

# **VT TATTON OAK ICVC**

**Interim Report and Financial Statements (unaudited)  
for the period ended 31 October 2024**

## CONTENTS

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	<b>Page</b>
Company Overview	1
Statement of the Authorised Fund Manager's (AFM's) Responsibilities	2
<b>VT Active Portfolio Overlay Fund</b>	
Sub-fund Overview	3
Investment Manager's Review	5
Performance Record	7
Portfolio Statement	8
Summary of Material Portfolio Changes	9
Statement of Total Return	10
Statement of Changes in Net Assets Attributable to Shareholders	10
Balance Sheet	11
<b>VT Aggressive Portfolio Overlay Fund</b>	
Sub-fund Overview	12
Investment Manager's Review	14
Performance Record	16
Portfolio Statement	17
Summary of Material Portfolio Changes	18
Statement of Total Return	19
Statement of Changes in Net Assets Attributable to Shareholders	19
Balance Sheet	20
<b>VT Balanced Portfolio Overlay Fund</b>	
Sub-fund Overview	21
Investment Manager's Review	24
Performance Record	25
Portfolio Statement	26
Summary of Material Portfolio Changes	27
Statement of Total Return	28
Statement of Changes in Net Assets Attributable to Shareholders	28
Balance Sheet	29
<b>VT Cautious Portfolio Overlay Fund</b>	
Sub-fund Overview	30
Investment Manager's Review	32
Performance Record	34
Portfolio Statement	35
Summary of Material Portfolio Changes	36
Statement of Total Return	37
Statement of Changes in Net Assets Attributable to Shareholders	37
Balance Sheet	38
<b>VT Defensive Portfolio Overlay Fund</b>	
Sub-fund Overview	39
Investment Manager's Review	42
Performance Record	44
Portfolio Statement	45
Summary of Material Portfolio Changes	46
Statement of Total Return	47
Statement of Changes in Net Assets Attributable to Shareholders	47
Balance Sheet	48

## CONTENTS (Continued)

---

	<b>Page</b>
<b>VT Tatton Blended Active Fund</b>	
Sub-fund Overview	49
Investment Manager's Review	51
Performance Record	53
Portfolio Statement	54
Summary of Material Portfolio Changes	55
Statement of Total Return	56
Statement of Changes in Net Assets Attributable to Shareholders	56
Balance Sheet	57
<b>VT Tatton Blended Balanced Fund</b>	
Sub-fund Overview	58
Investment Manager's Review	60
Performance Record	62
Portfolio Statement	63
Summary of Material Portfolio Changes	64
Statement of Total Return	65
Statement of Changes in Net Assets Attributable to Shareholders	65
Balance Sheet	66
<b>VT Tatton Blended Cautious Fund</b>	
Sub-fund Overview	67
Investment Manager's Review	69
Performance Record	71
Portfolio Statement	72
Summary of Material Portfolio Changes	73
Statement of Total Return	74
Statement of Changes in Net Assets Attributable to Shareholders	74
Balance Sheet	75
<b>VT Tatton Blended Aggressive Fund</b>	
Sub-fund Overview	76
Investment Manager's Review	78
Performance Record	80
Portfolio Statement	81
Summary of Material Portfolio Changes	82
Statement of Total Return	83
Statement of Changes in Net Assets Attributable to Shareholders	83
Balance Sheet	84
<b>VT Tatton Oak Capital Growth Fund</b>	
Sub-fund Overview	85
Investment Manager's Review	87
Performance Record	89
Portfolio Statement	91
Summary of Material Portfolio Changes	92
Statement of Total Return	93
Statement of Changes in Net Assets Attributable to Shareholders	93
Balance Sheet	94
<b>VT Tatton Oak Cautious Growth Fund</b>	
Sub-fund Overview	95
Investment Manager's Review	97
Performance Record	99
Portfolio Statement	101
Summary of Material Portfolio Changes	102
Statement of Total Return	103
Statement of Changes in Net Assets Attributable to Shareholders	103
Balance Sheet	104

## CONTENTS (Continued)

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	<b>Page</b>
<b>VT Tatton Blended Defensive Fund</b>	
Sub-fund Overview	105
Investment Manager's Review	107
Performance Record	109
Portfolio Statement	111
Summary of Material Portfolio Changes	112
Statement of Total Return	113
Statement of Changes in Net Assets Attributable to Shareholders	113
Balance Sheet	114
Distribution Tables	115
<b>VT Tatton Passive Balanced Fund</b>	
Sub-fund Overview	116
Investment Manager's Review	118
Performance Record	120
Portfolio Statement	121
Summary of Material Portfolio Changes	122
Statement of Total Return	123
Statement of Changes in Net Assets Attributable to Shareholders	123
Balance Sheet	124
<b>VT Tatton Passive Cautious Fund</b>	
Sub-fund Overview	125
Investment Manager's Review	127
Performance Record	129
Portfolio Statement	130
Summary of Material Portfolio Changes	131
Statement of Total Return	132
Statement of Changes in Net Assets Attributable to Shareholders	132
Balance Sheet	133
<b>VT Tatton Passive Growth Fund</b>	
Sub-fund Overview	134
Investment Manager's Review	136
Performance Record	138
Portfolio Statement	139
Summary of Material Portfolio Changes	140
Statement of Total Return	141
Statement of Changes in Net Assets Attributable to Shareholders	141
Balance Sheet	142
Information for Investors	143
Corporate Directory	144

## 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.

**Changes to the Company:**

On 03 May 2024 three Sub-funds were launched, VT Tatton Passive Growth Fund, VT Tatton Passive Balanced Fund and VT Tatton Passive Cautious Fund.

## 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/(expenses) and net capital gains 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

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Active Portfolio Overlay Fund
<b>Size of Sub-fund</b>	£825,210,883
<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
	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.

## 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

The VT Active Portfolio Overlay C Acc returned 4.73% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 0.75% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund underwent an update on 8 May 2024. The asset allocation blend was adjusted; Bonds were increased and Cash was decreased. The sub-asset allocation blend was adjusted; Cash was decreased and IG Bond was increased. The sub-fund's manager allocations were updated; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was added, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed and SVM UK Opportunities Fund was added.

The fund's positioning was changed on 30 May 2024. During this update, the asset allocation was amended; Bonds were decreased and Equities were increased. Changes were implemented in the sub-asset class allocations; North America Equity was increased and Strat Bond was decreased. Changes were made to manager positioning; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

An update to the sub-fund was made on 7 August 2024. Manager positions were updated; HSBC European Index Fund was removed and iShares MSCI Europe Mid Cap ETF was added.

On 17 October 2024 the sub-fund was updated. Updates were made to the portfolio's fund managers; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

The sub-fund was updated on 23 October 2024. During this update, fund manager allocations were amended; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	181.1464	163.0829	163.0318
Return before operating charges	9.0781	18.9757	1.0457
Operating charges (note 1)	(0.5099)	(0.9122)	(0.9946)
Return after operating charges *	8.5682	18.0635	0.0511
Closing net asset value per share	189.7146	181.1464	163.0829
Retained distributions on accumulated shares	-	3.7378	2.4653
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.73%	11.08%	0.03%
Other information			
Closing net asset value	£825,243,673	£766,451,900	£591,036,122
Closing number of shares	434,992,085	423,111,904	362,414,585
Operating charges (note 2)	0.55%	0.53%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	191.8207	183.0308	169.3237
Lowest share price	179.0152	160.0846	153.2174

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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 98.18%)</b>			
10,690,545	Artemis US Select	45,311,876	5.48%
7,955,733	AXA Framlington UK Mid Cap	9,698,039	1.18%
13,221	Baring Hong Kong China	12,287,537	1.49%
62,466	Barings Emerging Markets Debt Blended Total Return	7,967,353	0.97%
71,066	Cheyne Global Credit	8,076,007	0.98%
689,226	Dimensional Global Ultra Short Fixed Income	7,974,341	0.97%
27,077,928	ES Alliance Bernstein Concentrated US Equity	50,527,413	6.12%
8,109,593	Fidelity Index Pacific ex Japan	16,684,677	2.02%
13,217,264	FTF Brandywine Global Income Optimiser	15,715,327	1.90%
3,168,657	Goldman Sachs Emerging Markets Ex-China CORE Equity	36,946,540	4.48%
255,073	HC Snyder US All Cap Equity Fund	34,332,855	4.16%
7,701,819	HSBC American Index	98,689,569	11.96%
4,409,290	HSBC Global Funds ICAV - Global Aggregate Bond	42,390,469	5.14%
2,485,696	HSBC Global Government Bond Index	24,920,100	3.02%
4,049,575	Invesco Perpetual UK Enhanced Index	30,152,727	3.65%
21,487,230	iShares UK Equity Index Fund	65,484,956	7.94%
271,420	Janus Henderson European Selected Opportunities	7,939,023	0.96%
721,427	Janus Henderson Global Multi-Strategy	8,091,746	0.98%
3,319,668	JPM Europe Dynamic ex-UK	12,017,198	1.46%
4,156,618	JPM Japan	14,843,284	1.80%
7,909,967	JPM US Equity Income	37,683,085	4.57%
11,927,864	Jupiter Merian North American Equity	56,774,249	6.88%
2,850,458	Liontrust European Dynamic Fund	10,178,371	1.23%
2,148,457	Loomis Sayles Global Opportunistic Bond Fund	23,353,723	2.83%
16,744,091	M&G Japan	27,518,914	3.33%
1,495,171	Neuberger Berman Uncorrelated Strategies	15,938,522	1.93%
63,214	Robeco QI Dynamic High Yield	7,731,096	0.94%
11,777,821	Schroder Recovery	18,385,178	2.23%
2,944,344	SVM UK Opportunities	20,048,035	2.43%
156,574	Vanguard Global Credit Bond	15,717,677	1.90%
		<b>783,379,887</b>	<b>94.93%</b>
<b>Exchange Traded Funds (30.04.2024: 0.00%)</b>			
2,901,388	iShares MSCI Europe Mid Cap UCITS ETF	17,887,064	2.17%
3,310,238	iShares \$ Treasury Bond 20+yr ETF	16,690,220	2.02%
		<b>34,577,284</b>	<b>4.19%</b>
	<b>Portfolio of investments (30.04.2024: 98.18%)</b>	<b>817,957,171</b>	<b>99.12%</b>
	<b>Net other assets (30.04.2024: 1.82%)</b>	<b>7,253,712</b>	<b>0.88%</b>
		<b>825,210,883</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>165,587,775</b>
HSBC Global Funds ICAV - Global Aggregate Bond	22,903,066
SVM UK Opportunities	22,294,274
iShares MSCI Europe Mid Cap UCITS ETF	17,566,012
iShares \$ Treasury Bond 20+yr ETF	16,600,182
HSBC American Index	14,827,829
Baring Hong Kong China	12,526,038
Goldman Sachs Emerging Markets Ex-China CORE Equity	10,543,052
Dimensional Global Ultra Short Fixed Income	7,781,358
HSBC Global Government Bond Index	5,303,335
iShares UK Equity Index Fund	5,290,867
Various other purchases	29,951,762

	£
<b>Total sales for the period</b>	<b>138,003,362</b>
HSBC Global Funds ICAV - Global Aggregate Bond	27,503,170
Lazard Emerging Markets Equity Advantage Fund	23,386,643
HSBC Global Government Bond Index	19,600,692
Allianz Strategic Bond	15,072,981
BCIF 100 UK Equity Tracker	10,031,338
HSBC European Index	9,381,927
AXA Framlington UK Mid Cap	8,792,176
Invesco Perpetual UK Enhanced Index	6,847,595
Janus Henderson European Selected Opportunities	4,900,044
Vanguard Global Credit Bond	3,266,696
Various other sales	9,220,100

The above transactions represent all the purchases and sales in the period

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
Income		
Net capital gains/(losses)	29,150,571	(19,831,048)
Revenue	10,046,735	8,346,010
Expenses	(1,136,562)	(905,955)
Interest payable and similar charges	<u>(101,635)</u>	<u>(1,204)</u>
Net revenue before taxation	8,808,538	7,438,851
Taxation	<u>(401,604)</u>	<u>(11,254)</u>
Net revenue after taxation	<u>8,406,934</u>	<u>7,427,597</u>
Total return before distributions	37,557,505	(12,403,451)
Finance costs: distributions	<u>51,769</u>	<u>322,561</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>	<u><b>37,609,274</b></u>	<u><b>(12,080,890)</b></u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	765,675,382	590,993,459
Amounts receivable on creation of shares	95,673,083	112,069,992
Amounts payable on cancellation of shares	(73,746,856)	(52,948,000)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>37,609,274</u>	<u>(12,080,890)</u>
<b>Closing net assets attributable to shareholders</b>	<u><b>825,210,883</b></u>	<u><b>638,034,561</b></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 Sub-fund net asset value as at 30 April 2024 was £765,675,382.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		817,957,171		751,740,952
<b>Current assets</b>				
Debtors	4,123,773		3,881,358	
Cash and bank balances	<u>9,396,619</u>		<u>15,651,314</u>	
<b>Total current assets</b>		<u>13,520,392</u>		<u>19,532,672</u>
<b>Total assets</b>		831,477,563		771,273,624
<b>Current liabilities</b>				
Bank overdraft	(961,382)		(2,396,976)	
Creditors	<u>(5,305,298)</u>		<u>(3,201,266)</u>	
<b>Total current liabilities</b>		<u>(6,266,680)</u>		<u>(5,598,242)</u>
<b>Net assets attributable to shareholders</b>		<u>825,210,883</u>		<u>765,675,382</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: No distribution).

## SUB-FUND OVERVIEW

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**Name of Sub-fund** VT Aggressive Portfolio Overlay Fund

**Size of Sub-fund** £257,575,174

**Launch date** 07 December 2015

**Investment objective and policy to 30 May 2024** The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).

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%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

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.

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.

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.

**Investment objective and policy from 31 May 2024** The objective of the Sub-fund is to provide returns over a period of at least 8 years by a combination of capital growth and income generation.

The Investment Manager will manage the portfolio in order to achieve its investment objective by investing at least 70% in collective investment schemes such as unit trusts, OEICs and other UCITS Sub-funds and closed ended schemes.

The Sub-fund will seek exposure to a diverse (by geography and sector) portfolio of assets, with the overall portfolio having a focus on shares in companies.

One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 8 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will be approximately 85%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

To the extent not invested in shares, other underlying assets in the portfolio (to which there will be indirect exposure) may include government and corporate bonds (including investment grade and high yield bonds), commodities, property, hedge fund strategies, private equity and derivatives. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.

The Sub-fund may also invest, at the AFM's discretion, directly in other transferable securities including shares and bonds, money market instruments (such as money market Sub-funds or government treasury bills), cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.

## SUB-FUND OVERVIEW (Continued)

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**Investment objective and policy from 31 May 2024 (Continued)** The Sub-fund may temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.

**Derivatives** The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.

**Benchmark** 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.

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.

**Final accounting date** 30 April

**Interim accounting date** 31 October

**Distribution date** 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.

**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

The VT Aggressive Portfolio Overlay C Acc returned 5.05% in the six months to 31 October 2024. The IA Flexible Investment benchmark returned 3.41% meaning the fund outperformed by 1.64% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

Some changes to the sub-fund were implemented on 8 May 2024. Asset allocation was changed; Bonds were increased and Cash was decreased. Changes were implemented in the sub-asset class allocations; Cash was decreased and IG Bond was increased. Changes were made to manager positioning; Allianz Strategic Bond Fund was removed, AXA Framlington UK Mid Cap Fund was decreased, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was added, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed and SVM UK Opportunities Fund was added.

The sub-fund underwent an update on 30 May 2024. Updates were made to the asset class split; Bonds were decreased and Equities were increased. The portfolio's sub-asset class distribution was revised; North America Equity was increased and Strat Bond was decreased. The portfolio's fund manager allocations were updated; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

The fund's positioning was changed on 7 August 2024. During this update some manager changes were made; HSBC European Index Fund was removed and iShares MSCI Europe Mid Cap ETF was added.

On 17 October 2024, changes were made to the sub-fund. The portfolio's fund manager allocations were updated; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

Some changes to the sub-fund were implemented on 23 October 2024. The portfolio's fund manager lineup was revised; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	203.3248	179.9293	179.1425
Return before operating charges	10.7774	24.4111	1.8820
Operating charges (note 1)	(0.5003)	(1.0156)	(1.0952)
Return after operating charges *	10.2771	23.3955	0.7868
Closing net asset value per share	213.6019	203.3248	179.9293
Retained distributions on accumulated shares	-	3.7711	2.5088
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	5.05%	13.00%	0.44%
Other information			
Closing net asset value	£257,586,509	£224,894,950	£169,999,962
Closing number of shares	120,591,882	110,608,737	94,481,534
Operating charges (note 2)	0.48%	0.53%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	216.0665	205.4476	187.2147
Lowest share price	200.0265	177.1665	167.3595

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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 97.30%)</b>			
3,970,959	Artemis US Select	16,830,909	6.53%
2,911,437	AXA Framlington UK Mid Cap	3,549,042	1.38%
4,790	Baring Hong Kong China	4,452,050	1.73%
18,304	Barings Emerging Markets Debt Blended Total Return	2,334,655	0.91%
279,811	Dimensional Global Ultra Short Fixed Income	3,237,414	1.26%
10,218,021	ES Alliance Bernstein Concentrated US Equity	19,066,828	7.40%
2,473,537	Fidelity Index Pacific ex Japan	5,089,056	1.98%
1,964,851	FTF Brandywine Global Income Optimiser	2,336,208	0.91%
1,146,807	Goldman Sachs Emerging Markets Ex-China CORE Equity	13,371,767	5.19%
87,359	HC Snyder US All Cap Equity Fund	11,758,578	4.57%
2,611,839	HSBC American Index	33,467,579	12.99%
828,665	HSBC Global Funds ICAV - Global Aggregate Bond	7,966,700	3.09%
258,314	HSBC Global Government Bond Index	2,589,706	1.01%
1,398,953	Invesco Perpetual UK Enhanced Index	10,416,463	4.04%
7,648,763	iShares UK Equity Index Fund	23,310,537	9.05%
101,995	Janus Henderson European Selected Opportunities	2,983,358	1.16%
212,818	Janus Henderson Global Multi-Strategy	2,387,032	0.93%
1,168,136	JPM Europe Dynamic ex-UK	4,228,652	1.64%
1,452,149	JPM Japan	5,185,623	2.01%
2,645,836	JPM US Equity Income	12,604,761	4.89%
3,879,551	Jupiter Merian North American Equity	18,465,885	7.17%
1,031,295	Liontrust European Dynamic Fund	3,682,532	1.43%
221,361	Loomis Sayles Global Opportunistic Bond Fund	2,406,193	0.93%
6,192,627	M&G Japan	10,177,583	3.95%
221,345	Neuberger Berman Uncorrelated Strategies	2,359,534	0.92%
19,680	Robeco QI Dynamic High Yield	2,406,868	0.93%
3,933,970	Schroder Recovery	6,140,927	2.38%
975,349	SVM UK Opportunities	6,641,148	2.58%
23,648	Vanguard Global Credit Bond	2,373,872	0.92%
		<b>241,821,460</b>	<b>93.88%</b>
<b>Exchange Traded Funds (30.04.2024: 0.00%)</b>			
1,029,807	iShares \$ Treasury Bond 20+yr ETF	5,192,287	2.02%
1,128,038	iShares MSCI Europe Mid Cap UCITS ETF	6,954,357	2.70%
		<b>12,146,644</b>	<b>4.72%</b>
<b>Portfolio of investments (30.04.2024: 97.30%)</b>		<b>253,968,104</b>	<b>98.60%</b>
<b>Net other assets (30.04.2024: 2.70%)</b>		<b>3,607,070</b>	<b>1.40%</b>
		<b>257,575,174</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>69,152,256</b>
SVM UK Opportunities	7,389,175
iShares MSCI Europe Mid Cap UCITS ETF	6,863,705
iShares \$ Treasury Bond 20+yr ETF	5,164,276
HSBC American Index	4,777,226
Baring Hong Kong China	4,538,464
HSBC Global Funds ICAV - Global Aggregate Bond	4,321,969
Goldman Sachs Emerging Markets Ex-China CORE Equity	4,238,103
iShares UK Equity Index Fund	3,395,686
Dimensional Global Ultra Short Fixed Income	3,178,780
Jupiter Merian North American Equity	3,144,042
Various other purchases	22,140,830

	£
<b>Total sales for the period</b>	<b>46,065,808</b>
Lazard Emerging Markets Equity Advantage Fund	8,674,084
HSBC Global Funds ICAV - Global Aggregate Bond	7,704,092
HSBC Global Government Bond Index	5,910,624
BCIF 100 UK Equity Tracker	3,510,363
HSBC European Index	3,344,647
Invesco Perpetual UK Enhanced Index	2,536,494
AXA Framlington UK Mid Cap	2,178,064
FTF Brandywine Global Income Optimiser	2,098,825
Allianz Strategic Bond	2,056,494
Janus Henderson European Selected Opportunities	2,046,495
Various other sales	6,005,626

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		9,279,374		(4,870,536)
Revenue	2,934,124		2,283,696	
Expenses	(354,748)		(271,195)	
Interest payable and similar charges	<u>(3,875)</u>		<u>-</u>	
Net revenue before taxation	2,575,501		2,012,501	
Taxation	<u>(25,496)</u>		<u>-</u>	
Net revenue after taxation		<u>2,550,005</u>		<u>2,012,501</u>
Total return before distributions		11,829,379		(2,858,035)
Finance costs: distributions		<u>80,522</u>		<u>62,187</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>11,909,901</u>		<u>(2,795,848)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	224,894,949	169,995,352
Amounts receivable on creation of shares	40,931,975	31,246,295
Amounts payable on cancellation of shares	(20,161,651)	(18,092,934)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>11,909,901</u>	<u>(2,795,848)</u>
<b>Closing net assets attributable to shareholders</b>	<u>257,575,174</u>	<u>142,529,367</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 Sub-fund net asset value as at 30 April 2024 was £224,894,949.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		253,968,104		218,812,983
<b>Current assets</b>				
Debtors	1,616,677		3,528,190	
Cash and bank balances	<u>3,717,925</u>		<u>4,125,629</u>	
<b>Total current assets</b>		<u>5,334,602</u>		<u>7,653,819</u>
<b>Total assets</b>		259,302,706		226,466,802
<b>Current liabilities</b>				
Bank overdraft	(244,663)		(111,722)	
Creditors	<u>(1,482,869)</u>		<u>(1,460,131)</u>	
<b>Total current liabilities</b>		<u>(1,727,532)</u>		<u>(1,571,853)</u>
<b>Net assets attributable to shareholders</b>		<u>257,575,174</u>		<u>224,894,949</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£1,354,196,171
<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

The VT Balanced Portfolio Overlay C Acc returned 4.38% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 0.4% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

An update to the sub-fund was made on 8 May 2024. Some asset allocation changes were made; Bonds were increased and Cash was decreased. Adjustments were made to the sub-asset class allocations; Cash was decreased and IG Bond was increased. Some manager changes were made; Allianz Strategic Bond Fund was removed, AXA Framlington UK Mid Cap Fund was decreased, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was added, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed and SVM UK Opportunities Fund was added.

The sub-fund was updated on 30 May 2024. Changes were implemented in the asset class allocations; Bonds were decreased and Equities were increased. Sub-asset allocation was changed; North America Equity was increased and Strat Bond was decreased. During this update some manager changes were made; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

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Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	163.9209	150.6129	151.9074
Return before operating charges	7.6206	14.1415	(0.3718)
Operating charges (note 1)	(0.4355)	(0.8335)	(0.9227)
Return after operating charges *	7.1851	13.3080	(1.2945)
Closing net asset value per share	171.1060	163.9209	150.6129
Retained distributions on accumulated shares	-	3.8123	2.2962
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.38%	8.84%	(0.85%)
Other information			
Closing net asset value	£1,354,244,913	£1,272,654,639	£1,149,330,315
Closing number of shares	791,465,636	776,383,284	763,102,009
Operating charges (note 2)	0.52%	0.53%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	172.9403	165.8777	155.3960
Lowest share price	162.9757	146.7018	142.1783

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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 98.00%)</b>			
16,943,844	Artemis US Select	71,816,483	5.30%
11,010,599	AXA Framlington UK Mid Cap	13,421,920	0.99%
18,048	Baring Hong Kong China	16,774,021	1.24%
208,349	Barings Emerging Markets Debt Blended	26,574,482	1.96%
225,975	Cheyne Global Credit	25,679,945	1.90%
1,143,977	Dimensional Global Ultra Short Fixed Income	13,235,819	0.98%
37,529,852	ES Alliance Bernstein Concentrated US Equity	70,030,704	5.17%
6,507,671	Fidelity Index Pacific ex Japan	13,388,883	0.99%
32,677,396	FTF Brandywine Global Income Optimiser	38,853,424	2.87%
4,323,850	Goldman Sachs Emerging Markets Ex-China CORE Equity	50,416,092	3.72%
350,446	HC Snyder US All Cap Equity Fund	47,170,049	3.48%
8,907,902	HSBC American Index	114,144,071	8.43%
1,233,390	HSBC Global Corporate Bond Index	13,494,763	1.00%
13,469,274	HSBC Global Funds ICAV - Global Aggregate Bond	129,492,253	9.56%
8,148,306	HSBC Global Government Bond Index	81,690,029	6.03%
5,837,888	Invesco Perpetual UK Enhanced Index	43,468,333	3.21%
28,214,089	iShares UK Equity Index Fund	85,985,879	6.35%
451,763	Janus Henderson European Selected Opportunities	13,214,054	0.98%
1,743,882	Janus Henderson Global Multi-Strategy	19,559,899	1.44%
5,537,357	JPM Europe Dynamic ex-UK	20,045,234	1.48%
5,912,503	JPM Japan	21,113,549	1.56%
10,330,286	JPM US Equity Income	49,213,484	3.63%
15,277,575	Jupiter Merian North American Equity	72,718,202	5.37%
4,779,421	Liontrust European Dynamic Fund	17,066,283	1.26%
4,762,951	Loomis Sayles Global Opportunistic Bond Fund	51,773,279	3.82%
25,779,803	M&G Japan	42,369,107	3.13%
3,092,792	Neuberger Berman Uncorrelated Strategies	32,969,161	2.43%
215,639	Robeco QI Dynamic High Yield	26,372,604	1.95%
13,045,872	Schroder Recovery	20,364,606	1.50%
3,437,191	SVM UK Opportunities	23,403,833	1.73%
133,617	Vanguard Global Credit Bond	13,413,154	0.99%
98,926	Vanguard UK Government Bond Index	13,126,206	0.97%
		<b>1,292,359,805</b>	<b>95.43%</b>
<b>Exchange Traded Funds (30.04.2024: 0.00%)</b>			
5,428,905	iShares \$ Treasury Bond 20+yr ETF	27,372,539	2.02%
3,756,894	iShares MSCI Europe Mid Cap UCITS ETF	23,161,260	1.71%
		<b>50,533,799</b>	<b>3.73%</b>
	<b>Portfolio of investments (30.04.2024: 98.00%)</b>	<b>1,342,893,604</b>	<b>99.17%</b>
	<b>Net other assets (30.04.2024: 2.00%)</b>	<b>11,302,567</b>	<b>0.83%</b>
		<b>1,354,196,171</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>278,405,412</b>
HSBC Global Funds ICAV - Global Aggregate Bond	65,744,698
iShares \$ Treasury Bond 20+yr ETF	27,224,873
SVM UK Opportunities	24,018,001
iShares MSCI Europe Mid Cap UCITS ETF	22,745,543
HSBC American Index	21,001,439
Baring Hong Kong China	17,099,603
Goldman Sachs Emerging Markets Ex-China CORE Equity	13,183,845
Dimensional Global Ultra Short Fixed Income	12,915,505
iShares UK Equity Index Fund	8,916,017
HSBC Global Government Bond Index	8,039,140
Various other purchases	57,516,748

	£
<b>Total sales for the period</b>	<b>241,323,367</b>
HSBC Global Funds ICAV - Global Aggregate Bond	55,030,398
Allianz Strategic Bond	50,345,873
Lazard Emerging Markets Equity Advantage Fund	31,876,108
HSBC Global Government Bond Index	31,063,035
HSBC European Index	15,589,903
AXA Framlington UK Mid Cap	13,561,280
BCIF 100 UK Equity Tracker	10,114,170
Invesco Perpetual UK Enhanced Index	6,070,287
FTF Brandywine Global Income Optimiser	5,826,927
Janus Henderson European Selected Opportunities	5,567,952
Various other sales	16,277,434

The above transactions represent all the purchases during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		40,585,744		(45,861,174)
Revenue	20,463,066		18,569,669	
Expenses	(1,863,940)		(1,668,905)	
Interest payable and similar charges	<u>(263,074)</u>		<u>-</u>	
Net revenue before taxation	18,336,052		16,900,764	
Taxation	<u>(1,326,380)</u>		<u>(706,301)</u>	
Net revenue after taxation		<u>17,009,672</u>		<u>16,194,463</u>
Total return before distributions		57,595,416		(29,666,711)
Finance costs: distributions		<u>36,395</u>		<u>56,477</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>57,631,811</u>		<u>(29,610,234)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	1,271,417,382	1,148,184,160
Amounts receivable on creation of shares	152,712,507	120,873,452
Amounts payable on cancellation of shares	(127,565,529)	(100,866,783)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>57,631,811</u>	<u>(29,610,234)</u>
<b>Closing net assets attributable to shareholders</b>	<u>1,354,196,171</u>	<u>1,138,580,595</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 Sub-fund net asset value as at 30 April 2024 was £1,271,417,382

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		1,342,893,604		1,245,803,958
<b>Current assets</b>				
Debtors	5,222,644		5,328,152	
Cash and bank balances	<u>16,855,562</u>		<u>30,096,836</u>	
<b>Total current assets</b>		<u>22,078,206</u>		<u>35,424,988</u>
<b>Total assets</b>		1,364,971,810		1,281,228,946
<b>Current liabilities</b>				
Bank overdraft	(2,901,542)		(2,662,633)	
Creditors	<u>(7,874,097)</u>		<u>(7,148,931)</u>	
<b>Total current liabilities</b>		<u>(10,775,639)</u>		<u>(9,811,564)</u>
<b>Net assets attributable to shareholders</b>		<u>1,354,196,171</u>		<u>1,271,417,382</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£453,836,906
<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
	<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 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

The VT Cautious Portfolio Overlay C Acc returned 4.09% in the six months to 31 October 2024. The IA Mixed Investment 20-60% Shares benchmark returned 3.72% meaning the fund outperformed by 0.37% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund underwent an update on 8 May 2024. Asset allocation was changed; Bonds were increased and Cash was decreased. The sub-asset class allocation structure was modified; Cash was decreased and IG Bond was increased. The sub-fund's manager lineup was revised; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was added, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed and SVM UK Opportunities Fund was added.

On 30 May 2024, changes were made to the sub-fund. Updates were made to the asset class split; Bonds were decreased and Equities were increased. Updates were made to the sub-asset class split; North America Equity was increased and Strat Bond was decreased. Manager positions were updated; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

An update to the sub-fund was made on 7 August 2024. Fund managers within the portfolio were adjusted; HSBC European Index Fund was removed and iShares MSCI Europe Mid Cap ETF was added.

On 17 October 2024 the sub-fund was updated. Updates were made to the portfolio's fund managers; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

The sub-fund was updated on 23 October 2024. Fund managers within the portfolio were adjusted; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class (Institutional) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	147.4359	138.3848	141.1060
Return before operating charges	6.4546	9.8371	(1.9107)
Operating charges (note 1)	(0.4213)	(0.7860)	(0.8105)
Return after operating charges *	6.0333	9.0511	(2.7212)
Closing net asset value per share	153.4692	147.4359	138.3848
Retained distributions on accumulated shares	-	4.3021	2.2312
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.09%	6.54%	(1.93%)
Other information			
Closing net asset value	£453,852,475	£444,456,549	£462,563,714
Closing number of shares	295,728,774	301,457,536	334,259,140
Operating charges (note 2)	0.56%	0.55%	0.58%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	155.0616	149.2839	142.3122
Lowest share price	146.7171	134.1485	131.0345

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 2024: 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.

**PORTFOLIO STATEMENT**

As at 31 October 2024

Holding	Investment	£ Market Value % of net assets	
<b>Collective Investment Schemes (30.04.2024: 88.17%)</b>			
4,239,718	Artemis US Select	17,970,045	3.97%
2,882,970	AXA Framlington UK Mid Cap	3,514,340	0.77%
4,832	Baring Hong Kong China	4,490,831	0.99%
108,348	Barings Emerging Markets Debt Blended	13,819,534	3.05%
77,964	Cheyne Global Credit	8,859,928	1.95%
397,436	Dimensional Global Ultra Short Fixed Income	4,598,337	1.01%
7,753,810	ES Alliance Bernstein Concentrated US Equity	14,468,609	3.19%
2,363,715	Fidelity Index Pacific ex Japan	4,863,108	1.07%
18,773,053	FTF Brandywine Global Income Optimiser	22,321,160	4.92%
1,157,289	Goldman Sachs Emerging Markets Ex-China CORE Equity	13,493,994	2.97%
86,477	HC Snyder US All Cap Equity Fund	11,639,753	2.56%
1,961,361	HSBC American Index	25,132,482	5.54%
629,218	HSBC Global Corporate Bond Index	6,884,398	1.52%
6,034,603	HSBC Global Funds ICAV - Global Aggregate Bond	58,016,074	12.78%
3,634,785	HSBC Global Government Bond Index	36,440,176	8.03%
1,522,021	Invesco Perpetual UK Enhanced Index	11,332,815	2.50%
6,051,334	iShares UK Equity Index Fund	18,442,177	4.06%
117,592	Janus Henderson European Selected Opportunities	3,439,570	0.76%
798,767	Janus Henderson Global Multi-Strategy	8,959,206	1.97%
1,584,964	JPM Europe Dynamic ex-UK	5,737,568	1.26%
1,327,178	JPM Japan	4,739,353	1.04%
3,023,593	JPM US Equity Income	14,404,397	3.17%
4,213,599	Jupiter Merian North American Equity	20,055,886	4.42%
1,318,185	Liontrust European Dynamic Fund	4,706,956	1.04%
2,051,806	Loomis Sayles Global Opportunistic Bond Fund	22,303,132	4.91%
4,756,356	M&G Japan	7,817,071	1.72%
1,723,215	Neuberger Berman Uncorrelated Strategies	18,369,477	4.05%
111,510	Robeco QI Dynamic High Yield	13,637,658	3.00%
3,763,261	Schroder Recovery	5,874,450	1.29%
1,010,082	SVM UK Opportunities	6,877,647	1.52%
112,271	Vanguard Global Credit Bond	11,270,363	2.48%
65,598	Vanguard UK Government Bond Index	8,704,040	1.92%
		<b>433,184,535</b>	<b>95.43%</b>
<b>Exchange Traded Funds (30.04.2024: 0.00%)</b>			
1,816,407	iShares \$ Treasury Bond 20+yr ETF	9,158,324	2.02%
1,109,524	iShares MSCI Europe Mid Cap UCITS ETF	6,840,218	1.51%
		<b>15,998,542</b>	<b>3.53%</b>
	<b>Portfolio of investments (30.04.2024: 98.17%)</b>	<b>449,183,077</b>	<b>98.96%</b>
	<b>Net other assets (30.04.2024: 1.83%)</b>	<b>4,653,829</b>	<b>1.04%</b>
		<b>453,836,906</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>83,176,497</b>
HSBC Global Funds ICAV - Global Aggregate Bond	22,468,698
iShares \$ Treasury Bond 20+yr ETF	9,108,918
HSBC American Index	8,679,902
SVM UK Opportunities	7,068,142
iShares MSCI Europe Mid Cap UCITS ETF	6,717,444
Baring Hong Kong China	4,577,997
Dimensional Global Ultra Short Fixed Income	4,487,055
Goldman Sachs Emerging Markets Ex-China CORE Equity	4,187,582
Schroder Recovery	2,536,197
Artemis US Select	2,096,909
Various other purchases	11,247,653

	£
<b>Total sales for the period</b>	<b>89,517,731</b>
Allianz Strategic Bond	21,832,266
HSBC Global Funds ICAV - Global Aggregate Bond	15,262,485
HSBC Global Government Bond Index	11,159,704
Lazard Emerging Markets Equity Advantage Fund	9,752,357
HSBC European Index	4,272,059
HSBC American Index	3,749,248
AXA Framlington UK Mid Cap	3,724,256
Artemis US Select	3,247,646
HC Snyder US All Cap Equity Fund	2,484,359
iShares UK Equity Index Fund	2,079,202
Other various sales	11,954,149

The above transactions represent all the purchase and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		11,311,797		(20,187,426)
Revenue	8,657,208		8,602,314	
Expenses	(649,684)		(658,182)	
Interest payable and similar charges	<u>(152,323)</u>		<u>-</u>	
Net revenue before taxation	7,855,201		7,944,132	
Taxation	<u>(721,479)</u>		<u>(514,072)</u>	
Net revenue after taxation		<u>7,133,722</u>		<u>7,430,060</u>
Total return before distributions		18,445,519		(12,757,366)
Finance costs: distributions		<u>(4,618)</u>		<u>(138,191)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>18,440,901</u>		<u>(12,895,557)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	444,025,535	461,960,794
Amounts receivable on creation of shares	44,859,241	34,410,789
Amounts payable on cancellation of shares	(53,488,771)	(55,486,289)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>18,440,901</u>	<u>(12,895,557)</u>
<b>Closing net assets attributable to shareholders</b>	<u>453,836,906</u>	<u>427,989,737</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 Sub-fund net asset value as at 30 April 2024 was £444,025,535.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		449,183,077		435,950,764
<b>Current assets</b>				
Debtors	1,725,608		2,057,036	
Cash and bank balances	<u>6,429,983</u>		<u>10,962,044</u>	
<b>Total current assets</b>		<u>8,155,591</u>		<u>13,019,080</u>
<b>Total assets</b>		457,338,668		448,969,844
<b>Current liabilities</b>				
Bank overdraft	(1,021,427)		(1,896,227)	
Creditors	<u>(2,480,335)</u>		<u>(3,048,082)</u>	
<b>Total current liabilities</b>		<u>(3,501,762)</u>		<u>(4,944,309)</u>
<b>Net assets attributable to shareholders</b>		<u>453,836,906</u>		<u>444,025,535</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: No distribution).

## SUB-FUND OVERVIEW

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**Name of Sub-fund** VT Defensive Portfolio Overlay Fund

**Size of Sub-fund** £34,409,062

**Launch date** 07 December 2015

**Investment objective and policy to 30 May 2024** The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).

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%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

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.

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.

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.

**Investment objective and policy from 31 May 2024** The objective of the Sub-fund is to provide returns over a period of at least 5 years by a combination of capital growth and income generation.

The Investment Manager will manage the portfolio in order to achieve its investment objective by investing at least 70% in collective investment schemes such as unit trusts, OEICs and other UCITS Sub-funds and closed ended schemes.

The Sub-fund will seek exposure to a diverse portfolio of assets, with a focus to bonds (including government and corporate bonds, which could be investment grade or high yield bonds).

One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 5 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will be approximately 30%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

To the extent not invested in shares, other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds (as described above), commodities, property, hedge fund strategies, private equity and derivatives. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.

## SUB-FUND OVERVIEW (Continued)

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**Investment objective and policy from 31 May 2024 (Continued)** The Sub-fund may also invest, at the AFM's discretion, directly in other transferable securities including shares and bonds, money market instruments (such as money market Sub-funds or government treasury bills), cash, near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.

The Sub-fund may temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.

**Derivatives** The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.

**Benchmark** 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.

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.

**Final accounting date** 30 April

**Interim accounting date** 31 October

**Distribution date** 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.

**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%

**SUB-FUND OVERVIEW (Continued)**

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**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

The VT Defensive Portfolio Overlay C Acc returned 3.73% in the six months to 31 October 2024. The IA Mixed Investment 0-35% Shares benchmark returned 3.59% meaning the fund outperformed by 0.14% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund underwent an update on 8 May 2024. Updates were made to the asset class split; Bonds were increased and Cash was decreased. The sub-asset class allocation structure was modified; Cash was decreased and IG Bond was increased. During this update some manager changes were made; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was added, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed, Loomis Sayles Global Opportunistic Bd Fd was increased and SVM UK Opportunities Fund was added.

Some changes to the sub-fund were implemented on 30 May 2024. The fund's asset allocation was updated; Bonds were decreased and Equities were increased. Adjustments were made to the sub-asset class allocations; North America Equity was increased, Strat Bond was decreased and UK Equity was increased. Fund manager allocations were updated; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

The sub-fund was updated on 7 August 2024. Updates were made to the portfolio's fund managers; HSBC European Index Fund was removed and iShares MSCI Europe Mid Cap ETF was added.

The fund's positioning was changed on 17 October 2024. Manager positions were updated; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

On 23 October 2024, changes were made to the sub-fund. The portfolio's fund manager allocations were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### C Class Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	127.5489	123.3241	127.2164
Return before operating charges	5.2104	4.9649	(3.1657)
Operating charges (note 1)	(0.4483)	(0.7401)	(0.7266)
Return after operating charges *	4.7621	4.2248	(3.8923)
Closing net asset value per share	132.3110	127.5489	123.3241
Retained distributions on accumulated shares	-	4.9723	2.1814
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	3.73%	3.43%	(3.06%)
Other information			
Closing net asset value	£34,410,053	£37,493,914	£48,238,829
Closing number of shares	26,006,939	29,395,712	39,115,481
Operating charges (note 2)	0.69%	0.59%	0.58%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	133.7044	129.3306	127.2164
Lowest share price	127.0597	118.1610	117.0121

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 2024: 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.

**PORTFOLIO STATEMENT**

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 98.35%)</b>			
144,494	Artemis US Select	612,437	1.77%
156,767	AXA Framlington UK Mid Cap	191,099	0.56%
185	Baring Hong Kong China	171,750	0.50%
13,464	Barings Emerging Markets Debt Blended	1,717,265	4.99%
8,509	Cheyne Global Credit	966,972	2.81%
31,647	Dimensional Global Ultra Short Fixed Income	366,151	1.06%
315,250	ES Alliance Bernstein Concentrated US Equity	588,256	1.71%
114,035	Fidelity Index Pacific ex Japan	234,615	0.68%
1,986,810	FTF Brandywine Global Income Optimiser	2,362,317	6.87%
44,344	Goldman Sachs Emerging Markets Ex-China CORE Equity	517,050	1.50%
4,181	HC Snyder US All Cap Equity Fund	562,713	1.64%
80,020	HSBC American Index	1,025,361	2.98%
66,422	HSBC Global Corporate Bond Index	726,735	2.11%
543,693	HSBC Global Funds ICAV - Global Aggregate Bond	5,227,010	15.19%
382,906	HSBC Global Government Bond Index	3,838,782	11.16%
63,213	Invesco Perpetual UK Enhanced Index	470,675	1.37%
281,064	iShares UK Equity Index Fund	856,577	2.49%
6,289	Janus Henderson European Selected Opportunities	183,967	0.53%
97,079	Janus Henderson Global Multi-Strategy	1,088,872	3.16%
74,460	JPM Europe Dynamic ex-UK	269,545	0.78%
57,421	JPM Japan	205,051	0.60%
125,566	JPM US Equity Income	598,197	1.74%
142,925	Jupiter Merian North American Equity	680,292	1.98%
49,966	Liontrust European Dynamic Fund	178,417	0.52%
313,631	Loomis Sayles Global Opportunistic Bond Fund	3,409,164	9.91%
227,797	M&G Japan	374,385	1.09%
173,554	Neuberger Berman Uncorrelated Strategies	1,850,086	5.38%
9,009	Robeco QI Dynamic High Yield	1,101,750	3.20%
179,291	Schroder Recovery	279,873	0.81%
39,509	SVM UK Opportunities	269,019	0.78%
9,757	Vanguard Global Credit Bond	979,456	2.85%
10,594	Vanguard UK Government Bond Index	1,405,692	4.09%
		<b>33,309,531</b>	<b>96.81%</b>
<b>Exchange Traded Funds (30.04.2024: 0.00%)</b>			
139,173	iShares \$ Treasury Bond 20+yr ETF	701,710	2.04%
44,838	iShares MSCI Europe Mid Cap UCITS ETF	276,426	0.80%
		<b>978,136</b>	<b>2.84%</b>
	<b>Portfolio of investments (30.04.2024: 98.35%)</b>	<b>34,287,667</b>	<b>99.65%</b>
	<b>Net other assets (30.04.2024: 1.65%)</b>	<b>121,395</b>	<b>0.35%</b>
		<b>34,409,062</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>7,850,150</b>
HSBC Global Funds ICAV - Global Aggregate Bond	1,771,458
Loomis Sayles Global Opportunistic Bond Fund	1,661,884
HSBC American Index	718,654
iShares \$ Treasury Bond 20+yr ETF	697,925
iShares UK Equity Index Fund	413,391
Dimensional Global Ultra Short Fixed Income	378,810
SVM UK Opportunities	278,989
iShares MSCI Europe Mid Cap UCITS ETF	271,465
Baring Hong Kong China	175,084
Artemis US Select	169,481
Various other purchases	1,313,009

	£
<b>Total sales for the period</b>	<b>11,927,920</b>
Allianz Strategic Bond	3,035,680
HSBC Global Funds ICAV - Global Aggregate Bond	1,916,963
HSBC Global Government Bond Index	1,425,756
Loomis Sayles Global Opportunistic Bond Fund	685,965
HSBC American Index	473,606
Lazard Emerging Markets Equity Advantage Fund	414,362
Artemis US Select	384,378
FTF Brandywine Global Income Optimiser	362,477
Vanguard Global Credit Bond	313,851
Vanguard UK Government Bond Index	292,788
Various other sales	2,622,094

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		608,761		(2,446,959)
Revenue	926,926		977,527	
Expenses	(60,332)		(75,571)	
Interest payable and similar charges	(22,299)		-	
Net revenue before taxation	844,295		901,956	
Taxation	(102,862)		(99,165)	
Net revenue after taxation		741,433		802,791
Total return before distributions		1,350,194		(1,644,168)
Finance costs: distributions		(141)		(34,172)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>1,350,053</b>		<b>(1,678,340)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	37,486,021	48,143,872
Amounts receivable on creation of shares	2,088,267	2,334,585
Amounts payable on cancellation of shares	(6,515,279)	(7,317,488)
Changes in net assets attributable to shareholders from investment activities (see above)	1,350,053	(1,678,340)
<b>Closing net assets attributable to shareholders</b>	<b>34,409,062</b>	<b>41,482,629</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 Sub-fund net asset value as at 30 April 2024 was £37,486,021.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		34,287,667		36,867,792
<b>Current assets</b>				
Debtors	69,960		372,448	
Cash and bank balances	<u>417,948</u>		<u>1,088,625</u>	
<b>Total current assets</b>		<u>487,908</u>		<u>1,461,073</u>
<b>Total assets</b>		34,775,575		38,328,865
<b>Current liabilities</b>				
Bank overdraft	-		(411,735)	
Creditors	<u>(366,513)</u>		<u>(431,109)</u>	
<b>Total current liabilities</b>		<u>(366,513)</u>		<u>(842,844)</u>
<b>Net assets attributable to shareholders</b>		<u>34,409,062</u>		<u>37,486,021</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£173,807,533
<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
	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)**

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<b>Share class information</b>	<b>A Class (Retail) Accumulation</b>	<b>A Class (Retail) Income*</b>
<b>Annual management charge</b>	0.30%	0.30%
<b>Initial charge</b>	0%	0%
<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

\* 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

The VT Tatton Blended Active A Acc returned 5.2% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 1.22% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

On 8 May 2024, the sub-fund underwent a change. Changes were implemented in the asset class allocations; Bonds were increased and Cash was decreased. Sub-asset allocation was changed; Cash was decreased and IG Bond was increased. The sub-fund's manager allocations were updated; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed, iShares UK Equity Index Fund (UK) was increased and SVM UK

The sub-fund underwent an update on 30 May 2024. Some asset allocation changes were made; Bonds were decreased and Equities were increased. Some sub-asset allocation changes were made; North America Equity was increased and Strat Bond was decreased. One manager selection change was made; HSBC Global Aggregate Bond UCITS ETF was decreased.

The sub-fund underwent an update on 7 August 2024. Fund manager allocations were updated; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

The sub-fund underwent an update on 17 October 2024. Manager positions were updated; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

The fund's positioning was changed on 23 October 2024. Manager positions were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	140.3780	126.1693	125.6596
Return before operating charges	7.6644	14.8884	1.2274
Operating charges (note 1)	(0.3673)	(0.6797)	(0.7177)
Return after operating charges *	7.2971	14.2087	0.5097
Closing net asset value per share	147.6751	140.3780	126.1693
Retained distributions on accumulated shares	-	2.7295	1.9869
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	5.20%	11.26%	0.41%
Other information			
Closing net asset value	£212,288,119	£173,877,848	£96,332,889
Closing number of shares	143,753,514	123,863,998	76,352,093
Operating charges (note 2)	0.51%	0.51%	0.57%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	149.1858	141.7137	130.1281
Lowest share price	139.4364	123.9991	117.5914

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 2024: 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.

**PORTFOLIO STATEMENT**

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 94.39%)</b>			
1,309,680	Artemis US Select	5,551,079	2.62%
1,420,843	AXA Framlington UK Mid Cap	1,732,008	0.82%
1,672	Baring Hong Kong China	1,554,263	0.73%
6,971	Barings Emerging Markets Debt Blended Total Return	889,177	0.42%
859,541	BNY Mellon Efficient Global High Yield Beta	978,673	0.46%
8,176	Cheyne Global Credit	929,156	0.44%
498,445	Dimensional Global Ultra Short Fixed Income	5,767,014	2.72%
3,326,044	ES Alliance Bernstein Concentrated US Equity	6,206,398	2.92%
2,015,630	Fidelity Index Pacific ex Japan	4,146,958	1.95%
1,545,093	FTF Brandywine Global Income Optimiser	1,837,116	0.87%
400,476	Goldman Sachs Emerging Markets Ex-China CORE Equity	4,669,553	2.20%
31,279	HC Snyder US All Cap Equity Fund	4,210,192	1.98%
2,400,871	HSBC American Index	30,764,286	14.49%
272,860	HSBC European Index	3,708,172	1.75%
263,958	HSBC Global Corporate Bond Index	2,888,017	1.36%
34,404	HSBC Global Emerging Market Government Bond Index	392,915	0.18%
1,278,140	HSBC Global Funds ICAV - Global Aggregate Bond	12,287,909	5.79%
631,582	HSBC Global Government Bond Index	6,331,863	2.98%
1,212,715	Invesco Perpetual UK Enhanced Index	9,029,754	4.25%
1,473,469	iShares North American Equity Index	12,064,984	5.68%
6,377,331	iShares UK Equity Index Fund	19,435,695	9.16%
33,146	Janus Henderson European Selected Opportunities	969,526	0.46%
85,145	Janus Henderson Global Multi-Strategy	955,016	0.45%
412,664	JPM Europe Dynamic ex-UK	1,493,843	0.70%
520,751	JPM Japan	1,859,601	0.88%
971,997	JPM US Equity Income	4,630,594	2.18%
1,464,617	Jupiter Merian North American Equity	6,971,282	3.28%
712,945	Legal & General Emerging Markets Government Bond	475,748	0.22%
351,527	Liontrust European Dynamic Fund	1,255,226	0.59%
321,307	Loomis Sayles Global Opportunistic Bond Fund	3,492,611	1.65%
2,051,753	M&G Japan	3,372,056	1.59%
182,939	Neuberger Berman Uncorrelated Strategies	1,950,134	0.92%
7,964	Robeco QI Dynamic High Yield	973,973	0.46%
1,444,462	Schroder Recovery	2,254,804	1.06%
362,973	SVM UK Opportunities	2,471,483	1.16%
22,814	Vanguard Emerging Markets Stock Index	6,152,972	2.90%
22,988	Vanguard Global Bond Index	3,488,116	1.64%
25,096	Vanguard Global Credit Bond	2,519,242	1.19%
10,965	Vanguard US Equity Index	10,870,709	5.12%
		<b>191,532,118</b>	<b>90.22%</b>
<b>Exchange Traded Funds (30.04.2024: 3.85%)</b>			
261,997	Amundi Prime Japan UCITS ETF	6,044,926	2.85%
119,572	Amundi Prime UK Mid And Small Cap UCITS ETF	2,652,107	1.25%
841,095	iShares \$ Treasury Bond 20+yr ETF	4,240,801	2.00%
908,018	iShares MSCI Europe Mid Cap UCITS ETF	5,597,933	2.64%
		<b>18,535,767</b>	<b>8.74%</b>
	<b>Portfolio of investments (30.04.2024: 98.24%)</b>	<b>210,067,885</b>	<b>98.96%</b>
	<b>Net other assets (30.04.2024: 1.76%)</b>	<b>2,205,789</b>	<b>1.04%</b>
		<b>212,273,674</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>62,135,487</b>
iShares UK Equity Index Fund	6,476,704
iShares MSCI Europe Mid Cap UCITS ETF	5,540,087
HSBC American Index	4,623,462
HSBC Global Funds ICAV - Global Aggregate Bond	4,379,555
iShares \$ Treasury Bond 20+yr ETF	4,217,923
Amundi Prime Japan UCITS ETF	3,502,040
SVM UK Opportunities	2,863,534
Vanguard US Equity Index	2,778,890
Dimensional Global Ultra Short Fixed Income	2,652,777
Invesco Perpetual UK Enhanced Index	2,137,502
Various other purchases	22,963,013

	£
<b>Total sales for the period</b>	<b>32,814,757</b>
Artemis US Select	171,861
Vanguard Emerging Markets Stock Index	210,052
iShares UK Equity Index Fund	248,243
Amundi Prime UK Mid And Small Cap UCITS ETF	282,203
ES Alliance Bernstein Concentrated US Equity	305,530
HSBC American Index	317,335
SVM UK Opportunities	324,625
Schroder Recovery	343,721
Dimensional Global Ultra Short Fixed Income	401,008
Janus Henderson European Selected Opportunities	477,390
Various other sales	29,732,789

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
Income		
Net capital gains/(losses)	7,730,416	(3,586,206)
Revenue	2,360,476	1,331,521
Expenses	(333,799)	(207,376)
Interest payable and similar charges	(22,563)	-
Net revenue before taxation	2,004,114	1,124,145
Taxation	(38,398)	-
Net revenue after taxation	1,965,716	1,124,145
Total return before distributions	9,696,132	(2,462,061)
Finance costs: distributions	96,413	211,003
<b>Changes in net assets attributable to shareholders from investment activities</b>	<b>9,792,545</b>	<b>(2,251,058)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	173,807,533	96,329,594
Amounts receivable on creation of shares	43,725,797	47,336,309
Amounts payable on cancellation of shares	(15,052,201)	(9,255,885)
Changes in net assets attributable to shareholders from investment activities (see above)	9,792,545	(2,251,058)
<b>Closing net assets attributable to shareholders</b>	<b>212,273,674</b>	<b>132,158,960</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 Sub-fund net asset value as at 30 April 2024 was £173,807,533.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		210,067,885		170,755,094
<b>Current assets</b>				
Debtors	2,259,040		929,995	
Cash and bank balances	<u>1,724,286</u>		<u>2,698,352</u>	
<b>Total current assets</b>		<u>3,983,326</u>		<u>3,628,347</u>
<b>Total assets</b>		214,051,211		174,383,441
<b>Current liabilities</b>				
Bank overdraft	(164,563)		-	
Creditors	<u>(1,612,974)</u>		<u>(575,908)</u>	
<b>Total current liabilities</b>		<u>(1,777,537)</u>		<u>(575,908)</u>
<b>Net assets attributable to shareholders</b>		<u>212,273,674</u>		<u>173,807,533</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£266,945,282
<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>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% 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>	<b>A Class (Retail) Accumulation</b>	<b>A Class (Retail) Income*</b>
<b>Annual management charge</b>	0.30%	0.30%
<b>Initial charge</b>	0%	0%
<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

\* 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

The VT Tatton Blended Balanced A Acc returned 4.71% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 0.73% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

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Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

On 8 May 2024, the sub-fund underwent a change. During this update, the asset allocation was amended; Bonds were increased and Cash was decreased. During this update, sub-asset allocations were amended; Cash was decreased and IG Bond was increased. During this update, fund manager allocations were amended; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed, iShares UK Equity Index Fund (UK) was increased and SVM UK Opportunities Fund was added.

On 30 May 2024 the sub-fund was updated. The fund's asset allocation was updated; Bonds were decreased and Equities were increased. Some sub-asset allocation changes were made; North America Equity was increased and Strat Bond was decreased. One manager selection change was made; HSBC Global Aggregate Bond UCITS ETF was decreased.

On 7 August 2024, changes were made to the sub-fund. Some manager changes were made; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

Some changes to the sub-fund were implemented on 17 October 2024. During this update some manager changes were made; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

The sub-fund's positioning was changed on 23 October 2024. Manager positions were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	132.9524	121.6337	122.2216
Return before operating charges	6.6052	11.9806	0.0949
Operating charges (note 1)	(0.3402)	(0.6619)	(0.6828)
Return after operating charges *	6.2650	11.3187	(0.5879)
Closing net asset value per share	139.2174	132.9524	121.6337
Retained distributions on accumulated shares	-	2.8818	1.9112
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.71%	9.31%	(0.48%)
Other information			
Closing net asset value	£299,029,172	£267,130,798	£188,481,590
Closing number of shares	214,792,911	200,922,063	154,958,364
Operating charges (note 2)	0.50%	0.52%	0.56%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	140.5455	134.3571	124.7045
Lowest share price	132.2383	119.0789	114.0402

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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value % of net assets	
<b>Collective Investment Schemes (30.04.2024: 85.01%)</b>			
1,831,421	Artemis US Select	7,762,479	2.60%
1,164,627	AXA Framlington UK Mid Cap	1,419,681	0.47%
1,982	Baring Hong Kong China	1,841,735	0.62%
29,329	Barings Emerging Markets Debt Blended Total Return	3,740,821	1.25%
2,506,716	BNY Mellon Efficient Global High Yield Beta	2,854,147	0.95%
24,365	Cheyne Global Credit	2,768,890	0.93%
853,199	Dimensional Global Ultra Short Fixed Income	9,871,513	3.30%
4,070,657	ES Alliance Bernstein Concentrated US Equity	7,595,847	2.54%
1,474,665	Fidelity Index Pacific ex Japan	3,033,976	1.01%
3,510,078	FTF Brandywine Global Income Optimiser	4,173,483	1.40%
474,540	Goldman Sachs Emerging Markets Ex-China CORE Equity	5,533,137	1.85%
37,646	HC Snyder US All Cap Equity Fund	5,067,109	1.69%
2,798,804	HSBC American Index	35,863,311	11.99%
399,227	HSBC European Index	5,425,490	1.81%
646,632	HSBC Global Corporate Bond Index	7,074,930	2.37%
127,194	HSBC Global Emerging Market Government Bond Index	1,452,630	0.49%
3,183,888	HSBC Global Funds ICAV - Global Aggregate Bond	30,609,584	10.24%
1,789,262	HSBC Global Government Bond Index	17,938,068	6.00%
1,314,279	Invesco Perpetual UK Enhanced Index	9,785,990	3.27%
1,966,465	iShares North American Equity Index	16,101,708	5.38%
7,021,107	iShares UK Equity Index Fund	21,397,680	7.16%
48,691	Janus Henderson European Selected Opportunities	1,424,214	0.48%
177,207	Janus Henderson Global Multi-Strategy	1,987,602	0.66%
592,936	JPM Europe Dynamic ex-UK	2,146,429	0.72%
617,097	JPM Japan	2,203,654	0.74%
1,082,052	JPM US Equity Income	5,154,898	1.72%
1,650,237	Jupiter Merian North American Equity	7,854,799	2.63%
2,030,251	Legal & General Emerging Markets Government Bond	1,354,787	0.45%
517,473	Liontrust European Dynamic Fund	1,847,783	0.62%
513,160	Loomis Sayles Global Opportunistic Bond Fund	5,578,051	1.87%
2,776,633	M&G Japan	4,563,397	1.53%
336,644	Neuberger Berman Uncorrelated Strategies	3,588,626	1.20%
23,219	Robeco QI Dynamic High Yield	2,839,678	0.95%
1,413,208	Schroder Recovery	2,206,017	0.74%
369,121	SVM UK Opportunities	2,513,348	0.84%
27,763	Vanguard Emerging Markets Stock Index	7,487,776	2.50%
72,556	Vanguard Global Bond Index	11,009,502	3.68%
13,943	Vanguard Global Credit Bond	1,399,644	0.47%
20,753	Vanguard UK Government Bond Index	2,753,710	0.92%
6,514	Vanguard US Equity Index	6,458,303	2.16%
		<b>275,684,427</b>	<b>92.20%</b>
<b>Exchange Traded Funds (30.04.2024: 3.11%)</b>			
281,508	Amundi Prime Japan UCITS ETF	6,495,093	2.17%
128,226	Amundi Prime UK Mid And Small Cap UCITS ETF	2,844,053	0.95%
1,192,067	iShares \$ Treasury Bond 20+yr ETF	6,010,402	2.01%
811,973	iShares MSCI Europe Mid Cap UCITS ETF	5,005,815	1.67%
		<b>20,355,363</b>	<b>6.81%</b>
	<b>Portfolio of investments (30.04.2024: 98.12%)</b>	<b>296,039,790</b>	<b>99.01%</b>
	<b>Net other assets (30.04.2024: 1.88%)</b>	<b>2,973,106</b>	<b>0.99%</b>
		<b>299,012,896</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>67,783,670</b>
HSBC Global Funds ICAV - Global Aggregate Bond	10,102,105
iShares \$ Treasury Bond 20+yr ETF	5,977,978
HSBC American Index	5,868,214
Dimensional Global Ultra Short Fixed Income	5,354,163
iShares UK Equity Index Fund	5,005,958
iShares MSCI Europe Mid Cap UCITS ETF	4,915,967
HSBC Global Government Bond Index	2,853,068
SVM UK Opportunities	2,576,806
Vanguard US Equity Index	2,330,802
HSBC European Index	1,949,708
Various other purchases	20,848,901

	£
<b>Total sales for the period</b>	<b>47,247,106</b>
HSBC Global Funds ICAV - Global Aggregate Bond	9,517,276
HSBC Global Government Bond Index	6,728,084
Allianz Strategic Bond	5,247,883
BCIF 100 UK Equity Tracker	4,550,264
HSBC European Index	4,337,816
Lazard Emerging Markets Equity Advantage Fund	3,431,107
HSBC American Index	2,089,591
ES Alliance Bernstein Concentrated US Equity	1,563,322
Loomis Sayles Global Opportunistic Bond Fund	1,371,310
AXA Framlington UK Mid Cap	1,325,372
Various other sales	7,085,081

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		9,441,407		(6,724,260)
Revenue	4,330,803		2,638,234	
Expenses	(484,908)		(355,080)	
Interest payable and similar charges	<u>(44,893)</u>		<u>-</u>	
Net revenue before taxation	3,801,002		2,283,154	
Taxation	<u>(167,764)</u>		<u>(77,109)</u>	
Net revenue after taxation		<u>3,633,238</u>		<u>2,206,045</u>
Total return before distributions		13,074,645		(4,518,215)
Finance costs: distributions		<u>41,417</u>		<u>212,077</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>13,116,062</u>		<u>(4,306,138)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	266,945,282	188,379,020
Amounts receivable on creation of shares	53,565,935	49,683,961
Amounts payable on cancellation of shares	(34,614,383)	(19,878,749)
Changes in net assets attributable to shareholders from investment activities (see above)	<u>13,116,062</u>	<u>(4,306,138)</u>
<b>Closing net assets attributable to shareholders</b>	<u>299,012,896</u>	<u>213,878,094</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 Sub-fund net asset value as at 30 April 2024 was £266,945,282.

## BALANCE SHEET

As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		296,039,790		261,920,331
<b>Current assets</b>				
Debtors	2,597,473		736,482	
Cash and bank balances	<u>2,468,824</u>		<u>5,966,938</u>	
<b>Total current assets</b>		<u>5,066,297</u>		<u>6,703,420</u>
<b>Total assets</b>		301,106,087		268,623,751
<b>Current liabilities</b>				
Bank overdraft	(188,692)		(145,940)	
Creditors	<u>(1,904,499)</u>		<u>(1,532,529)</u>	
<b>Total current liabilities</b>		<u>(2,093,191)</u>		<u>(1,678,469)</u>
<b>Net assets attributable to shareholders</b>		<u>299,012,896</u>		<u>266,945,282</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£116,880,779
<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>Annual management charge</b>	0.30%	0.30%
<b>Initial charge</b>	0%	0%
<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

\* 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

The VT Tatton Blended Cautious A Acc returned 4.44% in the six months to 31 October 2024. The IA Mixed Investment 20-60% Shares benchmark returned 3.72% meaning the fund outperformed by 0.72% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

On 8 May 2024, changes were made to the sub-fund. The sub-fund's asset class distribution was revised; Bonds were increased and Cash was decreased. Adjustments were made to the sub-asset class allocations; Cash was decreased and IG Bond was increased. The sub-fund's manager lineup was revised; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed and SVM UK Opportunities Fund was added.

The sub-fund was updated on 30 May 2024. The asset allocation blend was adjusted; Bonds were decreased and Equities were increased. The sub-fund's sub-asset class distribution was revised; North America Equity was increased and Strat Bond was decreased. During this update, fund manager allocations were amended; HSBC Global Aggregate Bond UCITS ETF was decreased and Vanguard Global Bd Idx was decreased.

The sub-fund underwent an update on 7 August 2024. Some manager changes were made; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

An update to the sub-fund was made on 17 October 2024. Fund managers within the portfolio were adjusted; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

On 23 October 2024, changes were made to the sub-fund. During this update some manager changes were made; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	125.0451	116.8213	118.6074
Return before operating charges	5.8932	8.8768	(1.1387)
Operating charges (note 1)	(0.3387)	(0.6530)	(0.6474)
Return after operating charges *	5.5545	8.2238	(1.7861)
Closing net asset value per share	130.5996	125.0451	116.8213
Retained distributions on accumulated shares	-	3.2051	2.8071
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.44%	7.04%	(1.51%)
Other information			
Closing net asset value	£116,886,269	£102,317,700	£80,572,962
Closing number of shares	89,499,704	81,824,609	68,971,115
Operating charges (note 2)	0.53%	0.54%	0.55%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	131.8286	126.4478	119.4788
Lowest share price	124.4777	113.7293	110.0864

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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 96.18%)</b>			
565,840	Artemis US Select	2,398,312	2.05%
328,609	AXA Framlington UK Mid Cap	400,575	0.34%
623	Baring Hong Kong China	579,249	0.50%
13,136	Barings Emerging Markets Debt Blended Total Return	1,675,516	1.43%
1,439,972	BNY Mellon Efficient Global High Yield Beta	1,639,553	1.40%
9,319	Cheyne Global Credit	1,058,975	0.91%
424,297	Dimensional Global Ultra Short Fixed Income	4,909,121	4.20%
943,113	ES Alliance Bernstein Concentrated US Equity	1,759,848	1.51%
574,101	Fidelity Index Pacific ex Japan	1,181,156	1.01%
2,278,678	FTF Brandywine Global Income Optimiser	2,709,348	2.32%
149,445	Goldman Sachs Emerging Markets Ex-China CORE Equity	1,742,527	1.49%
10,463	HC Snyder US All Cap Equity Fund	1,408,316	1.20%
864,709	HSBC American Index	11,080,206	9.48%
123,527	HSBC European Index	1,678,728	1.44%
412,775	HSBC Global Corporate Bond Index	4,516,249	3.86%
72,912	HSBC Global Emerging Market Government Bond Index	832,699	0.71%
1,584,703	HSBC Global Funds ICAV - Global Aggregate Bond	15,235,181	13.03%
936,552	HSBC Global Government Bond Index	9,389,304	8.03%
394,993	Invesco Perpetual UK Enhanced Index	2,941,078	2.52%
325,537	iShares North American Equity Index	2,665,546	2.28%
2,191,788	iShares UK Equity Index Fund	6,679,741	5.72%
14,489	Janus Henderson European Selected Opportunities	423,800	0.36%
95,434	Janus Henderson Global Multi-Strategy	1,070,414	0.92%
192,664	JPM Europe Dynamic ex-UK	697,444	0.60%
166,422	JPM Japan	594,293	0.51%
366,606	JPM US Equity Income	1,746,509	1.49%
510,739	Jupiter Merian North American Equity	2,431,017	2.08%
1,204,678	Legal & General Emerging Markets Government Bond	803,882	0.69%
157,841	Liontrust European Dynamic Fund	563,615	0.48%
310,202	Loomis Sayles Global Opportunistic Bond Fund	3,371,891	2.88%
714,220	M&G Japan	1,173,821	1.00%
208,132	Neuberger Berman Uncorrelated Strategies	2,218,683	1.90%
11,253	Robeco QI Dynamic High Yield	1,376,282	1.18%
455,811	Schroder Recovery	711,521	0.61%
123,018	SVM UK Opportunities	837,627	0.72%
8,617	Vanguard Emerging Markets Stock Index	2,323,978	1.99%
34,570	Vanguard Global Bond Index	5,245,625	4.49%
13,422	Vanguard Global Credit Bond	1,347,389	1.15%
18,354	Vanguard UK Government Bond Index	2,435,397	2.08%
3,857	Vanguard US Equity Index	3,824,290	3.27%
		<b>109,678,706</b>	<b>93.84%</b>
<b>Exchange Traded Funds (30.04.2024: 2.13%)</b>			
72,843	Amundi Prime Japan UCITS ETF	1,680,670	1.44%
36,941	Amundi Prime UK Mid And Small Cap UCITS ETF	819,351	0.70%
468,029	iShares \$ Treasury Bond 20+yr ETF	2,359,802	2.02%
269,327	iShares MSCI Europe Mid Cap UCITS ETF	1,660,402	1.42%
		<b>6,520,225</b>	<b>5.58%</b>
<b>Portfolio of investments (30.04.2024: 98.31%)</b>		<b>116,198,931</b>	<b>99.42%</b>
<b>Net other assets (30.04.2024: 1.69%)</b>		<b>681,848</b>	<b>0.58%</b>
		<b>116,880,779</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>27,978,548</b>
HSBC Global Funds ICAV - Global Aggregate Bond	4,172,739
iShares \$ Treasury Bond 20+yr ETF	2,347,072
Dimensional Global Ultra Short Fixed Income	2,208,063
HSBC American Index	2,198,956
iShares UK Equity Index Fund	1,701,628
iShares MSCI Europe Mid Cap UCITS ETF	1,630,599
Vanguard US Equity Index	1,442,833
HSBC Global Government Bond Index	1,142,035
SVM UK Opportunities	859,427
HSBC European Index	762,311
Various other purchases	9,512,885

	£
<b>Total sales for the period</b>	<b>17,285,682</b>
Allianz Strategic Bond	2,539,116
HSBC Global Government Bond Index	2,311,438
HSBC Global Funds ICAV - Global Aggregate Bond	2,235,581
Vanguard Global Bond Index	1,504,144
HSBC European Index	1,483,697
Lazard Emerging Markets Equity Advantage Fund	1,180,853
Robeco QI Dynamic High Yield	905,083
BCIF 100 UK Equity Tracker	810,566
Janus Henderson European Selected Opportunities	487,346
Dimensional Global Ultra Short Fixed Income	465,686
Various other sales	3,362,172

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
Income		
Net capital gains/(losses)	3,166,561	(3,253,172)
Revenue	1,907,050	1,300,759
Expenses	(197,249)	(153,879)
Interest payable and similar charges	(19,272)	-
Net revenue before taxation	1,690,529	1,146,880
Taxation	(106,566)	(67,572)
Net revenue after taxation	1,583,963	1,079,308
Total return before distributions	4,750,524	(2,173,864)
Finance costs: distributions	8,863	38,223
<b>Changes in net assets attributable to shareholders from investment activities</b>	<b>4,759,387</b>	<b>(2,135,641)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	102,239,679	80,504,503
Amounts receivable on creation of shares	24,143,886	14,065,514
Amounts payable on cancellation of shares	(14,262,173)	(7,337,914)
Changes in net assets attributable to shareholders from investment activities (see above)	4,759,387	(2,135,641)
<b>Closing net assets attributable to shareholders</b>	<b>116,880,779</b>	<b>85,096,462</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 Sub-fund net asset value as at 30 April 2024 was £102,239,679.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		116,198,931		100,506,249
<b>Current assets</b>				
Debtors	916,897		1,030,076	
Cash and bank balances	<u>825,329</u>		<u>1,547,641</u>	
<b>Total current assets</b>		<u>1,742,226</u>		<u>2,577,717</u>
<b>Total assets</b>		117,941,157		103,083,966
<b>Current liabilities</b>				
Bank Overdraft	(5,413)		-	
Creditors	<u>(1,054,965)</u>		<u>(844,287)</u>	
<b>Total current liabilities</b>		<u>(1,060,378)</u>		<u>(844,287)</u>
<b>Net assets attributable to shareholders</b>		<u>116,880,779</u>		<u>102,239,679</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the period ended 30 April 2024 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 2024 (31 October 2023: 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>	£65,948,796
<b>Launch date</b>	23 March 2009
<b>Investment objective and policy to 30 May 2024</b>	The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).

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%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

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.

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.

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.

<b>Investment objective and policy from 31 May 2024</b>	The objective of the Sub-fund is to provide returns over a period of at least 8 years by a combination of capital growth and income generation.
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The Investment Manager will manage the portfolio in order to achieve the investment objective by investing at least 70% in collective investment schemes such as unit trusts,

The Sub-fund will seek exposure to a diverse (by geography and sector) portfolio of assets, with a balance between passive and active strategies, with the overall portfolio having a focus on shares on shares of companies.

One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 8 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will be approximately 85%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

To the extent not invested in shares, other underlying assets in the portfolio (to which there will be indirect exposure) may include government and corporate bonds (including investment grade and high yield bonds), commodities, property, hedge fund strategies, private equity and derivatives. Some of these investments will be denominated in foreign currencies which may or may not be hedged back to Pounds Sterling.

The Sub-fund may also invest, at the AFM's discretion, directly in other transferable securities including shares and bonds, money market instruments (such as money market Sub-funds or government treasury bills), cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.

## SUB-FUND OVERVIEW (Continued)

**Investment objective and policy from 31 May 2024 (Continued)** The Sub-fund may temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.

**Derivatives** The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.

**Benchmark** 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.

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.

**Final accounting date** 30 April

**Interim accounting date** 31 October

**Distribution date** 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.

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

Share class information	Blended Advanced Class (Retail) Accumulation	Blended Advanced Class (Retail) Income*
<b>Annual management charge</b>	0.30%	0.30%
<b>Initial charge***</b>	0%	0%
<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	£100 per
<b>Minimum regular withdrawal facility</b>	Regular withdrawal facility not available	Regular withdrawal facility 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

The VT Tatton Blended Aggressive Retail Acc returned 5.43% in the six months to 31 October 2024. The IA Flexible Investment benchmark returned 3.41% meaning the fund outperformed by 2.02% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund underwent an update on 8 May 2024. Some asset allocation changes were made; Bonds were increased and Cash was decreased. During this update, sub-asset allocations were amended; Cash was decreased and IG Bond was increased. Manager positions were updated; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, iShares 100 UK Equity Index Fund (UK) was removed, iShares UK Equity Index Fund (UK) was increased and SVM UK Opportunities Fund was added.

On 30 May 2024, the sub-fund underwent a change. Adjustments were made to the asset class allocations; Bonds were decreased and Equities were increased. Changes were implemented in the sub-asset class allocations; North America Equity was increased and Strat Bond was decreased. One manager selection change was made; HSBC Global Aggregate Bond UCITS ETF was decreased.

Some changes to the sub-fund were implemented on 7 August 2024. Changes were made to manager positioning; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

On 17 October 2024, changes were made to the sub-fund. During this update some manager changes were made; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

An update to the sub-fund was made on 23 October 2024. During this update, fund manager allocations were amended; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	132.7148	117.5205	116.9042
Return before operating charges	7.5446	15.8950	1.3313
Operating charges (note 1)	(0.3408)	(0.7007)	(0.7150)
Return after operating charges *	7.2038	15.1943	0.6163
Closing net asset value per share	139.9186	132.7148	117.5205
Retained distributions on accumulated shares	-	2.5665	1.7978
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	5.43%	12.93%	0.53%
Other information			
Closing net asset value	£65,953,861	£49,904,392	£28,983,460
Closing number of shares	47,137,323	37,602,730	24,662,465
Operating charges (note 2)	0.50%	0.56%	0.61%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	141.3699	134.0299	121.6766
Lowest share price	130.9040	115.9457	108.7452

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 2024: ranked 5). The Sub-fund is ranked '5' because monthly historical performance data indicates that relatively high rises and falls in prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 93.43%)</b>			
483,951	Artemis US Select	2,051,227	3.10%
355,984	AXA Framlington UK Mid Cap	433,945	0.66%
597	Baring Hong Kong China	554,661	0.84%
2,283	Barings Emerging Markets Debt Blended	291,244	0.44%
247,680	BNY Mellon Efficient Global High Yield Beta	282,008	0.43%
117,442	Dimensional Global Ultra Short Fixed Income	1,358,800	2.06%
1,328,926	ES Alliance Bernstein Concentrated US Equity	2,479,776	3.76%
601,902	Fidelity Index Pacific ex Japan	1,238,353	1.88%
227,042	FTF Brandywine Global Income Optimiser	269,953	0.41%
142,884	Goldman Sachs Emerging Markets Ex-China CORE Equity	1,666,023	2.53%
9,876	HC Snyder US All Cap Equity Fund	1,329,320	2.02%
839,372	HSBC American Index	10,755,551	16.31%
116,359	HSBC European Index	1,581,315	2.40%
24,123	HSBC Global Corporate Bond Index	263,938	0.40%
12,275	HSBC Global Emerging Market Government Bond Index	140,193	0.21%
204,018	HSBC Global Funds ICAV - Global Aggregate Bond	1,961,405	2.97%
64,113	HSBC Global Government Bond Index	642,754	0.97%
381,922	Invesco Perpetual UK Enhanced Index	2,843,752	4.31%
735,609	iShares North American Equity Index	6,023,273	9.13%
2,205,124	iShares UK Equity Index Fund	6,720,385	10.19%
12,432	Janus Henderson European Selected Opportunities	363,647	0.55%
24,230	Janus Henderson Global Multi-Strategy	271,766	0.41%
140,509	JPM Europe Dynamic ex-UK	508,643	0.77%
177,367	JPM Japan	633,377	0.96%
322,138	JPM US Equity Income	1,534,664	2.33%
470,806	Jupiter Merian North American Equity	2,240,943	3.40%
531,214	Legal & General Emerging Markets Government Bond	354,479	0.54%
126,161	Liontrust European Dynamic Fund	450,495	0.68%
25,208	Loomis Sayles Global Opportunistic Bond Fund	274,013	0.42%
770,062	M&G Japan	1,265,597	1.92%
44,729	Neuberger Berman Uncorrelated Strategies	476,814	0.72%
3,911	Robeco QI Dynamic High Yield	478,362	0.73%
478,338	Schroder Recovery	746,686	1.13%
118,792	SVM UK Opportunities	808,852	1.23%
7,843	Vanguard Emerging Markets Stock Index	2,115,290	3.21%
5,821	Vanguard Global Bond Index	883,237	1.34%
2,883	Vanguard Global Credit Bond	289,430	0.44%
1,719	Vanguard US Equity Index	1,704,000	2.58%
		<b>58,288,171</b>	<b>88.38%</b>
<b>Exchange Traded Funds (30.04.2024: 4.88%)</b>			
91,719	Amundi Prime Japan UCITS ETF	2,116,187	3.21%
56,487	Amundi Prime UK Mid And Small Cap UCITS ETF	1,252,882	1.90%
255,654	iShares \$ Treasury Bond 20+yr ETF	1,289,007	1.95%
282,166	iShares MSCI Europe Mid Cap UCITS ETF	1,739,554	2.64%
		<b>6,397,630</b>	<b>9.70%</b>
<b>Portfolio of investments (30.04.2024: 98.31%)</b>		<b>64,685,801</b>	<b>98.08%</b>
<b>Net other assets (30.04.2024: 1.69%)</b>		<b>1,262,995</b>	<b>1.92%</b>
		<b>65,948,796</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>26,341,156</b>
iShares UK Equity Index Fund	3,315,593
HSBC American Index	2,485,655
iShares MSCI Europe Mid Cap UCITS ETF	1,718,703
Vanguard Emerging Markets Stock Index	1,667,787
Amundi Prime Japan UCITS ETF	1,291,837
iShares \$ Treasury Bond 20+yr ETF	1,282,054
Dimensional Global Ultra Short Fixed Income	1,210,013
HSBC Global Funds ICAV - Global Aggregate Bond	1,130,769
Invesco Perpetual UK Enhanced Index	921,896
iShares North American Equity Index	892,219
Various other purchases	10,424,630

	£
<b>Total sales for the period</b>	<b>13,829,567</b>
HSBC Global Funds ICAV - Global Aggregate Bond	1,860,745
HSBC Global Government Bond Index	1,503,203
Vanguard Emerging Markets Stock Index	1,370,033
BCIF 100 UK Equity Tracker	1,228,008
HSBC European Index	1,042,423
Lazard Emerging Markets Equity Advantage Fund	1,015,088
HSBC American Index	656,608
Amundi Prime Japan UCITS ETF	643,080
Invesco Perpetual UK Enhanced Index	634,491
iShares UK Equity Index Fund	595,758
Various other sales	3,280,130

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
Income		
Net capital gains/(losses)	2,502,569	(845,197)
Revenue	644,774	380,982
Expenses	(106,914)	(63,887)
Interest payable and similar charges	(5,921)	-
Net revenue before taxation	531,939	317,095
Taxation	-	-
Net revenue after taxation	531,939	317,095
Total return before distributions	3,034,508	(528,102)
Finance costs: distributions	51,668	32,601
<b>Changes in net assets attributable to shareholders from investment activities</b>	<b>3,086,176</b>	<b>(495,501)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	49,902,597	28,982,542
Amounts receivable on creation of shares	21,262,513	8,297,558
Amounts payable on cancellation of shares	(8,302,903)	(2,756,737)
Dilution levies	413	-
Changes in net assets attributable to shareholders from investment activities (see above)	3,086,176	(495,501)
<b>Closing net assets attributable to shareholders</b>	<b>65,948,796</b>	<b>34,027,862</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 Sub-fund net asset value as at 30 April 2024 was £49,902,597.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		64,685,801		49,060,509
<b>Current assets</b>				
Debtors	2,045,013		643,218	
Cash and bank balances	<u>178,548</u>		<u>992,273</u>	
<b>Total current assets</b>		<u>2,223,561</u>		<u>1,635,491</u>
<b>Total assets</b>		66,909,362		50,696,000
<b>Current liabilities</b>				
Bank overdraft	(37,393)		-	
Creditors	<u>(923,173)</u>		<u>(793,403)</u>	
<b>Total current liabilities</b>		<u>(960,566)</u>		<u>(793,403)</u>
<b>Net assets attributable to shareholders</b>		<u>65,948,796</u>		<u>49,902,597</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£21,858,671
<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

\* Share class closed 31 May 2024 following mandatory conversion to B Class (Retail) Accumulation.

\*\*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

The VT Tatton Oak Capital Growth B Acc returned 5.36% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 1.38% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

Some changes to the sub-fund were implemented on 8 May 2024. Adjustments were made to the asset class allocations; Bonds were increased and Cash was decreased. During this update, sub-asset allocations were amended; Cash was decreased and IG Bond was increased. The sub-fund's manager lineup was revised; Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, iShares 100 UK Equity Index Fund (UK) was removed and iShares UK Equity Index Fund (UK) was increased.

On 30 May 2024, the sub-fund underwent a change. The sub-fund's asset class distribution was revised; Bonds were decreased and Equities were increased. Changes were implemented in the sub-asset class allocations; North America Equity was increased and Strat Bond was decreased. Fund managers within the portfolio were adjusted; HSBC Global Aggregate Bond UCITS ETF was decreased and Vanguard US Equity Index Fund was increased.

The sub-fund underwent an update on 7 August 2024. During this update, fund manager allocations were amended; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

The fund's positioning was changed on 23 October 2024. The portfolio's fund manager allocations were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period from 01 May 2024 to 31 May 2024 <sup>^</sup>	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	288.2045	261.1673	262.8606
Return before operating charges	2.9911	31.6519	2.7085
Operating charges (note 1)	(0.3997)	(4.6147)	(4.4018)
Return after operating charges *	2.5914	27.0372	(1.6933)
Closing net asset value per share	290.7959	288.2045	261.1673
Retained distributions on accumulated shares	-	4.2024	2.2255
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	0.90%	10.35%	(0.64%)
Other information			
Closing net asset value	-	£3,283,743	£3,332,288
Closing number of shares	-	1,139,380	1,275,921
Operating charges (note 2)	1.68%	1.68%	1.68%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	295.1303	291.0253	268.3177
Lowest share price	286.4299	255.8522	244.1440

<sup>^</sup>Share class closed on 31 May 2024 after conversion to B Class (Retail) Accumulation

#### B Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	321.9996	289.5959	289.3275
Return before operating charges	18.8106	35.2476	2.9604
Operating charges (note 1)	(1.5375)	(2.8439)	(2.6920)
Return after operating charges *	17.2731	32.4037	0.2684
Closing net asset value per share	339.2727	321.9996	289.5959
Retained distributions on accumulated shares	-	6.9457	4.5819
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	5.36%	11.19%	0.09%
Other information			
Closing net asset value	£21,860,689	£19,624,749	£21,783,704
Closing number of shares	6,443,398	6,094,650	7,522,103
Operating charges (note 2)	0.93%	0.93%	0.93%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	342.5592	324.9717	297.0482
Lowest share price	320.0302	284.7836	269.0194

## 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 90.10%)</b>			
200,495	BNY Mellon Efficient Global High Yield Beta	228,284	1.04%
68,365	Dimensional Global Ultra Short Fixed Income	790,983	3.62%
235,197	Fidelity Index Pacific ex Japan	483,895	2.21%
294,795	HSBC American Index	3,777,450	17.28%
54,657	HSBC European Index	742,793	3.40%
61,263	HSBC Global Corporate Bond Index	670,290	3.07%
9,895	HSBC Global Emerging Market Government Bond Index	113,009	0.52%
161,450	HSBC Global Funds ICAV - Global Aggregate Bond	1,552,165	7.10%
67,184	HSBC Global Government Bond Index	673,544	3.08%
138,132	Invesco Perpetual UK Enhanced Index	1,028,517	4.71%
310,048	iShares North American Equity Index	2,538,715	11.61%
766,325	iShares UK Equity Index Fund	2,335,470	10.68%
175,408	Legal & General Emerging Markets Government Bond	117,050	0.54%
4,655	Vanguard Emerging Markets Stock Index	1,255,583	5.74%
4,380	Vanguard Global Bond Index	664,542	3.04%
2,182	Vanguard US Equity Index	2,163,308	9.90%
		<b>19,135,598</b>	<b>87.54%</b>
<b>Exchange Traded Funds (30.04.2024: 7.84%)</b>			
44,714	Amundi Prime Japan UCITS ETF	1,031,664	4.72%
28,179	Amundi Prime UK Mid And Small Cap UCITS ETF	625,010	2.86%
89,472	iShares \$ Treasury Bond 20+yr ETF	451,118	2.06%
82,791	iShares MSCI Europe Mid Cap UCITS ETF	510,407	2.34%
		<b>2,618,199</b>	<b>11.98%</b>
	<b>Portfolio of investments (30.04.2024: 97.94%)</b>	<b>21,753,797</b>	<b>99.52%</b>
	<b>Net other assets (30.04.2024: 2.06%)</b>	<b>104,874</b>	<b>0.48%</b>
		<b>21,858,671</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>3,323,635</b>
iShares UK Equity Index Fund	1,065,683
iShares MSCI Europe Mid Cap UCITS ETF	501,246
iShares \$ Treasury Bond 20+yr ETF	448,684
Vanguard US Equity Index	375,319
Dimensional Global Ultra Short Fixed Income	244,014
Invesco Perpetual UK Enhanced Index	190,799
HSBC European Index	113,487
iShares North American Equity Index	90,995
Vanguard Emerging Markets Stock Index	85,093
Amundi Prime Japan UCITS ETF	83,627
Various other purchases	124,688
	£
<b>Total sales for the period</b>	<b>5,295,649</b>
HSBC Global Funds ICAV - Global Aggregate Bond	802,938
BCIF 100 UK Equity Tracker	780,949
HSBC European Index	597,386
HSBC American Index	549,158
HSBC Global Government Bond Index	518,949
iShares North American Equity Index	438,765
Vanguard US Equity Index	328,079
iShares UK Equity Index Fund	275,246
Vanguard Emerging Markets Stock Index	247,687
Dimensional Global Ultra Short Fixed Income	160,669
Various other sales	595,823

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		971,045		(535,190)
Revenue	332,242		320,053	
Expenses	(101,962)		(115,844)	
Interest payable and similar charges	(4,221)		-	
Net revenue before taxation	226,059		204,209	
Taxation	-		-	
Net revenue after taxation		226,059		204,209
Total return before distributions		1,197,104		(330,981)
Finance costs: distributions		(808)		(7,614)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>1,196,296</b>		<b>(338,595)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	22,907,168	25,115,201
Amounts receivable on creation of shares	810,021	633,447
Amounts payable on cancellation of shares	(3,054,814)	(3,078,706)
Changes in net assets attributable to shareholders from investment activities (see above)	1,196,296	(338,595)
<b>Closing net assets attributable to shareholders</b>	<b>21,858,671</b>	<b>22,331,347</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 Sub-fund net asset value as at 30 April 2024 was £22,907,168.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		21,753,797		22,435,551
<b>Current assets</b>				
Debtors	272,328		3,967	
Cash and bank balances	<u>327,833</u>		<u>665,331</u>	
<b>Total current assets</b>		<u>600,161</u>		<u>669,298</u>
<b>Total assets</b>		22,353,958		23,104,849
<b>Current liabilities</b>				
Bank overdraft	(79,717)		(147,956)	
Creditors	<u>(415,570)</u>		<u>(49,725)</u>	
<b>Total current liabilities</b>		<u>(495,287)</u>		<u>(197,681)</u>
<b>Net assets attributable to shareholders</b>		<u>21,858,671</u>		<u>22,907,168</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£14,235,713
<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.

Share class information	A Class (Retail) Accumulation*	B Class (Retail) Accumulation
<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

\* Share class closed 31 May 2024 following mandatory conversion to B Class (Retail) Accumulation.

\*\*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

The VT Tatton Oak Cautious Growth B Acc returned 4.55% in the six months to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 3.98% meaning the fund outperformed by 0.57% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund was updated on 8 May 2024. Updates were made to the asset class split; Bonds were increased and Cash was decreased. The portfolio's sub-asset class distribution was revised; Cash was decreased and IG Bond was increased. Changes were made to manager positioning; Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, iShares 100 UK Equity Index Fund (UK) was removed and iShares UK Equity Index Fund (UK) was increased.

On 30 May 2024 the sub-fund was updated. During this update, the asset allocation was amended; Bonds were decreased and Equities were increased. Sub-asset allocation was changed; North America Equity was increased and Strat Bond was decreased. Fund managers within the portfolio were adjusted; Vanguard Global Bd Idx was decreased and Vanguard US Equity Index Fund was increased.

On 7 August 2024 the sub-fund was updated. During this update some manager changes were made; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

The sub-fund underwent an update on 23 October 2024. Updates were made to the portfolio's fund managers; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

#### A Class (Retail) Accumulation

	Period from 01 May 2024 to 31 May 2024^	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	213.3218	200.9841	205.8950
Return before operating charges	1.6663	15.9007	(1.4524)
Operating charges (note 1)	(0.3008)	(3.5630)	(3.4585)
Return after operating charges *	1.3655	12.3377	(4.9109)
Closing net asset value per share	214.6873	213.3218	200.9841
Retained distributions on accumulated shares	-	4.6783	2.4680
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	0.64%	6.14%	(2.39%)
Other information			
Closing net asset value	-	£2,315,621	£2,588,280
Closing number of shares	-	1,085,506	1,287,803
Operating charges (note 2)	1.71%	1.72%	1.70%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	217.3865	215.6971	206.3654
Lowest share price	212.3916	195.0982	189.9477

^Share class closed on 31 May 2024 after conversion to B Class (Retail) Accumulation

#### B Class (Retail) Accumulation

	Period ended 31 October 2024	Year ended 30 April 2024	Year ended 30 April 2023
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	236.6109	221.2472	224.9648
Return before operating charges	11.9207	17.5843	(1.5981)
Operating charges (note 1)	(1.1616)	(2.2206)	(2.1195)
Return after operating charges *	10.7591	15.3637	(3.7176)
Closing net asset value per share	247.3700	236.6109	221.2472
Retained distributions on accumulated shares	-	6.8767	4.3404
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.55%	6.94%	(1.65%)
Other information			
Closing net asset value	£14,236,664	£13,203,735	£15,692,603
Closing number of shares	5,755,211	5,580,359	7,092,791
Operating charges (note 2)	0.96%	0.97%	0.95%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	249.5733	239.1084	225.9884
Lowest share price	235.5891	215.5879	208.2580

## 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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 93.71%)</b>			
412,655	BNY Mellon Efficient Global High Yield Beta	469,849	3.29%
84,386	Dimensional Global Ultra Short Fixed Income	976,349	6.86%
79,281	Fidelity Index Pacific ex Japan	163,114	1.15%
133,728	HSBC American Index	1,713,561	12.04%
30,036	HSBC European Index	408,194	2.87%
78,169	HSBC Global Corporate Bond Index	855,261	6.01%
20,525	HSBC Global Emerging Market Government Bond Index	234,412	1.65%
204,244	HSBC Global Funds ICAV - Global Aggregate Bond	1,963,586	13.79%
108,666	HSBC Global Government Bond Index	1,089,425	7.65%
46,633	Invesco Perpetual UK Enhanced Index	347,225	2.44%
76,869	iShares North American Equity Index	629,416	4.42%
285,778	iShares UK Equity Index Fund	870,944	6.12%
346,678	Legal & General Emerging Markets Government Bond	231,338	1.63%
2,133	Vanguard Emerging Markets Stock Index	575,215	4.04%
8,541	Vanguard Global Bond Index	1,295,978	9.10%
2,230	Vanguard UK Government Bond Index	295,921	2.08%
790	Vanguard US Equity Index	782,940	5.50%
		<b>12,902,728</b>	<b>90.64%</b>
<b>Exchange Traded Funds (30.04.2024: 4.47%)</b>			
20,460	Amundi Prime Japan UCITS ETF	472,063	3.32%
10,228	Amundi Prime UK Mid And Small Cap UCITS ETF	226,857	1.59%
59,304	iShares \$ Treasury Bond 20+yr ETF	299,011	2.10%
37,831	iShares MSCI Europe Mid Cap UCITS ETF	233,228	1.64%
		<b>1,231,159</b>	<b>8.65%</b>
	<b>Portfolio of investments (30.04.2024: 98.18%)</b>	<b>14,133,887</b>	<b>99.29%</b>
	<b>Net other assets (30.04.2024: 1.82%)</b>	<b>101,826</b>	<b>0.71%</b>
		<b>14,235,713</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>1,962,400</b>
iShares \$ Treasury Bond 20+yr ETF	297,398
iShares MSCI Europe Mid Cap UCITS ETF	229,042
Vanguard US Equity Index	220,725
iShares UK Equity Index Fund	209,730
HSBC American Index	162,437
HSBC Global Funds ICAV - Global Aggregate Bond	153,003
Dimensional Global Ultra Short Fixed Income	150,254
Invesco Perpetual UK Enhanced Index	114,903
Amundi Prime Japan UCITS ETF	74,226
HSBC European Index	59,780
Various other purchases	290,902

	£
<b>Total sales for the period</b>	<b>3,818,610</b>
Vanguard Global Bond Index	705,646
HSBC Global Government Bond Index	539,383
HSBC American Index	455,623
HSBC Global Funds ICAV - Global Aggregate Bond	392,856
HSBC European Index	280,475
BCIF 100 UK Equity Tracker	209,596
iShares North American Equity Index	195,285
Vanguard US Equity Index	151,094
Dimensional Global Ultra Short Fixed Income	146,084
HSBC Global Corporate Bond Index	137,536
Various other sales	605,032

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
Income		
Net capital gains/(losses)	460,221	(589,307)
Revenue	299,213	262,702
Expenses	(68,737)	(87,277)
Interest payable and similar charges	(5,079)	-
Net revenue before taxation	225,397	175,425
Taxation	(7,362)	(10,227)
Net revenue after taxation	218,035	165,198
Total return before distributions	678,256	(424,109)
Finance costs: distributions	581	(9,090)
<b>Changes in net assets attributable to shareholders from investment activities</b>	<b>678,837</b>	<b>(433,199)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	15,524,525	18,281,628
Amounts receivable on creation of shares	277,535	131,363
Amounts payable on cancellation of shares	(2,245,364)	(1,873,279)
Dilution levies	180	-
Changes in net assets attributable to shareholders from investment activities (see above)	678,837	(433,199)
<b>Closing net assets attributable to shareholders</b>	<b>14,235,713</b>	<b>16,106,513</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 Sub-fund net asset value as at 30 April 2024 was £15,254,525.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		14,133,887		15,241,769
<b>Current assets</b>				
Debtors	488,470		2,868	
Cash and bank balances	<u>177,571</u>		<u>481,045</u>	
<b>Total current assets</b>		<u>666,041</u>		<u>483,913</u>
<b>Total assets</b>		14,799,928		15,725,682
<b>Current liabilities</b>				
Bank overdraft	(32,093)		(127,785)	
Creditors	<u>(532,122)</u>		<u>(73,372)</u>	
<b>Total current liabilities</b>		<u>(564,215)</u>		<u>(201,157)</u>
<b>Net assets attributable to shareholders</b>		<u>14,235,713</u>		<u>15,524,525</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024 (31 October 2023: 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>	£7,439,297
<b>Launch date</b>	30 January 2012
<b>Investment objective and policy to 30 May 2024</b>	The objective of the Sub-fund is to maximise potential total return (i.e. capital and income growth).

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%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

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.

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.

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.

<b>Investment objective and policy from 31 May 2024</b>	The objective of the Sub-fund is to provide returns over a period of at least 5 years by a combination of capital growth and income generation.
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The Investment Manager will manage the portfolio in order to achieve its investment objective by investing at least 70% in collective investment schemes, such as unit trusts, OEICs and closed ended schemes.

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 (including government and corporate bonds, which could be investment grade or high yield bonds).

One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 5 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will be approximately 30%.

In the shorter term, this weighting may be adjusted tactically as economic and market conditions dictate while not deviating by more than  $\pm 12.5\%$ .

To the extent not invested in shares, other underlying assets in the portfolio (to which there will be indirect exposure) may include bonds (as described above), commodities, property, hedge fund strategies, private equity and derivatives. Some of these

The Sub-fund may also invest, at the AFM's discretion, directly in other transferable securities including shares and bonds, money market instruments (such as money market Sub-funds or government treasury bills), cash and near cash, deposits and any other permitted asset type deemed appropriate to meet the investment objective.

## SUB-FUND OVERVIEW (Continued)

**Investment objective and policy from 31 May 2024 (Continued)** The Sub-fund may temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.

**Derivatives** The Sub-fund may use derivatives for investment purposes or for Efficient Portfolio Management as appropriate.

**Benchmark** 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.

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.

**Final accounting date** 30 April

**Interim accounting dates** 31 July, 31 October and 31 January

**Distribution date** 30 June, 30 September, 31 December and 31 March

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.

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

Share class information	Blended Defensive Class (Retail)	Blended Defensive Class (Retail)
<b>Annual management charge</b>	0.30%	0.30%
<b>Initial charge**</b>	0%	0%
<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>	No	No

\*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

The VT Tatton Blended Defensive Retail Acc returned 4.12% in the six months to 31 October 2024. The IA Mixed Investment 0-35% Shares benchmark returned 3.59% meaning the fund outperformed by 0.53% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund was updated on 8 May 2024. Adjustments were made to the asset class allocations; Bonds were increased and Cash was decreased. Updates were made to the sub-asset class split; Cash was decreased and IG Bond was increased. During this update, fund manager allocations were amended; Allianz Strategic Bond Fund was removed, Cash was decreased, Dimensional Global Ultra Shrt Fxd Inc Fd was increased, HSBC Global Aggregate Bond UCITS ETF was increased, iShares 100 UK Equity Index Fund (UK) was removed, Loomis Sayles Global Opportunistic Bd Fd was increased and SVM UK Opportunities Fund was added.

An update to the sub-fund was made on 30 May 2024. Adjustments were made to the asset class allocations; Bonds were decreased and Equities were increased. Adjustments were made to the sub-asset class allocations; North America Equity was increased, Strat Bond was decreased and UK Equity was increased. During this update, fund manager allocations were amended; HSBC American Index Fund was increased and HSBC Global Aggregate Bond UCITS ETF was decreased.

The sub-fund underwent an update on 7 August 2024. One manager selection change was made; iShares MSCI Europe Mid Cap ETF was added.

The fund's positioning was changed on 17 October 2024. Manager positions were updated; GS Emerging Markets CORE® Equity Port was removed, Lazard Emerging Markets Equity Advtg Fd was removed, Barings Hong Kong China was added and GS EM Ex-China Core Equity Fund was added.

The sub-fund was updated on 23 October 2024. Manager positions were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

### Financial Highlights

<b>Blended Defensive Class (Retail) Income</b>	<b>Period ended 31 October 2024</b>	<b>Year ended 30 April 2024</b>	<b>Year ended 30 April 2023</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	92.6237	92.2800	96.3821
Return before operating charges	4.1714	4.5413	(1.8420)
Operating charges (note 1)	(0.3588)	(0.7026)	(0.6603)
Return after operating charges *	3.8126	3.8387	(2.5023)
Distributions on income shares	(0.2415)	(3.4950)	(1.5998)
Closing net asset value per share	96.1948	92.6237	92.2800
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.12%	4.16%	(2.60%)
Other information			
Closing net asset value	£1,086,256	£1,057,851	£1,414,900
Closing number of shares	1,129,226	1,142,095	1,533,269
Operating charges (note 2)	0.76%	0.76%	0.70%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	97.0859	94.3346	96.3821
Lowest share price	92.3038	87.4336	88.8152

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Period ended 31 October 2024</b>	<b>Year ended 30 April 2024</b>	<b>Year ended 30 April 2023</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	101.7139	97.5156	100.0918
Return before operating charges	4.5855	4.9554	(1.8846)
Operating charges (note 1)	(0.3945)	(0.7571)	(0.6916)
Return after operating charges *	4.1910	4.1983	(2.5762)
Closing net asset value per share	105.9049	101.7139	97.5156
Retained distributions on accumulated shares	0.2652	3.7422	1.6717
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	4.12%	4.31%	(2.57%)
Other information			
Closing net asset value	£6,353,311	£6,746,813	£5,079,028
Closing number of shares	5,999,075	6,633,127	5,208,427
Operating charges (note 2)	0.76%	0.76%	0.70%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	106.8858	103.0161	100.0918
Lowest share price	101.3625	94.1566	92.4850

## 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 2024: 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.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes (30.04.2024: 96.66%)</b>			
19,965	Artemis US Select	84,622	1.15%
16,909	AXA Framlington UK Mid Cap	20,613	0.28%
20	Baring Hong Kong China	18,365	0.25%
1,652	Barings Emerging Markets Debt Blended	210,656	2.83%
79,321	BNY Mellon Efficient Global High Yield Beta	90,315	1.21%
1,004	Cheyne Global Credit	114,059	1.53%
30,895	Dimensional Global Ultra Short Fixed Income	357,450	4.80%
35,106	ES Alliance Bernstein Concentrated US Equity	65,507	0.88%
41,714	Fidelity Index Pacific ex Japan	85,822	1.15%
225,009	FTF Brandywine Global Income Optimiser	267,536	3.60%
4,753	Goldman Sachs Emerging Markets Ex-China CORE Equity	55,422	0.74%
454	HC Snyder US All Cap Equity Fund	61,119	0.82%
37,468	HSBC American Index	480,104	6.45%
5,040	HSBC European Index	68,500	0.92%
33,277	HSBC Global Corporate Bond Index	364,087	4.89%
6,740	HSBC Global Emerging Market Government Bond Index	76,976	1.03%
125,663	HSBC Global Funds ICAV - Global Aggregate Bond	1,208,115	16.24%
81,869	HSBC Global Government Bond Index	820,772	11.03%
11,983	Invesco Perpetual UK Enhanced Index	89,223	1.20%
9,173	iShares North American Equity Index	75,113	1.01%
78,268	iShares UK Equity Index Fund	238,530	3.21%
666	Janus Henderson European Selected Opportunities	19,473	0.26%
10,236	Janus Henderson Global Multi-Strategy	114,811	1.54%
8,567	JPM Europe Dynamic ex-UK	31,012	0.42%
6,050	JPM Japan	21,605	0.29%
12,950	JPM US Equity Income	61,693	0.83%
13,954	Jupiter Merian North American Equity	66,417	0.89%
142,229	Legal & General Emerging Markets Government Bond	94,909	1.28%
5,682	Liontrust European Dynamic Fund	20,289	0.27%
35,165	Loomis Sayles Global Opportunistic Bond Fund	382,249	5.14%
8,751	M&G Japan	14,383	0.19%
18,416	Neuberger Berman Uncorrelated Strategies	196,314	2.64%
953	Robeco QI Dynamic High Yield	116,502	1.57%
18,709	Schroder Recovery	29,204	0.39%
4,133	SVM UK Opportunities	28,143	0.38%
202	Vanguard Emerging Markets Stock Index	54,583	0.73%
3,529	Vanguard Global Bond Index	535,515	7.20%
1,157	Vanguard Global Credit Bond	116,186	1.56%
2,249	Vanguard UK Government Bond Index	298,349	4.01%
		<b>7,054,543</b>	<b>94.81%</b>
<b>Exchange traded Funds (30.04.2024: 1.17%)</b>			
2,586	Amundi Prime Japan UCITS ETF	59,665	0.80%
1,432	Amundi Prime UK Mid And Small Cap UCITS ETF	31,762	0.43%
29,756	iShares \$ Treasury Bond 20+yr ETF	150,030	2.02%
9,505	iShares MSCI Europe Mid Cap UCITS ETF	58,598	0.79%
		<b>300,055</b>	<b>4.04%</b>
<b>Portfolio of investments (30.04.2024: 97.83%)</b>		<b>7,354,598</b>	<b>98.85%</b>
<b>Net other assets (30.04.2024: 2.17%)</b>		<b>84,699</b>	<b>1.15%</b>
		<b>7,439,297</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>1,948,699</b>
HSBC Global Funds ICAV - Global Aggregate Bond	386,908
HSBC American Index	191,783
iShares UK Equity Index Fund	185,830
HSBC Global Government Bond Index	164,714
Loomis Sayles Global Opportunistic Bond Fund	160,405
Dimensional Global Ultra Short Fixed Income	151,112
iShares \$ Treasury Bond 20+yr ETF	149,220
Barings Emerging Markets Debt Blended	63,727
iShares North American Equity Index	61,618
FTF Brandywine Global Income Optimiser	59,635
Various other purchases	373,747

	£
<b>Total sales for the period</b>	<b>2,558,123</b>
HSBC Global Funds ICAV - Global Aggregate Bond	525,090
HSBC Global Government Bond Index	400,045
Allianz Strategic Bond	282,521
HSBC American Index	144,957
Vanguard Global Bond Index	122,978
iShares North American Equity Index	94,609
Dimensional Global Ultra Short Fixed Income	83,887
HSBC Global Corporate Bond Index	80,828
FTF Brandywine Global Income Optimiser	77,454
HSBC European Index	73,095
Various other sales	672,659

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 31 October (Unaudited)

	2024		2023	
	£	£	£	£
Income				
Net capital gains/(losses)		159,878		(303,584)
Revenue	171,082		110,491	
Expenses	(19,528)		(18,837)	
Interest payable and similar charges	<u>(71)</u>		<u>-</u>	
Net revenue before taxation	151,483		91,654	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>151,483</u>		<u>91,654</u>
Total return before distributions		311,361		(211,930)
Finance costs: distributions		<u>(19,806)</u>		<u>(129,496)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>291,555</u>		<u>(341,426)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 October (Unaudited)

	2024	2023
	£	£
<b>Opening net assets attributable to shareholders</b>	7,804,600	6,496,678
Amounts receivable on creation of shares	675,551	1,380,372
Amounts payable on cancellation of shares	(1,349,206)	(759,375)
Dilution levies	-	720
Accumulation dividends retained	16,797	115,408
Changes in net assets attributable to shareholders from investment activities (see above)	<u>291,555</u>	<u>(341,426)</u>
<b>Closing net assets attributable to shareholders</b>	<u>7,439,297</u>	<u>6,892,377</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 Sub-fund net asset value as at 30 April 2024 was £7,804,600.

## BALANCE SHEET

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As at	31.10.2024		30.04.2024	
	£	£	£	£
<b>Assets</b>				
Investment assets		7,354,598		7,635,473
<b>Current assets</b>				
Debtors	85,169		79,685	
Cash and bank balances	<u>128,215</u>		<u>174,939</u>	
<b>Total current assets</b>		<u>213,384</u>		<u>254,624</u>
<b>Total assets</b>		<u>7,567,982</u>		<u>7,890,097</u>
<b>Current liabilities</b>				
Bank overdraft	(25,743)		-	
Creditors	(102,942)		(81,842)	
Distribution payable on income shares	<u>-</u>		<u>(3,655)</u>	
<b>Total current liabilities</b>		<u>(128,685)</u>		<u>(85,497)</u>
<b>Net assets attributable to shareholders</b>		<u>7,439,297</u>		<u>7,804,600</u>

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 interest distribution in pence per share

Group 1: Shares purchased prior to 01 May 2024

Group 2: Shares purchased on or after 01 May 2024 and on or before 31 July 2024

<b>Blended Defensive Class (Retail) Income</b>	<b>Net Revenue 30.09.2024</b>	<b>Equalisation</b>	<b>Distribution 30.09.2024</b>	<b>Distribution 30.09.2023</b>
Group 1	0.2415p	-	0.2415p	0.4798p
Group 2	0.1514p	0.0901p	0.2415p	0.4798p

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Net Revenue 30.09.2024</b>	<b>Equalisation</b>	<b>Distribution 30.09.2024</b>	<b>Distribution 30.09.2023</b>
Group 1	0.2652p	-	0.2652p	0.5070p
Group 2	0.0969p	0.1683p	0.2652p	0.5070p

### Q2 interim interest distribution in pence per share

Group 1: Shares purchased prior to 01 August 2024

Group 2: Shares purchased on or after 01 August 2024 and on or before 31 October 2024

<b>Blended Defensive Class (Retail) Income</b>	<b>Net Revenue 31.12.2024</b>	<b>Equalisation</b>	<b>Distribution 31.12.2024</b>	<b>Distribution 29.12.2023</b>
Group 1	-	-	-	1.3680p
Group 2	-	-	-	1.3680p

<b>Blended Defensive Class (Retail) Accumulation</b>	<b>Net Revenue 31.12.2024</b>	<b>Equalisation</b>	<b>Distribution 31.12.2024</b>	<b>Distribution 29.12.2023</b>
Group 1	-	-	-	1.4531p
Group 2	-	-	-	1.4531p

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Passive Balanced Fund
<b>Size of Sub-fund</b>	£4,901,293
<b>Launch date</b>	03 May 2024
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to provide returns over a period of at least 7 years by a combination of capital growth and income generation.</p> <p>The Sub-fund will seek to achieve its investment objective by investing more than 75% of its assets in passive funds that track an index, money market funds, or cash.</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 7 years, in normal market conditions, it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will typically be 60% and never lower than 47.5% or higher than 72.5%.</p> <p>To the extent not invested in shares as set out above, the Sub-fund will mainly invest: (i) (directly or indirectly) in government and corporate bonds (including investment grade and high yield bonds); and (ii) directly in money market instruments (such as money market funds or government treasury bills), cash and near cash and deposits.</p> <p>The remainder of the Sub-fund may also be invested indirectly in commodities, property, hedge fund strategies and private equity.</p> <p>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 temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for Efficient Portfolio Management.
<b>Benchmark</b>	<p>Investors can compare the performance of the Fund with the IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against relevant Investment Association sector benchmarks 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 within two months of the accounting date but the AFM reserves the right to accumulate 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)**

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<b>Share class information</b>	<b>I Class (Retail) Accumulation</b>
<b>Annual management charge</b>	0.15%
<b>Initial charge**</b>	0%
<b>Minimum initial investment*</b>	£3,000
<b>Minimum subsequent investment</b>	£1,000
<b>Minimum holding</b>	£1,000
<b>Minimum redemption</b>	None
<b>Redemption charge</b>	0%
<b>Minimum regular savings plan</b>	£100 per month
<b>Minimum regular withdrawal facility</b>	No

\*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

The inception date of the VT Tatton Passive Balanced I GBP Acc was 01 May 2024, meaning the fund returned 2.49% to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 4.38% meaning the fund underperformed by 1.89% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

The sub-fund was updated on 23 May 2024. During this update, fund manager allocations were amended; Cash was decreased, HSBC Global Emerging Mkt Gov Bd Idx Fd was decreased, iShares Core FTSE 100 ETF was removed, iShares UK Equity Index Fund (UK) was added, L&G Emerg Mkts Govt Bd (Lcl Ccy) Idx Fd was added and Royal London Short Term Money Market Fd was added.

On 30 May 2024, the sub-fund underwent a change. Changes were implemented in the asset class allocations; Bonds were decreased and Equities were increased. The fund's sub-asset allocation was updated; North America Equity was increased and Strat Bond was decreased. Underlying fund managers were adjusted; HSBC American Index Fund was increased, HSBC Global Aggregate Bond UCITS ETF was decreased and Vanguard Global Bd Idx was decreased.

On 7 August 2024, the sub-fund underwent a change. During this update some manager changes were made; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

Some changes to the sub-fund were implemented on 23 October 2024. Changes were made to manager positioning; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

	<b>Period from 03 May 2024 to 31 October 2024<sup>^</sup></b>
<b>I Class (Retail)</b>	
Changes in net assets per share	GBP
Opening net asset value per share	100.0000
Return before operating charges	2.9513
Operating charges (note 1)	(0.4569)
Return after operating charges *	2.4944
Distributions on income shares	-
Closing net asset value per share	102.4944
*after direct transactions costs of:	-
Performance	
Return after charges	2.49%
Other information	
Closing net asset value	£4,901,683
Closing number of shares	4,782,389
Operating charges (note 2)	0.91%
Direct transaction costs	0.00%
Prices	
Highest share price	103.5100
Lowest share price	98.3165

<sup>^</sup>Share class launched 03 May 2024

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. The Sub-fund is ranked '4' because simulated monthly historical performance data indicates that average rises and falls in prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes</b>			
90,210	BNY Mellon Efficient Global High Yield Beta	102,713	2.10%
20,939	Fidelity Index Pacific ex Japan	43,081	0.88%
42,620	HSBC American Index	546,119	11.14%
12,978	HSBC European Index	176,366	3.60%
16,918	HSBC Global Corporate Bond Index	185,098	3.78%
3,653	HSBC Global Emerging Market Government Bond Index	41,720	0.85%
61,342	HSBC Global Funds ICAV - Global Aggregate Bond	589,733	12.03%
28,574	HSBC Global Government Bond Index	286,467	5.84%
185,486	iShares UK Equity Index Fund	565,293	11.53%
87,534	Legal & General Emerging Markets Government Bond	58,410	1.19%
185,493	Royal London Short Term Money Market Fund	210,120	4.29%
922	Vanguard Emerging Markets Stock Index	248,697	5.07%
1,578	Vanguard Global Bond Index	239,398	4.88%
470	Vanguard UK Government Bond Index	62,420	1.27%
930	Vanguard US Equity Index	922,130	18.81%
		<b>4,277,765</b>	<b>87.26%</b>
<b>Exchange traded Funds</b>			
9,464	Amundi Prime Japan UCITS ETF	218,358	4.46%
5,209	Amundi Prime UK Mid And Small Cap UCITS ETF	115,536	2.36%
19,037	iShares \$ Treasury Bond 20+yr ETF	95,985	1.96%
14,145	iShares MSCI Europe Mid Cap UCITS ETF	87,204	1.78%
		<b>517,083</b>	<b>10.56%</b>
	<b>Portfolio of investments</b>	<b>4,794,848</b>	<b>97.82%</b>
	<b>Net other assets</b>	<b>106,445</b>	<b>2.18%</b>
		<b>4,901,293</b>	<b>100.00%</b>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>5,062,169</b>
Vanguard US Equity Index	915,335
HSBC Global Funds ICAV - Global Aggregate Bond	649,894
iShares UK Equity Index Fund	608,443
HSBC American Index	545,020
HSBC Global Government Bond Index	376,307
Vanguard Global Bond Index	248,177
Vanguard Emerging Markets Stock Index	240,131
Amundi Prime Japan UCITS ETF	222,319
HSBC European Index	211,914
Royal London Short Term Money Market Fund	207,424
Various other purchases	837,205

	£
<b>Total sales for the period</b>	<b>357,946</b>
HSBC Global Government Bond Index	91,555
HSBC Global Funds ICAV - Global Aggregate Bond	63,581
Vanguard US Equity Index	42,087
iShares UK Equity Index Fund	39,405
iShares Core FTSE 100 UCITS ETF	38,267
HSBC American Index	32,544
HSBC European Index	29,906
Vanguard Global Bond Index	9,700
HSBC Global Corporate Bond Index	7,900
Legal & General Emerging Markets Government Bond	2,069
Various other sales	932

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

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### For the period (Unaudited)

	03 May 2024 to 31 October 2024	
	£	£
Income		
Net capital gains		77,745
Revenue	11,898	
Expenses	(8,041)	
Interest payable and similar charges	<u>(5)</u>	
Net revenue before taxation	3,852	
Taxation	<u>-</u>	
Net revenue after taxation		<u>3,852</u>
Total return before distributions		81,597
Finance costs: distributions		<u>3,017</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u><b>84,614</b></u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the period (Unaudited)

	03 May 2024 to 31 October 2024 £
<b>Opening net assets attributable to shareholders</b>	-
Amounts receivable on creation of shares	4,883,824
Amounts payable on cancellation of shares	(67,395)
Dilution levies	250
Changes in net assets attributable to shareholders from investment activities (see above)	<u>84,614</u>
<b>Closing net assets attributable to shareholders</b>	<u><b>4,901,293</b></u>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## BALANCE SHEET

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As at	31.10.2024	
	£	£
<b>Assets</b>		
Investment assets		4,794,848
<b>Current assets</b>		
Debtors	128,493	
Cash and bank balances	<u>89,087</u>	
<b>Total current assets</b>		<u>217,580</u>
<b>Total assets</b>		5,012,428
<b>Current liabilities</b>		
Creditors	<u>(111,135)</u>	
<b>Total current liabilities</b>		<u>(111,135)</u>
<b>Net assets attributable to shareholders</b>		<u>4,901,293</u>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024.

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Passive Cautious Fund
<b>Size of Sub-fund</b>	£1,792,771
<b>Launch date</b>	03 May 2024
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to provide returns over a period of at least 5 years by a combination of capital growth and income generation.</p> <p>The Sub-fund will seek to achieve its investment objective by investing more than 75% of its assets in passive funds that track an index, money market funds, or cash.</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 5 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will typically be 45% and never lower than 32.5% or higher than 57.5%.</p> <p>To the extent not invested in shares as set out above, the Sub-fund will mainly invest: (i) (directly or indirectly) in government and corporate bonds (including investment grade and high yield bonds); and (ii) directly in money market instruments (such as money market Funds or government treasury bills), cash and near cash and deposits.</p> <p>The remainder of the Sub-fund may also be invested indirectly in commodities, property, hedge fund strategies and private equity.</p> <p>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 temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for Efficient Portfolio Management.
<b>Benchmark</b>	<p>Investors can compare the performance of the Fund with the IA OE Mixed Investment 20-60% Shares.</p> <p>The Sub-fund provides comparative performance against relevant Investment Association sector benchmarks 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 within two months of the accounting date but the AFM reserves the right to accumulate 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)**

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<b>Share class information</b>	<b>I Class (Retail) Accumulation</b>
<b>Annual management charge</b>	0.15%
<b>Initial charge**</b>	0%
<b>Minimum initial investment*</b>	£3,000
<b>Minimum subsequent investment</b>	£1,000
<b>Minimum holding</b>	£1,000
<b>Minimum redemption</b>	None
<b>Redemption charge</b>	0%
<b>Minimum regular savings plan</b>	£100 per month
<b>Minimum regular withdrawal facility</b>	No

\*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

The inception date of the VT Tatton Passive Cautious I GBP Acc was 01 May 2024, meaning the fund returned 2.38% to 31 October 2024. The IA Mixed Investment 20-60% Shares benchmark returned 4.01% meaning the fund underperformed by 1.63% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

On 23 May 2024, changes were made to the sub-fund. Fund manager allocations were updated; Cash was decreased, HSBC Global Emerging Mkt Gov Bd Idx Fd was decreased, iShares Core FTSE 100 ETF was removed, iShares UK Equity Index Fund (UK) was added, L&G Emerg Mkts Govt Bd (Lcl Ccy) Idx Fd was added and Royal London Short Term Money Market Fd was added.

The sub-fund was updated on 30 May 2024. Adjustments were made to the asset class allocations; Bonds were decreased and Equities were increased. During this update, sub-asset allocations were amended; North America Equity was increased and Strat Bond was decreased. Manager positions were updated; HSBC American Index Fund was increased, HSBC Global Aggregate Bond UCITS ETF was decreased, iShares UK Equity Index Fund (UK) was increased and Vanguard Global Bd Idx was decreased.

On 7 August 2024, changes were made to the sub-fund. The portfolio's fund manager allocations were updated; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

The sub-fund underwent an update on 23 October 2024. Manager positions were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

	<b>Period from 03 May 2024 to 31 October 2024^</b>
<b>I Class (Retail)</b>	
Changes in net assets per share	GBP
Opening net asset value per share	100.0000
Return before operating charges	3.1811
Operating charges (note 1)	(0.7979)
Return after operating charges *	2.3832
Distributions on income shares	-
Closing net asset value per share	102.3832
*after direct transactions costs of:	-
Performance	
Return after charges	2.38%
Other information	
Closing net asset value	£1,792,871
Closing number of shares	1,751,138
Operating charges (note 2)	1.59%
Direct transaction costs	0.00%
Prices	
Highest share price	103.4247
Lowest share price	98.8555

^Share class launched 03 May 2024

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. The Sub-fund is ranked '4' because simulated monthly historical performance data indicates that average rises and falls in prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes</b>			
41,578	BNY Mellon Efficient Global High Yield Beta	47,340	2.63%
7,866	Fidelity Index Pacific ex Japan	16,183	0.90%
4,457	HSBC American Index	57,112	3.19%
4,136	HSBC European Index	56,210	3.14%
8,461	HSBC Global Corporate Bond Index	92,579	5.16%
2,045	HSBC Global Emerging Market Government Bond Index	23,358	1.30%
22,780	HSBC Global Funds ICAV - Global Aggregate Bond	219,001	12.22%
13,280	HSBC Global Government Bond Index	133,140	7.43%
57,037	iShares UK Equity Index Fund	173,826	9.70%
34,940	Legal & General Emerging Markets Government Bond	23,316	1.30%
96,973	Royal London Short Term Money Market Fund	109,847	6.13%
247	Vanguard Emerging Markets Stock Index	66,507	3.71%
1,206	Vanguard Global Bond Index	183,056	10.21%
276	Vanguard UK Government Bond Index	36,681	2.05%
348	Vanguard US Equity Index	344,636	19.22%
		<b>1,582,792</b>	<b>88.29%</b>
<b>Exchange traded Funds</b>			
2,012	Amundi Prime Japan UCITS ETF	46,422	2.59%
862	Amundi Prime UK Mid And Small Cap UCITS ETF	19,119	1.07%
6,636	iShares \$ Treasury Bond 20+yr ETF	33,459	1.87%
4,795	iShares MSCI Europe Mid Cap UCITS ETF	29,561	1.65%
		<b>128,561</b>	<b>7.18%</b>
	<b>Portfolio of investments</b>	<b>1,711,353</b>	<b>95.47%</b>
	<b>Net other assets</b>	<b>81,418</b>	<b>4.53%</b>
		<b>1,792,771</b>	<b>100.00%</b>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>1,852,281</b>
Vanguard US Equity Index	351,993
HSBC Global Funds ICAV - Global Aggregate Bond	236,369
HSBC Global Government Bond Index	191,210
iShares UK Equity Index Fund	190,977
Vanguard Global Bond Index	182,404
Royal London Short Term Money Market Fund	108,015
HSBC Global Corporate Bond Index	93,144
HSBC European Index	76,044
Vanguard Emerging Markets Stock Index	63,595
HSBC American Index	53,450
Various other purchases	305,080

	£
<b>Total sales for the period</b>	<b>182,567</b>
HSBC Global Government Bond Index	61,010
Vanguard US Equity Index	28,593
iShares Core FTSE 100 UCITS ETF	27,459
HSBC Global Funds ICAV - Global Aggregate Bond	21,233
HSBC European Index	17,643
iShares UK Equity Index Fund	16,328
HSBC Global Emerging Market Government Bond Index	5,112
HSBC Global Corporate Bond Index	2,883
Vanguard Global Bond Index	2,306

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

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### For the period (Unaudited)

	03 May 2024 to 31 October 2024	
	£	£
Income		
Net capital gains		35,335
Revenue	5,536	
Expenses	(6,991)	
Interest payable and similar charges	<u>(5)</u>	
Net (expenses) before taxation	(1,460)	
Taxation	<u>-</u>	
Net (expenses) after taxation		<u>(1,460)</u>
Total return before distributions		33,875
Finance costs: distributions		<u>-</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b><u>33,875</u></b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the period (Unaudited)

	03 May 2024 to 31 October 2024 £
<b>Opening net assets attributable to shareholders</b>	-
Amounts receivable on creation of shares	1,835,593
Amounts payable on cancellation of shares	(77,078)
Dilution levies	381
Changes in net assets attributable to shareholders from investment activities (see above)	<u>33,875</u>
<b>Closing net assets attributable to shareholders</b>	<b><u>1,792,771</u></b>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## BALANCE SHEET

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As at	31.10.2024	
	£	£
<b>Assets</b>		
Investment assets		1,711,353
<b>Current assets</b>		
Debtors	143,194	
Cash and bank balances	<u>23,086</u>	
<b>Total current assets</b>		<u>166,280</u>
<b>Total assets</b>		1,877,633
<b>Current liabilities</b>		
Bank overdraft	(1,030)	
Creditors	<u>(83,832)</u>	
<b>Total current liabilities</b>		<u>(84,862)</u>
<b>Net assets attributable to shareholders</b>		<u>1,792,771</u>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024.

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Tatton Passive Growth Fund
<b>Size of Sub-fund</b>	£4,395,246
<b>Launch date</b>	03 May 2024
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to provide returns over a period of at least 7 years by a combination of capital growth and income generation.</p> <p>The Sub-fund will seek to achieve its investment objective by investing more than 75% of its assets in passive Sub-funds that track an index, money market funds, or cash.</p> <p>One measure of risk is the proportion invested in the riskiest assets, such as shares in companies. For this Sub-fund, over periods of at least 7 years, in normal market conditions it is expected that the proportion of the Sub-fund exposed to shares (directly and indirectly) will typically be 75% and never lower than 62.5% or higher than 87.5%.</p> <p>To the extent not invested in shares as set out above, the Sub-fund will mainly invest: (i) (directly or indirectly) in government and corporate bonds (including investment grade and high yield bonds); and (ii) directly in money market instruments (such as money market funds or government treasury bills), cash and near cash and deposits.</p> <p>The remainder of the Sub-fund may also be invested indirectly in commodities, property, hedge fund strategies and private equity.</p> <p>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 temporarily depart from this investment policy in response to the Investment Manager's perception of extraordinary market or political conditions. During these periods and for as long as the Investment Manager deems it necessary, the Sub-fund may adjust the stated percentages with a view to avoiding losses.</p>
<b>Derivatives</b>	The Sub-fund may use derivatives for Efficient Portfolio Management.
<b>Benchmark</b>	<p>Investors can compare the performance of the Fund with the IA OE Mixed Investment 40-85% Shares.</p> <p>The Sub-fund provides comparative performance against relevant Investment Association sector benchmarks 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 within two months of the accounting date but the AFM reserves the right to accumulate 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)**

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<b>Share class information</b>	<b>I Class (Retail) Accumulation</b>
<b>Annual management charge</b>	0.15%
<b>Initial charge**</b>	0%
<b>Minimum initial investment*</b>	£3,000
<b>Minimum subsequent investment</b>	£1,000
<b>Minimum holding</b>	£1,000
<b>Minimum redemption</b>	None
<b>Redemption charge</b>	0%
<b>Minimum regular savings plan</b>	£100 per month
<b>Minimum regular withdrawal facility</b>	No

\*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

The inception date of the VT Tatton Passive Growth I GBP Acc was 01 May 2024, meaning the fund returned 2.23% to 31 October 2024. The IA Mixed Investment 40-85% Shares benchmark returned 4.38% meaning the fund underperformed by 2.15% over the period.

### Overview

The sub-fund was updated several times during the period, with the latest rebalance taking place in August 2024. These changes were guided by the thoughts below at the time. Some further smaller updates took place in October to adjust bond positioning.

Capital markets were buoyant in the first half of 2024, but conditions have been more challenging since. Up to July, stock prices rallied in aggregate without much volatility – though returns were extremely concentrated on the US technology mega-caps. The last two months have changed that dynamic: the tech giants faltered and volatility surged. Year-to-date returns are still strong and the broad economic outlook is positive – but risks have increased recently.

On the positive side, developed market central banks are finally cutting interest rates. Cuts have been expected all year, but timelines were repeatedly pushed back through persistent inflation (particularly in the US). The ECB and Bank of England have now cut rates, and the US Federal Reserve is all but certain to follow suit in September. What's more, markets' implied rate expectations have come sharply down in the last month, thanks to weaker economic data. This has brought bond yields down, easing borrowing costs and supporting stock valuations.

The not-so-positive thing is why those rate expectations have come down. The global economy was surprisingly strong in early 2024 – propelled by the US – but growth has clearly slowed. US recession warnings have increased (most notably, those based on unemployment) and the corporate profit outlook has weakened somewhat. Increased growth pessimism contributed to the recent market sell-off.

Liquidity problems have also contributed to market troubles. The running down of US savings (which tend to be invested in US asset markets) through the rate-rise cycle has drained some capital. Through July, the yen also appreciated significantly against the dollar, having been one of the world's weakest currencies in the first half of 2024. This was caused by the Bank of Japan tightening policy – against the easing trend of other developed market central banks. This led to a partial unwind of the so called Yen 'carry trade' (borrowing where rates are cheap and investing where yields are higher) that was funding many speculative investment positions.

The mix of economic risks and liquidity problems has brought volatility. Conditions are not negative overall, but markets appear sensitive to certain risks.

### Outlook

Growth expectations have weakened recently, and markets' implied rate expectations have dropped with them. As of early 8 August, bond markets are projecting lower US rates at 4.5% by the start of 2025 (Currently 5-5.25%). UK rates are expected to be just under that, while Eurozone rates are predicted to be as low as 3%. For those expectations to come true, central banks will need to cut faster and harder than their own communications would suggest.

In the US, pandemic-era savings have largely been run down. This already seems to be drying up market liquidity, but that pressure could increase as growth slows further and confidence slips. Counterbalancing this is that the Fed will likely signal multiple rate cuts, fearing that unemployment could spike if they do not. Despite slowing growth, businesses have been reluctant to lay off workers – which has supported consumption. The Fed is now focused on ensuring that continues, and the US outlook hinges on its success.

UK rate expectations have not come down as sharply as elsewhere, thanks to positive growth signs and markets broadly approving of the new government's policies (particularly repairing relationships with the EU). But like Europe, the UK is vulnerable to energy shocks emanating from Russia-Ukraine. The steep expected decline in Eurozone rates is down to weaker growth, and the drop in Chinese demand for European goods is a concern.

China itself appears unable (or unwilling) to repair private sector confidence. There has been a notable divergence between China and broader emerging markets this year, however. Some EMs have benefited from China's weakness, and we expect the divergence to continue. Japan, meanwhile, has just been through an extreme bout of volatility after a strong stock market rally in the first half of 2024. Confidence is rocked, but the long-term case for Japanese assets (corporate reform and competitive exports) remains.

Lower rates mean lower yields, but there are concerns about government debt sustainability. This is perhaps most justified in the US, where a 'Liz Truss moment' is possible (though unlikely) were the fiscal deficit to widen under the next administration. If bond yields do stay low, it will support equity valuations. However, weaker growth means lower corporate earnings growth. The mix overall should mean decent if unspectacular stock returns – perhaps with pockets of volatility along the way.

## INVESTMENT MANAGER'S REVIEW (Continued)

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### Fund positioning and changes

To keep the report concise, not all changes will be covered: asset class changes under 1%, sub-asset class changes under 1%, and fund changes under 1% other than full sales and new positions have been omitted.

An update to the sub-fund was made on 23 May 2024. Updates were made to the fund's underlying managers; Cash was decreased, HSBC Global Emerging Mkt Gov Bd Idx Fd was decreased, iShares Core FTSE 100 ETF was removed, iShares UK Equity Index Fund (UK) was added, L&G Emerg Mkts Govt Bd (Lcl Ccy) Idx Fd was added and Royal London Short Term Money Market Fd was added.

On 30 May 2024, changes were made to the sub-fund. Asset allocation was changed; Bonds were decreased and Equities were increased. The fund's sub-asset allocation was updated; North America Equity was increased and Strat Bond was decreased. Fund manager allocations were updated; HSBC American Index Fund was increased, HSBC Global Aggregate Bond UCITS ETF was decreased, iShares UK Equity Index Fund (UK) was increased and Vanguard Global Bd Idx was decreased.

The sub-fund was updated on 7 August 2024. Fund manager allocations were updated; HSBC European Index Fund was decreased and iShares MSCI Europe Mid Cap ETF was added.

On 23 October 2024, the sub-fund underwent a change. Fund manager allocations were updated; HSBC Global Government Bond UCITS ETF was decreased and iShares \$ Treasury Bd 20+y ETF GBP Hdg was added.

Tatton Investment Management Limited  
Investment Manager to the Fund  
16 December 2024

## PERFORMANCE RECORD

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### Financial Highlights

	<b>Period from 03 May 2024 to 31 October 2024<sup>^</sup></b>
<b>I Class (Retail)</b>	
Changes in net assets per share	GBP
Opening net asset value per share	<u>100.0000</u>
Return before operating charges	2.8247
Operating charges (note 1)	<u>(0.5967)</u>
Return after operating charges *	2.2280
Distributions on income shares	-
Closing net asset value per share	<u>102.2280</u>
*after direct transactions costs of:	-
Performance	
Return after charges	2.23%
Other information	
Closing net asset value	£4,395,623
Closing number of shares	4,299,822
Operating charges (note 2)	1.19%
Direct transaction costs	0.00%
Prices	
Highest share price	103.2115
Lowest share price	97.1349

<sup>^</sup>Share class launched 03 May 2024

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. The Sub-fund is ranked '5' because simulated monthly historical performance data indicates that relatively high rises and falls in prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 31 October 2024

Holding	Investment	£ Market Value	% of net assets
<b>Collective Investment Schemes</b>			
33,233	BNY Mellon Efficient Global High Yield Beta	37,839	0.85%
35,440	Fidelity Index Pacific ex Japan	72,916	1.66%
64,991	HSBC American Index	832,783	18.95%
12,425	HSBC European Index	168,861	3.84%
11,696	HSBC Global Corporate Bond Index	127,963	2.91%
1,643	HSBC Global Emerging Market Government Bond Index	18,762	0.43%
29,125	HSBC Global Funds ICAV - Global Aggregate Bond	280,006	6.37%
11,751	HSBC Global Government Bond Index	117,806	2.68%
216,212	iShares UK Equity Index Fund	658,933	14.99%
27,663	Legal & General Emerging Markets Government Bond	18,459	0.42%
133,417	Royal London Short Term Money Market Fund	151,130	3.44%
893	Vanguard Emerging Markets Stock Index	240,765	5.48%
851	Vanguard Global Bond Index	129,072	2.94%
835	Vanguard US Equity Index	827,419	18.83%
		<b>3,682,714</b>	<b>83.79%</b>
<b>Exchange traded Funds</b>			
9,292	Amundi Prime Japan UCITS ETF	214,390	4.88%
5,566	Amundi Prime UK Mid And Small Cap UCITS ETF	123,454	2.81%
15,650	iShares \$ Treasury Bond 20+yr ETF	78,907	1.80%
13,542	iShares MSCI Europe Mid Cap UCITS ETF	83,486	1.90%
		<b>500,237</b>	<b>11.39%</b>
<b>Portfolio of investments</b>		<b>4,182,951</b>	<b>95.18%</b>
<b>Net other assets</b>		<b>212,295</b>	<b>4.82%</b>
		<b>4,395,246</b>	<b>100.00%</b>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>4,467,061</b>
Vanguard US Equity Index	842,634
HSBC American Index	838,614
iShares UK Equity Index Fund	677,253
HSBC Global Funds ICAV - Global Aggregate Bond	334,734
Vanguard Emerging Markets Stock Index	239,811
Amundi Prime Japan UCITS ETF	223,728
HSBC European Index	202,493
HSBC Global Government Bond Index	186,951
Royal London Short Term Money Market Fund	149,895
Vanguard Global Bond Index	142,869
Various other purchases	628,079

	£
<b>Total sales for the period</b>	<b>357,573</b>
HSBC Global Government Bond Index	70,011
iShares Core FTSE 100 UCITS ETF	62,690
HSBC Global Funds ICAV - Global Aggregate Bond	55,707
HSBC American Index	47,539
Vanguard US Equity Index	47,408
HSBC European Index	29,266
Vanguard Global Bond Index	14,327
iShares UK Equity Index Fund	13,626
Amundi Prime Japan UCITS ETF	7,331
HSBC Global Corporate Bond Index	3,771
Various other sales	5,897

The above transactions represent all the purchases and sales during the period.

## STATEMENT OF TOTAL RETURN

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### For the period (Unaudited)

	03 May 2024 to 31 October 2024	
	£	£
Income		
Net capital gains		61,896
Revenue	10,416	
Expenses	(7,641)	
Interest payable and similar charges	<u>-</u>	
Net revenue before taxation	2,775	
Taxation	<u>-</u>	
Net revenue after taxation		<u>2,775</u>
Total return before distributions		64,671
Finance costs: distributions		<u>3,758</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u><b>68,429</b></u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

### For the period (Unaudited)

	03 May 2024 to 31 October 2024 £
<b>Opening net assets attributable to shareholders</b>	-
Amounts receivable on creation of shares	4,513,758
Amounts payable on cancellation of shares	(187,815)
Dilution levies	874
Changes in net assets attributable to shareholders from investment activities (see above)	<u>68,429</u>
<b>Closing net assets attributable to shareholders</b>	<u><b>4,395,246</b></u>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

## BALANCE SHEET

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As at	31.10.2024	
	£	£
<b>Assets</b>		
Investment assets		4,182,951
<b>Current assets</b>		
Debtors	393,353	
Cash and bank balances	<u>40,278</u>	
<b>Total current assets</b>		<u>433,631</u>
<b>Total assets</b>		4,616,582
<b>Current liabilities</b>		
Creditors	<u>(221,336)</u>	
<b>Total current liabilities</b>		<u>(221,336)</u>
<b>Net assets attributable to shareholders</b>		<u>4,395,246</u>

The Sub-fund was launched on 03 May 2024, hence there are no comparatives.

### Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the year ended 30 April 2024 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 2024.

## INFORMATION FOR INVESTORS

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### Individual shareholders

**Income tax:** Individual shareholders resident in the UK for tax purposes may be liable to income tax on their dividend income. Presently the tax-free annual dividend income allowance for individuals is £500 (2024/2025 tax year). Dividend income in excess of that amount is charged at the rate of tax applicable to the individual taxpayer.

**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 £3,000 (2024/2025 tax year) 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 dividend 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](mailto: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.

### Task Force on Climate-related Financial Disclosures ("TCFD") reports

The AFM is required to prepare and publish a product TCFD report for each Sub-fund along with an entity level TCFD report. The latest reports can be obtained from [https://www.valu-trac.com/administration-services/tcfd\\_reports](https://www.valu-trac.com/administration-services/tcfd_reports).

**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>Depositary</b>	<p>NatWest Trustee and Depositary 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 Strathlossie House Kirkhill Avenue Elgin IV30 8DE</p>