

**VT TEVIOT FUNDS ICVC  
(SUB-FUND VT TEVIOT SMALLER COMPANIES FUND)**

**Interim Report and Financial Statements  
for the six months to 30 June 2021**

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## COMPANY OVERVIEW

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### **Type of Company**

VT Teviot Funds ICVC (the 'Company') is an investment company (company number IC001094) with variable capital incorporated in England and Wales under the Open Ended Investment Company Regulations 2001 (SI2001/1228).

The Company was incorporated and authorised by the Financial Conduct Authority on 31 July 2017.

The Company is a UCITS scheme and is an umbrella company (as defined in the OEIC Regulations). Each sub-fund would be a UCITS scheme if it had a separate authorisation order.

The shareholders are not liable for the debts of the Company.

## 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 and net capital gains 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 MA

Valu-Trac Investment Management Limited  
Authorised Corporate Director

Date 18/08/2021

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Teviot UK Smaller Companies Fund
<b>Size of Sub-fund</b>	£117,281,668
<b>Launch date</b>	29 August 2017
<b>Sub-Fund objective and policy</b>	<p>The investment objective of the VT Teviot UK Smaller Companies Fund is to achieve a total return (of growth and income, after fees) greater than the Benchmark Index over the long term. The Benchmark Index is the Numis Smaller Companies Index (including AIM but excluding investment Companies).</p> <p>The Sub-fund will seek to achieve its investment objective by investing in a diversified portfolio of companies which shall primarily consist of small UK quoted companies. Small companies are those having a market capitalisation, at the time or purchase, equal to or lower than the largest company in the Numis Smaller Companies Index (including AIM but excluding investment companies).</p> <p>The investments held by the Sub-fund will be primarily in companies domiciled, incorporated or having a significant part of their business in the UK.</p> <p>The Manager actively manages the portfolio in order to achieve the objective and will not be restricted in respect of investments by industrial sectors. In seeking investments the approach will be fundamental in nature: rigorous financial analysis of prospective and existing investments and regular contact with the management of these companies. The emphasis within the portfolio will reflect the desire to invest in companies whose shares represent relatively attractive value within the given stock market context.</p> <p>The Sub-fund's eligible markets, as defined in COLL, include the Official List of the London Stock Exchange plc ("LSE") and the Alternative Investment Market ("AIM") of the LSE. The Sub-fund's base currency is Pounds Sterling.</p> <p>The Sub-fund will not invest in any immovable property or tangible moveable property.</p> <p>In addition to equities, the asset classes in which the Sub-fund may invest includes transferable securities, units in collective investment schemes, money-market instruments, cash and near cash and deposits to the extent permitted for UCITS schemes pursuant to the rules in COLL and in accordance with the Sub-fund's investment powers as set out in the Prospectus.</p> <p>As indicated above, the Sub-fund aims to achieve a total return over the longer term. Nevertheless capital is in fact at risk and there is no guarantee that a total return will be achieved over that specific, or any, time period.</p>
<b>Performance Benchmark</b>	<p>The performance benchmark is the Numis Smaller Companies Index (including AIM but excluding investment companies). The performance of the 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 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.</p>
<b>Derivatives</b>	<p>The Sub-fund may hold derivatives for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund.</p>

## SUB-FUND OVERVIEW (CONTINUED)

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<b>Authorised Corporate Director (ACD)</b>	Valu-Trac Investment Management Limited
<b>Ex-distribution dates</b>	30 June, 31 December
<b>Distribution dates</b>	31 August, 28 February
<b>Individual Savings Account (ISA)</b>	The Company is a qualifying investment for inclusion in an ISA.
<b>Minimum investment</b>	
Lump sum subscription:	Net Accumulation/Income = £1,000 Gross Accumulation/Income = £1,000
Top-up:	Net Accumulation/Income = £500 Gross Accumulation/Income = £500
Holding:	Net Accumulation/Income = £500 Gross Accumulation/Income = £500
Redemption:	£500 (provided minimum holding is maintained)
Switching:	£500 (provided minimum holding is maintained)

The ACD may waive the minimum levels at its discretion.

Initial, redemption and switching charges Nil

### ACD charges

The ACD charges are: £30,000 per annum plus  
Net Accumulation/Income = 0.75%  
Gross Accumulation/Income = 0.75%

The above percentages being percentages of the net asset value of the Fund attributable to the relevant class (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 Price Index) on 1 July each year from 1 July 2018. In the event of negative inflation the fixed element of the fee shall remain unchanged.

### Investment Restrictions

The Sub-fund may not invest more than 10% of its value in other collective investment schemes and may not invest in other Sub-funds of the Company.

## INVESTMENT MANAGER'S REVIEW

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### Introduction

The VT Teviot UK Smaller Companies Fund is almost four years old, having launched in August 2017. We have surpassed our expectations in terms of absolute and relative investment performance despite many unforeseen economic and political events over this period. Teviot Partners has also evolved, increasing resources to cater for the expansion of the business.

Nonetheless, the partners recognize that the bedrock of our success has been the respect for liquidity in an illiquid asset class. The capacity of the UK Smaller Companies strategy is limited and the ability to generate excess returns impairs when managers chase assets beyond the natural capacity of the strategy. Teviot Partners will seek to manage capacity so as to maintain its relative liquidity advantage.

The advantages of liquidity are demonstrated in our performance to date. A smaller unit size of investment confers greater flexibility to optimally time investment and divestment decisions in portfolio holdings. This means that as well as considering the value attributes of potential investments, we can also integrate momentum factors into the investment process in order to time decisions better. The other benefit is a smaller unit size of investment confers greater investment choice as we can consider companies further down the market capitalization spectrum as we are less constrained by liquidity. When value gaps close in portfolio holdings, there are a broader range of opportunities where we can recycle capital. During periods of strong investment performance, investors should view higher portfolio turnover as a reflection of the managers adhering to the value discipline.

### Performance

In the six months to June 2021, the Fund generated a return of 24.9% (both Net Income and Net Accumulation). This outperformed the Fund's benchmark, the Numis Smaller Companies Index (excluding investment companies, including AIM), which increased by 16.4%. The Fund's cumulative performance since launch is now 93.0% (Net Accumulation), compared to a benchmark return of 33.6%.

Conditions were favourable to the manager's value orientated investment style over the first half of the year. This contrasts with the conditions a year ago when the world had been plunged into recession by the impact of the Covid pandemic. One year on and most economies are witnessing sharp recovery. Vaccination programs have boosted confidence of a return to normality. However, it is the exceptional level of government stimulus that has driven the pace of recovery. Many companies are now back to the levels of trading performance that they enjoyed pre-pandemic. Whether it be the attrition of competition, efficiencies garnered in the downturn or through opportune acquisition, there are plenty of companies emerging strongly from this period. It was also a period of increased corporate activity. The valuation of UK assets lagged while Brexit overshadowed proceedings but with greater clarity overseas acquirers and private equity are active.

The largest contributor to returns was Lookers. The company had a torrid time in 2020 as a result of internal issues as well as poor market conditions. This has reversed in 2021 with management doing a commendable job in streamlining the business. Future continued its outstanding progress with its unique digital platform fuelling further growth in earnings. Set against this the largest detractor was Jet2. Hopes for overseas travel in summer 2021 have been frustrated as the pandemic lingers but this is an outstanding company which will capitalize on the recovery when it comes. Cairn Energy was weak while it was unable to report any progress on the recovery of \$1.7billion of tax from the Indian government. Portfolio activity was elevated reflecting the strong absolute and relative performance since October 2020. As value gaps have closed we have recycled capital into new opportunities. Corporate activity played a part, with bids or approaches for holdings including Scapa, Sigma Capital, Spire Healthcare and Augean.

### Income

The Fund declared an interim distribution (Net Accumulation) of 1.2249p compared with 0.4435p in the first of 2020. The increase reflects the unusual level of uncertainty that prevailed a year ago. Companies still exhibit a degree of caution with regard to dividends so it is unlikely that the dividend potential of the portfolio will fully recover until 2022. Given the investment style of the manager, dividends are an important component of long-term investment returns, and the portfolio will typically exhibit a yield premium relative to the investment benchmark.

## INVESTMENT MANAGER'S REVIEW (CONTIUNED)

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### Outlook

In 2021, the pervading theme has been one of economic recovery. The UK having fallen harder is also recovering faster, helped by its progress with vaccinating the population. This return to normality, while stuttering, is ahead of what most would have predicted a year ago. Stock-markets have reflected this success and most indices trade above the levels achieved pre-pandemic. Company results are generally extremely positive by comparison to the conditions a year earlier.

The oxygen for this recovery has come from government stimulus and it is inevitable that we will have to wean the economy off these measures in the future. Policymakers have to strike the balance between supporting the recovery and not stimulating inflation. Without doubt, the signs of inflation are more evident than any point over recent years and only time will tell if this is a temporary phenomenon. Accordingly, policymakers will have a pivotal role in shaping Markets over the coming period. The pandemic and the economic response has taken centre stage in Markets over the last eighteen months and will continue to do so. We should also be mindful that geo-political tensions are never far below the surface. The post Brexit settlement is still in its infancy and Western tensions with China and Iran have capacity to impact Markets.

Our conclusion is consistent with previous reports. In an uncertain political and economic environment, the most effective strategy will be to preserve our liquidity advantage so that we can respond and capitalize as events unfold. We have a broad investment universe that continues to present good opportunities and we will constantly refine the portfolio to optimize the combination of value and prospects.

Teviot Partners LLP  
Investment Manager to the Fund  
13 August 2021



## PERFORMANCE RECORD

### Financial Highlights

	Period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
<b>Net Accumulation</b>			
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	154.4885	146.0709	109.3610
Return before operating charges	39.2553	9.7118	37.8083
Operating charges (note 1)	(0.7211)	(1.2942)	(1.0984)
Return after operating charges *	38.5342	8.4176	36.7099
Closing net asset value per unit	193.0227	154.4885	146.0709
Retained distributions on accumulated units	1.2249	0.7946	3.1025
*after direct transactions costs of:	0.4170	0.5711	0.6641
Performance			
Return after charges	24.94%	5.76%	33.57%
Other information			
Closing net asset value	£50,087,689	£35,744,689	£20,755,510
Closing number of units	25,949,124	23,137,446	14,209,242
Operating charges (note 2)	0.83%	0.86%	0.86%
Direct transaction costs	0.24%	0.38%	0.52%
Prices			
Highest unit price	196.31	154.82	146.07
Lowest unit price	154.29	83.93	109.36

	Period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
<b>Net Income</b>			
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	145.9027	138.8073	106.4033
Return before operating charges	37.0712	9.0727	36.4582
Operating charges (note 1)	(0.6786)	(1.2260)	(1.0544)
Return after operating charges *	36.3926	7.8467	35.4038
Distribution on income units	(1.1568)	(0.7513)	(2.9998)
Closing net asset value per unit	181.1385	145.9027	138.8073
*after direct transactions costs of:	0.3924	0.5409	0.6375
Performance			
Return after charges	24.94%	5.65%	33.27%
Other information			
Closing net asset value	£68,272,744	£56,173,071	£58,176,848
Closing number of units	37,690,913	38,500,371	41,911,940
Operating charges (note 2)	0.83%	0.86%	0.86%
Direct transaction costs	0.24%	0.38%	0.52%
Prices			
Highest unit price	185.40	146.55	139.89
Lowest unit price	145.71	79.76	106.40

## PERFORMANCE RECORD (Continued)

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### Financial Highlights (Continued)

1. The operating charges per unit 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-Sub-fund.

### Risk Profile

Based on past data, the Sub-fund is ranked a '6' 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 6 because monthly historical performance data indicates that significant rises and falls in market prices would have occurred historically.

**PORTFOLIO SUMMARY**

As at 30 June 2021

<b>Investment</b>	<b>Holding</b>	<b>Market Value £</b>	<b>Total Net Asset %</b>	<b>Index<sup>1</sup> %</b>
<b>Total Equities (31.12.20 : 96.92%)</b>		<b>117,034,172</b>	<b>99.79%</b>	<b>100.00%</b>
<b>Oil &amp; Gas Producers (31.12.20 : 3.79%)</b>		<b>7,841,749</b>	<b>6.67%</b>	<b>3.67%</b>
Cairn Energy	1,040,966	1,527,618	1.30%	
Energiean	158,612	1,142,006	0.97%	
Gulf Keystone Petroleum	764,000	1,398,884	1.19%	
SDX Energy	1,907,528	298,051	0.25%	
Serica Energy	1,239,863	1,693,653	1.44%	
Vivo Energy	1,829,093	1,781,537	1.52%	
<b>Chemicals (31.12.20 : 1.16%)</b>		<b>1,564,361</b>	<b>1.33%</b>	<b>0.96%</b>
Zotefoams	334,981	1,564,361	1.33%	
<b>Mining (31.12.20 : 2.93%)</b>		<b>3,386,483</b>	<b>2.89%</b>	<b>4.18%</b>
Anglo Pacific Group	725,155	1,018,118	0.87%	
Atalaya Mining	377,813	1,157,997	0.99%	
Central Asia Metals	345,261	825,174	0.70%	
Gem Diamonds	549,493	385,195	0.33%	
<b>Construction &amp; Materials (31.12.20 : 5.58%)</b>		<b>6,509,927</b>	<b>5.08%</b>	<b>4.99%</b>
Alumasc Group	450,000	1,192,500	1.02%	
Costain Group	1,171,552	670,714	0.57%	
Countryside Properties	206,215	983,439	0.84%	
Keller Group	180,389	1,457,543	1.24%	
Norcros	517,791	1,656,931	1.41%	
Brickability Group	560,000	548,800	0.47%	
<b>Aerospace &amp; Defense (31.12.20 : 0.82%)</b>		<b>-</b>	<b>0.00%</b>	<b>2.25%</b>
<b>General Industrials (31.12.20 : 1.18%)</b>		<b>1,350,267</b>	<b>1.15%</b>	<b>0.67%</b>
Macfarlane Group	1,164,023	1,350,267	1.15%	
<b>Electronic &amp; Electrical Equipment (31.12.20 : 1.21%)</b>		<b>1,245,146</b>	<b>1.06%</b>	<b>3.12%</b>
TT Electronics	421,183	1,094,023	0.93%	
Zytronic	91,590	151,124	0.13%	
<b>Industrial Engineering (31.12.20 : 3.46%)</b>		<b>4,410,994</b>	<b>3.76%</b>	<b>2.18%</b>
Pressure Technologies	425,000	410,125	0.35%	
Severfield	1,463,027	1,155,791	0.99%	
Trifast	1,248,714	1,773,174	1.51%	
Vitec Group	75,887	1,071,904	0.91%	
<b>Industrial Transportation (31.12.20 : 1.55%)</b>		<b>1,495,124</b>	<b>1.28%</b>	<b>1.36%</b>
Braemar Shipping Services	181,277	550,176	0.47%	
Ocean Wilsons Holdings	87,092	944,948	0.81%	
<b>Support Services (31.12.20 : 16.43%)</b>		<b>20,358,496</b>	<b>17.37%</b>	<b>10.71%</b>
Augean	673,907	1,937,483	1.65%	
De La Rue	1,647,042	3,103,027	2.65%	
Driver Group	973,050	593,561	0.51%	
Hargreaves Services	389,500	1,698,220	1.45%	
Mears Group	1,174,743	2,138,032	1.82%	
PayPoint	51,165	291,641	0.25%	
Renewi	4,273,919	2,361,340	2.01%	
Ricardo	312,745	1,274,436	1.09%	
RPS Group	1,413,697	1,511,242	1.29%	
Science Group	240,974	980,764	0.84%	
SThree	330,317	1,501,291	1.28%	
Sureserve Group	1,158,000	920,610	0.78%	
Staffline Group	3,350,000	2,046,850	1.75%	

**PORTFOLIO SUMMARY (continued)**

As at 30 June 2021		Market Value	Total Net Asset	Index <sup>1</sup>
Investment	Holding	£	%	%
<b>Food Producers (31.12.20 : 1.78%)</b>		<b>2,009,103</b>	<b>1.72%</b>	<b>2.25%</b>
Devro	314,873	615,892	0.53%	
Premier Foods	1,268,863	1,393,212	1.19%	
<b>Household Goods &amp; Home Construction (31.12.20 : 5.80%)</b>		<b>6,794,474</b>	<b>5.79%</b>	<b>2.10%</b>
Headlam Group	456,695	1,972,922	1.68%	
IG Design Group	417,657	2,255,348	1.92%	
Inspeks Group	226,558	860,920	0.73%	
Watkin Jones	498,815	1,073,699	0.92%	
Wickes Group	253,852	631,584	0.54%	
<b>Leisure Goods (31.12.20 : 0.34%)</b>		-	<b>0.00%</b>	<b>1.56%</b>
<b>Health Care Equipment &amp; Services (31.12.20 : 2.22%)</b>		<b>1,796,212</b>	<b>1.53%</b>	<b>2.67%</b>
Spire Healthcare Group	729,426	1,796,212	1.53%	
<b>Pharmaceuticals &amp; Biotechnology (31.12.20 : 1.97%)</b>		<b>3,872,607</b>	<b>3.29%</b>	<b>4.90%</b>
Allergy Therapeutics	3,412,706	837,819	0.71%	
ECO Animal Health Group	490,250	1,715,875	1.46%	
Indivior	857,272	1,318,913	1.12%	
<b>General Retailers (31.12.20 : 7.84%)</b>		<b>8,689,983</b>	<b>7.42%</b>	<b>4.10%</b>
Card Factory	726,409	449,647	0.38%	
Dignity	81,850	651,935	0.56%	
Joules Group	300,711	849,509	0.72%	
Kitwave Group	822,858	1,392,687	1.19%	
Musicmagpie	206,500	395,448	0.34%	
Studio Retail Group	612,400	1,779,022	1.52%	
Lookers	1,436,409	1,026,314	0.88%	
Mothercare	7,886,263	1,111,963	0.95%	
Xaar	561,662	1,033,458	0.88%	
<b>Media (31.12.20 : 4.74%)</b>		<b>6,302,493</b>	<b>5.38%</b>	<b>2.97%</b>
4imprint Group	35,000	945,000	0.81%	
Ebiquity	1,330,000	625,100	0.53%	
Future	62,461	1,943,786	1.66%	
STV Group	411,649	1,374,908	1.17%	
Wilmington	676,411	1,413,699	1.21%	
<b>Travel &amp; Leisure (31.12.20 : 6.77%)</b>		<b>7,337,421</b>	<b>6.25%</b>	<b>7.95%</b>
Go-Ahead Group	143,400	1,620,420	1.38%	
Jet2	132,290	1,561,683	1.33%	
Marstons	1,353,814	1,188,310	1.01%	
Playtech	243,000	1,040,769	0.89%	
Rank Group	676,172	1,137,997	0.97%	
Saga	197,455	788,240	0.67%	
<b>Electricity (31.12.20 : 2.91%)</b>		<b>2,633,995</b>	<b>2.25%</b>	<b>1.57%</b>
Drax Group	615,707	2,633,995	2.25%	
<b>Software &amp; Computer Services (31.12.20 : 5.43%)</b>		<b>7,021,043</b>	<b>5.98%</b>	<b>7.33%</b>
Aptitude Software Group	229,965	1,345,295	1.15%	
EMIS Group	129,925	1,505,831	1.28%	
IQGeo Group	780,528	979,563	0.84%	
RM	316,502	742,197	0.63%	
Tracsis	104,234	943,318	0.80%	
Tribal Group	1,512,401	1,504,839	1.28%	

**PORTFOLIO SUMMARY (Continued)**

As at 30 June 2021		Market	Total Net	Index <sup>1</sup>
Investment	Holding	Value £	Asset %	%
<b>Technology Hardware &amp; Equipment (31.12.20 : 2.56%)</b>		<b>3,063,200</b>	<b>2.62%</b>	<b>1.19%</b>
Aferian	464,206	747,372	0.64%	
Fonix Mobile	1,091,709	1,626,646	1.39%	
Vianet Group	675,669	689,182	0.59%	
<b>Nonlife Insurance (31.12.20 : 3.42%)</b>		<b>3,705,146</b>	<b>3.16%</b>	<b>0.78%</b>
Randall & Quilter Investment Holdings	1,435,477	2,368,537	2.02%	
Sabre Insurance Group	519,576	1,336,609	1.14%	
<b>Real Estate Investment &amp; Services (31.12.20 : 2.98%)</b>		<b>2,698,007</b>	<b>1.91%</b>	<b>4.02%</b>
Belvoir Group	539,707	1,322,282	1.13%	
Workspace Group	110,499	912,998	0.78%	
U and I Group	492,263	462,727	0.39%	
<b>Real Estate Investment Trusts (31.12.20 : 1.25%)</b>		<b>1,757,653</b>	<b>1.50%</b>	<b>2.51%</b>
LSL Property Services	400,833	1,757,653	1.50%	
<b>Financial Services (31.12.20 : 8.81%)</b>		<b>7,705,003</b>	<b>6.57%</b>	<b>10.47%</b>
Appreciate Group	971,639	303,151	0.26%	
International Personal Finance	581,170	754,940	0.64%	
Morses Club	1,550,796	1,415,877	1.21%	
OSB Group	305,700	1,410,806	1.20%	
Premier Miton Group	405,159	698,899	0.60%	
TP ICAP	850,022	1,728,307	1.47%	
Volvere	24,300	337,770	0.29%	
Mattioli Woods	39,075	290,132	0.25%	
Rathbone Brothers	41,470	765,122	0.65%	
<b>Beverages (31.12.20 : 0.00%)</b>		<b>1,442,949</b>	<b>1.23%</b>	<b>0.98%</b>
C&C Group	593,318	1,442,949	1.23%	
<b>Forestry and Paper (31.12.20 : 0.00%)</b>		<b>114,044</b>	<b>0.10%</b>	<b>0.07%</b>
James Cropper	8,875	114,044	0.10%	
<b>Banks (31.12.20 : 0.00%)</b>		<b>865,100</b>	<b>0.74%</b>	<b>1.70%</b>
Secure Trust Bank	82,000	865,100	0.74%	
<b>Automobiles &amp; Parts (31.12.20 : 0.00%)</b>		<b>1,063,192</b>	<b>0.91%</b>	<b>0.66%</b>
TI Fluid Systems	348,302	1,063,192	0.91%	
<b>Total Equities (31.12.20 : 96.92%)</b>		<b>117,034,172</b>	<b>99.79%</b>	
<b>Mid to bid adjustment (31.12.20 : (1.23%))</b>		<b>(1,078,765)</b>	<b>(0.92%)</b>	
<b>Other net assets (31.12.20 : 4.31%)</b>		<b>1,326,261</b>	<b>1.13%</b>	
<b>Total Net Assets</b>		<b>117,281,668</b>	<b>100.00%</b>	

1. Numis Smaller Companies Index (including AIM but excluding investment companies)

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

<b>Purchases</b>	<b>£</b>	<b>Sales</b>	<b>£</b>
Go-Ahead Group	1,853,532	Sigma Capital Group	2,037,477
Vivo Energy	1,705,855	Countrywide	1,681,444
Staffline Group	1,675,000	Kin and Carta	1,427,469
Energiean	1,497,314	Tyman	1,412,133
Sthree	1,469,322	FirstGroup	1,259,147
C&C Group	1,588,692	James Fisher and Sons	1,253,183
Norcros	1,333,538	Inspecs Group	1,213,187
Kitwave Group	1,234,287	GYM Group	1,212,452
Cairn Energy	1,224,224	De La Rue	1,074,217
Marston's	1,195,138	International Personal Finance	1,071,131
Indivior	1,183,917	Hollywood Bowl Group	1,013,390
Workspace Group	1,179,249	Spire Healthcare Group	1,011,797
Zotefoams	1,122,956	Card Factory	972,370
TI Fluid Systems	1,112,161	Eurocell	969,971
Watkin Jones	1,002,328	Scapa Group	921,790
Secure Trust Bank	978,731	Drax Group	904,307
Joules Group	961,609	Dignity	841,311
4imprint Group	860,416	S&U	819,289
Tracsis	854,166	Chemring Group	802,450
TP ICAP	804,409	K3 Capital Group	754,456
Other Purchases	19,615,348	Other Sales	15,020,999
<b>Total Purchases for the period</b>	<b>44,452,192</b>	<b>Total Sales for the period</b>	<b>37,673,970</b>

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

**STATEMENT OF TOTAL RETURN**

<b>For the period ended 30 June 2021 (unaudited)</b>		<b>2021</b>		<b>2020</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income					
	Net capital gains/(losses)		22,308,840		(18,790,599)
	Revenue	1,110,486		494,449	
Expenses		(455,648)		(307,081)	
Finance costs: Interest		<u>(8,345)</u>		<u>-</u>	
Net revenue before taxation		646,493		187,368	
Taxation		<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>646,493</u>		<u>187,368</u>
Total return before distributions			22,955,333		(18,603,231)
Finance costs: distributions			<u>(760,405)</u>		<u>(263,737)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>			<u>22,194,928</u>		<u>(18,866,968)</u>

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**

<b>For the period ended 30 June 2021 (unaudited)</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Opening net assets attributable to shareholders</b>	90,805,267	78,122,331
Amounts receivable on creation of shares	75,686,135	16,279,096
Amounts payable on cancellation of shares	(72,385,576)	(5,717,860)
Dividend reinvested	317,853	78,828
Dilution levy	663,061	310,064
Changes in net assets attributable to shareholders from investment activities (see above)	22,194,928	(18,866,968)
<b>Closing net assets attributable to shareholders</b>	<u>117,281,668</u>	<u>70,205,491</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 at 31 December 2020 was £90,805,267.

**BALANCE SHEET**

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As at 30 June 2021 (unaudited)	30.06.2021		31.12.2020	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		115,955,407		86,891,557
<b>Current Assets</b>				
Debtors	1,145,883		371,794	
Cash and bank balances	<u>8,385,697</u>		<u>4,257,573</u>	
<b>Total current assets</b>		<u>9,531,580</u>		<u>4,629,367</u>
<b>Total assets</b>		<u>125,486,987</u>		<u>91,520,924</u>
<b>CURRENT LIABILITIES</b>				
<b>Creditors</b>				
Distribution payable on income shares	(436,015)		(127,906)	
Other creditors	<u>(7,769,304)</u>		<u>(587,751)</u>	
<b>Total current liabilities</b>		<u>(8,205,319)</u>		<u>(715,657)</u>
<b>Net assets attributable to shareholders</b>		<u>117,281,668</u>		<u>90,805,267</u>



## DISTRIBUTION TABLES

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### For the six months ended 30 June 2021

#### Interim distribution in pence per share

Group 1: Shares purchased prior to 01 January 2021

Group 2 : Shares purchased on or after 01 January and on or before 30 June 2021

01 January 2021 to 30 June 2021

Net Income	Dividend paid 31 August 2021	Equalisation	Dividend paid 31 August 2021	Dividend paid 31 August 2020
Group 1	1.1568p	-	1.1568p	0.4191p
Group 2	0.6300p	0.5268p	1.1568p	0.4191p

Net Accumulation	Dividend accumulated 31 August 2021	Equalisation	Dividend accumulated 31 August 2021	Dividend accumulated 31 August 2020
Group 1	1.2249p	-	1.2249p	0.4435p
Group 2	0.4341p	0.7908p	1.2249p	0.4435p

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.

## INFORMATION FOR INVESTORS

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### Authorised Status

VT Teviot Funds ICVC ("the Company") is an authorised open-ended investment company with variable capital ("ICVC") further to an authorisation order dated 31 July 2017. The Company is incorporated under registration number IC001094. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ("COLL") issued by and amended by the Financial Conduct Authority ("FCA").

### Head Office

The head office of the Company is at Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

### Base Currency

The base currency of the Company is Pounds Sterling.

### Share Capital

The minimum share capital of the company is £1,000.

### Structure of the Company

The Company is structured as an umbrella company. Provision exists for an unlimited number of Sub-funds.

### Classes of Shares

The Company can issue different classes of share in respect to any Sub-fund, subject to the approval of the FCA.

### Valuation Point

The scheme property of the Company and each Sub-fund will normally be valued at 12:00 mid day on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-fund at any time if it considers it desirable to do so, The ACD shall inform the Depository of any decision to carry out any such additional valuation.

### Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8.30am and 5.30pm. Instructions to buy or sell shares may either be in writing to:

Valu-Trac Investment Management Limited  
Orton, Fochabers, Moray, IV32 7QE  
Or by email to:  
[teviot@valu-trac.com](mailto:teviot@valu-trac.com)

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

### Taxation

The Company will pay no corporation tax on its profits for the year to 31 December and capital gains within the Company will not be taxed.

### Individual shareholders

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 (2021/2022) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

### Corporate shareholders

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

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

## INFORMATION FOR INVESTORS (Continued)

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### Pricing Basis

There is single price for buying, selling and switching shares in a Sub-fund which represents the net asset value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next valuation point after the purchase or redemption is deemed to be accepted by the ACD. The latest price of the shares can be obtained by contacting the ACD.

### Other information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected free of charge at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application.

### 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 fund, so there are no quantitative disclosures in this report.

**CORPORATE DIRECTORY**

<b>Authorised Corporate Director, Manager &amp; Registrar</b>	Valu-Trac Investment Management Limited Mains of Orton Fochabers Moray IV32 7QE  Telephone: 01343 880344 Fax: 01343 880267 Email: teviot@valu-trac.com  Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
<b>Director</b>	Valu-Trac Investment Management Limited as ACD
<b>Investment Manager</b>	Teviot Partners LLP 46 Charlotte Square Edinburgh Scotland EH2 4HQ  Authorised and regulated by the Financial Conduct Authority
<b>Depository</b>	NatWest Trustee and Depository Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ  Authorised and regulated by the Financial Conduct Authority
<b>Auditor</b>	Johnston Carmichael LLP Commerce House South Street Elgin IV30 1JE