

**VALU-TRAC INVESTMENT FUNDS ICVC  
(Sub-funds VT Castlebay UK Equity Fund,  
Valu-Trac Equity Income Fund A, VT Protean Capital Elder Fund and VT  
Protean Capital PROCSI CoRE Fund)**

**Interim Report and Financial Statements (Unaudited)  
for the six-month period ended 31 December 2022**

## CONTENTS

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	<b>Page</b>
Company Overview	1
Statement of the Authorised Corporate Director's (ACD's) Responsibilities	2
<b>VT Castlebay UK Equity Fund</b>	
Sub-fund Overview	3
Investment Manager's Review	5
Performance Record	8
Portfolio Summary	12
Summary of Material Portfolio Changes	13
Statement of Total Return	14
Statement of Changes in Net Assets Attributable to Shareholders	14
Balance Sheet	15
Distribution Tables	16
<b>Valu-Trac Equity Income Fund A</b>	
Sub-fund Overview	18
Investment Manager's Review	20
Performance Record	21
Portfolio Summary	23
Summary of Material Portfolio Changes	24
Statement of Total Return	25
Statement of Changes in Net Assets Attributable to Shareholders	25
Balance Sheet	26
Distribution Tables	27
<b>VT Protean Capital Elder Fund</b>	
Sub-fund Overview	28
Investment Manager's Review	29
Performance Record	30
Portfolio Summary	33
Summary of Material Portfolio Changes	35
Statement of Total Return	36
Statement of Changes in Net Assets Attributable to Shareholders	36
Balance Sheet	37
Distribution Tables	38
<b>VT Protean Capital PROCSI CoRE Fund</b>	
Sub-fund Overview	39
Investment Manager's Review	40
Performance Record	41
Portfolio Summary	42
Summary of Material Portfolio Changes	43
Statement of Total Return	44
Statement of Changes in Net Assets Attributable to Shareholders	44
Balance Sheet	45
Information for Investors	46
Corporate Directory	47

## COMPANY OVERVIEW

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### Type of Company

Valu-Trac Investment Funds ICVC (company number IC000953) (the Company) is an investment company with variable capital under regulation 12 (Authorisation) of the Open Ended Investment Companies (OEIC) Regulations 2001 (SI2001/1228). The Company was incorporated and authorised by the Financial Conduct Authority (FCA) on 26 June 2012.

The Company is an umbrella company comprising four Sub-funds, VT Castlebay UK Equity Fund, Valu-Trac Equity Income Fund A, VT Protean Capital Elder Fund and VT Protean Capital PROCSI CoRE Fund. The Company is a UCITS scheme and each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

Shareholders are not liable for the debts of the Company. The Authorised Corporate Director (ACD) of the OEIC is Valu-Trac Investment Management Limited.

## STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S (ACD's) RESPONSIBILITIES

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The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director 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/(losses) for the period. In preparing these financial statements the Authorised Corporate Director 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 Corporate Director is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Corporate Director 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, we hereby certify the interim report.

David E. Smith CA

Valu-Trac Investment Management Limited  
Authorised Corporate Director

Date

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Castlebay UK Equity Fund
<b>Size of Sub-fund</b>	£164,713,799
<b>Launch date</b>	28 January 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to preserve capital and generate income and capital growth over the long term.</p> <p>The Sub-fund will aim to meet its investment objective by investing primarily in a portfolio of UK companies listed on recognised stock exchanges. The Sub-fund may also invest in overseas equities, transferable securities, money market instruments, deposits and cash and near cash. There will be no particular emphasis on any industrial or economic sector.</p>
<b>Derivatives</b>	It is not proposed that derivatives be used by the Sub-fund.
<b>Benchmark</b>	The Sub-fund does not have a specific benchmark. However, the performance of the Sub-fund can be assessed by considering whether the objective is achieved (i.e. whether there has been capital growth and income over the long term (5+ years)).
<b>Ex-distribution dates</b>	30 June, 30 September, 31 December and 31 March
<b>Distribution dates</b>	31 August, 30 November, 28 February and 31 May
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Minimum investment*</b>	
Lump sum subscription:	Class A Net Income/Net Accumulation = £10,000 Class B Net Income/Net Accumulation = £2,000,000 Class C Net Income/Net Accumulation = £20,000,000
Top-up:	Class A Net Income/Net Accumulation = £1,000 Class B Net Income/Net Accumulation = £100,000 Class C Net Income/Net Accumulation = £1,000,000
Holding:	Class A Net Income/Net Accumulation = £10,000 Class B Net Income/Net Accumulation = £2,000,000 Class C Net Income/Net Accumulation = £20,000,000
Redemption:	Class A Net Income/Net Accumulation = £1,000 Class B Net Income/Net Accumulation = £100,000 Class C Net Income/Net Accumulation = £1,000,000
Switching:	"Free" switching (i.e. no switching charge applies for any switch of shares)
<b>Initial, redemption and switching charges</b>	Nil

\*The ACD may waive the minimum levels at its discretion.

## SUB-FUND OVERVIEW (Continued)

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### Annual management charges

The annual management charges (which include the management fee) are £20,000 plus:

Class A Net Income/Net Accumulation = 1.00%

Class B Net Income/Net Accumulation = 0.80%

Class C Net Income/Net Accumulation = 0.60%

The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant share class (plus VAT if applicable).

### Cap on ongoing charges

The Investment Manager has, with the agreement of the ACD, undertaken that if the total ongoing charges (OCF) of the Sub-fund exceeds 1.00% in the case of Class A shares, 0.80% in the case of the Class B shares and 0.60% in the case of Class C shares, the Investment Manager shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Sub-fund having a total OCF equal to the stated AMC for each share class e.g. 1.00% in the case of Class A shares, 0.80% in the case of the Class B shares and 0.60% in the case of Class C shares in the relevant accounting period.

### Introduction

Looking back on 2022 it has been an extraordinary year in many ways. The aftermath of Covid, War in Ukraine, rising inflation and interest rates have all have grabbed the attention of investors. The first quarter saw 'lowly valued' sectors such as Oil & Gas rally strongly, as supply restrictions caused by the Ukraine conflict saw the oil price surge above \$100 a barrel

The cost of money, which for so long following the Great Financial Crisis (GFC) of 2008 was essentially free, suddenly rose as interest rates increased to counter surging inflation. The liquidity pumped into the financial system in the aftermath of the GFC didn't lead to inflation though, as the banks scrambled to repair their balance sheets following large asset write-downs. The rate at which money travels around the economy, known as 'velocity', was essentially broken. More recently though, now that the banks are in a 'relatively' healthier financial position, excess money more easily flows into the economy, causing inflation. The economic patient both corporate and individual has been given, over the last couple of decades, ever larger amounts of stimuli by the central banks. Now global debt is 2.5 times the size of the global economy and the cost of paying for this debt is rising!

Sector performance in the UK over 2022 was unsurprisingly dominated by the energy sector including Oil & Gas, with companies like BP and Shell leading the narrow market leadership charge. Narrow in the sense that only eight of the thirty-eight UK sectors actually delivered a positive return during the year, with Oil & Gas's 42% total return nearly twice that of the nearest competitor. Tobacco, Pharmaceuticals and Banks also made positive returns during the year.

Under these circumstances with our stated aim of investing in 'Quality companies', companies like Shell are not even in our Investment Universe and therefore can't be found in our fund. A quick look at their Return on Equity history, shows why. Going back from its last reported financial year in 2021, Shell has made a Return on its Equity (ROE) of 12%, -12%, 12%, 8%, 7% and 3% over the last six years respectively. Recent profitability over the last year will have been higher due to the spike in oil, but we don't invest on the basis of one year. We look for companies to earn a consistent ROE in excess of 20% over time. Shell and its peers fall well short of this hurdle.

### Investment Activity

The transaction costs reflected a year in which turnover was 0%. The commission paid is broken down into discretionary and fund flow commission. Discretionary commission is where we make an investment decision to buy or sell a holding in the fund based on our investment analysis. Fund flow commission is caused by investing as subscriptions come into the fund and redemptions go out. By its very nature these costs are not at our discretion.

VT Castlebay UK Equity Fund	01 Jan22 -31 Dec22
Discretionary commission	£1,843
Fund Flow Commission	£32,857
Total Commission Paid	£34,700
Commission as % of NAV	0.03%
Transaction Taxes	£289,938
Total Costs of investment	£324,638
Total Costs as % of NAV	0.24%
<b>Turnover 2022</b>	<b>0%</b>

The fund attracted strong fund flows in the calendar year and the majority of the transaction costs were in stamp duty. These costs as a percentage of the average fund Net Asset Value (NAV) added 0.24% in costs to the total cost of investment.

## INVESTMENT MANAGER'S REVIEW (Continued)

### Investment Activity (continued)

Fund turnover was 0% in the year, taking our average turnover since launch (JAN15) to 11% from 12%. We calculate turnover as purchases or sales (whichever is less) divided by the average Net Asset Value (NAV) of the fund using the NAV at the start and end of the year.

VT Castlebay UK Equity fund	
<b>AVE TURNOVER</b>	<b>11%</b>
TURNOVER 2022	0%
TURNOVER 2021	7%
TURNOVER 2020	15%
TURNOVER 2019	19%
TURNOVER 2018	12%
TURNOVER 2017	16%
TURNOVER 2016	5%
*TURNOVER 2015	10%

\* since launch 28/01/15. Turnover is calculated as purchases or sales (whichever is less) divided by the average NAV of fund.

There were no sales carried out in the fund during the year as we focused instead on allocating fund inflows to our favoured existing holdings which became more attractively valued during the year. We view low turnover as evidence of our approach to investing in quality businesses for the long term and not short-term share price speculation.

However, we also recognise that this is an out-turn of our approach and not the focus. If one of our invested businesses is no longer attractively valued, or the quality pillars have deteriorated, we will act and sell part or all of the position. You will see from the table above that we have consistently demonstrated a long-term approach to investment with continued low turnover in each of the eight years of the fund's life.

### Performance:

As the age of 'free money' ended in 2022 there was a strong market rotation, in the first quarter of 2022. Long duration assets, such as US technology businesses were sold, as were our high quality companies, in order for investors to rotate into lowly value, low quality businesses. This has provided a very interesting valuation opportunity with our fund trading on a 4.6% free cashflow yield at the end of December 2022.

The operational performance of our businesses remained very robust during the year - evidence of the resilience of the business models we own in the fund. This is where the opportunity lies, as share price performance diverged from the underlying fundamentals. As we mentioned in our previous report, the market is confused. So we retain our focus on investing in good businesses and seeking to ensure we don't overpay for the privilege of owning these excellent companies. As inflation took off during the year the resultant impact on our CPI+4% is obvious to see. However, it is encouraging to note that even with this recent high inflation, the fund is keeping pace since inception with our CPI+4% annualised comparator.

### VT Castlebay UK Equity Fund:

Benchmark	6m end Dec 22	2022	2021	2020	2019	2018	2017	2016	2015 <sup>^</sup>	Launch
VT Castlebay UK Equity Fund <sup>1</sup>	6.2%	-7.1%	12.8%	2.0%	23.0%	-2.6%	10.1%	17.7%	-1.3%	67.9%
CPI +4%*	6.5%	14.1%	9.6%	4.7%	5.4%	6.2%	6.9%	5.6%	4.7%	73.9%*
IA UK All Companies <sup>3</sup>	4.3%	-8.5%	17.2%	-6.3%	21.8%	-10.7%	13.8%	11.2%	0.9%	46.0%

<sup>1</sup>A Class Accum Net of Fees, priced at Noon (source: FE 2021) Castlebay UK Equity fund Inception 28/01/15 <sup>2</sup>MSCI UK All Cap (GBP) (Source: FE 2021) <sup>3</sup>IA All Companies sector (source FE 2021) <sup>^</sup>2015 Performance since fund launch 28/01/15 to end December 2015 \*CPI+4% to 30/10/22 (source FE 2022)

Performance since Inception 28th Jan 2015 to end December 2022



28/01/2015 - 30/12/2022 Data from FE fundinfo2023

Castlebay Investment Partners LLP  
Investment Manager to the Fund  
20 February 2023

## PERFORMANCE RECORD

### Financial Highlights

	Period to 31 December 2022	Year to 30 June 2022	Year to 30 June 2021
<b>Class A Net Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	123.2470	137.4360	120.8258
Return before operating charges	8.2183	(8.4218)	21.4679
Operating charges (note 1)	(0.6302)	(1.3034)	(1.2913)
Return after operating charges *	7.5881	(9.7252)	20.1766
Distribution on income shares	(2.0166)	(4.4638)	(3.5664)
Closing net asset value per share	128.8185	123.2470	137.4360
*after direct transactions costs of:	0.1512	0.1825	0.2066
Performance			
Return after charges	6.16%	(7.08%)	16.70%
Other information			
Closing net asset value	£3,177,280	£4,874,218	£4,684,069
Closing number of shares	2,466,478	3,954,837	3,408,182
Operating charges (note 2)	1.00%	1.00%	1.00%
Direct transaction costs	0.12%	0.14%	0.16%
Prices			
Highest share price	132.2573	144.8451	140.6076
Lowest share price	119.5358	120.3954	118.7353
<b>Class B Net Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	126.6894	140.9944	123.5187
Return before operating charges	8.4417	(8.6475)	22.0066
Operating charges (note 1)	(0.5182)	(1.0707)	(1.0581)
Return after operating charges *	7.9235	(9.7182)	20.9485
Distribution on income shares	(2.2249)	(4.5868)	(3.4728)
Closing net asset value per share	132.3880	126.6894	140.9944
*after direct transactions costs of:	0.1554	0.1874	0.2116
Performance			
Return after charges	6.25%	(6.89%)	16.96%
Other information			
Closing net asset value	£7,314,542	£8,772,059	£7,793,529
Closing number of shares	5,525,079	6,924,068	5,527,546
Operating charges (note 2)	0.80%	0.80%	0.80%
Direct transaction costs	0.12%	0.14%	0.16%
Prices			
Highest share price	135.9885	148.7444	144.3026
Lowest share price	122.7955	123.7508	121.4430

**PERFORMANCE RECORD (continued)**

**Financial Highlights (Continued)**

	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
<b>Class C Net Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	93.7491	104.1261	90.5919
Return before operating charges	6.2658	(6.3922)	16.2171
Operating charges (note 1)	(0.2880)	(0.5936)	(0.5842)
Return after operating charges *	5.9778	(6.9858)	15.6329
Distribution on income shares	(1.4864)	(3.3912)	(2.0987)
Closing net asset value per share	98.2405	93.7491	104.1261
*after direct transactions costs of:	0.1152	0.1385	0.1558
Performance			
Return after charges	6.38%	(6.71%)	17.26%
Other information			
Closing net asset value	£15,238,652	£10,386,946	£11,302,264
Closing number of shares	15,511,582	11,079,519	10,854,402
Operating charges (note 2)	0.60%	0.60%	0.60%
Direct transaction costs	0.12%	0.14%	0.16%
Prices			
Highest share price	100.7264	109.9604	106.4828
Lowest share price	91.0814	91.5682	89.0869

^Share class launched 14 January 2020

	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
<b>Class A Net Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	154.1790	166.2739	142.2563
Return before operating charges	10.4031	(10.4926)	25.5603
Operating charges (note 1)	(0.7949)	(1.6023)	(1.5427)
Return after operating charges *	9.6082	(12.0949)	24.0176
Closing net asset value per share	163.7872	154.1790	166.2739
Retained distributions on accumulated shares	2.5316	5.4687	3.7566
*after direct transactions costs of:	0.1908	0.2243	0.2468
Performance			
Return after charges	6.23%	(7.27%)	16.88%
Other information			
Closing net asset value	£13,120,341	£13,270,296	£12,786,849
Closing number of shares	8,010,603	8,607,072	7,690,232
Operating charges (note 2)	1.00%	1.00%	1.00%
Direct transaction costs	0.12%	0.14%	0.16%
Prices			
Highest share price	167.2077	177.6324	169.0052
Lowest share price	151.2796	149.2552	139.8400

**PERFORMANCE RECORD (continued)**

**Financial Highlights (Continued)**

	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
<b>Class B Net Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	140.9441	151.6801	129.5196
Return before operating charges	9.5172	(9.5655)	23.2853
Operating charges (note 1)	(0.5816)	(1.1705)	(1.1248)
Return after operating charges *	8.9356	(10.7360)	22.1605
Closing net asset value per share	149.8797	140.9441	151.6801
Retained distributions on accumulated shares	2.3499	4.9924	3.2875
*after direct transactions costs of:	0.1745	0.2048	0.2250
<b>Performance</b>			
Return after charges	6.34%	(7.08%)	17.11%
<b>Other information</b>			
Closing net asset value	£37,940,612	£31,185,751	£19,508,023
Closing number of shares	25,314,052	22,126,327	12,861,290
Operating charges (note 2)	0.80%	0.80%	0.80%
Direct transaction costs	0.12%	0.14%	0.16%
<b>Prices</b>			
Highest share price	152.9863	162.2277	154.1600
Lowest share price	138.3750	136.4325	127.3438
<b>Class C Net Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	161.0581	172.9904	147.3892
Return before operating charges	10.8900	(10.9302)	26.5623
Operating charges (note 1)	(0.4988)	(1.0021)	(0.9611)
Return after operating charges *	10.3912	(11.9323)	25.6012
Closing net asset value per share	171.4493	161.0581	172.9904
Retained distributions on accumulated shares	2.6250	5.6998	3.7770
*after direct transactions costs of:	0.1995	0.2338	0.2563
<b>Performance</b>			
Return after charges	6.45%	(6.90%)	17.37%
<b>Other information</b>			
Closing net asset value	£88,083,885	£53,206,451	£28,617,177
Closing number of shares	51,376,056	33,035,554	16,542,640
Operating charges (note 2)	0.60%	0.60%	0.60%
Direct transaction costs	0.12%	0.14%	0.16%
<b>Prices</b>			
Highest share price	174.9762	185.1909	175.8050
Lowest share price	158.2214	155.8908	144.9431

## 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.

### **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 June 2022: ranked 5). The Sub-fund is ranked '5' because weekly historical data indicates that it has experienced relatively high rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO SUMMARY

As at 31 December 2022

Holding	Value £	% of net assets
<b>Equities (30.06.2022 : 97.45%)</b>		
12,280 Accenture PLC	2,736,787	1.67%
360,865 Admiral Group PLC	7,711,685	4.69%
3,030 AutoZone Inc	6,201,887	3.77%
447,191 Avon Rubber PLC	4,717,865	2.86%
61,448 Bioventix PLC	2,457,920	1.49%
232,962 British American Tobacco PLC	7,664,450	4.65%
379,280 Burberry Group PLC	7,710,762	4.68%
99,205 Colgate-Palmolive Co	6,537,313	3.97%
421,115 Compass Group PLC	8,093,830	4.91%
174,916 Craneware PLC	3,148,488	1.91%
103,822 Croda International PLC	6,885,475	4.18%
246,234 Diageo PLC	8,991,235	5.46%
1,974,252 Domino's Pizza Group PLC	5,816,146	3.53%
459,723 Dunelm Group PLC	4,558,154	2.77%
44,661 Edwards Lifesciences Corp	2,789,458	1.69%
17,823 Estee Lauder Companies Inc	3,699,753	2.25%
286,413 Imperial Brands PLC	5,928,749	3.60%
151,044 InterContinental Hotels Group PLC	7,183,653	4.36%
196,691 Intertek Group PLC	7,944,349	4.82%
133,590 Next PLC	7,790,969	4.73%
102,414 Nichols PLC	1,085,588	0.66%
32,034 Novo Nordisk A/S	3,607,836	2.19%
1,342,348 Pagegroup PLC	6,201,648	3.77%
142,042 Reckitt Benckiser Group PLC	8,170,256	4.96%
348,672 Relx PLC	8,008,996	4.86%
221,107 Unilever PLC	9,263,278	5.62%
423,818 Victrex PLC	6,738,706	4.09%
<b>Total equities (30.06.2022 : 97.45%)</b>	<b>161,645,236</b>	<b>98.14%</b>
<b>Other net assets (30.06.2022 : 2.71%)</b>	<b>3,068,563</b>	<b>1.86%</b>
<b>Total net assets</b>	<b>164,713,799</b>	<b>100.00%</b>

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.16%).

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>36,949,000</b>
Accenture PLC	492,690
Admiral Group PLC	1,405,254
Autozone Inc	851,201
Avon Protection PLC	339,478
British American Tobacco PLC	2,123,794
Burberry Group PLC	633,925
Colgate-Palmolive Co	1,127,600
Compass Group PLC	1,848,125
Croda International PLC	3,831,712
Diageo PLC	2,265,797
Dominos Pizza Group PLC	1,338,046
Dunelm Group PLC	981,601
Edwards Lifesciences Corp	971,294
Estee Lauder Companies Inc	817,277
Imperial Brands PLC	1,279,341
InterContinental Hotels Group PLC	1,514,419
Intertek Group PLC	2,700,880
Next PLC	2,644,343
Novo Nordisk A/S	295,059
Pagegroup PLC	1,674,777
Reckitt Benckiser Group PLC	2,711,095
Relx PLC	1,883,059
Unilever PLC	1,521,031
Victrex PLC	1,697,202

£

**Total sales for the period** -

There were no sales in the period

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

## STATEMENT OF TOTAL RETURN

For the six month period ended 31 December	2022		2021	
	£	£	£	£
Income				
Net capital gains		6,637,435		4,882,158
Revenue	2,461,631		1,410,907	
Expenses	(579,831)		(382,456)	
Interest payable and similar charges	<u>(2)</u>		<u>(4,549)</u>	
Net revenue before taxation	1,881,798		1,023,902	
Taxation	<u>(21,730)</u>		<u>(10,941)</u>	
Net revenue after taxation		<u>1,860,068</u>		<u>1,012,961</u>
Total return before distributions		8,497,503		5,895,119
Finance costs: distributions		<u>(2,394,829)</u>		<u>(1,367,409)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>6,102,674</u>		<u>4,527,710</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six month period ended 31 December	2022	2021
	£	£
<b>Opening net assets attributable to shareholders</b>	121,503,727	84,595,717
Amounts receivable on creation of shares	49,735,756	22,987,023
Amounts payable on cancellation of shares	(14,794,526)	(6,177,045)
Dividends reinvested	2,089,849	1,023,267
Dilution levies	76,319	-
Changes in net assets attributable to shareholders from investment activities (see above)	6,102,674	4,527,710
<b>Closing net assets attributable to shareholders</b>	<u>164,713,799</u>	<u>106,956,672</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 30 June 2022 was £121,503,727.

## BALANCE SHEET

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As at	31.12.2022		30.06.2022	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		161,645,236		118,206,440
<b>Current assets</b>				
Debtors	858,214		886,850	
Cash and bank balances	<u>2,717,527</u>		<u>3,538,906</u>	
<b>Total current assets</b>		<u>3,575,741</u>		<u>4,425,756</u>
<b>Total assets</b>		<u>165,220,977</u>		<u>122,632,196</u>
<b>Current liabilities</b>				
<b>Creditors</b>				
Distribution payable on income shares	(121,086)		(218,842)	
Other creditors	<u>(386,092)</u>		<u>(909,627)</u>	
<b>Total current liabilities</b>		<u>(507,178)</u>		<u>(1,128,469)</u>
<b>Net assets attributable to shareholders</b>		<u>164,713,799</u>		<u>121,503,727</u>

### Accounting policies

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

The accounting policies applied are consistent with those in the Annual Financial Statements for the period ended 30 June 2022 and are described in those financial statements.

## DISTRIBUTION TABLES

### Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 30 September 2022

01 July 2022 to 30 September 2022

<b>Class A Net Income</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.4102p	-	1.4102p	1.5270p
Group 2	0.6835p	0.7267p	1.4102p	1.5270p

<b>Class B Net Income</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.6018p	-	1.6018p	1.5673p
Group 2	1.1579p	0.4439p	1.6018p	1.5673p

<b>Class C Net Income</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.0241p	-	1.0241p	1.1573p
Group 2	0.4171p	0.6070p	1.0241p	1.1573p

<b>Class A Net Accumulation</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.7642p	-	1.7642p	1.8474p
Group 2	0.7156p	1.0486p	1.7642p	1.8474p

<b>Class B Net Accumulation</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.6478p	-	1.6478p	1.6857p
Group 2	1.1181p	0.5297p	1.6478p	1.6857p

<b>Class C Net Accumulation</b>	<b>Net Revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Distribution 30.11.2022</b>	<b>Distribution 30.11.2021</b>
Group 1	1.8220p	-	1.8220p	1.9231p
Group 2	1.3055p	0.5165p	1.8220p	1.9231p

**DISTRIBUTION TABLES (Continued)****Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 December 2022

01 October 2022 to 31 December 2022

<b>Class A Net Income</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.6064p	-	0.6064p	0.5742p
Group 2	0.1377p	0.4687p	0.6064p	0.5742p

<b>Class B Net Income</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.6231p	-	0.6231p	0.5896p
Group 2	0.3268p	0.2963p	0.6231p	0.5896p

<b>Class C Net Income</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.4623p	-	0.4623p	0.4357p
Group 2	0.2144p	0.2479p	0.4623p	0.4357p

<b>Class A Net Accumulation</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.7674p	-	0.7674p	0.7038p
Group 2	0.5084p	0.2590p	0.7674p	0.7038p

<b>Class B Net Accumulation</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.7021p	-	0.7021p	0.6408p
Group 2	0.4921p	0.2100p	0.7021p	0.6408p

<b>Class C Net Accumulation</b>	<b>Net Revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	0.8030p	-	0.8030p	0.7320p
Group 2	0.5924p	0.2106p	0.8030p	0.7320p

**EQUALISATION**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	Valu-Trac Equity Income Fund A
<b>Size of Sub-fund</b>	£2,546,994
<b>Launch date</b>	16 February 2015
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to obtain a yield higher than that generally available from investment in global equities* whilst, over the longer term, achieving growth in both capital and income.</p> <p>The Sub-fund aims to achieve its objective by gaining exposure, directly or indirectly, to equities and equity related instruments (primarily comprising individual equities, convertibles, equity index futures and exchange traded funds) of issuers worldwide, irrespective of the sector or geographical area in application of the ACD's proprietary "Intrinsic Value" approach.**</p> <p>The ACD will actively manage the currency exposure of the Sub-fund by implementing currency management transactions mainly using currency futures and currency forward contracts, implemented at the Sub-fund level.***</p> <p>The Sub-fund will generally seek to be fully invested but may, on an ancillary basis, hold cash and near cash in the pursuit of the Sub-fund's investment objective.</p> <p>Currently it is intended that the Sub-fund will enter into derivative and forward transactions only for the purposes of efficient portfolio management (including hedging) ("EPM"). The specific aims of EPM are the reduction of risk, the reduction of cost or the generation of additional capital or income with a risk profile which is consistent with the risk profile of the Sub-fund and the risk diversification rules laid down in COLL. The Sub-fund may, however, at the discretion of the ACD, decide in future to enter into derivative and forward transactions also for the purpose of meeting its investment objectives. The ACD shall give the shareholders no less than 60 days' notice of any such decision. The use of derivative and forward transactions for the purpose of meeting the Sub-fund's investment objectives may increase the risk profile of the Sub-fund.</p> <p>*The ACD will gauge the performance of the Sub-fund against its yield objective by reference to the Sub-fund's performance benchmark.</p> <p>**The ACD's proprietary "Intrinsic Value" approach is explained at Section 1.5 of the Prospectus.</p> <p>***Currency management is explained further at Section 1.7 of the Prospectus.</p>
<b>Benchmark</b>	MSCI World Index (Net Dividends Reinvested) as measured in the relevant Class Currency. The performance of the Sub-fund can be compared against that of the benchmark. This benchmark has been selected as it is considered that this index most closely reflects the investments which the Sub-fund will make (and its risk/return objectives). For the avoidance of doubt, the Investment Manager is not bound or influenced by the index when making its decisions and can make investments that are not included in the index.

## SUB-FUND OVERVIEW (CONTINUED)

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<b>Ex-distribution dates</b>	30 June and 31 December
<b>Distribution dates</b>	31 August and 28 February
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Minimum investment*</b>	
Lump sum subscription:	Sterling Class Net Income/Accumulation = £10,000
Top-up:	Sterling Class Net Income/Accumulation = £1,000
Holding:	Sterling Class Net Income/Accumulation = £10,000
Redemption:	Sterling Class Net Income/Accumulation = £1,000
Switching:	Sterling Class Net Income/Accumulation = £1,000

\*The ACD may waive the minimum levels at its discretion.

**Initial, redemption and switching charges** Nil

### **Annual management charges**

The annual management charges (which included the management fee) are £25,000 per annum plus 0.5% (per annum) of the net asset value of the Sub-fund (plus VAT if applicable). The ACD has restricted these charges (see notes to the accounts note 4).

### **Cap on ongoing charges**

The ACD has undertaken that if the total OCF of the Sub-fund (as calculated at the end of the relevant accounting period) exceeds 100bps, the ACD shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by that Sub-fund during the relevant accounting period, would result in the ongoing charges for that Sub-fund being equal to 100bps in the relevant accounting period.

## INVESTMENT MANAGER'S REVIEW

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### Performance

At the 31st December 2022, the Fund declared an interim dividend of 2.5526p (GBP Net Inc). This represents a 2.5% increase to the interim dividend declared for the same period last year.

With dividends reinvested the total return was -1.61% (GBP Net Acc) which lags behind the MSCI Developed World Index (Net Dividends Reinvested) which returned 3.96% over the period.

As at 31st December 2022 the MSCI Developed World Dividend Yield is 2.21%, significantly below the indicated Dividend Yield of the Fund which is 4.40%.

### Review

As mentioned above, on 31st December the Fund declared an interim dividend of 2.5526p. Together with the dividend of 2.4738p at the end of June, the total during 2022 is 5.0264p (Net Inc share class). This represents a 5% increase to the dividend that was declared in the calendar year 2021.

Since the launch of the Fund in 2015 we had succeeded in growing the income distributed over each comparable financial period, despite the volatility of Sterling, until 2020, but following the stabilisation of Global Equity markets, the growth in distributable income resumed and has continued through this financial period.

There were no new positions added to the portfolio during the period although cash inflows were invested to increase existing holdings in Canadian Imperial Bank of Commerce (Canada – Financials) and Legal & General Group PLC (United Kingdom – Financials). Both companies exhibit attractive Value, a historical upwards trend of dividend growth and an attractive dividend yield.

Canadian Imperial Bank of Commerce is the 5th largest bank in Canada by assets and has made significant strides in recent years to obtain a larger market share across its range of products.

Legal & General PLC has steadily recovered from the Conservative mini-Budget which strained the gilts market, affecting any participant with a connection to liability-driven investment funds (LDI), which are mainly concentrated in the defined-benefit pension sector, and continue to offer an attractive dividend yield.

There have been disposals of all assets held across the entire fund, as the process of managing redemptions and the forthcoming closure of the fund has resulted in the scaling back of portfolio holdings. It should be noted that all assets held demonstrate a high level of liquidity and competitive cost to exit.

### Outlook

Looking forward the key drivers to economic performance will be the similar to those which introduced the price volatility during 2022, i.e., general price inflation and more specifically food price and energy price inflation, the Ukrainian conflict, debt servicing as interest rates continue to rise and potential US / China tension in relation to security and Taiwan.

The change in Prime Minister on 25th October 2022 did see financial markets in the UK stabilise to a degree, albeit following a considerable shock to Sterling which has subsequently recovered to a more normalized level. However, with interest rates likely to at best remain at the current level, if not rise in the medium term, and the associated increases in the costs of living making times difficult for the Consumer Discretionary sector in particular, we would expect price volatility to continue through 2023.

The level of income available from Global bonds, including UK gilts means that this asset class now offers more competition to equities than at any time since before the financial crash in 2007, but they would be less protected against persistent inflationary pressures.

With the forthcoming closure of the fund we would like to thank you for your support and wish you the best with your future investments.

Valu-Trac Investment Management Limited  
Investment Manager to the Fund  
01 February 2023

## PERFORMANCE RECORD

### Financial Highlights

	Period to 31 December 2022	Year to 30 June 2022	Year to 30 June 2021
<b>Sterling Class Net Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	113.5582	109.7404	99.3728
Return before operating charges	(1.2727)	9.8990	15.7778
Operating charges (note 1)	(0.5568)	(1.1165)	(1.0456)
Return after operating charges *	(1.8295)	8.7825	14.7322
Distribution on income shares	(2.5526)	(4.9647)	(4.3646)
Closing net asset value per share	109.1761	113.5582	109.7404
*after direct transactions costs of:	0.0223	0.0112	0.0105
<b>Performance</b>			
Return after charges	(1.61%)	8.00%	14.83%
<b>Other information</b>			
Closing net asset value	£2,363,785	£2,792,968	£2,654,266
Closing number of shares	2,165,111	2,459,505	2,418,678
Operating charges (note 2)	1.00%	1.00%	1.00%
Direct transaction costs	0.02%	0.01%	0.01%
<b>Prices</b>			
Highest share price	123.3399	122.1778	114.5234
Lowest share price	105.5186	110.1077	96.0496
<b>Sterling Class Net Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	156.7206	145.1302	126.0885
Return before operating charges	(1.7478)	13.0997	20.3978
Operating charges (note 1)	(0.7773)	(1.5093)	(1.3561)
Return after operating charges *	(2.5251)	11.5904	19.0417
Closing net asset value per share	154.1955	156.7206	145.1302
Retained distributions on accumulated share	3.5226	6.6355	5.5991
*after direct transactions costs of:	0.0311	0.0151	0.0136
<b>Performance</b>			
Return after charges	(1.61%)	7.99%	15.10%
<b>Other information</b>			
Closing net asset value	£184,573	£144,617	£136,933
Closing number of shares	119,701	92,277	94,352
Operating charges (note 2)	1.00%	1.00%	1.00%
Direct transaction costs	0.02%	0.01%	0.01%
<b>Prices</b>			
Highest share price	170.2203	165.0215	148.3572
Lowest share price	145.6253	145.6159	121.8950

## 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.

### **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 June 2022: ranked 5). The Sub-fund is ranked '5' because weekly historical data indicates that it has experienced relatively high rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO SUMMARY

As at 31 December 2022

Holding	Equities	Value £	% of net assets
	1,800 Altria Group Inc.	68,547	2.69%
	2,820 BCE Inc.	103,324	4.05%
	3,070 Canadian Imperial Bank of Commerce	103,509	4.06%
	2,500 Canon Inc	44,981	1.76%
	2,685 Deutsche Post AG	84,217	3.31%
	2,930 Emera Inc	94,128	3.70%
	7,070 Iberdrola SA	68,903	2.71%
	5,505 Iron Mountain Inc.	229,116	9.00%
	5,400 Japan Tobacco Inc	90,573	3.56%
	587 Kimberly-Clark Corp	66,905	2.63%
	43,600 Legal & General Group PLC	109,087	4.28%
	2,465 National Bank of Canada	138,442	5.44%
	4,330 Pennon Group PLC	38,624	1.52%
	6,680 Power Corporation of Canada	130,294	5.12%
	3,720 PPL ORD	91,610	3.60%
	2,205 Red Electrica Corporacion SA	32,195	1.26%
	1,600 Seagate Technology PLC	70,419	2.76%
	2,700 Severn Trent PLC	72,063	2.83%
	25,170 Singapore Telecommunications Ltd	40,087	1.57%
	1,995 Southern Co	119,567	4.69%
	1,435 SSE PLC	24,546	0.96%
	103 Swisscom AG	47,065	1.85%
	8,855 Tate & Lyle PLC	63,172	2.48%
	5,135 Telenor ASA	39,571	1.55%
	583 United Parcel Service Inc	85,092	3.34%
	14,305 United Utilities Group PLC	142,649	5.60%
	2,540 Verizon Communications Inc	82,803	3.25%
	2,165 WP Carey Inc	141,067	5.54%
	<b>Total equities (30.06.2022 : 97.82%)</b>	<b>2,422,556</b>	<b>95.11%</b>
	<b>Other net assets (30.06.2022: 2.24%)</b>	<b>124,438</b>	<b>4.89%</b>
	<b>Total net assets</b>	<b>2,546,994</b>	<b>100.00%</b>

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.06%).

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>91,547</b>
Canadian Imperial Bank of Commerce	45,682
Legal & General Group PLC	45,865

	£
<b>Total sales for the period</b>	<b>436,645</b>
Altria Group Inc	9,067
BCE Inc	14,064
Canadian Imperial Bank of Commerce	14,201
Canon Inc	7,380
CNOOC Ltd	79,940
Deutsche Post AG	11,673
Emera Inc	12,326
Iberdrola SA	8,800
Iron Mountain Inc	31,969
Japan Tobacco Inc	11,830
Kimberly-Clark Corp	8,618
Legal & General Group PLC	14,598
National Bank of Canada	18,231
Pennon Group PLC	5,358
Power Corporation of Canada	17,386
PPL Corp	11,473
Red Electrica Corporacion SA	4,337
Rio Tinto PLC	34,794
Seagate Technology PLC	9,274
Severn Trent PLC	9,841
Singapore Telecommunications Ltd	5,180
Southern Co	14,647
SSE PLC	3,220
Swisscom AG	5,796
Tate & Lyle PLC	8,532
Telenor ASA	5,193
United Parcel Service Inc	11,086
United Utilities Group PLC	19,491
Verizon Communications Inc	10,140
WP Carey Inc	18,200

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

## STATEMENT OF TOTAL RETURN

For the six month period ended 31 December	2022		2021	
	£	£	£	£
Income				
Net capital (losses)/gains		(101,748)		175,450
Revenue	76,490		70,762	
Expenses	(16,886)		(16,297)	
Interest payable and similar charges	(19)		(113)	
Net revenue before taxation	59,585		54,352	
Taxation	(9,506)		(6,805)	
Net revenue after taxation		50,079		47,547
Total return before distributions		(51,669)		222,997
Finance costs: distributions		(65,272)		(63,957)
<b>Changes in net assets attributable to shareholders from investment activities</b>		<b>(116,941)</b>		<b>159,040</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six month period ended 31 December	2022	2021
	£	£
<b>Opening net assets attributable to shareholders</b>	2,935,203	2,819,530
Amounts receivable on creation of shares	134,084	95,851
Amounts payable on cancellation of shares	(410,356)	(10,886)
Dividend reinvested	4,217	4,190
Dilution levies	787	-
Changes in net assets attributable to shareholders from investment activities (see above)	(116,941)	159,040
<b>Closing net assets attributable to shareholders</b>	<b>2,546,994</b>	<b>3,067,725</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 30 June 2022 was £2,935,203.

## BALANCE SHEET

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As at	31.12.2022		30.06.2022	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		2,422,556		2,869,527
<b>Current assets</b>				
Debtors	33,305		41,973	
Cash and bank balances	<u>165,566</u>		<u>104,931</u>	
<b>Total current assets</b>		<u>198,871</u>		<u>146,904</u>
<b>Total assets</b>		<u>2,621,427</u>		<u>3,016,431</u>
<b>Current liabilities</b>				
<b>Creditors</b>				
Distribution payable on income shares	(55,267)		(60,844)	
Bank overdraft	-		(1,512)	
Other creditors	<u>(19,166)</u>		<u>(18,872)</u>	
<b>Total current liabilities</b>		<u>(74,433)</u>		<u>(81,228)</u>
<b>Net assets attributable to shareholders</b>		<u>2,546,994</u>		<u>2,935,203</u>

### Accounting policies

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

The accounting policies applied are consistent with those in the Annual Financial Statements for the period ended 30 June 2022 and are described in those financial statements.

## DISTRIBUTION TABLES

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### Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 31 December 2022

01 July 2022 to 31 December 2022

<b>Sterling Class Net Income</b>	<b>Net revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	2.5526p	-	2.5526p	2.4909p
Group 2	1.7334p	0.8192p	2.5526p	2.4909p

<b>Sterling Class Net Accumulation</b>	<b>Net revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Distribution 28.02.2023</b>	<b>Distribution 28.02.2022</b>
Group 1	3.5226p	-	3.5226p	3.2942p
Group 2	3.0731p	0.4495p	3.5226p	3.2942p

### EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Protean Capital Elder Fund
<b>Size of Sub-fund</b>	£81,685,993
<b>Launch date</b>	30 August 2017
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to generate income, with the potential for capital growth over the long term.</p> <p>The Sub-fund will aim to meet its investment objective by investing primarily in a mixture of transferable securities (which may include debt instruments and structured notes issued by major global financial institutions), financial derivative instruments and government bonds.</p> <p>The Sub-fund may also invest in collective investment schemes, money market instruments, debentures, fixed interest securities, deposits and cash and near cash.</p> <p>Derivatives (that is sophisticated investment instruments linked to the rise and fall of the price of other assets) may be used for purposes of meeting the Sub-fund's investment objectives and efficient portfolio management purposes and are expected to form a significant part of the Sub-fund's portfolio.</p> <p>There will be no particular emphasis on any geographic or industrial sector but there will be significant credit exposure to particular financial institutions through the use of swaps.</p>
<b>Benchmark</b>	The Sub-fund does not have a specific benchmark. However, the performance of the Sub-fund can be assessed by considering whether the objective is achieved (i.e. whether there has been income generated (as well as some capital growth) over the long term (5+ years))
<b>Ex-distribution dates</b>	30 June, 30 September, 31 December and 31 March
<b>Distribution dates</b>	31 August, 30 November, 28 February and 31 May
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Minimum investment*</b>	
Lump sum subscription:	Class A Income/Accumulation = £2,000,000 Class I Income/Accumulation = £100
Top-up:	Class A Income/Accumulation = £100,000 Class I Income/Accumulation = £10
Holding:	Class A Income/Accumulation = £2,000,000 Class I Income/Accumulation = £100
Redemption & Switching:	Classes A and I Income/Accumulation = N/A provided minimum holding is maintained

Class I shares are intended for clients of investment advisors who have a connection with Investec.

\*The ACD may waive the minimum levels at its discretion.

**Initial, redemption and switching charges** Nil

### Annual management charges

The annual management charges (which include the management fee) are £30,000 per annum plus 0.50% (per annum) of the net asset value of the Sub-fund (plus VAT if applicable) for the Class A shares and 0.80% for the Class I shares.

The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 July each year (from 1 July 2018). In the event of negative inflation, the fixed element of the fee will remain unchanged.

## INVESTMENT MANAGER'S REVIEW

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The fund's objective is to generate income, with the potential for capital growth over the long term. The fund aims to meet its investment objective by investing primarily in a mixture of transferable securities, financial derivative instruments and government bonds. Under current market conditions, the manager anticipates annual income of 3.65% to 4.15%, with annual capital growth of 2% to 3% over the longer term<sup>1</sup>.

The manager is pleased to report that the fund's performance over the period under review was in line with its objectives. While UK equities, as measured by the iShares Core FTSE 100 UCITS ETF GBP (Acc), increased by 5.69%, the performance of European, American and Asian equity indices all contributed to the increase in the fund's A Net Accumulation Share Class NAV from 110.1195p to 114.1327p (+3.64%). Narrowing credit spreads and decreasing equity index volatility have contributed positively to the NAV with the fund's short duration profile limiting the negative impact of interest rate increases. The fund's A Net Accumulation Share Class' 260-day volatility was 6.93% as of 30th December 2022, compared to 16.48% for the iShares Core FTSE 100 UCITS ETF GBP (Acc)<sup>2</sup>.

The manager maintained a focus on income-generating assets while limiting the risk exposure of the fund. To achieve this, the manager constructed the portfolio such that:

- high-quality issuers were used for both physical and derivative positions.
- no asset was based upon more than two underlying equity indices to restrict correlation exposure.
- swap positions and FRNs helped reduce the overall duration of the portfolio.

These assets generated the expected level of income, allowing the fund's A Net Income Share Class to announce dividends of 1.07p in Q3 2022, Q4 2022 respectively<sup>3</sup>, meeting the investment objective's distribution targets. The manager feels the current level of income is protected against all but the most negative market conditions.

As part of the risk and cost-efficiency analysis, the manager is committed to incorporating ESG criteria into the investment process. The manager is pleased to announce that the VT Protean Capital ELDeR Fund has been awarded an AAA MSCI ESG Rating.

To achieve this ESG rating, the manager favoured investments with better ESG credentials where appropriate, using various sources to determine an investment's ESG characteristics.

Point-to-point, the fund's AUM decreased slightly from £83,921,719 to £81,685,993 in the period under review<sup>4</sup>.

Protean Capital LLP  
Investment Manager to the Fund  
26 January 2023

<sup>[1]</sup> Note: This is a guide and is not guaranteed.

<sup>[2]</sup> Source: Bloomberg

<sup>[3]</sup> Source: Bloomberg

<sup>[4]</sup> Source: Protean Capital

## PERFORMANCE RECORD

### Financial Highlights

	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
<b>Class A Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	90.4322	98.4675	92.9909
Return before operating charges	3.5036	(3.2443)	10.1443
Operating charges (note 1)	(0.2775)	(0.5667)	(0.5839)
Return after operating charges *	3.2261	(3.8110)	9.5604
Distribution on income shares	(2.1400)	(4.2243)	(4.0838)
Closing net asset value per share	91.5183	90.4322	98.4675
*after direct transactions costs of:	-	0.0094	-
<b>Performance</b>			
Return after charges	3.57%	(3.87%)	10.28%
<b>Other information</b>			
Closing net asset value	£64,905,631	£65,525,263	£67,362,969
Closing number of shares	70,920,940	72,457,912	68,411,378
Operating charges (note 2)	0.61%	0.60%	0.61%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	93.4979	99.5233	100.0833
Lowest share price	87.8689	90.4322	90.2539
<b>Class A Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	110.1195	114.6929	103.8356
Return before operating charges	4.3552	(3.8990)	11.5238
Operating charges (note 1)	(0.3420)	(0.6744)	(0.6665)
Return after operating charges *	4.0132	(4.5734)	10.8573
Closing net asset value per share	114.1327	110.1195	114.6929
Retained distributions on accumulated shares	2.6208	4.9993	4.7490
*after direct transactions costs of:	-	0.0112	-
<b>Performance</b>			
Return after charges	3.64%	(3.99%)	10.46%
<b>Other information</b>			
Closing net asset value	£16,556,598	£17,837,592	£16,378,276
Closing number of shares	14,506,449	16,198,395	14,280,116
Operating charges (note 2)	0.61%	0.60%	0.61%
Direct transaction costs	0.00%	0.01%	0.00%
<b>Prices</b>			
Highest share price	115.2491	117.1926	115.3978
Lowest share price	108.3158	109.4614	101.8950

**PERFORMANCE RECORD (continued)**

**Financial Highlights (Continued)**

<b>Class I Income</b>	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	100.1119	109.3344	103.6750
Return before operating charges	3.8583	(3.5975)	11.1956
Operating charges (note 1)	(0.4579)	(0.9425)	(0.9692)
Return after operating charges *	3.4004	(4.5400)	10.2264
Distribution on income shares	(2.3669)	(4.6825)	(4.5670)
Closing net asset value per share	101.1454	100.1119	109.3344
*after direct transactions costs of:	-	0.0105	-
Performance			
Return after charges	3.40%	(4.15%)	9.86%
Other information			
Closing net asset value	£69,407	£88,550	£105,186
Closing number of shares	68,621	88,451	96,206
Operating charges (note 2)	0.91%	0.90%	0.91%
Direct transaction costs	0.00%	0.01%	0.00%
Prices			
Highest share price	103.4664	110.4446	111.1415
Lowest share price	97.1988	100.1119	100.3996

^Share class launched on 10 March 2020

<b>Class I Accumulation</b>	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	111.2406	116.2145	105.5589
Return before operating charges	4.3938	(3.9504)	11.6647
Operating charges (note 1)	(0.5150)	(1.0235)	(1.0091)
Return after operating charges *	3.8788	(4.9739)	10.6556
Closing net asset value per share	115.1194	111.2406	116.2145
Retained distributions on accumulated shares	2.6452	5.0570	4.7225
*after direct transactions costs of:	-	0.0114	-
Performance			
Return after charges	3.49%	(4.28%)	10.09%
Other information			
Closing net asset value	£373,208	£457,368	£502,015
Closing number of shares	324,192	411,152	431,973
Operating charges (note 2)	0.91%	0.90%	0.91%
Direct transaction costs	0.00%	0.01%	0.00%
Prices			
Highest share price	116.2695	118.5672	116.9368
Lowest share price	109.3347	110.6879	103.4240

^Share class launched on 10 March 2020

## 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.

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (31 December 2021: ranked 4). The Sub-fund is ranked '4' because monthly historical data indicates that it has experienced average rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO SUMMARY

As at 31 December 2022

Holding	Value £	% of net assets
<b>Structured Notes (30.06.2022: 46.33%)</b>		
3,500,000 Barclays FTSE Income Note 06/28	2,999,148	3.67%
2,000,000 BBVA Dual Index Income Note 12/25	1,862,600	2.28%
2,150,000 BBVA Dual Index Income Note 06/27	1,634,645	2.00%
1,500,000 BBVA Auto Income Note 08/25	1,005,600	1.23%
1,800,000 CIBC Dual Index Income Note 09/23	1,774,604	2.18%
3,000,000 CACIB FTSE Income Note 05/28	2,545,500	3.12%
1,500,000 CIBC Dual Index Income Note 12/25	1,278,291	1.57%
3,500,000 Citigroup Dual Index Income Note 09/24	3,224,200	3.95%
1,250,000 Citigroup Dual Index Income Note 07/25	1,134,000	1.39%
2,500,000 GS Dual Index Income Note 06/28	1,951,500	2.39%
2,000,000 JP Morgan Dual Index Note 10/24	1,928,976	2.36%
2,400,000 Morgan Stanley Dual Index Note 07/25	2,223,360	2.72%
1,300,000 SocGen Dual Index Income Note 12/24	1,218,750	1.49%
3,550,000 UBS Dual Index Income Note 12/23	3,398,415	4.16%
2,250,000 CIBC Dual Index Income Note 02/24	2,152,116	2.63%
2,000,000 Morgan Stanley Dual Index Income Note R 04/25	1,838,745	2.25%
1,900,000 Morgan Stanley Dual Index Income Note S 04/25	1,769,798	2.17%
1,500,000 Citigroup Dual Index Growth Note 02/27	1,398,900	1.71%
1,500,000 Citigroup Dual Index Growth Note 02/27	1,433,400	1.75%
	<b>36,772,548</b>	<b>45.02%</b>
<b>Warrants (30.06.2022: 3.10%)</b>		
20,000 SocGen FTSE Growth Warrant 07/24	756,600	0.93%
19,940 SocGen Eurostoxx Growth Warrant 09/24	1,213,748	1.49%
19,398 SocGen FTSE Growth Warrant 09/24	520,254	0.64%
	<b>2,490,602</b>	<b>3.06%</b>
<b>Bonds (30.06.2022: 42.57%)</b>		
2,000,000 Deutsche Pfandbriefbank Covered Bond 04/24	2,005,960	2.46%
2,500,000 NatWest Covered Bond 03/23	2,501,175	3.06%
2,500,000 Nordea Covered Bond 06/23	2,499,250	3.06%
2,000,000 Santander UK Covered Bond 11/24	2,001,760	2.45%
1,500,000 Skipton BS Covered Bond 02/24	1,503,450	1.84%
2,000,000 Skipton BS Covered Bond 05/23	1,999,740	2.45%
2,000,000 TSB Covered Bond 02/24	2,007,860	2.46%
2,000,000 Yorkshire BS Covered Bond 01/27	1,974,760	2.42%
2,000,000 Yorkshire BS Covered Bond 11/24	2,002,060	2.45%
1,000,000 Bank of Montreal Covered Bond 04/23	999,690	1.22%
2,500,000 Bank of Montreal Covered Bond 12/25	2,502,625	3.06%
2,000,000 Bank of Nova Scotia Covered Bond 01/23	1,999,820	2.45%
2,000,000 Bank of Nova Scotia Covered Bond 06/26	2,021,320	2.47%
1,000,000 Lloyds Bank Bond 04/24	1,030,140	1.26%
2,000,000 National Australia Covered Bond 12/25	2,017,560	2.47%
1,000,000 Nationwide BS Covered Bond 04/26	1,001,260	1.23%
2,000,000 NBC Covered Bond 05/26	2,017,160	2.47%
2,000,000 Toronto Dominion Covered Bond 04/25	1,992,240	2.44%
2,000,000 UK Gilt 07/23	1,985,120	2.43%
2,000,000 WestPac Covered Bond 01/23	1,999,840	2.45%
	<b>38,062,790</b>	<b>46.60%</b>

**PORTFOLIO SUMMARY (Continued)**

Holding	As at 31 December 2022	Value £	% of net assets
<b>Swaps (30.06.2022: 1.13%)</b>			
2,500,000 OTC - FTSE Eurostoxx SD Income Swap 09/24		101,250	0.12%
2,500,000 OTC - FTSE Nikkei Income Swap 09/24		150,750	0.18%
2,500,000 OTC - FTSE Nikkei Income Swap 03/25		35,500	0.04%
2,500,000 OTC - FTSE Eurostoxx Income Swap 03/25		29,750	0.04%
1,750,000 OTC - FTSE Nikkei Swap 04/25		1,171,975	1.43%
2,500,000 OTC - Eurostoxx Nikkei Income Swap 07/25		265,750	0.33%
2,500,000 OTC - FTSE Eurostoxx Income Swap 07/25		139,750	0.17%
1,700,000 OTC - S&P Eurostoxx Income Swap 12/25		1,020	0.00%
10,000,000 OTC - FTSE Income Swap 03/25		(21,880)	(0.03%)
170 OTC - Eurostoxx Swap 01/22		(7)	0.00%
150 OTC - FTSE Swap 01/22		(2)	0.00%
3,000,000 OTC - Eurostoxx Income Swap 12/25		(227,124)	(0.28%)
363 OTC - S&P Swap 01/22		(22)	0.00%
161 OTC - Short FTSE Swap 10/23		3	0.00%
135 OTC - Short Eurostoxx Swap 10/23		6	0.00%
321 OTC - Short S&P Swap 10/23		22	0.00%
168 OTC - LIFFE Long 01/2023		(10)	0.00%
1,994,000 OTC - Eurostoxx Call Swap 03/23		40,654	0.05%
214,732 OTC - S&P QIS Swap 10/22		2,191	0.00%
25,947 OTC - SX5E QIS Swap 03/23		(5,426)	(0.01%)
		1,684,150	2.04%
<b>Total investments (30.06.2022 : 93.13%)</b>		<b>79,010,090</b>	<b>96.72%</b>
<b>Other net assets (30.06.2022 : 6.87%)</b>		<b>2,675,903</b>	<b>3.28%</b>
<b>Total net assets</b>		<b>81,685,993</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>7,032,911</b>
Bank of Montreal Covered Bond 12/25	2,504,701
BBVA Auto Income Note 08/25	1,500,000
Nationwide BS Covered Bond 04/26	1,003,284
UK Gilt 07/23	2,024,926

<b>Total sales for the period</b>	<b>£</b>
	-

There were no sales during the period

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

## STATEMENT OF TOTAL RETURN

For the six month period ended 31 December	2022		2021	
	£	£	£	£
Income				
Net capital gains/(losses)		535,343		(385,215)
Revenue	2,436,084		1,883,323	
Expenses	(257,134)		(259,600)	
Interest payable and similar charges	<u>(6,561)</u>		<u>(10,044)</u>	
Net revenue before taxation	2,172,389		1,613,679	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>2,172,389</u>		<u>1,613,679</u>
Total return before distributions		2,707,732		1,228,464
Finance costs: distributions		<u>(1,951,837)</u>		<u>(1,828,262)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>755,895</u>		<u>(599,798)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six month period ended 31 December	2022	2021
	£	£
<b>Opening net assets attributable to shareholders</b>	83,921,719	84,347,389
Amounts receivable on creation of shares	3,489,233	9,366,561
Amounts payable on cancellation of shares	(6,881,414)	(6,053,739)
Dividend reinvested	400,560	332,388
Changes in net assets attributable to shareholders from investment activities (see above)	755,895	(599,798)
<b>Closing net assets attributable to shareholders</b>	<u>81,685,993</u>	<u>87,392,801</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 30 June 2022 was £83,921,719.

## BALANCE SHEET

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As at	31.12.2022		30.06.2022	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		79,264,561		78,734,882
<b>Current assets</b>				
Debtors	670,435		517,527	
Cash and bank balances	<u>5,108,313</u>		<u>7,921,626</u>	
<b>Total current assets</b>		<u>5,778,748</u>		<u>8,439,153</u>
<b>Total assets</b>		<u>85,043,309</u>		<u>86,598,557</u>
<b>Investment liabilities</b>		(254,471)		(575,478)
<b>Current liabilities</b>				
<b>Creditors</b>				
Distribution payable on income shares	(759,666)		(796,915)	
Bank overdraft	(2,020,000)		(910,000)	
Other creditors	<u>(323,179)</u>		<u>(969,923)</u>	
<b>Total current liabilities</b>		<u>(3,102,845)</u>		<u>(2,676,838)</u>
<b>Net assets attributable to shareholders</b>		<u>81,685,993</u>		<u>83,921,719</u>

### Accounting policies

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

The accounting policies applied are consistent with those in the Annual Financial Statements for the period ended 30 June 2022 and are described in those financial statements.

## DISTRIBUTION TABLES

### Q1 Interim interest distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 30 September 2022

01 July 2022 to 30 September 2022

<b>Class A Income</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 30.11.2021</b>
Group 1	1.0700p	-	1.0700p	1.0420p
Group 2	0.7633p	0.3067p	1.0700p	1.0420p

<b>Class A Accumulation</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 30.11.2021</b>
Group 1	1.3030p	-	1.3030p	1.2137p
Group 2	0.8420p	0.4610p	1.3030p	1.2137p

<b>Class I Income</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 30.11.2021</b>
Group 1	1.1839p	-	1.1839p	1.1563p
Group 2	1.1839p	-	1.1839p	1.1563p

<b>Class I Accumulation</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 30.11.2021</b>
Group 1	1.3156p	-	1.3156p	1.2290p
Group 2	1.0089p	0.3067p	1.3156p	1.2290p

### Q2 Interim interest distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 December 2022

01 October 2022 to 31 December 2022

<b>Class A Income</b>	<b>Net revenue 28.02.2023</b>	<b>Equalisation</b>	<b>Interest distribution 28.02.2023</b>	<b>Interest distribution 28.02.2022</b>
Group 1	1.0700p	-	1.0700p	1.0420p
Group 2	0.5502p	0.5198p	1.0700p	1.0420p

<b>Class A Accumulation</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 28.02.2022</b>
Group 1	1.3178p	-	1.3178p	1.2266p
Group 2	0.6066p	0.7112p	1.3178p	1.2266p

<b>Class I Income</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 28.02.2022</b>
Group 1	1.1830p	-	1.1830p	1.1554p
Group 2	1.1830p	-	1.1830p	1.1554p

<b>Class I Accumulation</b>	<b>Net revenue 30.11.2022</b>	<b>Equalisation</b>	<b>Interest distribution 30.11.2022</b>	<b>Interest distribution 28.02.2022</b>
Group 1	1.3296p	-	1.3296p	1.2413p
Group 2	1.3296p	-	1.3296p	1.2413p

### EQUALISATION

Equalisation applies only to shares purchased during the Interest period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the Interest as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Protean Capital PROCSI CoRE Fund
<b>Size of Sub-fund</b>	£49,163,301
<b>Launch date</b>	30 May 2018
<b>Investment objective and policy</b>	<p>The objective of the Sub-fund is to generate capital growth over the medium to long term (5 to 7 years)</p> <p>The Sub-fund will aim to meet its investment objective primarily through entering into one or more swaps each of which will provide exposure to a financial index. The financial indices to which the swaps are linked will provide exposure to multiple asset classes such as global equities, global fixed income and commodities. The swaps will be supported by the Sub-fund's other direct investments in a diversified portfolio which is expected to consist of transferable securities (including ETFs and potentially equities), other financial derivative instruments and government bonds.</p> <p>The Sub-fund may also invest in collective investment schemes, money market instruments, debentures, fixed interest securities, deposits and cash and near cash.</p> <p>Derivatives (that is sophisticated investment instruments linked to the rise and fall of the price of other assets) may be used for purposes of meeting the Fund's investment objectives and efficient portfolio management purposes and are expected to form a significant part of the Sub-fund's portfolio.</p> <p>There will be no particular emphasis on any geographic or industrial sector.</p>
<b>Benchmark</b>	The Sub-fund does not have a specific benchmark. However, the performance of the Sub-fund can be assessed by considering whether the objective is achieved (i.e. whether there has been capital growth over the long term (5-7 years)).
<b>Ex-distribution dates</b>	30 June
<b>Distribution dates</b>	31 August
<b>Individual Savings Account (ISA)</b>	The Sub-fund is a qualifying investment for inclusion in an ISA.
<b>Minimum investment*</b>	
Lump sum subscription:	Class A Accumulation = £2,000,000
Top-up:	Class A Accumulation = £100,000
Holding:	Class A Accumulation = £2,000,000
Redemption & Switching:	Class A Accumulation = N/A provided minimum holding is maintained

\*The ACD may waive the minimum levels at its discretion.

### Annual management charges

The annual management charges (which include the management fee) are £30,000 per annum plus 0.5% (per annum) of the net asset value of the Sub-fund (plus VAT if applicable). The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2019). In the event of negative inflation, the fixed element of the fee will remain unchanged.

## INVESTMENT MANAGER'S REVIEW

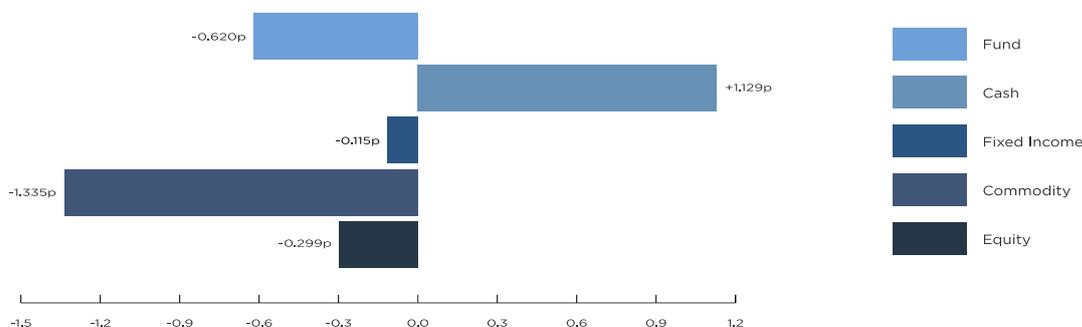
The fund's objective is to generate capital growth over the medium to long term. The fund aims to meet its investment objective primarily through entering into one or more swaps, each of which provides exposure to multiple asset classes including global equities, global fixed income and commodities. Under current market conditions, the manager anticipates annual capital growth of 2% to 5% over the medium to longer term<sup>1</sup>. The swaps are supported by the fund's other direct investments in a diversified portfolio of fixed income instruments.

The manager is pleased to report that the fund's performance over the period under review was in line with its objectives. The fund's A Net Accumulation Share Class NAV decreased slightly from 106.4723p to 105.8524p (-0.58%), while its 260-day volatility as of December 30th was 4.12%<sup>2</sup>.

The fund's performance benefitted from its exposure to a globally diversified, risk-managed multi-asset strategy. The strategy provides exposure to equities, fixed income and commodities, rebalanced to maintain a constant risk profile. The manager maintained a portfolio of higher credit quality corporate bonds, with 66.02%<sup>3</sup> of holdings rated Aaa by Moody's as of December 30th.

While a positive contribution (+1.129p) from cash helped support the fund's A Net Accumulation Share Class NAV over the period, negative contributions from commodities (-1.335p), equities (-0.299p) and fixed income (-0.115p) caused an overall decrease in the fund's NAV.

Performance Contributions to NAV (30/06/2022 – 30/12/2022)



As part of the risk and cost-efficiency analysis, the manager is committed to incorporating ESG criteria into the investment process. The manager is pleased to announce that the VT Protean Capital PROCSI CoRE Fund has been awarded an AAA MSCI ESG Rating.

To achieve this ESG rating, the manager favoured investments with better ESG credentials where appropriate, using various sources to determine an investment's ESG characteristics.

Point-to-point, the fund's AUM decreased from £51,497,408 to £49,163,301 in the period under review .

On 06 February 2023, the fund had redemptions totalling 32,254,522 units (£34,620,843). The investment manager believes this will have no impact on the future performance of the strategy, and a cap has been applied to the OCF to mitigate any potential cost increases to investors.

Protean Capital LLP  
Investment Manager to the Fund  
26 January 2023

## PERFORMANCE RECORD

### Financial Highlights

<b>Class A Accumulation</b>	<b>Period to 31 December 2022</b>	<b>Year to 30 June 2022</b>	<b>Year to 30 June 2021</b>
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	106.4723	107.3324	101.0323
Return before operating charges	(0.2802)	(0.1759)	6.9773
Operating charges (note 1)	(0.3397)	(0.6842)	(0.6772)
Return after operating charges *	(0.6199)	(0.8601)	6.3001
Closing net asset value per share	105.8524	106.4723	107.3324
Retained distributions on accumulated shares	-	-	-
*after direct transactions costs of:	-	-	-
Performance			
Return after charges	(0.58%)	(0.80%)	6.24%
Other information			
Closing net asset value	£49,215,483	£51,497,413	£46,307,768
Closing number of shares	46,494,461	48,366,951	43,144,255
Operating charges (note 2)	0.64%	0.64%	0.65%
Direct transaction costs	0.00%	0.00%	0.00%
Prices			
Highest share price	107.4568	108.9403	107.7761
Lowest share price	104.1850	105.9931	100.9382

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 Open Ended Investment Companies held within the Sub-fund's holdings.

### Risk Profile

Based on past data, the Sub-fund is ranked a '3' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 3). The Sub-fund is ranked 'a 3' because monthly historical data indicates that it has experienced low to medium rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO SUMMARY

As at 31 December 2022

Holding	Value £	% of net assets
<b>Structured Notes (30.06.2022: 12.39%)</b>		
2,250,000 CIBC Bond 12/25	2,262,834	4.61%
2,000,000 CIBC Bond 12/26	1,944,936	3.96%
	4,207,770	8.57%
<b>Bonds (30.06.2022: 84.56%)</b>		
2,000,000 Virgin Money Covered Bond 03/24	2,005,980	4.08%
2,000,000 Barclays Covered Bond 01/23	1,999,800	4.07%
1,000,000 Coventry BS Covered Bond 01/25	998,880	2.03%
2,000,000 Deutsche Pfandbriefbank Covered Bond 09/23	2,006,200	4.08%
1,500,000 Santander UK Covered Bond 11/24	1,501,320	3.05%
3,000,000 Nordea Covered Bond 06/23	2,999,100	6.10%
2,000,000 Skipton BS Covered Bond 05/23	1,999,740	4.07%
2,000,000 TSB Covered Bond 02/24	2,007,860	4.08%
2,000,000 Yorkshire BS Covered Bond 11/24	2,002,060	4.07%
2,000,000 Yorkshire BS Covered Bond 01/27	1,974,760	4.02%
2,500,000 Citigroup Bond 07/26	2,442,350	4.97%
3,500,000 Barclays Bond 06/25	3,480,750	7.08%
2,000,000 Bank of Montreal Covered Bond 04/23	1,999,380	4.07%
1,500,000 Bank of Nova Scotia Covered Bond 01/23	1,499,865	3.05%
1,446,000 Bank of Nova Scotia Covered Bond 06/26	1,461,414	2.97%
1,000,000 Toronto Dominion Covered Bond 01/23	999,940	2.03%
1,000,000 Commonwealth Bank of Australia Covered Bond 01/25	998,510	2.03%
2,000,000 Commonwealth Bank of Australia Covered Bond 11/28	2,018,420	4.11%
2,000,000 National Australia Covered Bond 02/25	1,996,560	4.06%
1,500,000 Royal Bank of Canada Covered Bond 10/26	1,515,450	3.08%
1,500,000 Royal Bank of Canada Covered Bond 01/25	1,495,260	3.04%
1,000,000 UK GILT 22/07/2023	982,620	2.00%
1,000,000 Clydesdale Covered Bond 03/26	999,540	2.03%
	41,385,759	84.17%
<b>Swaps (30.06.2022: (1.01%))</b>		
	-	-
<b>Total investments (30.06.2022 : 95.94%)</b>	<b>45,593,529</b>	<b>92.74%</b>
<b>Other net assets (30.06.2022 : 4.06%)</b>	<b>3,569,772</b>	<b>7.26%</b>
<b>Total net assets</b>	<b>49,163,301</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total purchases for the period</b>	<b>1,990,766</b>
Clydesdale Covered Bond 03/26	1,002,701
UK GILT 22/07/2023	988,065

	£
<b>Total sales for the period</b>	<b>6,201,617</b>
Santander UK Covered Bond 11/22	2,001,617
TSB Covered Bond 12/22	2,000,000
SocGen Bond 08/22	2,200,000

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

## STATEMENT OF TOTAL RETURN

For the six month period ended 31 December	2022		2021	
	£	£	£	£
Income				
Net capital losses		(287,198)		(141,169)
Revenue	652,799		182,079	
Expenses	(161,068)		(151,988)	
Interest payable and similar charges	<u>(558,935)</u>		<u>(46,242)</u>	
Net expenses before taxation	(67,204)		(16,151)	
Taxation	<u>-</u>		<u>-</u>	
Net expenses after taxation		<u>(67,204)</u>		<u>(16,151)</u>
Total return before distributions		(354,402)		(157,320)
Finance costs: distributions		<u>(4)</u>		<u>-</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u><b>(354,406)</b></u>		<u><b>(157,320)</b></u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six month period ended 31 December	2022	2021
	£	£
<b>Opening net assets attributable to shareholders</b>	51,497,408	46,307,566
Amounts receivable on creation of shares	2,581,250	8,583,095
Amounts payable on cancellation of shares	(4,560,951)	(2,488,556)
Changes in net assets attributable to shareholders from investment activities (see above)	(354,406)	(157,320)
<b>Closing net assets attributable to shareholders</b>	<u><b>49,163,301</b></u>	<u><b>52,244,785</b></u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 30 June 2022 was £51,497,408.

## BALANCE SHEET

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As at	31.12.2022		30.06.2022	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		45,593,529		49,922,853
<b>Current assets</b>				
Debtors	207,889		98,422	
Cash and bank balances	<u>4,028,138</u>		<u>2,162,734</u>	
<b>Total current assets</b>		<u>4,236,027</u>		<u>2,261,156</u>
<b>Total assets</b>		<u>49,829,556</u>		<u>52,184,009</u>
<b>Investment liabilities</b>		-		(517,968)
<b>Current liabilities</b>				
<b>Creditors</b>				
Other creditors	(666,255)		(95,308)	
Bank overdraft	<u>-</u>		<u>(73,325)</u>	
<b>Total current liabilities</b>		<u>(666,255)</u>		<u>(168,633)</u>
<b>Net assets attributable to shareholders</b>		<u>49,163,301</u>		<u>51,497,408</u>

### Accounting policies

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

The accounting policies applied are consistent with those in the Annual Financial Statements for the period ended 30 June 2022 and are described in those financial statements.

### Post balance sheet event

On 06 February 2023, the Sub-fund had redemptions totalling 32,254,522 units (£34,620,843).

## INFORMATION FOR INVESTORS

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### Taxation

The Company will pay no corporation tax on its profits For the period ended 31 December 2022 and capital gains within the Company will not be taxed.

### Individual shareholders

**Income tax:** Tax-free annual dividend allowance now standing at £2,000 (2022/23). UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. UK resident shareholders are subject to tax on dividend income in excess of the annual allowance.

**Capital gains tax:** Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £12,300 (2022/2023) 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 ACD and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar.

For VT Castlebay UK Equity Fund [castlebay@valu-trac.com](mailto:castlebay@valu-trac.com)

For Valu-Trac Equity Income Fund A [vtinc@valu-trac.com](mailto:vtinc@valu-trac.com)

For VT Protean Capital Elder Fund [protean@valu-trac.com](mailto:protean@valu-trac.com)

For VT Protean Capital PROCSI CoRE Fund [protean@valu-trac.com](mailto:protean@valu-trac.com)

The price of shares will be determined by reference to a valuation of the Company's net assets at 12.00 noon on each dealing day.

The ACD 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 ACD will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the ACD 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. Settlement is due four business days after the trade date shown on the contract note and should be made to the ACD'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 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 ACD of a request for redemption. The minimum value of shares that a shareholder can hold is detailed on pages 3, 19, 28 and 39. The ACD may at its discretion accept subscriptions lower than the minimum amount.

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

### Remuneration

Information about the authorised fund manager (AFM) remuneration policies and disclosures is available from Valu-Trac Investment Management Limited on its website which can be found on the link below.

<https://www.valu-trac.com/VIML%20Remuneration%20Policy%20Statement.pdf>

The AFM does not employ any staff directly from the Company, so there are no quantitative disclosures in this report.

**CORPORATE DIRECTORY**

<p><b>Authorised Corporate Director, Manager &amp; Registrar</b></p>	<p>Valu-Trac Investment Management Limited  Mains of Orton  Fochabers  Moray  IV32 7QE</p> <p>Telephone: 01343 880344  Fax: 01343 880267  Email : castlebay@valu-trac.com  : vtinc@valu-trac.com  : protean@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority  Registered in England No 2428648</p>
<p><b>Director</b></p>	<p>Valu-Trac Investment Management Limited as ACD</p>
<p><b>Investment Manager</b></p>	<p>For VT Castlebay UK Equity Fund:  Castlebay Investment Partners LLP  14 Sandyford Place  Glasgow  G3 7NB</p> <p>For VT Protean Capital Elder Fund and VT Protean Capital PROCSI CoRE Fund:  Protean Capital LLP  Hazelwood House  53 New Oxford Street  London  WC1A 1BL</p> <p>For Valu-Trac Equity Income Fund A:  Valu-Trac Investment Management Limited  Mains of Orton  Fochabers  Moray  IV32 7QE</p> <p>All authorised and regulated by the Financial Conduct Authority</p>
<p><b>Depository</b></p>	<p>NatWest Trustee and Depository Services Limited  House A  Floor 0, 175 Glasgow Road  Gogarburn  Edinburgh  EH12 1HQ</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
<p><b>Auditor</b></p>	<p>Johnston Carmichael LLP  Commerce House  South Street  Elgin  IV30 1JE</p>