

Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Garraway Asian Centric Global Growth Fund on the outcome of the AFM's assessment of the value provided to shareholders

For the period ended 30 June 2020

This assessment is to establish what VT Garraway Asian Centric Global Growth Fund (the Fund) has delivered to you in return for the price you have had to pay.

The AFM is the Authorised Corporate Director of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Manager is Garraway Capital Management LLP.

The Fund was launched on 19 July 2019

The investment objective of the Fund is to provide a combination of capital growth and income over the longer term (5 years).

The Fund will invest primarily (at least 70%) in international equity securities with a focus (c.40%) on companies which are listed in Asia.

The Fund may also invest in other types of transferable securities (including ETFs), bonds, precious metal exchange traded funds and indirectly via collective investment schemes (including those managed and/or operated by the ACD or Investment Manager). Investment in collective investment schemes will also provide the Fund with indirect exposure to other asset classes such as commodities.

The Fund may also invest in money market instruments, deposits, cash and near cash.

Save as noted above in respect of a focus on Asia, the Fund will not have any particular geographic or industry or economic sector focus and as such weightings in these may vary as required.

The Fund may hold derivatives only 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 Fund.

R Net Income

At and for the period ended^{1,2}

	30 June 2020
Value of Fund (per Performance record)	
Class R Net Income	£9,634k
Shares outstanding	
Class R Net Income	9,190k
NAV per share	
Class R Net Income	104.83p
Dividend per share	
Class R Net Income	1.20p
Net (losses) before expenses	
Capital (losses)	£541k
Total net (losses)	£652k

1 Sources of data is Valu-Trac Administration Services

2 Period from 19 July 2019 to 30 June 2020

The Fund does not have a specific benchmark. Although the Fund has been in existence for less than 1 year, an indication of the performance of the Fund can be assessed by considering what has been achieved in the time since launch.

Capital Growth	Cumulative gain to 30 June 2020
Increase in NAV per share	
Class R Net Income	4.83%

In carrying out the assessment of value the following criteria were considered:

1. Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved commensurate to the amount paid by the Fund for those services. The AFM monitors the following operational services:

Depository – NatWest Trustee and Depository Services Limited

Custodian – RBC Investor Services Trust, UK branch (RBC)

The external audit is conducted by Johnston Carmichael LLP.

These services are essential in ensuring that the Fund operated efficiently and in the case of the Depository and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder this means that you can be certain that your requests such as investment and redemption of the Fund's units will always be carried out exactly as set out in the documentation.

Valu-Trac does not delegate any of the core functions of the Fund such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM believes that the shareholders can be certain that their instructions will be carried out efficiently and that the reporting they receive is timely and focused.

2. Performance

The AFM has assessed performance of the Fund net of all the charges that are outlined in its prospectus. The objective of the Fund is to achieve capital growth and income over the longer term (5 years).

Total returns generated are shown on the table below. This is after operating costs, including the fee paid to the investment manager, and transaction costs.

	2020 performance
Class R Net Income	6.03%

During the year, the Fund's dividend was 1.20p per share.

3. AFM costs - general

The costs (in £) charged for the period from 19 July 2019 to 30 June 2020 were as follows:

Investment management fee	34,236 (VAT exempt)
ACD fee	25,857 (VAT exempt)
Depository fee	16,989 (VAT inclusive)
Audit fee	8,171 (VAT inclusive)
FCA fee	71 (VAT exempt)
Safe custody and transaction fees	9,779 (VAT exempt)
Total costs	95,103

Profit for the year (capital and revenue) less costs was £547k; there was taxation of £10k.

There were no initial charges or redemption charges paid by shareholders during the period.

The ACD may require a dilution levy on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances:

where the Scheme Property is in continual decline; on “large deals” (where the net issues or net redemptions of shares in a Fund at a particular dealing point exceed £500,000 or 5% of the size of the Fund, whichever is higher); in any case where the ACD is of the opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

4. Economies of scale

As well as offering their service to VT Garraway Investment Funds ICVC, the funds can also take advantage of the rates Valu-Trac has agreed with its suppliers such as its Custodian and Depository services, which as the funds and AFM grow could see further reductions in the costs of such items. An example of this is the change in custodian from BNYM to RBC providing better cost efficiency.

5. Comparable market rates

The AFM has compared the charges of this Fund with that of comparable funds. The AFM believes that the shareholders of the Fund are achieving efficient market rates as a whole. As the AFM assets grow in total it continues to strive for extra efficiencies wherever this can be achieved for all of its schemes.

6. Comparable services

The services provided to this Fund and the costs are also comparable amongst other similar funds operated by the AFM, and is aligned with its normal operating model.

7. Classes of units

The annualised operating charge for the share class since inception are:

At and for the period from 19 July 2019 to 30 June 2020

Class R Net Income	1.06%
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The investment management fee is currently at 0.70%.

CONCLUSION

In taking all of these criteria into consideration the AFM concludes that in assessing whether the payments out of the scheme property as set out in the prospectus are justified in the context of the overall value delivered to shareholders; it is considered that holders of Class R Net Income shares are receiving good value.

30 October 2020