

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

**Interim Report and Financial Statements (unaudited)  
for the six months to 30 June 2022**

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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 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 25 August 2022

## 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>	£71,288,495
<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 of 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.</p> <p>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 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.</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

### Annual management charges

The annual management 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 five 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. Additionally, a smaller unit size of investment enables greater investment choice, so 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.

### Performance

In the six months to June 2022, the Fund was down by 12.8% (Net Accumulation). This outperformed the Fund's benchmark, the Numis Smaller Companies Index (excluding investment companies, including AIM), which fell by 21.4%. The Fund's cumulative performance since launch is now 73.9% (Net Accumulation), compared to a benchmark total return of 8.2%.

Given the turbulent global events in the period, it is no surprise that stock markets were weak. The continuing impact of COVID-19 (in its Omicron variant), supply chain disruption, rising inflation and rising interest rates were causing uncertainty in the global economic outlook, even before Russia's invasion of Ukraine in late February. The ensuing elevation of energy prices has exacerbated the upward pressure on global inflation, forcing Central Banks to put through a more aggressive series of interest rate rises. Economic growth is therefore slowing, and the debate is whether a protracted recession can be avoided.

Against this backdrop, the manager's value-orientated investment style helped enable the out-performance versus the benchmark in the first half of the year. Rising interest rates imply higher discount rates for future cashflows. Consequently, equity valuations whose present values depend on long duration returns were pressured. This has enabled "value" stocks to outperform "growth" stocks, suiting the fund's positioning. The fund's underweight positions (relative to the benchmark) in the Technology and Healthcare sectors served it well, for example, as did its overweight position in Utilities. More generally, a focus across all sectors on stocks with defensive cashflows, robust balance sheets, and pricing power (to offset inflation) has proved beneficial.

In addition, performance was aided by two recommended takeover approaches. Bus and train operator Go-Ahead Group was the largest contributor to returns. After a difficult 2021 (pandemic and operational issues), and starting 2022 at a share price of 667p, the new management team was just rebuilding the strategy and performance when it succumbed to a bid at 1500p (1450p plus 50p special dividend) in June. Also in June, healthcare software provider EMIS received a takeover bid at 1925p, having begun the year at 1360p.

Other key contributors to performance included energy stocks Gulf Keystone Petroleum, Serica Energy, and Energean, as well as renewable power generator Drax. All have seen dramatic increases in their cashflows given the rise in energy prices.

Set against these, the largest detractors were De La Rue, Studio Retail and Future. De La Rue suffered a profit warning in January (cost pressures and Omicron disruption). In February Studio Retail was put into administration when its main lender unexpectedly refused to extend credit to it after supply chain disruption. Future has suffered from the general malaise in technology and media stocks despite the business performing well throughout the period.

### Portfolio Activity

Given the strong performance of some of our larger holdings, there has been some recycling of those profits into new holdings that have been hit hard by the anticipated global downturn. For example, our positions in Drax, Serica and Indivior were reduced (and Vivo Energy was sold after its late-2021 takeover) whilst positions in RHI Magnesita (refractory products), Speedy Hire (equipment hire) and Liontrust Asset Management were begun. Defence & security stock Qinetiq was added in January, contributing positively to performance. Given the weakening consumer environment, holdings were cut in Marston's (pubs), Card Factory (retailer) and McColls (retailer).

## INVESTMENT MANAGER'S REVIEW (CONTIUNED)

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### Income

The Fund declared an interim distribution (Net Accumulation) of 2.5439p compared with 1.2249p in the first half of 2021. The increase reflects the normalisation of dividends payments by companies as their profits recover from the pandemic. 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.

### Outlook

Global stock markets have been weak in the first half of 2022 – as the effects of the pandemic start to recede, so the implications of rising inflation and interest rate rises have been factored in. Additionally, a prolonged period of high energy prices and potential food shortages (should the Russia-Ukraine war stay unresolved) make a recession more likely.

UK smaller companies are often viewed as being more cyclical than their larger peers. Given the uncertainty, company managements are generally being suitably cautious in their outlook statements. Furthermore, the UK Government has limited ability to provide fiscal stimulus to offset consumer weakness. Nonetheless, whilst the defensive positioning of the fund helped it to outperform its benchmark in the period, many share price valuations are already pricing in an economic downturn, so we will be seeking opportunities to benefit from any emerging recovery.

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  
1 August 2022



## PERFORMANCE RECORD

### Financial Highlights

	Period ended 30 June 2022	Year ended 31 December 2021	Year ended 31 December 2020
<b>Net Accumulation</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	199.4404	154.4885	146.0709
Return before operating charges	(24.7565)	46.4207	9.7118
Operating charges (note 1)	(0.8026)	(1.4688)	(1.2942)
Return after operating charges *	(25.5591)	44.9519	8.4176
Closing net asset value per share	173.8813	199.4404	154.4885
Retained distributions on accumulated shares	2.5439	2.3514	0.7946
*after direct transactions costs of:	0.3547	0.5840	0.5711
Performance			
Return after charges	(12.82%)	29.10%	5.76%
Other information			
Closing net asset value	£33,772,183	£42,981,132	£35,744,689
Closing number of shares	19,422,556	21,550,869	23,137,446
Operating charges (note 2)	0.86%	0.83%	0.86%
Direct transaction costs	0.19%	0.33%	0.38%
Prices			
Highest share price	201.4447	206.1110	154.8245
Lowest share price	167.7385	154.2892	83.9276

	Period ended 30 June 2022	Year ended 31 December 2021	Year ended 31 December 2020
<b>Net Income</b>			
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	185.8778	145.9027	138.8073
Return before operating charges	(23.0715)	43.5662	9.0727
Operating charges (note 1)	(0.7430)	(1.3769)	(1.2260)
Return after operating charges *	(23.8145)	42.1893	7.8467
Distribution on income shares	(2.3782)	(2.2142)	(0.7513)
Closing net asset value per share	159.6851	185.8778	145.9027
*after direct transactions costs of:	0.3283	0.5474	0.5409
Performance			
Return after charges	(12.81%)	28.92%	5.65%
Other information			
Closing net asset value	£38,122,373	£44,932,481	£56,173,071
Closing number of shares	23,873,471	24,173,130	38,500,371
Operating charges (note 2)	0.86%	0.83%	0.86%
Direct transaction costs	0.19%	0.33%	0.38%
Prices			
Highest share price	187.7459	193.4210	146.5530
Lowest share price	156.3317	145.7145	79.7562

## PERFORMANCE RECORD (Continued)

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### Financial Highlights (Continued)

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-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 2022 (Unaudited)

Investment	Holding	Market Value £	Total Net Asset %	Index %
<b>Total Equities (31.12.2021 : 99.02%)</b>		<b>71,178,202</b>	<b>99.85%</b>	<b>100.00%</b>
<b>Oil &amp; Gas Producers (31.12.2021 : 7.39%)</b>		<b>5,042,694</b>	<b>7.07%</b>	<b>7.34%</b>
Capricorn Energy	607,000	1,321,439	1.85%	
Energiean	138,500	1,558,125	2.19%	
Gulf Keystone Petroleum	424,000	1,119,360	1.57%	
Serica Energy	364,000	1,043,770	1.46%	
<b>Chemicals (31.12.2021 : 1.07%)</b>		<b>1,026,285</b>	<b>1.44%</b>	<b>1.15%</b>
Zotefoams	213,611	600,247	0.84%	
Essentra	171,444	426,038	0.60%	
<b>Mining (31.12.2021 : 3.61%)</b>		<b>2,489,522</b>	<b>3.49%</b>	<b>2.75%</b>
Anglo Pacific Group	504,000	732,312	1.03%	
Atalaya Mining	328,713	1,084,753	1.52%	
Central Asia Metals	295,261	672,457	0.94%	
<b>Construction &amp; Materials (31.12.2021 : 5.31%)</b>		<b>3,892,539</b>	<b>5.46%</b>	<b>5.59%</b>
Alumasc Group	282,000	446,970	0.63%	
Costain Group	989,960	349,208	0.49%	
Countryside Properties	139,215	340,659	0.48%	
Keller Group	142,000	1,026,660	1.44%	
Norcros	602,200	1,421,192	1.99%	
Tyman	131,000	307,850	0.43%	
<b>Aerospace &amp; Defense (31.12.2021 : 0.81%)</b>		<b>1,693,023</b>	<b>2.37%</b>	<b>2.81%</b>
Avon Protection	71,615	700,395	0.98%	
Qinetiq Group	270,300	987,136	1.38%	
Chemring Group	1,734	5,492	0.01%	
<b>General Industrials (31.12.2021 : 1.21%)</b>		<b>787,038</b>	<b>1.10%</b>	<b>0.81%</b>
Macfarlane Group	678,481	787,038	1.10%	
<b>Electronic &amp; Electrical Equipment (31.12.2021 : 0.85%)</b>		<b>573,795</b>	<b>0.80%</b>	<b>2.46%</b>
TT Electronics	332,635	573,795	0.80%	
<b>Industrial Engineering (31.12.2021 : 4.70%)</b>		<b>2,814,519</b>	<b>3.94%</b>	<b>1.40%</b>
Pressure Technologies	425,000	282,625	0.40%	
Severfield	1,142,880	722,300	1.01%	
Trifast	990,000	965,250	1.35%	
Videndum	64,800	844,344	1.18%	
<b>Industrial Transportation (31.12.2021 : 1.16%)</b>		<b>871,539</b>	<b>1.22%</b>	<b>2.10%</b>
Braemar Shipping Services	112,780	284,770	0.40%	
Ocean Wilsons Holdings	62,092	586,769	0.82%	
<b>Support Services (31.12.2021 : 15.58%)</b>		<b>11,288,244</b>	<b>15.85%</b>	<b>9.27%</b>
De La Rue	1,153,620	902,708	1.27%	
Driver Group	228,899	76,681	0.11%	
Hargreaves Services	180,700	911,632	1.28%	
Mears Group	776,000	1,472,460	2.07%	
Renewi	247,000	1,778,400	2.49%	
Ricardo	238,391	876,087	1.23%	
RPS Group	955,000	1,024,238	1.44%	
Science Group	174,040	680,496	0.95%	
Speedy Hire	1,400,000	590,800	0.83%	
SThree	312,000	1,088,100	1.53%	
Sureserve Group	800,000	676,000	0.95%	
Staffline Group	2,573,097	1,210,642	1.70%	

VT TEVIOT FUNDS ICVC - VT TEVIOT UK SMALLER COMPANIES FUND

For the six months to 30 June 2022

**PORTFOLIO SUMMARY (continued)**

As at 30 June 2022 (Unaudited)

<b>Investment</b>	<b>Holding</b>	<b>Market Value £</b>	<b>Total Net Asset %</b>	
<b>Food Producers (31.12.2021 : 2.60%)</b>		<b>2,451,140</b>	<b>3.43%</b>	<b>2.78%</b>
Devro	331,500	616,590	0.86%	
M P Evans Group	89,800	800,118	1.12%	
Premier Foods	923,600	1,034,432	1.45%	
<b>Household Goods &amp; Home Construction (31.12.2021 : 5.15%)</b>		<b>3,105,710</b>	<b>4.36%</b>	<b>1.60%</b>
DFS Furniture	218,421	340,955	0.48%	
Headlam Group	304,000	905,920	1.27%	
Inspects Group	109,334	289,735	0.41%	
UP Global Sourcing Holdings	342,000	407,835	0.57%	
Watkin Jones	309,000	677,483	0.95%	
Wickes Group	299,000	483,782	0.68%	
<b>Pharmaceuticals &amp; Biotechnology (31.12.2021 : 3.63%)</b>		<b>2,172,069</b>	<b>3.05%</b>	<b>3.02%</b>
Allergy Therapeutics	2,045,000	424,338	0.60%	
ECO Animal Health Group	480,000	542,400	0.76%	
Indivior	393,000	1,205,331	1.69%	
<b>General Retailers (31.12.2021 : 6.81%)</b>		<b>3,312,134</b>	<b>4.65%</b>	<b>2.99%</b>
Kitwave Group	596,000	859,730	1.21%	
RHI Magnesita	23,800	472,430	0.66%	
Studio Retail Group <sup>2</sup>	605,378	-	-	
Lookers	1,448,000	1,078,036	1.51%	
Mothercare	4,650,027	327,827	0.46%	
Xaar	308,662	574,111	0.81%	
<b>Media (31.12.2021 : 4.80%)</b>		<b>3,613,680</b>	<b>5.08%</b>	<b>2.26%</b>
Ebiquity	877,605	447,579	0.63%	
Future	57,900	968,667	1.36%	
STV Group	266,500	802,165	1.13%	
Smooove	443,485	261,656	0.37%	
Wilmington	476,308	1,133,613	1.59%	
<b>Travel &amp; Leisure (31.12.2021 : 5.75%)</b>		<b>3,843,694</b>	<b>5.39%</b>	<b>6.04%</b>
Go-Ahead Group	127,700	2,018,937	2.83%	
Jet2	93,700	858,011	1.20%	
Playtech	116,000	628,720	0.88%	
Saga	47,537	84,283	0.12%	
XP Factory	1,470,976	253,743	0.36%	
<b>Electricity (31.12.2021 : 3.44%)</b>		<b>2,001,107</b>	<b>2.81%</b>	<b>1.35%</b>
Drax Group	307,981	2,001,107	2.81%	
<b>Software &amp; Computer Services (31.12.2021 : 5.45%)</b>		<b>3,844,588</b>	<b>5.41%</b>	<b>8.53%</b>
Aptitude Software Group	237,000	824,760	1.16%	
EMIS Group	72,624	1,352,259	1.90%	
IQGeo Group	308,547	425,795	0.60%	
RM	272,702	310,199	0.44%	
Tribal Group	1,064,657	931,575	1.31%	

**PORTFOLIO SUMMARY (Continued)**

As at 30 June 2022 (Unaudited)		Market	Total Net	
Investment	Holding	Value £	Asset %	
<b>Technology Hardware &amp; Equipment (31.12.2021 : 2.42%)</b>		<b>1,832,302</b>	<b>2.57%</b>	<b>1.70%</b>
Aferian	310,000	412,300	0.58%	
Fonix Mobile	691,978	1,048,347	1.47%	
Vianet Group	482,669	371,655	0.52%	
<b>Nonlife Insurance (31.12.2021 : 1.92%)</b>		<b>1,548,108</b>	<b>2.17%</b>	<b>1.26%</b>
Randall & Quilter Investment Holdings	379,425	404,088	0.57%	
Sabre Insurance Group	552,000	1,144,020	1.60%	
<b>Real Estate Investment &amp; Services (31.12.2021 : 2.77%)</b>		<b>3,023,652</b>	<b>4.23%</b>	<b>2.66%</b>
Belvoir Group	349,000	793,975	1.11%	
CLS Holdings	392,000	793,800	1.11%	
LSL Property Services	257,499	885,797	1.24%	
Harworth Group	382,000	550,080	0.77%	
<b>Financial Services (31.12.2021 : 6.52%)</b>		<b>5,493,466</b>	<b>7.70%</b>	<b>1.89%</b>
Distribution Finance Capital Holdings	1,050,000	367,500	0.52%	
Liontrust Asset Management	51,100	479,063	0.67%	
Mattioli Woods	65,700	466,470	0.65%	
OSB Group	253,700	1,217,760	1.71%	
Peel Hunt Limited	326,725	372,467	0.52%	
TP ICAP	551,066	613,061	0.86%	
Rathbone Brothers	71,000	1,364,620	1.91%	
XPS Pensions Group	290,000	376,275	0.53%	
Duke Royalty	675,000	236,250	0.33%	
<b>Beverages (31.12.2021 : 1.58%)</b>		<b>1,059,433</b>	<b>1.49%</b>	<b>0.90%</b>
C&C Group	584,999	1,059,433	1.49%	
<b>Forestry and Paper (31.12.2021 : 0.29%)</b>		<b>129,247</b>	<b>0.18%</b>	<b>0.18%</b>
James Cropper	14,203	129,247	0.18%	
<b>Banks (31.12.2021 : 1.25%)</b>		<b>902,613</b>	<b>1.27%</b>	<b>1.09%</b>
Secure Trust Bank	81,500	902,613	1.27%	
<b>Automobiles &amp; Parts (31.12.2021 : 1.45%)</b>		<b>1,042,606</b>	<b>1.46%</b>	<b>0.78%</b>
CT Automotive Group	286,735	458,776	0.64%	
TI Fluid Systems	390,000	583,830	0.82%	
<b>Fixed Line Telecommunications (31.12.2021 : 1.50%)</b>		<b>1,323,455</b>	<b>1.86%</b>	<b>1.35%</b>
Telecom Plus	67,420	1,323,455	1.86%	
<b>Total Equities (31.12.2021 : 99.02%)</b>		<b>71,178,202</b>	<b>99.85%</b>	
<b>Mid to bid adjustment (31.12.2021 : (0.78%))</b>		<b>(606,061)</b>	<b>(0.85%)</b>	
<b>Other net assets (31.12.2021 : 1.76%)</b>		<b>716,358</b>	<b>1.00%</b>	
<b>Total Net Assets</b>		<b>71,288,499</b>	<b>100.00%</b>	

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

2. Holding fair value priced following suspension from dealing

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

<b>Purchases</b>	<b>£</b>	<b>Sales</b>	<b>£</b>
RHI Magnesita	865,247	Drax Group	1,300,728
Qinetiq Group	792,342	Serica Energy	1,060,208
Speedy Hire	752,128	Vivo Energy	946,725
Liontrust Asset Management	695,364	Indivior	883,058
Harworth Group	647,936	Marstons	644,623
M P Evans Group	624,032	James Fisher and Sons	471,048
Essentra	599,605	Xaar	422,148
Mattioli Woods	486,145	Card Factory	400,984
Norcros	484,686	Dignity	396,514
DFS Furniture	480,452	Gulf Keystone Petroleum	383,158
Tyman	423,210	Playtech	346,858
CLS Holdings	420,266	McColls Retail Group	323,280
Future	401,208	IQGeo Group	283,812
XPS Pensions Group	391,746	Telecom Plus	282,552
Rathbone Brothers	290,175	TP ICAP	274,574
SThree	265,767	Gem Diamonds	266,952
Watkin Jones	260,613	De La Rue	262,529
Vitec Group	243,920	EMIS Group	261,365
Duke Royalty	236,250	Lookers	247,911
Aptitude Software Group	190,297	IG Design Group	218,706
Other Purchases	1,964,394	Other Sales	4,857,743
<b>Total Purchases for the period</b>	<b>11,515,783</b>	<b>Total Sales for the period</b>	<b>14,535,476</b>

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

## STATEMENT OF TOTAL RETURN

For the period ended 30 June 2022 (unaudited)	Six months ended 30.06.2022		Six months ended 30.06.2021	
	£	£	£	£
Income				
Net capital (losses)/gains		(12,148,087)		22,308,840
Revenue	1,362,653		1,110,486	
Expenses	(341,959)		(455,648)	
Interest payable and similar charges	<u>(602)</u>		<u>(8,345)</u>	
Net revenue before taxation	1,020,092		646,493	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>1,020,092</u>		<u>646,493</u>
Total return before distributions		(11,127,995)		22,955,333
Finance costs: distributions		<u>(1,105,581)</u>		<u>(760,405)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>(12,233,576)</u>		<u>22,194,928</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 30 June 2022 (unaudited)	Six months ended 30.06.2022 £	Six months ended 30.06.2021 £
<b>Opening net assets attributable to shareholders</b>	87,288,179	90,805,267
Amounts receivable on creation of shares	6,918,784	75,686,135
Amounts payable on cancellation of shares	(11,329,288)	(72,385,576)
Dividend reinvested	494,093	317,853
Dilution levies	150,303	663,061
Changes in net assets attributable to shareholders from investment activities (see above)	(12,233,576)	22,194,928
<b>Closing net assets attributable to shareholders</b>	<u>71,288,495</u>	<u>117,281,668</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 2021 was £87,288,179.

## BALANCE SHEET

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As at 30 June 2022 (unaudited)	30.06.2022		31.12.2021	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		70,572,137		85,740,800
<b>Current Assets</b>				
Debtors	800,940		201,537	
Cash and bank balances	<u>1,403,195</u>		<u>1,861,232</u>	
<b>Total current assets</b>		<u>2,204,135</u>		<u>2,062,769</u>
<b>Total assets</b>		<u>72,776,272</u>		<u>87,803,569</u>
<b>CURRENT LIABILITIES</b>				
<b>Creditors</b>				
Distribution payable on income shares	(567,759)		(255,599)	
Other creditors	<u>(920,018)</u>		<u>(259,791)</u>	
<b>Total current liabilities</b>		<u>(1,487,777)</u>		<u>(515,390)</u>
<b>Net assets attributable to shareholders</b>		<u>71,288,495</u>		<u>87,288,179</u>

### Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021 and are described in those annual financial statements.

The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017.



## DISTRIBUTION TABLES

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### For the six months ended 30 June 2022

#### Interim distribution in pence per share

Group 1: Shares purchased prior to 01 January 2022

Group 2 : Shares purchased on or after 01 January 2022 and on or before 30 June 2022

01 January 2022 to 30 June 2022

Net Income	Net Revenue 31 August 2022	Equalisation	Distribution 31 August 2022	Distribution 31 August 2021
Group 1	2.3782p	-	2.3782p	1.1568p
Group 2	1.7044p	0.6738p	2.3782p	1.1568p

Net Accumulation	Net Revenue 31 August 2022	Equalisation	Distribution 31 August 2022	Distribution 31 August 2021
Group 1	2.5439p	-	2.5439p	1.2249p
Group 2	1.6489p	0.8950p	2.5439p	1.2249p

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 Depositary 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 ended 30 June 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 subject to new, higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

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

**CORPORATE DIRECTORY**

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<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>Depositary</b>	NatWest Trustee and Depositary 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