>461,960,794</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Defensive Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£41,482,629
<b>Launch date</b>	07 December 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (5 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 25%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a focus on bonds and with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 0-35% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>

**SUB-FUND OVERVIEW (Continued)**

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**Individual Savings Account (ISA)** The Sub-fund is a qualifying investment for inclusion in an ISA however direct ISA investment is not currently available.

**Class of shares** C Class Accumulation

Minimum initial investment £2,500,000

Minimum subsequent investment £1,000,000

Minimum holding £1,000,000

Minimum redemption N/A

The AFM may waive the minimum levels at its discretion.

**Initial charge** 10% (The AFM may waive or discount the initial charge at its discretion.)

**Redemption charge** 0%

**Annual management charge** 0.25%

Investment in this Sub-fund is restricted to investors who are investing through the Tatton Investment Management discretionary management proposition.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -3.9%. In comparison, the average return for the IA Mixed Investment 0-35% Shares peer group (Investment Association – IA sector) was -2.7% meaning the Sub-fund underperformed the reference index by -1.2% over the period. The Sub-fund returned -0.5% over the last twelve months to 31st October 2023, while the reference index returned -1.4% over the same period.

### Overview

The Sub-fund positioning was adjusted 22 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index holding.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	123.3241	127.2164	131.6584
Return before operating charges	(4.4637)	(3.1657)	(3.6395)
Operating charges (note 1)	(0.3507)	(0.7266)	(0.8025)
Return after operating charges *	(4.8144)	(3.8923)	(4.4420)
Closing net asset value per share	118.5097	123.3241	127.2164
Retained distributions on accumulated shares	-	2.1814	2.1147
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(3.90%)	(3.06%)	(3.37%)
Other information			
Closing net asset value	£41,483,941	£48,238,829	£57,458,602
Closing number of shares	35,004,672	39,115,481	45,166,041
Operating charges (note 2)	0.58%	0.58%	0.62%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	123.6812	127.2164	136.0580
Lowest share price	118.1610	117.0121	125.9490

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked '4' because weekly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 90.85%)</b>			
3,486,300	Allianz Strategic Bond	3,412,390	8.23%
205,594	Artemis US Select	631,235	1.52%
418,459	AXA Framlington UK Mid Cap	396,825	0.96%
18,768	Barings Emerging Market Debt Blended Total Return	2,092,421	5.04%
208,887	BCIF 100 UK Equity Tracker	421,958	1.02%
12,504	Cheyne Global Credit	1,273,526	3.07%
193,415	Dimensional Global Ultra Short Fixed Income	2,121,761	5.11%
414,039	ES Alliance Bernstein Concentrated US Equity	620,231	1.50%
185,148	Fidelity Index Pacific ex Japan	327,082	0.79%
28,804	Goldman Sachs Emerging Markets CORE Equity	313,390	0.76%
3,843	HC Snyder US All Cap Equity Fund	407,136	0.98%
80,294	HSBC American Index	768,244	1.85%
9,564	HSBC European Index	111,736	0.27%
720,883	HSBC Global Aggregate Bond Index	6,343,986	15.29%
87,597	HSBC Global Corporate Bond Index	855,393	2.06%
319,509	HSBC Global Government Bond Index	2,964,021	7.15%
132,300	Invesco Perpetual UK Enhanced Index	826,743	1.99%
158,790	iShares UK Equity Tracker	415,166	1.00%
3,087	Janus Henderson European Selected Opportunities Fund	79,931	0.19%
103,853	JOHCM UK Dynamic	308,859	0.74%
72,614	JPM Europe Dynamic ex-UK	224,958	0.54%
105,075	JPM Japan	409,476	0.99%
3,187	JPM US Equity Income	315,090	0.76%
36,449	Jupiter Merian North American Equity	116,525	0.28%
2,760,882	Lazard Emerging Markets Equity Advantage Fund	2,959,666	7.13%
116,826	Liontrust European Growth Fund	410,960	0.99%
212,213	M&G Japan	301,767	0.73%
311,714	Neuberger Berman Uncorrelated Strategies	3,378,978	8.15%
12,407	Robeco QI Dynamic High Yield	1,271,434	3.06%
232,225	Schroder Recovery	303,749	0.73%
14,433	Vanguard Global Credit Bond	1,286,818	3.10%
13,697	Vanguard UK Government Bond Index	1,703,046	4.11%
		<b>37,374,501</b>	<b>90.09%</b>
<b>Exchange Traded Funds (30.04.2023: 7.92%)</b>			
69,501	HSBC MSCI China UCITS ETF	322,693	0.78%
1,138,504	iShares \$ Treasury Bond 20+yr UCITS ETF	3,344,356	8.06%
		<b>3,667,049</b>	<b>8.84%</b>
<b>Portfolio of investments (30.04.2023: 98.77%)</b>		<b>41,041,550</b>	<b>98.93%</b>
<b>Net other assets (30.04.2023: 1.23%)</b>		<b>441,079</b>	<b>1.07%</b>
		<b>41,482,629</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>10,152,352</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	2,045,450
HSBC Global Aggregate Bond Index	2,038,155
Dimensional Global Ultra Short Fixed Income	1,399,308
HSBC MSCI China UCITS ETF	606,522
iShares UK Equity Tracker	465,390
Allianz Strategic Bond	383,778
Invesco Perpetual UK Enhanced Index	371,693
JOHCM UK Dynamic	349,042
Fidelity Index Pacific ex Japan	312,334
Barings Emerging Markets Debt Blended Total Return	304,441
Other various purchases	1,876,239

	£
<b>Total sales for the period</b>	<b>15,111,215</b>
HSBC Global Aggregate Bond Index	2,702,333
iShares \$ Treasury Bond 20+yr UCITS ETF	1,875,472
BCIF 100 UK Equity Tracker	766,629
Invesco Perpetual UK Enhanced Index	763,996
HSBC American Index	754,606
Barings Emerging Markets Debt Blended Total Return	697,856
FTF Brandywine Global Income Optimiser Fund	663,154
HSBC Global Government Bond Index	579,721
Artemis US Select	516,158
Neuberger Berman Uncorrelated Strategies	497,384
Other various sales	5,293,906

The above transactions represent the top 10 purchases and sales during the period.

**STATEMENT OF TOTAL RETURN****For the six months ended 31 October (Unaudited)**

	<b>2023</b>		<b>2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
Net capital (losses)		(2,446,959)		(3,709,680)
Revenue	977,527		392,258	
Expenses	(75,571)		(85,673)	
Interest payable and similar charges	-		-	
Net revenue before taxation	901,956		306,585	
Taxation	(99,165)		(52,144)	
Net revenue after taxation		802,791		254,441
Total return before distributions		(1,644,168)		(3,455,239)
Finance costs: distributions		(34,172)		(35,916)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(1,678,340)</b>		<b>(3,491,155)</b>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS****For the six months ended 31 October (Unaudited)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	48,143,872	57,409,759
Amounts receivable on creation of shares	2,334,585	5,074,342
Amounts payable on cancellation of shares	(7,317,488)	(10,376,102)
Changes in net assets attributable to shareholders from investment activities (see above)	(1,678,340)	(3,491,155)
<b>Closing net assets attributable to shareholders</b>	<b>41,482,629</b>	<b>48,616,844</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £48,143,872.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		41,041,550		47,557,703
<b>Current assets</b>				
Debtors	73,749		49,188	
Cash and bank balances	<u>787,355</u>		<u>882,593</u>	
<b>Total current assets</b>		<u>861,104</u>		<u>931,781</u>
<b>Total assets</b>		41,902,654		48,489,484
<b>Current liabilities</b>				
Creditors	<u>(420,025)</u>		<u>(345,612)</u>	
<b>Total current liabilities</b>		<u>(420,025)</u>		<u>(345,612)</u>
<b>Net assets attributable to shareholders</b>		<u>41,482,629</u>		<u>48,143,872</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Blended Active Fund
<b>Size of Sub-fund</b>	£132,158,960
<b>Launch date</b>	31 January 2018
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (7 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 75%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a balance between passive and active strategies, with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and derivatives if considered appropriate to meet the objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.

**SUB-FUND OVERVIEW (Continued)**

<b>Share class information</b>	A Class (Retail) Accumulation	A Class (Retail) Income*	X Class (Institutional) Accumulation*	X Class (Institutional) Income*
<b>Annual management charge</b>	0.30%	0.30%	0.15%	0.15%
<b>Initial charge</b>	0%	0%	0%	0%
<b>Minimum initial investment</b>	£3,000	£3,000	£2,500,000	£2,500,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum redemption</b>	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	Regular savings plan not available	Regular savings plan not available

\* Share class not yet launched

The AFM may waive the minimum levels at its own discretion.

The AFM may waive or discount the initial charge at its own discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -1.7%. In comparison, the average return for the IA Mixed Investment 40-85% Shares peer group (Investment Association – IA sector) was -3.2% meaning the Sub-fund outperformed the reference index by 1.5% over the period. The Sub-fund returned 3.7% over the last twelve months to 31st October 2023, while the reference index returned 1.7% over the same period.

### Overview

The Sub-fund positioning was adjusted 20 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Current monetary policy tightening is intense, especially in the US. The effects of tightening may take some time to transpire with poor economic data taking months to show through, but it appears that this exceptional post pandemic expansion cycle Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming. is now moving towards an end. Financial markets have driven up long maturity yields but the anticipation of a weaker global economy should mean these levels are unlikely to persist. We have hence lengthened duration in the fixed income section of portfolios as noted below.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index and Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	126.1693	125.6596	122.0932
Return before operating charges	(1.7441)	1.2274	4.2973
Operating charges (note 1)	(0.3441)	(0.7177)	(0.7309)
Return after operating charges *	(2.0882)	0.5097	3.5664
Closing net asset value per share	124.0811	126.1693	125.6596
Retained distributions on accumulated shares	-	1.9869	1.6396
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.66%)	0.41%	2.92%
Other information			
Closing net asset value	£132,163,211	£96,332,889	£67,993,354
Closing number of shares	106,513,581	76,352,093	54,109,142
Operating charges (note 2)	0.55%	0.57%	0.59%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	129.8847	130.1281	131.0873
Lowest share price	123.9991	117.5914	118.9112

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 5). The Sub-fund is ranked '5' because monthly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 91.41%)</b>			
1,323,961	Allianz Strategic Bond	1,295,893	0.98%
806,469	Artemis US Select	2,476,101	1.87%
1,916,435	AXA Framlington UK Mid Cap	1,817,355	1.38%
5,572	Barings Emerging Markets Debt Blended Total Return	621,258	0.47%
3,484,495	BCIF 100 UK Equity Tracker	7,038,781	5.33%
637,360	BNY Mellon Efficient Global High Yield Beta	623,976	0.47%
6,160	Cheyne Global Credit	627,380	0.47%
1,095,439	Dimensional Global Ultra Short Fixed Income	12,016,970	9.09%
2,498,664	ES Alliance Bernstein Concentrated US Equity	3,742,998	2.83%
894,232	Fidelity Index Japan	1,761,368	1.33%
1,434,173	Fidelity Index Pacific ex Japan	2,533,611	1.92%
579,087	FTF Brandywine Global Income Optimiser Fund	620,781	0.47%
145,692	Goldman Sachs Emerging Markets CORE Equity	1,585,131	1.20%
16,999	HC Snyder US All Cap Equity Fund	1,800,671	1.36%
1,404,734	HSBC American Index	13,440,351	10.17%
475,234	HSBC European Index	5,552,392	4.20%
362,301	HSBC Global Aggregate Bond Index	3,188,352	2.40%
64,792	HSBC Global Corporate Bond Index	632,696	0.48%
137,056	HSBC Global Government Bond Index	1,271,441	0.96%
1,181,510	Invesco Perpetual UK Enhanced Index	7,383,255	5.59%
904,550	iShares Mid Cap UK Equity Index	1,847,807	1.40%
1,014,651	iShares North American Equity Index	6,255,280	4.73%
2,934,544	iShares UK Equity Tracker	7,672,556	5.81%
48,424	Janus Henderson European Selected Opportunities Fund	1,253,692	0.95%
460,748	JOHCM UK Dynamic	1,370,263	1.04%
402,691	JPM Europe Dynamic ex-UK	1,247,538	0.94%
214,509	JPM Japan	612,422	0.46%
638,770	JPM US Equity Income	2,489,286	1.88%
978,351	Jupiter Merian North American Equity	3,441,544	2.60%
16,120	Lazard Emerging Markets Equity Advantage Fund	1,593,906	1.21%
420,269	L&G Emerging Markets Government Bond (Local Currency) Index	276,369	0.21%
450,949	Legal & General Emerging markets Government Bond	277,424	0.21%
242,929	Liontrust European Growth Fund	776,634	0.59%
784,565	M&G Japan	1,115,651	0.84%
518,854	Neuberger Berman Uncorrelated Strategies	5,624,378	4.26%
6,029	Robeco QI Dynamic High Yield	617,802	0.47%
1,031,209	Schroder Recovery	1,348,822	1.02%
16,245	Vanguard Emerging Markets Stock Index	3,760,390	2.85%
7,171	Vanguard Global Credit Bond	639,334	0.48%
7,232	Vanguard UK Investment Grade Bond Index	639,146	0.48%
7,730	Vanguard US Equity Index	5,812,127	4.40%
		<b>118,703,132</b>	<b>89.80%</b>
<b>Exchange Traded Funds (30.04.2023: 6.31%)</b>			
613,982	HSBC MSCI China UCITS ETF	2,850,718	2.16%
2,716,128	iShares \$ Treasury Bond 20+yr UCITS ETF	7,978,626	6.04%
		<b>10,829,344</b>	<b>8.20%</b>
<b>Portfolio of investments (30.04.2023: 97.72%)</b>		<b>129,532,476</b>	<b>98.00%</b>
<b>Net other assets (30.04.2023: 2.28%)</b>		<b>2,626,484</b>	<b>2.00%</b>
		<b>132,158,960</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>59,011,265</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	7,348,795
Dimensional Global Ultra Short Fixed Income	6,388,620
iShares UK Equity Tracker	4,525,225
HSBC Global Aggregate Bond Index	3,736,674
HSBC American Index	3,699,302
Invesco Perpetual UK Enhanced Index	3,575,365
BCIF 100 UK Equity Tracker	2,946,785
HSBC European Index	2,009,065
Neuberger Berman Uncorrelated Strategies	1,783,759
iShares North American Equity Index	1,595,271
Other various purchases	21,402,404

	£
<b>Total sales for the period</b>	<b>21,215,101</b>
HSBC Global Aggregate Bond Index	3,312,766
Vanguard Global Bond Index	2,413,982
iShares \$ Treasury Bond 20+yr UCITS ETF	2,312,847
Jupiter UK Alpha Fund	2,032,285
Schroder Recovery	1,906,545
HSBC American Index	1,001,929
Invesco Perpetual UK Enhanced Index	987,435
Vanguard US Equity Index	756,004
Fidelity Index Japan	705,064
Robeco QI Dynamic High Yield	697,439
Other various sales	5,088,805

The above transactions represent the top 10 purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(3,586,206)		(4,117,438)
Revenue	1,331,521		716,904	
Expenses	(207,376)		(127,243)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,124,145		589,661	
Taxation	-		-	
Net revenue after taxation		1,124,145		589,661
Total return before distributions		(2,462,061)		(3,527,777)
Finance costs: distributions		211,003		31,515
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(2,251,058)</b>		<b>(3,496,262)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	96,329,594	67,969,037
Amounts receivable on creation of shares	47,336,309	15,448,482
Amounts payable on cancellation of shares	(9,255,885)	(7,598,692)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(2,251,058)</u>	<u>(3,496,262)</u>
<b>Closing net assets attributable to shareholders</b>	<b>132,158,960</b>	<b>72,322,565</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £96,329,594.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		129,532,476		94,137,516
<b>Current assets</b>				
Debtors	2,660,430		1,590,256	
Cash and bank balances	<u>3,025,771</u>		<u>1,652,378</u>	
<b>Total current assets</b>		<u>5,686,201</u>		<u>3,242,634</u>
<b>Total assets</b>		135,218,677		97,380,150
<b>Current liabilities</b>				
Bank overdraft	-		-	
Creditors	<u>(3,059,717)</u>		<u>(1,050,556)</u>	
<b>Total current liabilities</b>		<u>(3,059,717)</u>		<u>(1,050,556)</u>
<b>Net assets attributable to shareholders</b>		<u>132,158,960</u>		<u>96,329,594</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Blended Balanced Fund
<b>Size of Sub-fund</b>	£213,878,094
<b>Launch date</b>	31 January 2018
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (7 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 60%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a balance between passive and active strategies with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be a blend (50% IA OE Mixed Investment 20-60% Shares - (50%) IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>

**SUB-FUND OVERVIEW (Continued)**

**Individual Savings Account (ISA)**      The Sub-fund is a qualifying investment for inclusion in an ISA.

<b>Share class information</b>	A Class (Retail) Accumulation	A Class (Retail) Income*	X Class (Institutional) Accumulation*	X Class (Institutional) Income*
<b>Annual management charge</b>	0.30%	0.30%	0.15%	0.15%
<b>Initial charge</b>	0%	0%	0%	0%
<b>Minimum initial investment</b>	£3,000	£3,000	£2,500,000	£2,500,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum redemption</b>	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	Regular savings plan not available	Regular savings plan not available

\* Share class not yet launched

The AFM may waive the minimum levels at its own discretion.  
The AFM may waive or discount the initial charge at its own discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -2.0%. In comparison, the average return for the 5050 - IA Mixed Investment 20-60 & 40-85 peer group (Investment Association – IA sector) was -3.0% meaning the Sub-fund outperformed the reference index by 1.0% over the period. The Sub-fund returned 3.0% over the last twelve months to 31st October 2023, while the reference index returned 1.2% over the same period.

### Overview

The Sub-fund positioning was adjusted 20 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index and Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	121.6337	122.2216	121.1182
Return before operating charges	(2.1649)	0.0949	1.7969
Operating charges (note 1)	(0.3250)	(0.6828)	(0.6935)
Return after operating charges *	(2.4899)	(0.5879)	1.1034
Closing net asset value per share	119.1438	121.6337	122.2216
Retained distributions on accumulated shares	-	1.9112	1.6378
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.05%)	(0.48%)	0.91%
Other information			
Closing net asset value	£213,885,775	£188,481,590	£142,246,357
Closing number of shares	179,519,068	154,958,364	116,383,985
Operating charges (note 2)	0.54%	0.56%	0.57%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	124.1999	124.7045	128.6802
Lowest share price	119.0789	114.0402	117.7164

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked '4' because monthly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value % of net assets	
<b>Collective Investment Schemes (30.04.2023: 90.30%)</b>			
4,405,411	Allianz Strategic Bond	4,312,017	2.02%
1,341,937	Artemis US Select	4,120,151	1.93%
3,215,960	AXA Framlington UK Mid Cap	3,049,695	1.43%
18,427	Barings Emerging Markets Debt Blended Total Return	2,054,413	0.96%
3,380,475	BCIF 100 UK Equity Tracker	6,828,658	3.19%
2,128,925	BNY Mellon Efficient Global High Yield Beta	2,084,217	0.97%
20,413	Cheyne Global Credit	2,079,165	0.97%
1,744,812	Dimensional Global Ultra Short Fixed Income	19,140,590	8.95%
3,458,382	ES Alliance Bernstein Concentrated US Equity	5,180,657	2.42%
1,344,176	Fidelity Index Japan	2,647,622	1.24%
1,185,693	Fidelity Index Pacific ex Japan	2,094,645	0.98%
2,891,906	FTF Brandywine Global Income Optimiser Fund	3,100,123	1.45%
193,897	Goldman Sachs Emerging Markets CORE Equity	2,109,605	0.99%
18,813	HC Snyder US All Cap Equity Fund	1,992,893	0.93%
1,753,369	HSBC American Index	16,776,057	7.84%
600,627	HSBC European Index	7,017,424	3.28%
1,684,797	HSBC Global Aggregate Bond Index	14,826,715	6.93%
322,718	HSBC Global Corporate Bond Index	3,151,374	1.47%
520,901	HSBC Global Government Bond Index	4,832,293	2.26%
1,337,865	Invesco Perpetual UK Enhanced Index	8,360,316	3.91%
1,414,675	iShares Mid Cap UK Equity Index	2,889,885	1.35%
1,685,739	iShares North American Equity Index	10,392,509	4.86%
4,157,743	iShares UK Equity Tracker	10,870,690	5.08%
60,329	Janus Henderson European Selected Opportunities	1,561,917	0.73%
521,084	JOHCM UK Dynamic	1,549,704	0.72%
501,817	JPM Europe Dynamic ex-UK	1,554,628	0.73%
355,369	JPM Japan	1,014,579	0.47%
771,404	JPM US Equity Income	3,006,161	1.41%
1,149,422	Jupiter Merian North American Equity	4,043,320	1.89%
21,395	Lazard Emerging Markets Equity Advantage Fund	2,115,500	0.99%
2,850,467	L&G Emerging Market Government Bond (Local Currency) Index	1,874,467	0.88%
1,600,758	Legal & General Emerging Markets Government Bond index	984,786	0.46%
625,229	Liontrust European Growth Fund	1,998,832	0.93%
1,114,011	M&G Japan	1,584,124	0.74%
780,560	Neuberger Berman Uncorrelated Strategies	8,461,273	3.96%
20,351	Robeco QI Dynamic High Yield	2,085,620	0.98%
1,172,801	Schroder Recovery	1,534,024	0.72%
17,997	Vanguard Emerging Markets Stock Index	4,166,147	1.95%
22,938	Vanguard Global Bond Index	3,184,244	1.49%
20,014	Vanguard Global Credit Bond	1,784,420	0.83%
16,871	Vanguard UK Government Bond Index	2,097,625	0.98%
24,015	Vanguard UK Investment Grade Bond Index	2,122,411	0.99%
3,794	Vanguard US Equity Index	2,852,824	1.33%
		<b>189,488,320</b>	<b>88.60%</b>
<b>Exchange Traded Funds (30.04.2023: 8.06%)</b>			
906,879	HSBC MSCI China UCITS ETF	4,210,639	1.97%
5,413,079	iShares \$ Treasury Bond 20+yr UCITS ETF	15,900,920	7.43%
		<b>20,111,559</b>	<b>9.40%</b>
<b>Portfolio of investments (30.04.2023: 98.35%)</b>		<b>209,599,879</b>	<b>98.00%</b>
<b>Net other assets (30.04.2023: 1.65%)</b>		<b>4,278,215</b>	<b>2.00%</b>
		<b>213,878,094</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>68,781,154</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	12,289,861
HSBC Global Aggregate Bond Index	9,215,632
Dimensional Global Ultra Short Fixed Income	7,671,935
iShares UK Equity Tracker	4,257,785
iShares North American Equity Index	2,039,245
Vanguard Global Bond Index	1,972,585
AXA Framlington UK Mid Cap	1,865,210
HSBC American Index	1,763,935
HSBC Global Government Bond Index	1,665,581
BCIF 100 UK Equity Tracker	1,602,751
Other various purchases	24,436,634

	£
<b>Total sales for the period</b>	<b>40,042,600</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	5,648,657
HSBC Global Aggregate Bond Index	5,532,052
Vanguard Global Bond Index	4,664,248
Jupiter UK Alpha Fund	3,209,252
Schroder Recovery	2,652,977
HSBC American Index	2,187,259
Fidelity Index Japan	1,649,997
HSBC Global Government Bond Index	1,213,159
BCIF 100 UK Equity Tracker	1,140,160
iShares North American Equity Index	1,122,311
Other various sales	11,022,528

The above transactions represent the top 10 purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

### For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(6,724,260)		(9,408,549)
Revenue	2,638,234		1,422,367	
Expenses	(355,080)		(260,677)	
Interest payable and similar charges	-		-	
Net revenue before taxation	2,283,154		1,161,690	
Taxation	(77,109)		(29,070)	
Net revenue after taxation		2,206,045		1,132,620
Total return before distributions		(4,518,215)		(8,275,929)
Finance costs: distributions		212,077		95,494
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(4,306,138)</b>		<b>(8,180,435)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	188,379,020	142,166,551
Amounts receivable on creation of shares	49,683,961	32,194,721
Amounts payable on cancellation of shares	(19,878,749)	(12,370,044)
Changes in net assets attributable to shareholders from investment activities (see above)	(4,306,138)	(8,180,435)
<b>Closing net assets attributable to shareholders</b>	<b>213,878,094</b>	<b>153,810,793</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £188,379,020.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		209,599,879		185,273,938
<b>Current assets</b>				
Debtors	1,015,930		858,025	
Cash and bank balances	<u>4,216,688</u>		<u>3,523,446</u>	
<b>Total current assets</b>		<u>5,232,618</u>		<u>4,381,471</u>
<b>Total assets</b>		214,832,497		189,655,409
<b>Current liabilities</b>				
Bank overdraft	-		-	
Creditors	<u>(954,403)</u>		<u>(1,276,389)</u>	
<b>Total current liabilities</b>		<u>(954,403)</u>		<u>(1,276,389)</u>
<b>Net assets attributable to shareholders</b>		<u>213,878,094</u>		<u>188,379,020</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Blended Cautious Fund
<b>Size of Sub-fund</b>	£85,096,462
<b>Launch date</b>	31 January 2018
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (5 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 45%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a balance between passive and active strategies with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 20-60% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>

**SUB-FUND OVERVIEW (Continued)**

**Individual Savings Account (ISA)**      The Sub-fund is a qualifying investment for inclusion in an ISA.

<b>Share class information</b>	<b>A Class (Retail) Accumulation</b>	<b>A Class (Retail) Income*</b>	<b>X Class (Institutional) Accumulation*</b>	<b>X Class (Institutional) Income*</b>
<b>Annual management charge</b>	0.30%	0.30%	0.15%	0.15%
<b>Initial charge</b>	0%	0%	0%	0%
<b>Minimum initial investment</b>	£3,000	£3,000	£2,500,000	£2,500,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum redemption</b>	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	Regular savings plan not available	Regular savings plan not available

\* Share class not yet launched

The AFM may waive the minimum levels at its own discretion.

The AFM may waive or discount the initial charge at its own discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -2.6%. In comparison, the average return for the IA Mixed Investment 20-60% Shares peer group (Investment Association – IA sector) was -2.8% meaning the Sub-fund outperformed the reference index by 0.2% over the period. The Sub-fund returned 1.9% over the last twelve months to 31st October 2023, while the reference index returned 0.2% over the same period.

### Overview

The Sub-fund positioning was adjusted 21 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index and Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	116.8213	118.6074	119.7502
Return before operating charges	(2.7327)	(1.1387)	(0.4635)
Operating charges (note 1)	(0.3113)	(0.6474)	(0.6793)
Return after operating charges *	(3.0440)	(1.7861)	(1.1428)
Closing net asset value per share	113.7773	116.8213	118.6074
Retained distributions on accumulated shares	-	2.8071	1.4808
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.61%)	(1.51%)	(0.95%)
Other information			
Closing net asset value	£85,099,440	£80,572,962	£77,264,434
Closing number of shares	74,794,724	68,971,115	65,143,035
Operating charges (note 2)	0.54%	0.55%	0.57%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	118.3629	119.4788	125.9156
Lowest share price	113.7293	110.0864	115.9997

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked '4' because monthly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 89.29%)</b>			
2,213,971	Allianz Strategic Bond	2,167,035	2.55%
408,167	Artemis US Select	1,253,195	1.47%
832,170	AXA Framlington UK Mid Cap	789,147	0.93%
13,032	Barings Emerging Markets Debt Blended Total Return	1,452,986	1.71%
1,133,604	BCIF 100 UK Equity Tracker	2,289,913	2.69%
841,532	BNY Mellon Efficient Global High Yield Beta	823,860	0.97%
8,212	Cheyne Global Credit	836,431	0.98%
698,673	Dimensional Global Ultra Short Fixed Income	7,664,438	9.01%
817,252	ES Alliance Bernstein Concentrated US Equity	1,224,244	1.44%
378,974	Fidelity Index Japan	746,465	0.88%
476,974	Fidelity Index Pacific ex Japan	842,623	0.99%
1,941,649	FTF Brandywine Global Income Optimiser Fund	2,081,447	2.45%
56,310	Goldman Sachs Emerging Markets CORE Equity	612,653	0.72%
3,790	HC Snyder US All Cap Equity Fund	401,501	0.47%
527,180	HSBC American Index	5,044,002	5.93%
150,633	HSBC European Index	1,759,919	2.07%
1,012,896	HSBC Global Aggregate Bond Index	8,913,790	10.47%
173,496	HSBC Global Corporate Bond Index	1,694,203	1.99%
460,451	HSBC Global Government Bond Index	4,271,507	5.02%
435,183	Invesco Perpetual UK Enhanced Index	2,719,458	3.20%
301,998	iShares Mid Cap UK Equity Index	616,919	0.72%
335,150	iShares North American Equity Index	2,066,187	2.43%
1,344,026	iShares UK Equity Tracker	3,514,044	4.13%
15,752	Janus Henderson European Selected Opportunities	407,827	0.48%
138,360	JOHCM UK Dynamic	411,484	0.48%
128,109	JPM Europe Dynamic ex-UK	396,883	0.47%
313,684	JPM US Equity Income	1,222,427	1.44%
348,076	Jupiter Merian North American Equity	1,224,427	1.44%
6,135	Lazard Emerging Markets Equity Advantage Fund	606,630	0.71%
1,194,297	L&G Emerging Market Government Bond (Local Currency) Index	734,731	0.86%
1,122,790	L&G Emerging Markets Government Bond USD Index	738,347	0.87%
98,615	Liontrust European Growth Fund	315,269	0.37%
495,885	M&G Japan	705,148	0.83%
312,567	Neuberger Berman Uncorrelated Strategies	3,388,224	3.98%
8,116	Robeco QI Dynamic High Yield	831,714	0.98%
306,757	Schroder Recovery	401,239	0.47%
5,456	Vanguard Emerging Markets Stock Index	1,262,901	1.48%
21,429	Vanguard Global Bond Index	2,974,803	3.50%
12,612	Vanguard Global Credit Bond	1,124,502	1.32%
13,531	Vanguard UK Government Bond Index	1,682,408	1.98%
19,116	Vanguard UK Investment Grade Bond Index	1,689,419	1.99%
2,201	Vanguard US Equity Index	1,654,736	1.94%
		<b>75,559,086</b>	<b>88.79%</b>
<b>Exchange Traded Funds (30.04.2023: 8.63%)</b>			
275,119	HSBC MSCI China UCITS ETF	1,277,378	1.50%
2,290,986	iShares \$ Treasury Bond 20+yr UCITS ETF	6,729,771	7.91%
		<b>8,007,149</b>	<b>9.41%</b>
	<b>Portfolio of investments (30.04.2023: 97.92%)</b>	<b>83,566,235</b>	<b>98.20%</b>
	<b>Net other assets (30.04.2023: 2.08%)</b>	<b>1,530,227</b>	<b>1.80%</b>
		<b>85,096,462</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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<b>Total purchases for the period</b>	<b>£</b> <b>21,838,450</b>
HSBC MSCI China UCITS ETF	4,880,514
HSBC Global Aggregate Bond Index	3,758,292
Dimensional Global Ultra Short Fixed Income	2,956,193
iShares UK Equity Tracker	2,254,347
Allianz Strategic Bond	645,195
HSBC American Index	600,011
Vanguard Global Bond Index	579,147
Vanguard UK Investment Grade Bond Index	461,008
HSBC Global Government Bond Index	454,573
JOHCM UK Dynamic	415,447
Other various purchases	4,833,723
<b>Total sales for the period</b>	<b>£</b> <b>17,974,602</b>
HSBC MSCI China UCITS ETF	2,961,369
Vanguard Global Bond Index	1,944,668
HSBC Global Aggregate Bond Index	1,707,221
HSBC American Index	1,021,203
iShares UK Equity Tracker	1,012,907
Schroder Recovery	975,865
Jupiter UK Alpha Fund	779,821
Allianz Strategic Bond	650,480
Invesco Perpetual UK Enhanced Index	579,420
iShares North American Equity Index	465,930
Other various sales	5,875,718

The above transactions represent the top 10 purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

### For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(3,253,172)		(5,051,837)
Revenue	1,300,759		691,430	
Expenses	(153,879)		(139,222)	
Interest payable and similar charges	-		-	
Net revenue before taxation	1,146,880		552,208	
Taxation	<u>(67,572)</u>		<u>(34,653)</u>	
Net revenue after taxation		<u>1,079,308</u>		<u>517,555</u>
Total return before distributions		(2,173,864)		(4,534,282)
Finance costs: distributions		<u>38,223</u>		<u>46,243</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>(2,135,641)</u>		<u>(4,488,039)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	80,504,503	77,215,778
Amounts receivable on creation of shares	14,065,514	13,407,052
Amounts payable on cancellation of shares	(7,337,914)	(8,888,109)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(2,135,641)</u>	<u>(4,488,039)</u>
<b>Closing net assets attributable to shareholders</b>	<u>85,096,462</u>	<u>77,246,682</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £80,504,503.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		83,566,235		78,841,233
<b>Current assets</b>				
Debtors	1,282,472		360,933	
Cash and bank balances	<u>739,537</u>		<u>1,936,282</u>	
<b>Total current assets</b>		<u>2,022,009</u>		<u>2,297,215</u>
<b>Total assets</b>		85,588,244		81,138,448
<b>Current liabilities</b>				
Bank Overdraft	-		(393,979)	
Creditors	<u>(491,782)</u>		<u>(239,966)</u>	
<b>Total current liabilities</b>		<u>(491,782)</u>		<u>(633,945)</u>
<b>Net assets attributable to shareholders</b>		<u>85,096,462</u>		<u>80,504,503</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the period ended 30 April 2022 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Blended Aggressive Fund
<b>Size of Sub-fund</b>	£34,027,862
<b>Launch date</b>	23 March 2009
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (8 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 90%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a balance between passive and active strategies with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Flexible Investment.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future performance.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.

SUB-FUND OVERVIEW (Continued)

Share class information	A Class (Retail) Accumulation *	B Class (Retail) Accumulation *	Blended Advanced Class (Retail) Accumulation	Blended Advanced Class (Retail) Income+	Blended Advanced Class (Institutional) Accumulation +	Blended Advanced Class (Institutional) Income+
<b>Annual management charge</b>	1.50%	0.75%	0.30%	0.30%	0.15%	0.15%
<b>Initial charge</b>	5%	5%	0%	0%	0%	0%
<b>Minimum initial investment</b>	£3,000	£3,000	£3,000	£3,000	£2,500,000	£2,500,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum redemption</b>	None	None	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	£100 per month	£100 per month	None	None
<b>Minimum regular withdrawal facility</b>	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	Regular withdrawal facility not available	Regular withdrawal facility not available	Regular withdrawal facility not available	Regular withdrawal facility not available

\* Share class closed

+ Share class not yet launched

The AFM may waive or discount the initial charge at its own discretion.

The AFM may waive the minimum levels at its discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -1.3%. In comparison, the average return for the IA Flexible Investment peer group (Investment Association – IA sector) was -2.9% meaning the Sub-fund outperformed the reference index by 1.6% over the period. The Sub-fund returned 4.6% over the last twelve months to 31st October 2023, while the reference index returned 2.7% over the same period.

### Overview

The Sub-fund positioning was adjusted 18 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

April saw a reduction in equities overall and a small position was initiated in Chinese equity via a passive ETF, this was funded by small reductions in other regions.

Later in the period during July, holdings in Hermes Unconstrained bond fund were removed entirely, after some poor performance and team changes. September saw a switch between share classes of the Brandywine Global Income Optimiser fund as the manager reorganised their fund line-up operationally, with no impact on strategy.

During October, towards the end of the period the manager elected to redeploy some shorter dated and investment grade bonds into longer dated, inflation Linked UK bonds and nominal US Bonds (hedged to GBP), to gain exposure to bonds generating higher yields than had been seen in recent history.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

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### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	117.5205	116.9042	111.9472
Return before operating charges	(1.1811)	1.3313	5.6550
Operating charges (note 1)	(0.3503)	(0.7150)	(0.6980)
Return after operating charges *	(1.5314)	0.6163	4.9570
Closing net asset value per share	115.9891	117.5205	116.9042
Retained distributions on accumulated shares	-	1.7978	2.1259
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.30%)	0.53%	4.43%
Other information			
Closing net asset value	£34,028,934	£28,983,460	£20,896,406
Closing number of shares	29,338,041	24,662,465	17,874,806
Operating charges (note 2)	0.60%	0.61%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	122.0287	121.6766	122.0798
Lowest share price	115.9457	108.7452	108.5275

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

#### Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 5). The Sub-fund is ranked '4' because monthly historical performance data indicates that relatively high rises and falls in prices would have occurred historically.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 93.00%)</b>			
269,399	Artemis US Select	827,137	2.43%
819,722	AXA Framlington UK Mid Cap	777,343	2.28%
1,494	Barings Emerging Markets Debt Blended Total Return	166,597	0.49%
874,015	BCIF 100 UK Equity Tracker	1,765,535	5.19%
156,244	BNY Mellon Efficient Global High Yield Beta	152,963	0.45%
216,329	Dimensional Global Ultra Short Fixed Income	2,373,125	6.97%
778,164	ES Alliance Bernstein Concentrated US Equity	1,165,689	3.43%
324,211	Fidelity Index Japan	638,598	1.88%
383,695	Fidelity Index Pacific ex Japan	677,835	1.99%
46,997	Goldman Sachs Emerging Markets CORE Equity	511,331	1.50%
4,542	HC Snyder US All Cap Equity Fund	481,170	1.41%
448,540	HSBC American Index	4,291,586	12.61%
132,779	HSBC European Index	1,551,328	4.56%
17,325	HSBC Global Corporate Bond Index	169,178	0.50%
36,709	HSBC Global Government Bond Index	340,546	1.00%
321,430	Invesco Perpetual UK Enhanced Index	2,008,619	5.91%
281,993	iShares Mid Cap UK Equity Index	576,053	1.69%
378,588	iShares North American Equity Index	2,333,982	6.86%
973,976	iShares UK Equity Tracker	2,546,523	7.48%
13,034	Janus Henderson European Selected Opportunities	337,444	0.99%
123,137	JOHCM UK Dynamic	366,208	1.08%
108,490	JPM Europe Dynamic ex-UK	336,103	0.99%
56,906	JPM Japan	162,465	0.48%
211,958	JPM US Equity Income	825,999	2.43%
231,806	Jupiter Merian North American Equity	815,422	2.40%
5,198	Lazard Emerging Markets Equity Advantage Fund	513,971	1.51%
120,693	L&G Emerging Markets Government Bond (Local Currency) Index	79,368	0.23%
129,575	L&G Emerging Markets Government Bond USD Index	79,714	0.23%
91,023	Liontrust European Growth Fund	290,996	0.86%
326,314	M&G Japan	464,019	1.36%
63,742	Neuberger Berman Uncorrelated Strategies	690,966	2.03%
1,664	Robeco QI Dynamic High Yield	170,561	0.50%
275,958	Schroder Recovery	360,953	1.06%
4,400	Vanguard Emerging Markets Stock Index	1,018,533	2.99%
1,902	Vanguard Global Credit Bond	169,579	0.50%
665	Vanguard US Equity Index	500,196	1.47%
		<b>30,537,635</b>	<b>89.74%</b>
<b>Exchange Traded Funds (30.04.2023: 4.58%)</b>			
182,750	HSBC MSCI China UCITS ETF	848,508	2.490%
615,320	iShares \$ Treasury Bond 20+yr UCITS ETF	1,807,503	5.310%
		<b>2,656,011</b>	<b>7.80%</b>
<b>Portfolio of investments (30.04.2023: 97.58%)</b>		<b>33,193,646</b>	<b>97.54%</b>
<b>Net other assets (30.04.2023: 2.42%)</b>		<b>834,216</b>	<b>2.46%</b>
		<b>34,027,862</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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<b>Total purchases for the period</b>	<b>£</b> <b>12,482,392</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	1,789,280
Dimensional Global Ultra Short Fixed Income	1,601,358
iShares UK Equity Tracker	1,284,427
HSBC American Index	1,182,010
HSBC Global Aggregate Bond Index	759,263
BCIF 100 UK Equity Tracker	565,032
JPM US Equity Income	547,182
AXA Framlington UK Mid Cap	429,923
Fidelity Index Pacific ex Japan	419,163
JOHCM UK Dynamic	370,773
Other various purchases	3,533,981
<b>Total sales for the period</b>	<b>£</b> <b>7,074,481</b>
HSBC Global Aggregate Bond Index	1,671,173
HSBC American Index	989,243
Jupiter UK Alpha Fund	759,127
Dimensional Global Ultra Short Fixed Income	479,695
Schroder Recovery	453,675
JPM US Equity Income	416,604
iShares \$ Treasury Bond 20+yr UCITS ETF	383,177
Fidelity Index Japan	303,154
Goldman Sachs Emerging Markets CORE Equity	212,449
Fidelity Index Pacific ex Japan	191,760
Other various sales	1,214,424

The above transactions represent the top 10 purchases and sales during the period.

**STATEMENT OF TOTAL RETURN****For the six months ended 31 October (Unaudited)**

	<b>2023</b>		<b>2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
Net capital (losses)		(845,197)		(1,305,709)
Revenue	380,982		238,996	
Expenses	(63,887)		(44,551)	
Interest payable and similar charges	-		(5)	
Net revenue before taxation	317,095		194,440	
Taxation	-		-	
Net revenue after taxation		317,095		194,440
Total return before distributions		(528,102)		(1,111,269)
Finance costs: distributions		32,601		19,383
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(495,501)</b>		<b>(1,091,886)</b>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS****For the six months ended 31 October (Unaudited)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	28,982,542	20,887,676
Amounts receivable on creation of shares	8,297,558	6,460,390
Amounts payable on cancellation of shares	(2,756,737)	(2,637,587)
Changes in net assets attributable to shareholders from investment activities (see above)	(495,501)	(1,091,886)
<b>Closing net assets attributable to shareholders</b>	<b>34,027,862</b>	<b>23,618,593</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £29,892,542.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		33,193,646		28,279,941
<b>Current assets</b>				
Debtors	194,930		175,934	
Cash and bank balances	<u>671,781</u>		<u>550,689</u>	
<b>Total current assets</b>		<u>866,711</u>		<u>726,623</u>
<b>Total assets</b>		34,060,357		29,006,564
<b>Current liabilities</b>				
Creditors	<u>(32,495)</u>		<u>(24,022)</u>	
<b>Total current liabilities</b>		<u>(32,495)</u>		<u>(24,022)</u>
<b>Net assets attributable to shareholders</b>		<u>34,027,862</u>		<u>28,982,542</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Oak Capital Growth Fund
<b>Size of Sub-fund</b>	£22,331,347
<b>Launch date</b>	23 March 2009
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (7 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 75%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and other UCITS funds and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a focus on passive strategies with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.

**SUB-FUND OVERVIEW (Continued)**

<b>Share class information</b>	<b>A Class (Retail) Accumulation</b>	<b>B Class (Retail) Accumulation</b>
<b>Annual management charge</b>	1.50%	0.75%
<b>Initial charge</b>	5%	5%
<b>Minimum initial investment</b>	£3,000	£3,000
<b>Minimum subsequent investment</b>	£1,000	£1,000
<b>Minimum holding</b>	£1,000	£1,000
<b>Minimum redemption</b>	None	None
<b>Redemption charge</b>	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month
<b>Minimum regular withdrawal facility</b>	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis

The AFM may waive or discount the initial charge at its own discretion.  
The AFM may waive the minimum levels at its discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund B Class (Retail) Accumulation generated a return of -1.5%. In comparison, the average return for the IA Mixed Investment 40-85% Shares peer group (Investment Association – IA sector) was -3.2% meaning the Sub-fund outperformed the reference index by 1.7% over the period. The Sub-fund returned 4.1% over the last twelve months to 31st October 2023, while the reference index returned 2.1% over the same period.

### Overview

The Sub-fund positioning was adjusted 12 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in HSBC Global Aggregate Bond Index and Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ending 30 April 2023	Year ending 30 April 2022
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	261.1673	262.8606	259.0895
Return before operating charges	(2.6934)	2.7085	8.1033
Operating charges (note 1)	(2.2249)	(4.4018)	(4.3322)
Return after operating charges *	(4.9183)	(1.6933)	3.7711
Closing net asset value per share	256.2490	261.1673	262.8606
Retained distributions on accumulated shares	-	2.2255	4.2558
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.88%)	(0.64%)	1.46%
Other information			
Closing net asset value	£3,163,019	£3,332,288	£3,502,350
Closing number of shares	1,234,354	1,275,921	1,332,398
Operating charges (note 2)	1.72%	1.68%	1.66%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	268.2675	268.3177	276.9101
Lowest share price	255.8522	244.1440	249.7252

#### B Class (Retail) Accumulation

	Period ended 31 October 2023	Year ending 30 April 2023	Year ending 30 April 2022
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	289.5959	289.3275	283.0533
Return before operating charges	(2.9708)	2.9604	8.8785
Operating charges (note 1)	(1.3940)	(2.6920)	(2.6043)
Return after operating charges *	(4.3648)	0.2684	6.2742
Closing net asset value per share	285.2311	289.5959	289.3275
Retained distributions on accumulated shares	-	4.5819	6.8221
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(1.51%)	0.09%	2.22%
Other information			
Closing net asset value	£19,169,058	£21,783,704	£25,494,119
Closing number of shares	6,720,536	7,522,103	8,811,510
Operating charges (note 2)	0.97%	0.93%	0.91%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	298.3458	297.0482	303.7593
Lowest share price	284.7836	269.0194	274.5822

## PERFORMANCE RECORD (Continued)

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1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked '5'). The Sub-fund is ranked '5' because weekly historical performance data indicates that relatively high rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

## PORTFOLIO STATEMENT

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 91.40%)</b>			
552,950	BCIF 100 UK Equity Tracker	1,116,974	5.00%
230,948	BNY Mellon Efficient Global High Yield Beta	226,098	1.01%
267,642	Dimensional Global Ultra Short Fixed Income	2,936,031	13.15%
315,896	Fidelity Index Japan	622,220	2.79%
260,492	Fidelity Index Pacific ex Japan	460,184	2.05%
293,688	HSBC American Index	2,809,975	12.58%
123,581	HSBC European Index	1,443,864	6.47%
102,335	HSBC Global Aggregate Bond Index	900,583	4.03%
23,223	HSBC Global Corporate Bond Index	226,772	1.02%
24,288	HSBC Global Government Bond Index	225,315	1.01%
213,435	Invesco Perpetual UK Enhanced Index	1,333,758	5.97%
320,176	iShares Mid Cap UK Equity Index	654,054	2.93%
324,469	iShares North American Equity Index	2,000,336	8.96%
633,350	iShares UK Equity Tracker	1,655,936	7.42%
189,025	L&G Emerging Markets Government Bond (Local Currency) Index	124,303	0.56%
184,574	L&G Emerging Markets Government Bond (USD) Index Fund	113,550	0.51%
4,820	Vanguard Emerging Markets Stock Index	1,115,871	5.00%
2,586	Vanguard UK Investment Grade Bond Index	228,573	1.02%
2,403	Vanguard US Equity Index	1,806,542	8.09%
		<b>20,000,939</b>	<b>89.57%</b>
<b>Exchange Traded Funds (30.04.2023: 6.22%)</b>			
110,018	HSBC MSCI China UCITS ETF	510,814	2.29%
455,224	iShares \$ Treasury Bond 20+yr UCITS ETF	1,337,221	5.99%
		<b>1,848,035</b>	<b>8.28%</b>
	<b>Portfolio of investments (30.04.2023: 97.62%)</b>	<b>21,848,974</b>	<b>97.85%</b>
	<b>Net other assets (30.04.2023: 2.38%)</b>	<b>482,373</b>	<b>2.15%</b>
		<b>22,331,347</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>3,243,188</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	1,041,389
Dimensional Global Ultra Short Fixed Income	957,815
HSBC Global Aggregate Bond Index	543,641
Vanguard Emerging Markets Stock Index	169,332
Vanguard US Equity Index	127,424
HSBC MSCI China UCITS ETF	98,230
Invesco Perpetual UK Enhanced Index	84,857
iShares UK Equity Tracker	73,793
Vanguard Global Bond Index	46,734
BCIF 100 UK Equity Tracker	27,802
Other various purchases	72,171
	£
<b>Total sales for the period</b>	<b>5,664,985</b>
Vanguard US Equity Index	826,788
Vanguard Global Bond Index	820,490
iShares \$ Treasury Bond 20+yr UCITS ETF	595,366
HSBC American Index	541,858
Dimensional Global Ultra Short Fixed Income	512,476
iShares North American Equity Index	370,759
iShares UK Equity Tracker	351,532
HSBC Global Aggregate Bond Index	343,161
Invesco Perpetual UK Enhanced Index	284,399
Vanguard Emerging Markets Stock Index	253,192
Other various sales	764,964

The above transactions represent the top 10 purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(535,190)		(1,634,459)
Revenue	320,053		282,431	
Expenses	(115,844)		(127,847)	
Interest payable and similar charges	-		(1)	
Net revenue before taxation	204,209		154,583	
Taxation	-		-	
Net revenue after taxation		204,209		154,583
Total return before distributions		(330,981)		(1,479,876)
Finance costs: distributions		(7,614)		(8,666)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(338,595)</b>		<b>(1,488,542)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	25,115,201	28,980,852
Amounts receivable on creation of shares	633,447	685,946
Amounts payable on cancellation of shares	(3,078,706)	(2,625,460)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(338,595)</u>	<u>(1,488,542)</u>
<b>Closing net assets attributable to shareholders</b>	<b><u>22,331,347</u></b>	<b><u>25,552,796</u></b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £25,115,201.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		21,848,974		24,516,231
<b>Current assets</b>				
Debtors	137,995		275,786	
Cash and bank balances	<u>499,227</u>		<u>388,001</u>	
<b>Total current assets</b>		<u>637,222</u>		<u>663,787</u>
<b>Total assets</b>		22,486,196		25,180,018
<b>Current liabilities</b>				
Bank overdraft	(76,885)		(23,879)	
Creditors	<u>(77,964)</u>		<u>(40,938)</u>	
<b>Total current liabilities</b>		<u>(154,849)</u>		<u>(64,817)</u>
<b>Net assets attributable to shareholders</b>		<u>22,331,347</u>		<u>25,115,201</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Oak Cautious Growth Fund
<b>Size of Sub-fund</b>	£16,106,513
<b>Launch date</b>	23 March 2009
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (5 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 45%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a focus on passive strategies with the overall portfolio having an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 20-60% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 October
<b>Distribution date</b>	31 August
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>

**SUB-FUND OVERVIEW (Continued)****Individual Savings Account (ISA)**

The Sub-fund is a qualifying investment for inclusion in an ISA.

<b>Share class information</b>	<b>A Class (Retail) Accumulation</b>	<b>B Class (Retail) Accumulation</b>
<b>Annual management charge</b>	1.50%	0.75%
<b>Initial charge</b>	5%	5%
<b>Minimum initial investment</b>	£3,000	£3,000
<b>Minimum subsequent investment</b>	£1,000	£1,000
<b>Minimum holding</b>	£1,000	£1,000
<b>Minimum redemption</b>	None	None
<b>Redemption charge</b>	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month
<b>Minimum regular withdrawal facility</b>	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis

The AFM may waive or discount the initial charge at its own discretion.  
The AFM may waive the minimum levels at its discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund B Class (Retail) Accumulation generated a return of -2.5%. In comparison, the average return for the IA Mixed Investment 20-60% Shares peer group (Investment Association – IA sector) was -2.8% meaning the Sub-fund outperformed the reference index by 0.3% over the period. The Sub-fund returned 2.1% over the last twelve months to 31st October 2023, while the reference index returned 0.4% over the same period.

### Overview

The Sub-fund positioning was adjusted 12 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	200.9841	205.8950	210.5635
Return before operating charges	(3.9674)	(1.4524)	(1.1911)
Operating charges (note 1)	(1.7337)	(3.4585)	(3.4774)
Return after operating charges *	(5.7011)	(4.9109)	(4.6685)
Closing net asset value per share	195.2830	200.9841	205.8950
Retained distributions on accumulated shares	-	2.4680	6.7336
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.84%)	(2.39%)	(2.22%)
Other information			
Closing net asset value	£2,185,825	£2,588,280	£2,807,713
Closing number of shares	1,119,311	1,287,803	1,363,663
Operating charges (note 2)	1.75%	1.70%	1.67%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	203.1794	206.3654	220.3326
Lowest share price	195.0982	189.9477	202.1929

#### B Class (Retail) Accumulation

	Period ended 31 October 2023	Year ended 30 April 2023	Year ended 30 April 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	221.2472	224.9648	228.3512
Return before operating charges	(4.3580)	(1.5981)	(1.3011)
Operating charges (note 1)	(1.0926)	(2.1195)	(2.0853)
Return after operating charges *	(5.4506)	(3.7176)	(3.3864)
Closing net asset value per share	215.7966	221.2472	224.9648
Retained distributions on accumulated shares	-	4.3404	9.0686
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(2.46%)	(1.65%)	(1.48%)
Other information			
Closing net asset value	£13,921,236	£15,692,603	£20,487,551
Closing number of shares	6,451,092	7,092,791	9,107,003
Operating charges (note 2)	1.00%	0.95%	0.92%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	224.1015	225.9884	240.0423
Lowest share price	215.5879	208.2580	220.6882

## PERFORMANCE RECORD (Continued)

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1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 April 2023: ranked 4). The Sub-fund is ranked '4 ' because weekly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

<b>Holding</b>	<b>Investment</b>	<b>£ Market Value</b>	<b>% of net assets</b>
<b>Collective Investment Schemes (30.04.2023: 89.82%)</b>			
201,100	BCIF 100 UK Equity Tracker	406,227	2.52%
336,173	BNY Mellon Efficient Global High Yield Beta	329,113	2.04%
188,586	Dimensional Global Ultra Short Fixed Income	2,068,783	12.84%
146,693	Fidelity Index Japan	288,942	1.79%
96,051	Fidelity Index Pacific ex Japan	169,683	1.05%
129,628	HSBC American Index	1,240,268	7.70%
48,381	HSBC European Index	565,262	3.51%
217,085	HSBC Global Aggregate Bond Index	1,910,414	11.86%
33,839	HSBC Global Corporate Bond Index	330,442	2.05%
88,848	HSBC Global Government Bond Index	824,222	5.12%
77,926	Invesco Perpetual UK Enhanced Index	486,958	3.02%
113,539	iShares Mid Cap UK Equity Index	231,936	1.44%
130,861	iShares North American Equity Index	806,755	5.01%
340,292	iShares UK Equity Tracker	889,716	5.53%
464,776	L&G Emerging Markets Government Bond (USD) Index Fund	285,930	1.79%
443,408	L&G Emerging Markets Government Bond (Local Currency) Index	291,585	1.81%
2,124	Vanguard Emerging Markets Stock Index	491,758	3.05%
8,304	Vanguard Global Bond Index	1,152,806	7.16%
2,640	Vanguard UK Government Bond Index	328,259	2.04%
7,526	Vanguard UK Investment Grade Bond Index	665,167	4.13%
851	Vanguard US Equity Index	639,526	3.97%
		<b>14,403,752</b>	<b>89.43%</b>
<b>Exchange Traded Funds (30.04.2023: 8.71%)</b>			
53,819	HSBC MSCI China UCITS ETF	249,882	1.55%
414,917	iShares \$ Treasury Bond 20+yr UCITS ETF	1,218,819	7.57%
		<b>1,468,701</b>	<b>9.12%</b>
<b>Portfolio of investments (30.04.2023: 98.53%)</b>		<b>15,872,453</b>	<b>98.55%</b>
<b>Net other assets (30.04.2023: 1.47%)</b>		<b>234,060</b>	<b>1.45%</b>
		<b>16,106,513</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>2,602,579</b>
iShares \$ Treasury Bond 20+yr UCITS ETF	723,904
HSBC Global Aggregate Bond Index	692,677
Dimensional Global Ultra Short Fixed Income	581,506
HSBC American Index	202,780
Invesco Perpetual UK Enhanced Index	89,311
Vanguard UK Investment Grade Bond Index	61,728
BCIF 100 UK Equity Tracker	48,923
HSBC Global Corporate Bond Index	48,921
HSBC European Index	35,315
Vanguard UK Government Bond Index	30,270
Other various purchases	87,244

	£
<b>Total sales for the period</b>	<b>4,387,832</b>
Vanguard Global Bond Index	837,138
iShares \$ Treasury Bond 20+yr UCITS ETF	615,890
Dimensional Global Ultra Short Fixed Income	432,388
HSBC American Index	371,905
Vanguard US Equity Index	356,527
HSBC Global Aggregate Bond Index	291,192
iShares UK Equity Tracker	258,787
iShares North American Equity Index	180,398
Vanguard UK Investment Grade Bond Index	154,652
BCIF 100 UK Equity Tracker	119,914
Other various sales	769,041

The above transactions represent the top 10 purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

### For the six months ended 31 October (Unaudited)

	2023		2022	
	£	£	£	£
Income				
Net capital (losses)		(589,307)		(1,468,986)
Revenue	262,702		203,005	
Expenses	(87,277)		(102,363)	
Interest payable and similar charges	-		(4)	
Net revenue before taxation	175,425		100,638	
Taxation	(10,227)		(10,988)	
Net revenue after taxation		165,198		89,650
Total return before distributions		(424,109)		(1,379,336)
Finance costs: distributions		(9,090)		(12,985)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(433,199)</b>		<b>(1,392,321)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the six months ended 31 October (Unaudited)

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	18,281,628	23,309,039
Amounts receivable on creation of shares	131,363	289,108
Amounts payable on cancellation of shares	(1,873,279)	(2,530,340)
Changes in net assets attributable to shareholders from investment activities (see above)	(433,199)	(1,392,321)
<b>Closing net assets attributable to shareholders</b>	<b>16,106,513</b>	<b>19,675,486</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £18,281,628.

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		15,872,453		18,014,204
<b>Current assets</b>				
Debtors	639		4,882	
Cash and bank balances	<u>373,493</u>		<u>389,408</u>	
<b>Total current assets</b>		<u>374,132</u>		<u>394,290</u>
<b>Total assets</b>		16,246,585		18,408,494
<b>Current liabilities</b>				
Bank overdraft	(27,282)		-	
Creditors	<u>(112,790)</u>		<u>(126,866)</u>	
<b>Total current liabilities</b>		<u>(140,072)</u>		<u>(126,866)</u>
<b>Net assets attributable to shareholders</b>		<u>16,106,513</u>		<u>18,281,628</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

**Distributions**

The Sub-fund did not distribute in the period to 31 October 2023 (31 October 2022: No distribution).

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Blended Defensive Fund
<b>Size of Sub-fund</b>	£6,892,377
<b>Launch date</b>	30 January 2012
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as equities. For this Sub-fund, over the long term (5 years), it is expected that the proportion of the Sub-fund exposed to equities will be approximately 25%.</p> <p>In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than <math>\pm 12.5\%</math>.</p> <p>The Investment Manager will manage the portfolio in order to achieve its investment objective by investing in collective investment schemes such as unit trusts, OEICs and closed ended schemes. The Sub-fund may also invest in individual stocks, bonds, and derivatives if considered appropriate to meet the investment objective.</p> <p>The Sub-fund will seek exposure to a diverse portfolio of assets, with a balance between passive and active strategies with the overall portfolio having a focus to bonds and an equity allocation in line with that in the investment objective. Other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds, commodities, property, private equity, derivatives and other instruments. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.</p> <p>The Sub-fund may also invest, at the AFM's discretion, in other transferable securities, money market instruments, cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.
<b>Benchmark</b>	<p>No explicit benchmark is stated for the Sub-fund. However multi-asset portfolios or peer group averages with a similar weight in equity may be useful in assessing the performance of the Sub-fund. An example for this Sub-fund may be the IA OE Mixed Investment 0-35% Shares.</p> <p>The Sub-fund provides comparative performance against a relevant Investment Association sector benchmark in order for investors to compare performance to other funds with relatively similar asset allocations. The Sub-fund uses the Investment Association Mixed Asset Sector as a suitable comparative measure based on similar allocations to risk assets such as equities. The benchmark is an indicator of similar funds performance relative to each other and is not intended to provide an indication of future returns or investor expectations.</p>
<b>Final accounting date</b>	30 April
<b>Interim accounting date</b>	31 July, 31 October and 31 January
<b>Distribution date</b>	30 June, 30 September, 31 December and 31 March
	<p>Income will normally be accumulated/distributed within two months of the accounting date but the AFM reserves the right to accumulate/pay at a later date but not later than four months after the accounting date as permitted by the Regulations.</p>
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.

**SUB-FUND OVERVIEW (Continued)**

Share class information	A Class (Retail) Accumulation*	A Class (Retail) Income*	B Class (Retail) Accumulation*	B Class (Retail) Income*
<b>Annual management charge</b>	1.50%	1.50%	0.75%	0.75%
<b>Initial charge</b>	5%	5%	5%	5%
<b>Minimum initial investment</b>	£3,000	£3,000	£3,000	£3,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000	£1,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000	£1,000
<b>Minimum redemption</b>	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	£100 per month	£100 per month
<b>Minimum regular withdrawal facility</b>	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	Regular withdrawal facility not available	£300 per annum or 3% on a minimum qualifying investment of £10,000. This facility is not available if you are investing new money by direct debit in a savings scheme on a monthly basis	Regular withdrawal facility not available

\*Share class now closed

Share class information	Blended Defensive Class (Retail) Accumulation^	Blended Defensive Class (Retail) Income^	Blended Defensive Class (Institutional) Accumulation+	Blended Defensive Class (Institutional) Income+
<b>Annual management charge</b>	0.30%	0.30%	0.15%	0.15%
<b>Initial charge</b>	0%	0%	0%	0%
<b>Minimum initial investment</b>	£3,000	£3,000	£2,500,000	£2,500,000
<b>Minimum subsequent investment</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum holding</b>	£1,000	£1,000	£1,000,000	£1,000,000
<b>Minimum redemption</b>	None	None	None	None
<b>Redemption charge</b>	0%	0%	0%	0%
<b>Minimum regular savings plan</b>	£100 per month	£100 per month	No	No
<b>Minimum regular withdrawal facility</b>	No	No	Regular withdrawal facility not available	Regular withdrawal facility not available

+ Share class not yet launched

^ Share class launched on 6 January 2020

The AFM may waive or discount the initial charge at its discretion.

The AFM may waive the minimum levels at its discretion.

## INVESTMENT MANAGER'S REVIEW

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### Investment review

Over the six months to 31st October 2023, the Sub-fund generated a return of -3.2%. In comparison, the average return for the IA Mixed Investment 0-35% Shares peer group (Investment Association – IA sector) was -2.7% meaning the Sub-fund underperformed the reference index by -0.5% over the period. The Sub-fund returned 0.5% over the last twelve months to 31st October 2023, while the reference index returned -0.4% over the same period.

### Overview

The Sub-fund positioning was adjusted 29 times over the last six months to 31st October 2023, the most recent adjustment was carried out on 5th October, was guided by our thoughts at the time, described below:

The global economy expanded at a reasonable rate, defying fears of a sharp economic slowdown after bank failures in the US and Europe occurred in the first quarter of this year. The positive surprises were neatly centred in areas of the world where the crisis had occurred (US and Europe), whilst China's growth trajectory fell short of expectations.

Tight labour markets persist in the developed world. After a bit of a slowdown, there even seems to be a slight re-acceleration in the US. Despite elevated mortgage rates, the US residential property market is holding up. In the UK, first cracks are more obvious in the surveys. Concerns about commercial real estate, especially in the office building space, persist – without a significant fall-out so far.

Banks reported tighter lending standards, but for now the impact on economic activity has been muted. At the same time, corporates have been able to raise financing in the bond market, helped by diminishing corporate spreads. Central Banks kept tightening policy, though diminishing their pace of interest rate hikes. Policy has turned decisively more restrictive than a year ago, and inflation is coming down. Hence, markets anticipate the tightening cycle ending soon. In the UK, inflation proved stickier than in the US or EU. Accordingly, the BoE had employed a more hawkish tone than its peers.

In China, economic activity rebounded after Covid barriers were lifted, but fell short of expectations. Consumption behaviours proved more reserved than in the Western world after coming out of Covid lockdowns. Furthermore, manufacturing had remained open in any case, so the catching-up potential was lower. Perhaps most importantly, the economy's Achilles' heel, the property sector, keeps having difficulties to re-open. Authorities have been forthcoming with some policy support, though for now the feed through is proving slow.

### Outlook

Inflation is coming down globally, especially for households, which had been squeezed by negative real wage growth and this is a welcome development. Had it not been for excess savings from Covid, which are now being depleted, record high inflation could have been much more detrimental. With employment high, households are in a rather solid position in the US, UK and Europe.

However, past sharp rate increases are set to feed into the economy. The UK has a relatively elevated exposure to short-term mortgage financing and households' finances will be negatively impacted. Equally, as time goes by, corporates will adjust to higher rates, which makes a credit event more likely. A lower inflation environment also means that corporates may have to give up on some of their margins to uphold their market share.

A determining factor will be when interest rates can come down, be it in the US, UK or Europe. Headline inflation is easing and may also feed into some core reading. However, labour markets are tight and capacity utilisation high. Accordingly, policy rates may not be cut any time soon, and even if a slight downside adjustment were to occur (as a nod to lower inflation), the overall level of rates would be elevated compared with the past 10 years.

China's growth trajectory will depend on its authorities' ability to unlock the property market. So far, measures have had a stabilising effect, but no sigh of relief is reverberating through the economy. Experience shows that 'bad assets' need to be withdrawn from circulation, such that new capital and economic activity can flow freely. The current process is long, and accordingly Chinese consumers are reserved. Other areas of the economy, such as infrastructure investment, are likely to remain supportive, as will exports for as long as the West keeps consuming.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

The Sub-fund's long term strategy remains unchanged, there were several changes made on a shorter-term tactical basis.

In May 2023, we increased the holding in the Dimensional Global Ultra Short Dated Bond fund at the expense of marginally reducing regional equity allocations across the board, due to a more cautious outlook on the market.

In June 2023, we altered some of our exposure within UK equities. For example, we sold our holding in Jupiter UK Alpha, following a manager departure and lacklustre performance and recycled the capital into the iShares UK Equity Index fund. At the same time, we reduced our holding in the Schroder Recovery fund due to potential capacity constraints and short-term size bias, and recycled the proceeds into a new holding in JOHCM UK Dynamic, which is also a value-oriented fund, but has more limits on how much can be invested further down the market cap scale.

Also through June, we took the opportunity to reduce the holding in longer duration US Treasury Bonds (through the holding in the iShares \$ Treasury Bd 20+y ETF), due to concerns around further interest rate hikes. This was invested into the HSBC Global Aggregate Bond Index, which has a shorter duration by comparison.

Following that, in September and again in October 2023, we took the opportunity to extend duration, by adding to our position in the iShares \$ Treasury Bd 20+y ETF, given the attractive yields on offer and the expectation that we were nearing peak interest rates. This was funded through reductions in the HSBC Global Aggregate Bond Index and Vanguard Global Bond Index.

Tatton Investment Management Limited  
Investment Manager to the Fund  
20 November 2023

## PERFORMANCE RECORD

### Financial Highlights

<b>Blended Defensive Class (Retail) Income</b>	<b>Period ended 31 October 2022</b>	<b>Year ended 30 April 2023</b>	<b>Year ended 30 April 2022</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	92.2800	96.3821	101.3051
Return before operating charges	(2.5601)	(1.8420)	(2.9477)
Operating charges (note 1)	(0.3686)	(0.6603)	(0.6820)
Return after operating charges *	(2.9287)	(2.5023)	(3.6297)
Distributions on income shares	(1.8478)	(1.5998)	(1.2933)
Closing net asset value per share	87.5035	92.2800	96.3821
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(3.17%)	(2.60%)	(3.58%)
Other information			
Closing net asset value	£1,094,093	£1,414,900	£1,695,719
Closing number of shares	1,250,342	1,533,269	1,759,372
Operating charges (note 2)	0.82%	0.70%	0.69%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	92.6974	96.3821	103.9918
Lowest share price	87.5035	88.8152	96.0871

### Blended Defensive Class (Retail) Accumulation

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Period ended 31 October 2022</b>	<b>Year ended 30 April 2023</b>	<b>Year ended 30 April 2022</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	97.5156	100.0918	103.8721
Return before operating charges	(2.7175)	(1.8846)	(3.0766)
Operating charges (note 1)	(0.3934)	(0.6916)	(0.7037)
Return after operating charges *	(3.1109)	(2.5762)	(3.7803)
Closing net asset value per share	94.4047	97.5156	100.0918
Retained distributions on accumulated shares	1.9601	1.6717	1.3320
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(3.19%)	(2.57%)	(3.64%)
Other information			
Closing net asset value	£5,798,502	£5,079,028	£4,483,071
Closing number of shares	6,142,176	5,208,427	4,478,961
Operating charges (note 2)	0.82%	0.70%	0.69%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	97.9567	100.0918	107.3532
Lowest share price	94.1566	92.4850	99.4622

## PERFORMANCE RECORD (Continued)

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1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (31.04.2023: ranked 4). The Sub-fund is ranked '4' because monthly historical performance data indicates that average rises and falls in prices would have occurred historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

**PORTFOLIO STATEMENT**

As at 31 October 2023

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2023: 90.43%)</b>			
263,341	Allianz Strategic Bond	257,759	3.74%
15,549	Artemis US Select	47,741	0.69%
32,624	AXA Framlington UK Mid Cap	30,937	0.45%
1,701	Barings Emerging Market Debt Blended Total Return	189,636	2.75%
38,045	BCIF 100 UK Equity Tracker	76,853	1.12%
95,710	BNY Mellon Efficient Global High Yield Beta	93,700	1.36%
945	Cheyne Global Credit	96,237	1.40%
58,473	Dimensional Global Ultra Short Fixed Income	641,445	9.31%
30,766	ES Alliance Bernstein Concentrated US Equity	46,088	0.67%
11,535	Fidelity Index Japan	22,720	0.33%
27,474	Fidelity Index Pacific ex Japan	48,536	0.70%
245,190	FTF Brandywine Global Income Opportunities	262,844	3.81%
2,140	Goldman Sachs Emerging Markets CORE Equity	23,282	0.34%
291	HC Snyder US All Cap Equity Fund	30,821	0.45%
24,972	HSBC American Index	238,928	3.47%
6,751	HSBC European Index	78,878	1.14%
136,995	HSBC Global Aggregate Bond Index	1,205,597	17.49%
19,275	HSBC Global Corporate Bond Index	188,218	2.73%
52,265	HSBC Global Government Bond Index	484,849	7.03%
26,431	Invesco Perpetual UK Enhanced Index	165,169	2.40%
14,002	iShares Mid Cap UK Equity Index	28,603	0.41%
20,257	iShares North American Equity Index	124,885	1.81%
45,320	iShares UK Equity Tracker	118,491	1.72%
595	Janus Henderson European Selected Opportunities Fund	15,400	0.22%
7,752	JOCHM UK Dynamic	23,056	0.33%
4,873	JPM Europe Dynamic ex-UK	15,095	0.22%
7,931	JPM US Equity Income	30,908	0.45%
8,801	Jupiter Merian North American Equity	30,960	0.45%
233	Lazard Emerging Markets Equity Advantage	23,016	0.33%
156,111	L&G Emerging Markets Government Bond (Local Currency) Index	102,658	1.49%
129,106	L&G Emerging Markets Government Bond (USD) Index Fund	79,426	1.15%
2,423	Liontrust European Growth Fund	7,747	0.11%
16,012	M&G Japan	22,769	0.33%
23,567	Neuberger Berman Uncorrelated Strategies	255,466	3.71%
920	Robeco QI Dynamic High Yield	94,250	1.37%
17,327	Schroder Recovery	22,664	0.33%
325	Vanguard Emerging Markets Stock Index	75,235	1.09%
2,815	Vanguard Global Bond Index	390,757	5.67%
1,091	Vanguard Global Credit Bond index	97,311	1.41%
2,068	Vanguard UK Government Bond Index	257,092	3.73%
2,088	Vanguard UK Investment Grade Bond Index	184,546	2.68%
		<b>6,230,573</b>	<b>90.39%</b>
<b>Exchange traded Funds (30.04.2023: 7.92%)</b>			
10,494	HSBC MSCI China UCITS ETF	48,724	0.71%
193,021	iShares \$ Treasury Bond 20+yr UCITS EFT	566,999	8.23%
		<b>615,723</b>	<b>8.94%</b>
<b>Portfolio of investments (30.04.2023: 98.35%)</b>		<b>6,846,296</b>	<b>99.33%</b>
<b>Net other assets (30.04.2023: 1.65%)</b>		<b>46,081</b>	<b>0.67%</b>
		<b>6,892,377</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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<b>Total purchases for the period</b>	<b>£</b> <b>2,401,749</b>
HSBC Global Aggregate Bond Index	588,482
iShares \$ Treasury Bond 20+yr UCITS EFT	397,353
Dimensional Global Ultra Short Fixed Income	323,444
Invesco Perpetual UK Enhanced Index	117,986
HSBC Global Government Bond Index	100,224
HSBC Global Corporate Bond Index	95,613
HSBC American Index	86,754
Vanguard Global Bond Index	85,973
Allianz Strategic Bond	81,642
iShares UK Equity Tracker	57,668
Other various purchases	466,610
	<b>£</b>
<b>Total sales for the period</b>	<b>1,742,515</b>
HSBC Global Aggregate Bond Index	313,947
iShares \$ Treasury Bond 20+yr UCITS EFT	256,090
Vanguard Global Bond Index	179,671
Dimensional Global Ultra Short Fixed Income	101,321
Invesco Perpetual UK Enhanced Index	97,729
BCIF 100 UK Equity Tracker	85,338
HSBC American Index	62,983
HSBC Global Government Bond Index	62,873
Allianz Strategic Bond	44,071
Vanguard Emerging Markets Stock Index	40,348
Other various sales	498,144

The above transactions represent the top 10 purchases and sales during the period.

**STATEMENT OF TOTAL RETURN****For the six months ended 31 October (Unaudited)**

	<b>2023</b>		<b>2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income				
Net capital (losses)		(303,584)		(408,577)
Revenue	110,491		47,579	
Expenses	(18,837)		(16,217)	
Interest payable and similar charges	-		-	
Net revenue before taxation	91,654		31,362	
Taxation	-		(1,054)	
Net revenue after taxation		91,654		30,308
Total return before distributions		(211,930)		(378,269)
Finance costs: distributions		(129,496)		(59,891)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(341,426)</b>		<b>(438,160)</b>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS****For the six months ended 31 October (Unaudited)**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	6,496,678	6,177,201
Amounts receivable on creation of shares	1,380,372	1,402,427
Amounts payable on cancellation of shares	(759,375)	(1,202,843)
Dilution levies	720	589
Accumulation dividends retained	115,408	44,705
Changes in net assets attributable to shareholders from investment activities (see above)	(341,426)	(438,160)
<b>Closing net assets attributable to shareholders</b>	<b>6,892,377</b>	<b>5,983,919</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 30 April 2023 was £6,496,678

**BALANCE SHEET**

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As at	31.10.2023		30.04.2023	
	£	£	£	£
<b>Assets</b>				
Investment assets		6,846,296		6,389,663
<b>Current assets</b>				
Debtors	293,377		2,777	
Cash and bank balances	<u>111,977</u>		<u>139,460</u>	
<b>Total current assets</b>		<u>405,354</u>		<u>142,237</u>
<b>Total assets</b>		7,251,650		6,531,900
<b>Current liabilities</b>				
Creditors	(342,169)		(28,195)	
Distribution payable on income shares	<u>(17,104)</u>		<u>(7,027)</u>	
<b>Total current liabilities</b>		<u>(359,273)</u>		<u>(35,222)</u>
<b>Net assets attributable to shareholders</b>		<u>6,892,377</u>		<u>6,496,678</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2023 and are described in those financial statements

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

## DISTRIBUTION TABLES

### Q1 interim distribution in pence per share

Group 1: Shares purchased prior to 01 May 2023

Group 2 : Shares purchased on or after 01 May 2023 and on or before 31 July 2023

<b>Blended Defensive Class (Retail) Income</b>	<b>Net Revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.4798p	-	0.4798p	0.2596p
Group 2	0.0552p	0.4246p	0.4798p	0.2596p

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Net Revenue 30.09.2023</b>	<b>Equalisation</b>	<b>Distribution 30.09.2023</b>	<b>Distribution 30.09.2022</b>
Group 1	0.5070p	-	0.5070p	0.2696p
Group 2	0.2504p	0.2566p	0.5070p	0.2696p

### Q2 interim distribution in pence per share

Group 1: Shares purchased prior to 01 August 2023

Group 2 : Shares purchased on or after 01 August 2023 and on or before 31 October 2023

<b>Blended Defensive Class (Retail) Income</b>	<b>Net Revenue 29.12.2023</b>	<b>Equalisation</b>	<b>Distribution 29.12.2023</b>	<b>Distribution 31.12.2022</b>
Group 1	1.3680p	-	1.3680p	0.6321p
Group 2	0.3370p	1.0310p	1.3680p	0.6321p

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Net Revenue 29.12.2023</b>	<b>Equalisation</b>	<b>Distribution 29.12.2023</b>	<b>Distribution 31.12.2022</b>
Group 1	1.4531p	-	1.4531p	0.6582p
Group 2	0.2409p	1.2122p	1.4531p	0.6582p

## INFORMATION FOR INVESTORS

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### Individual shareholders

**Income tax:** Tax-free annual dividend allowance now standing at £1,000 (2023/24). UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. UK resident shareholders are subject to tax on dividend income in excess of the annual allowance.

### Capital gains tax:

Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. The first £6,000 (2023/2024) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

### Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at a rate of 20% and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

### Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours (8:30am-5:30pm). Instructions may be given by email (tatton@valu-trac.com) or by sending an application form to the Registrar. Application forms are available from the Registrar.

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon daily.

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the AFM may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined, together with, where appropriate, a notice of the applicant's right to cancel. Settlement is due four business days after the trade date shown on the contract note and should be made to the AFM's dealing account.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's (or, when shares are jointly held, the first named holder's) shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption.

The most recent issue and redemption prices are available from the AFM.

**CORPORATE DIRECTORY**

<b>Authorised Fund Manager, Registrar and Alternative Investment Fund Manager</b>	<p>Valu-Trac Investment Management Limited Mains of Orton Fochabers Moray IV32 7QE</p> <p>Telephone: 01343 880344 Fax: 01343 880267 Email: tatton@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648</p>
<b>Investment Manager</b>	<p>Tatton Investment Management Limited Paradigm House Brooke Court Wilmslow Cheshire SK9 3ND</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
<b>Depository</b>	<p>NatWest Trustee and Depository Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
<b>Auditor</b>	<p>Johnston Carmichael LLP Commerce House South Street Elgin IV30 1JE</p>