

**VT GROSVENOR FUNDS ICVC
(Sub-funds VT Grosvenor Cautious Fund
and VT Grosvenor Adventurous Fund)**

**Interim Report and Financial Statements (Unaudited)
for the six month period to 30 June 2022**

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COMPANY OVERVIEW

Type of Company

VT Grosvenor Funds ICVC (the 'Company') is an investment company (company number IC001077) 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 20 December 2016.

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.

Shareholders are not liable for the debts of the Company.

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

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 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

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

Name of Sub-fund	VT Grosvenor Cautious Fund
Size of Sub-fund	£167,152,898
Launch date	06 January 2017
Investment objective and policy	<p>The Sub-fund aims to generate growth in capital and income over the longer term. The Sub-fund has an annualised target volatility of 5.1%. The Sub-fund's primary objective is to control volatility and this could therefore be at the expense of performance. There can be no guarantee that the Sub-fund will achieve its objective of managing volatility. Capital is in fact at risk, and there is no guarantee that the investment objective will be achieved.</p> <p>In order to meet its objective, the Sub-fund will be actively managed by investing primarily in collective investment schemes that will have substantial exposure to fixed income and other conservative investments (including, but not limited to, convertible bonds, UCITS Long Short funds, market neutral funds, structured products and both UK and international corporate bond funds). The Sub-fund's exposure to UK and global equities will be limited to shares or funds in companies paying higher than average dividends and will not exceed 35% of the net asset value of the Sub-fund. The Sub-fund may also invest directly in other transferable securities, money market instruments, cash and near cash. The composition of the portfolio will reflect the investment manager's view of the potential future return of different asset classes and specific investments.</p> <p>Derivatives may be used only for efficient portfolio management (including hedging) in accordance with the FCA Rules.</p>
Benchmark	IA Mixed Investment 0% - 35% Shares. 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.
Ex-distribution dates	30 June and 31 December
Distribution dates	31 August and last day of February
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Minimum investment*	
Lump sum subscription:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Top-up:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Holding:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Redemption:	Class A: Accumulation Retail = N/A (provided minimum holding is maintained) Class B: Accumulation Staff = N/A (provided minimum holding is maintained)
Switching:	Class A: Accumulation Retail = N/A (provided minimum holding is maintained) Class B: Accumulation Staff = N/A (provided minimum holding is maintained)
*The ACD may waive the minimum levels at its discretion.	
The Class B shares are only available to employees of the Sub-fund's sponsor, Grosvenor Consultancy Asset Management Limited.	
Initial, redemption and switching charges	Nil

SUB-FUND OVERVIEW (Continued)

The Annual management charges are: Class A: Accumulation Retail = 0.65%
 Class B: Accumulation Staff = 0.45%

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

INVESTMENT MANAGER'S REVIEW

VT Grosvenor Cautious A Acc fell 7.06% over the six months to June 2022 while the IA Mixed Investment 0-35% TR Shares peer group fell 9.59%.

Global equities fell 10.74% in sterling over the period under review while global bonds fell 3.99% in response to rising inflation fuelled in part by higher energy prices, the Russia-Ukraine war and China's zero-covid policy. US inflation reached 9.1% in June, the highest level since 1982, while UK and eurozone prices rose by 9.4% and 8.6% respectively. Central banks consequently tightened monetary policy through a series of interest rate rises in an attempt to moderate inflation. In June, the Federal Reserve increased its Fed Funds Rate by three-quarters of a percentage point to 1.5-1.75% while the Bank of England raised rates by a quarter point to 1.25%. Albeit a lagging indicator, the labour market remained relatively strong, with US unemployment rate at 3.6% in June. US consumer sentiment, however, weakened to a record low in June as real incomes fell and investors feared rising inflation and interest rate expectations might lead to a recession. The International Monetary Fund downgraded its global economic growth forecast for 2022 to 3.2%.

Following Russia's invasion of Ukraine, sanctions were imposed on Russia, the largest supplier of natural gas and oil to the European Union, targeting banks, businesses and trade. This contributed to the 72.73% oil price rise in sterling over the period under review while a broader basket of commodities rose 51.45%. Within the portfolio, an investment was made in BlackRock Natural Resources Growth & Income, whose mining, energy and agriculture holdings may benefit from demand and supply imbalances and offer some protection against inflation.

The portfolio benefitted from its exposure to short-dated inflation-linked bonds and some profits were taken from the allocation after a period of solid performance. The proceeds were reinvested into the sterling-hedged iShares \$ Treasury Bond 7-10 Years exchange-traded fund (ETF) and Vanguard Global Bond. Longer-dated government bonds appeared attractive, with US 10-year treasury bond yields close to 3%. Holdings in high-yield bond and strategic bond investments were modestly reduced as credit spreads widened.

Global growth stocks fell 19.50% in sterling while value stocks, which tend to benefit from higher inflation, fell only 1.86%. Vulcan Value Equity, a growth-oriented US investment, was sold because of the negative impact of rising interest rates as investors de-rated highly-valued companies in response to rising bond yields. FundsSmith Equity and BlackRock European Dynamic were also sold for similar reasons. Polar Capital Global Insurance and the Xtrackers MSCI World Health Care ETF were introduced because slowing economic growth and rising recession risk may warrant more defensive positions in companies that are typically less sensitive to changes in macroeconomic conditions. These companies also tend to be more resilient because of the low substitutability of their goods and services.

The UK stockmarket was relatively resilient, falling 3.22% thanks to its large sector weightings in energy and materials. The portfolio's exposure to UK smaller companies, down 20.24% over the period, was reduced through the sales of Chelverton UK Equity Growth and Chelverton UK Equity Income because smaller companies are typically more sensitive to domestic conditions.

Supply bottlenecks arising from China's zero-covid policy hindered performance for equities in Asia excluding Japan and emerging markets over the first half of the period. China's central bank responded by easing policy, in contrast to its western counterparts, and signs have emerged that Beijing's regulatory clampdown on a number of sectors including technology has started to ease. Dollar strength, however, may remain a headwind. In Japan, Lindsell Train Japanese Equity was topped up at the expense of T Rowe Price Japanese Equity. The former has big holdings in consumer stocks that may perform well as Japan's economy continues to recover from the pandemic.

Alternative investments provide diversification and daily traded long/short equity funds, including Man GLG UK Absolute Value and Blackrock European Absolute Alpha, have the potential to do well in an environment where both bonds and equities are falling. Gold rose 9.82% in sterling over the period as investors sought out safe-haven investments and the iShares Physical Gold exchange-traded commodity holding was topped up.

Brompton Asset Management LLP
Investment Manager
12 August 2022

PERFORMANCE RECORD

Financial Highlights

Class A: Accumulation Retail

	Six-months to 30 June 2022	Year to 31 December 2021	Year to 31 December 2020
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	118.2277	111.4269	108.9246
Return before operating charges	(7.6598)	8.2821	4.0007
Operating charges (note 1)	(0.6843)	(1.4813)	(1.4984)
Return after operating charges *	(8.3441)	6.8008	2.5023
Closing net asset value per share	109.8836	118.2277	111.4269
Retained distributions on accumulated shares	0.8936	2.1024	1.8779
*after direct transactions costs of:	-	0.0066	0.0126
Performance			
Return after charges	(7.06%)	6.10%	2.30%
Other information			
Closing net asset value	£163,749,603	£172,757,661	£134,443,713
Closing number of shares	149,020,935	146,122,883	120,656,440
Operating charges (note 2)	1.20%	1.29%	1.36%
Direct transaction costs	0.00%	0.01%	0.01%
Prices			
Highest share price	118.4466	118.3380	112.5579
Lowest share price	108.8490	110.6613	94.4037

Class B: Accumulation Staff

	Six-months to 30 June 2022	Year to 31 December 2021	Year to 31 December 2020
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	119.8255	112.7200	109.9466
Return before operating charges	(7.6995)	8.3729	4.0649
Operating charges (note 1)	(0.5784)	(1.2674)	(1.2915)
Return after operating charges *	(8.2779)	7.1055	2.7734
Closing net asset value per share	111.5476	119.8255	112.7200
Retained distributions on accumulated shares	0.9064	2.1271	1.8980
*after direct transactions costs of:	-	0.0067	0.0127
Performance			
Return after charges	(6.91%)	6.30%	2.52%
Other information			
Closing net asset value	£3,451,925	£3,849,745	£2,449,262
Closing number of shares	3,094,575	3,212,794	2,172,872
Operating charges (note 2)	1.00%	1.09%	1.16%
Direct transaction costs	0.00%	0.01%	0.01%
Prices			
Highest share price	120.0500	119.9077	113.8931
Lowest share price	110.4919	111.9820	95.3518

PERFORMANCE RECORD (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-fund plus the costs of the underlying holdings.

Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 4 because funds of this type have experienced average rises and falls in market prices historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

PORTFOLIO SUMMARY

As at 30 June 2022 (unaudited)

Holding		Value £	% of net assets
COLLECTIVE INVESTMENT SCHEMES (31.12.2021: 92.55%)			
1,179,529	3i Infrastructure PLC	3,880,650	2.32
2,605,149	Artemis Strategic Bond	2,629,117	1.57
512,951	Baillie Gifford Global Income Growth	4,723,763	2.82
2,000,585	BlackRock European Absolute Alpha	3,338,960	2.00
1,262,215	BlackRock Natural Resources Growth & Income	2,282,417	1.37
1,417,619	BMO Commercial Property Trust Limited	1,626,009	0.97
245,788	BMO Real Estate Equity Market Neutral	3,448,410	2.06
4,632,553	Fidelity Funds - Global Inf-Ink Bond	6,133,501	3.67
290,911	Guinness Global Equity Income	5,263,504	3.15
8,558,171	Goldman Sachs Sterling Liquid Reserves	8,558,171	5.12
370,747	iShares Core FTSE 100 UCITS ETF	2,601,902	1.56
17,585	iShares Core S&P 500 UCITS ETF	5,621,045	3.36
205,809	iShares Physical Gold ETC	5,997,274	3.59
2,435,942	iShares \$ Treasury Bd 7-10y UCITS ETF	11,550,019	6.91
4,341,550	Janus Henderson Fixed Interest Monthly Inc	4,039,812	2.42
535,407	Jupiter JGF Dynamic Bond	5,161,327	3.09
1,086,892	Lindsell Train Japanese Equity	2,480,614	1.48
1,068,053	Liontrust Special Situations Fund	4,713,476	2.82
2,579,993	Man GLG UK Absolute Value	3,395,271	2.03
2,220,110	Man GLG UK Income	6,824,618	4.08
217,954	Matthews Asia Fds-Asia ex Jap Dividend	3,001,228	1.80
43,469	MI TwentyFour Dynamic Bond	4,040,754	2.42
1,235,000	Picton Property Income Ltd	1,121,998	0.67
883,406	PIMCO GIS Glo Low Dur RI Rtn	9,735,137	5.82
395,139	PIMCO GIS Global Real Return	4,903,672	2.93
377,846	Polar Capital Global Insurance	3,437,571	2.06
53,072	Polar Capital Global Technology	2,827,669	1.69
4,323,187	Royal London Shrt Dur Glo Hi Yield Bd	3,218,181	1.93
57,788	Schroder ISF Strategic Credit	6,979,769	4.18
1,075,582	Troy Trojan	3,299,993	1.97
94,901	Vanguard Global Bond Index	11,597,246	6.94
92,478	Xtrackers MSCI World Health Care UCITS ETF	3,499,197	2.09
		151,932,275	90.89
	UK GILTS (31.12.2021: 1.42%)		
2,500,000	UK GILT 22/07/2023	2,468,675	1.48
	Portfolio of investments (31.12.2021: 93.97%)	154,400,950	92.37
	Net other assets (31.12.2021: 6.06%)	12,800,576	7.66
	Adjustment to revalue assets from mid to bid prices (31.12.2021: (0.03%))	(48,628)	(0.03)
		167,152,898	100.00

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the period	63,820,136
BlackRock European Dynamic FD	842,423
BlackRock Natural Resources Growth & Income	3,433,786
BMO Real Estate Equity Market Neutral	3,450,000
Goldman Sachs Sterling Liquid Reserves	6,821,341
iShares Edge MSCI World Value Factor UCITS ETF	1,714,494
Lindsell Train Japanese Equity	2,559,501
Matthews Asia Fds-Asia ex Jap Dividend	861,959
Polar Capital Global Insurance	3,375,000
Polar Capital Global Technology	1,657,493
Vanguard Global Bond Index	12,094,283
iShares Physical Gold ETC	1,053,129
iShares Core FTSE 100 UCITS ETF	2,736,467
iShares Core MSCI World UCITS ETF	4,059,929
iShares Core S&P 500 UCITS ETF	2,808,987
iShares \$ Treasury Bd 7-10y UCITS ETF	12,908,267
Xtrackers MSCI World Health Care UCITS ETF	3,443,077

	£
Total sales for the period	62,457,333
Artemis Strategic Bond	1,723,051
BlackRock European Dynamic FD	4,806,367
BlackRock Natural Resources Growth & Income	1,217,902
Fidelity Funds - Global Infl-Ink Bond	5,122,333
Fundsmith Equity	1,327,095
Goldman Sachs Sterling Liquid Reserves	3,666,242
Legal & General Global Inflation Lnkd Bd Idx	9,159,411
Liontrust Special Situations Fund	865,907
MI Chelverton UK Equity Growth	1,931,684
MI Chelverton UK Equity Income	2,789,714
PIMCO GIS Glo Low Dur RI Rtn	5,157,555
PIMCO Select UK Income Bond	5,249,269
Royal London Shrt Dur Glo Hi Yield Bd	3,443,908
T. Rowe Jap Eq	935,657
Troy Trojan	1,687,891
Vulcan Value Equity	2,862,936
iShares Physical Gold ETC	1,689,426
iShares Core MSCI World UCITS ETF	4,217,514
iShares Edge MSCI World Value Factor UCITS	4,076,260
3i Infrastructure	527,211

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

STATEMENT OF TOTAL RETURN

For the six months ended 30 June 2022 (unaudited)

	Six months ended 30.06.2022		Six months ended 30.06.2021	
	£	£	£	£
Income				
Net capital (losses)/gains		(13,109,594)		4,085,913
Revenue	1,287,060		1,182,839	
Expenses	(592,389)		(508,745)	
Interest payable and similar charges	(3,561)		(24,773)	
Net revenue before taxation	<u>691,110</u>		<u>649,321</u>	
Taxation	<u>(95,010)</u>		<u>(59,432)</u>	
Net revenue after taxation		<u>596,100</u>		<u>589,889</u>
Total return before distributions		(12,513,494)		4,675,802
Finance costs: distributions		<u>(1,345,362)</u>		<u>(1,512,671)</u>
Changes in net assets attributable to shareholders from investment activities		<u>(13,858,856)</u>		<u>3,163,131</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 June 2022 (unaudited)

	Six months ended 30.06.2022 £	Six months ended 30.06.2021 £
Opening net assets attributable to shareholders	176,476,831	136,785,706
Amounts receivable on creation of shares	12,992,242	23,347,959
Amounts payable on cancellation of shares	(9,814,649)	(5,968,573)
Accumulation dividends retained	1,357,330	1,636,298
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(13,858,856)</u>	<u>3,163,131</u>
Closing net assets attributable to shareholders	<u>167,152,898</u>	<u>158,964,521</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 31 December 2021 was £176,436,831.

BALANCE SHEET

As at 30 June 2022 (unaudited)	30.06.2022		31.12.2021	
	£	£	£	£
FIXED ASSETS				
Investment assets		154,352,322		165,791,979
Current assets				
Debtors	510,436		917,596	
Cash and bank balances	<u>12,767,112</u>		<u>10,086,520</u>	
Total current assets		<u>13,277,548</u>		<u>11,004,116</u>
Total assets		<u>167,629,870</u>		<u>176,796,095</u>
CURRENT LIABILITIES				
Creditors	<u>(476,972)</u>		<u>(319,264)</u>	
Total current liabilities		<u>(476,972)</u>		<u>(319,264)</u>
Net assets attributable to shareholders		<u>167,152,898</u>		<u>176,476,831</u>

Accounting Policies

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

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

Class A: Accumulation Retail	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	0.8936p	-	0.8936p	1.1828p
Group 2	0.3927p	0.5009p	0.8936p	1.1828p

Class B: Accumulation Staff	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	0.9064p	-	0.9064p	1.1951p
Group 2	0.4368p	0.4696p	0.9064p	1.1951p

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

Name of Sub-fund	VT Grosvenor Adventurous Fund
Size of Sub-fund	£204,800,638
Launch date	06 January 2017
Investment objective and policy	<p>The Sub-fund aims to generate capital growth principally from equity markets. The Sub-fund has an annualised target volatility of 12.5%. The Sub-fund's primary objective is to control volatility and this could therefore be at the expense of performance. There can be no guarantee that the Sub-fund will achieve its objective of managing volatility. Capital is in fact at risk, and there is no guarantee that the investment objective will be achieved.</p> <p>In order to meet its objective, the Sub-fund will be actively managed and significantly exposed to UK and international equity investments by primarily investing in collective investment schemes, and may also invest directly in other transferable securities, money market instruments, cash and near cash. The Sub-fund will also invest in high yield bonds and alternatives, exposure to such assets will not exceed 35% of the net asset value of the Sub-fund. The composition of the portfolio will reflect the investment manager's view of the potential future return of different asset classes and specific investments.</p> <p>Derivatives may be used only for efficient portfolio management (including hedging) in accordance with the FCA Rules.</p>
Benchmark	IA Flexible. 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.
Ex-distribution dates	30 June and 31 December
Distribution dates	31 August and last day of February
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Minimum investment*	
Lump sum subscription:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Top-up:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Holding:	Class A: Accumulation Retail = £1,000 Class B: Accumulation Staff = £1,000
Redemption:	Class A: Accumulation Retail = N/A (provided minimum holding is maintained) Class B: Accumulation Staff = N/A (provided minimum holding is maintained)
Switching:	Class A: Accumulation Retail = N/A (provided minimum holding is maintained) Class B: Accumulation Staff = N/A (provided minimum holding is maintained)

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

The Class B shares are only available to employees of the Sub-fund's sponsor, Grosvenor Consultancy Asset Management Limited.

Initial, redemption and switching charges Nil

Annual management charges

Annual management charges	Class A: Accumulation Retail = 0.65% Class B: Accumulation Staff = 0.45%
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The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant share class (plus VAT if applicable).

INVESTMENT MANAGER'S REVIEW

Portfolio activity

VT Grosvenor Adventurous A Acc fell 12.05% over the six months to June 2022 while the IA Flexible Investment TR peer group fell 10.50%.

Global equities fell 10.74% in sterling over the period under review while global bonds fell 3.99% in response to rising inflation fuelled in part by higher energy prices, the Russia-Ukraine war and China's zero-covid policy. US inflation reached 9.1% in June, the highest level since 1982, while UK and eurozone prices rose by 9.4% and 8.6% respectively. Central banks consequently tightened monetary policy through a series of interest rate rises in an attempt to moderate inflation. In June, the Federal Reserve increased its Fed Funds Rate by three-quarters of a percentage point to 1.5-1.75% while the Bank of England raised rates by a quarter point to 1.25%. Albeit a lagging indicator, the labour market remained relatively strong, with US unemployment rate at 3.6% in June. US consumer sentiment, however, weakened to a record low in June as real incomes fell and investors feared rising inflation and interest rate expectations might lead to a recession. The International Monetary Fund downgraded its global economic growth forecast for 2022 to 3.2%.

Following Russia's invasion of Ukraine, sanctions were imposed on Russia, the largest supplier of natural gas and oil to the European Union, targeting banks, businesses and trade. This contributed to the 72.73% oil price rise in sterling over the period under review while a broader basket of commodities rose 51.45%. Within the portfolio, an investment was made in BlackRock Natural Resources Growth & Income, whose mining, energy and agriculture holdings may benefit from demand and supply imbalances and offer some protection against inflation.

The portfolio reduced its exposure to corporate bonds as credit spreads widened while a sterling-hedged holding in the iShares \$ Treasury Bond 7-10 Years exchange-traded fund (ETF) and Vanguard Global Bond were added because longer-dated government bonds appeared attractive, with US 10-year treasury bond yields close to 3%.

Global growth stocks fell 19.50% in sterling while value stocks, which tend to benefit from higher inflation, fell only 1.86%. Vulcan Value Equity, a growth-oriented US investment, was sold because of the negative impact of rising interest rates as investors de-rated highly-valued companies in response to rising bond yields. Fundsmith Equity and BlackRock European Dynamic were also sold for similar reasons. Polar Capital Global Insurance and the Xtrackers MSCI World Health Care ETF were introduced because slowing economic growth and rising recession risk may warrant more defensive positions in companies that are typically less sensitive to changes in macroeconomic conditions. These companies also tend to be more resilient because of the low substitutability of their goods and services.

The UK stockmarket was relatively resilient, falling 3.22% thanks to its large sector weightings in energy and materials. The portfolio's exposure to UK smaller companies, down 20.24% over the period, was reduced through the sales of Chelverton UK Equity Growth and Chelverton UK Equity Income because smaller companies are typically more sensitive to domestic conditions.

Supply bottlenecks arising from China's zero-covid policy hindered performance for equities in Asia excluding Japan and emerging markets over the first half of the period. China's central bank responded by easing policy, in contrast to its western counterparts, and signs have emerged that Beijing's regulatory clampdown on a number of sectors including technology has started to ease. Dollar strength, however, may remain a headwind. Goldman Sachs India Equity was sold due to concerns around rising prices and the country's heavy reliance on imported energy but the holding in Vietnam Enterprise Investments, whose shares were trading at a wide discount to net asset value despite Vietnam's healthy economic prospects, was increased. Lindsell Train Japanese Equity was topped up at the expense of T Rowe Price Japanese Equity. The former has big holdings in consumer stocks that may perform well as Japan's economy continues to recover from the pandemic.

Alternative investments provide diversification and daily traded long/short equity funds, including Man GLG UK Absolute Value and Blackrock European Absolute Alpha, have the potential to do well in an environment where both bonds and equities are falling. The portfolio's property investments, Balanced Commercial Property and Picton Property Income, were increased at the beginning of the period to benefit from recovering UK property valuations. Gold rose 9.82% in sterling over the period as investors sought out safe-haven investments and the iShares Physical Gold exchange-traded commodity holding was topped up.

Brompton Asset Management LLP
Investment Manager
12 August 2022

PERFORMANCE RECORD

Financial Highlights

Class A: Accumulation Retail	Six months ended 30 June 2022	Year to 31 December 2021	Year to 31 December 2020
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	148.0128	133.2135	119.3574
Return before operating charges	(16.9734)	16.6976	15.5736
Operating charges (note 1)	(0.8624)	(1.8983)	(1.7175)
Return after operating charges *	(17.8358)	14.7993	13.8561
Closing net asset value per share	130.1770	148.0128	133.2135
Retained distributions on accumulated shares	1.1487	1.3082	1.0559
*after direct transactions costs of:	-	0.0205	0.0268
Performance			
Return after charges	(12.05%)	11.11%	11.61%
Other information			
Closing net asset value	£196,937,636	£211,033,887	£164,740,542
Closing number of shares	151,284,476	142,578,125	123,666,538
Operating charges (note 2)	1.24%	1.35%	1.36%
Direct transaction costs	0.00%	0.01%	0.02%
Prices			
Highest share price	148.4799	151.0490	139.0775
Lowest share price	127.6718	132.8226	93.8012
Class B: Accumulation Staff	Six months ended 30 June 2022	Year to 31 December 2021	Year to 31 December 2020
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	149.4128	134.2531	120.0508
Return before operating charges	(17.1585)	16.7908	15.6773
Operating charges (note 1)	(0.7304)	(1.6311)	(1.4750)
Return after operating charges *	(17.8889)	15.1597	14.2023
Closing net asset value per share	131.5239	149.4128	134.2531
Retained distributions on accumulated shares	1.1600	1.3176	1.0628
*after direct transactions costs of:	-	0.0207	0.0269
Performance			
Return after charges	(11.97%)	11.29%	11.83%
Other information			
Closing net asset value	£7,948,507	£8,341,639	£5,897,645
Closing number of shares	6,043,393	5,582,948	4,392,931
Operating charges (note 2)	1.04%	1.15%	1.16%
Direct transaction costs	0.00%	0.01%	0.02%
Prices			
Highest share price	149.8884	152.4401	140.1983
Lowest share price	128.9879	133.8821	94.3880

PERFORMANCE RECORD (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-fund plus the costs of the underlying holdings.

Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 5 because funds of this type have experienced relatively high rises and falls in market prices historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

PORTFOLIO SUMMARY

As at 30 June 2022 (unaudited)

Holding	Value £	% of net assets
COLLECTIVE INVESTMENT SCHEMES (31.12.2021: 95.83%)		
142,069 Aberforth Smaller Companies Trust PLC	1,659,366	0.81
3,219,765 BMO Commercial Property Trust Limited	3,693,070	1.80
887,573 Artemis UK Special Situations	6,362,120	3.10
55,377 Baillie Gifford Japanese Smaller Companies	1,991,372	0.97
662,884 Baillie Gifford Pacific	6,077,979	2.97
2,437,963 BlackRock European Absolute Alpha	4,068,940	1.99
4,770,069 BlackRock Natural Resources Growth & Income	8,625,541	4.21
7,846,207 Fidelity Index	25,481,341	12.44
341,413 Guinness Global Equity Income	6,177,254	3.02
20,035 iShares Core S&P 500 UCITS ETF	6,404,188	3.13
286,419 iShares Physical Gold ETC	8,346,250	4.08
352,159 iShares Gold Producers UCITS ETF	3,472,288	1.70
109,390 iShares Core MSCI World UCITS ETF	6,385,094	3.12
503,968 iShares Core FTSE 100 UCITS ETF	3,536,847	1.73
858,599 iShares \$ Treasury Bd 7-10y UCITS ETF	4,071,047	1.99
147,634 Janus Henderson European Smaller Companies	5,037,285	2.46
2,998,639 FTF MC European Unconstrained	4,096,141	2.00
2,975,295 LF Lightman European	3,947,622	1.93
3,671,193 Lindsell Train Japanese Equity	8,378,765	4.09
3,212,845 Man GLG UK Absolute Value	4,228,104	2.06
3,109,865 Man GLG Japan Core Alpha	6,263,268	3.06
8,885,834 Man GLG Undervalued Assets	11,880,360	5.80
601,019 Matthews Asia Fds-Asia ex Jap Dividend	8,276,031	4.04
1,086,526 Chrysalis Investments Ltd	1,151,718	0.56
677,424 Liontrust Special Situations Fund	2,989,575	1.46
3,533,422 Picton Property Income Ltd	3,210,114	1.57
928,017 Polar Capital Global Insurance	8,442,913	4.12
133,459 Polar Capital Global Technology	7,110,716	3.47
5,096 Schroder ISF Asian Total Return	2,030,753	0.99
15,425 Schroder ISF Strategic Credit	1,863,050	0.91
33,057 Vanguard Global Bond Index	4,039,648	1.97
467,513 Vietnam Enterprise Investments Limited	3,137,012	1.53
227,525 Xtrackers MSCI World Health Care UCITS ETF	8,609,126	4.20
Portfolio of investments (31.12.2021: 95.83%)	191,044,898	93.28
Net other assets (31.12.2021: 4.22%)	13,841,246	6.76
Adjustment to revalue assets from mid to bid prices (31.12.2021: (0.05%))	(85,506)	(0.04)
	204,800,638	100.00

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the period	111,039,097
Artemis UK Special Situations	2,121,447
Baillie Gifford Japanese Smaller Companies	1,067,237
Baillie Gifford Pacific	4,834,409
BlackRock Natural Resources Growth & Income	9,269,015
BMO Commercial Property Trust Limited	2,177,123
Chrysalis Investments Ltd	574,583
Fidelity Index	2,095,012
Goldman Sachs EMs Eq	2,080,389
Guinness Global Equity Income	6,193,505
iShares Edge MSCI World Value Factor UCITS ETF	8,583,122
iShares S&P 500 Financials Sector UCITS ETF	4,359,975
Legg Mason IF MC European Unconstrained	2,029,997
LF Lightman European	4,155,000
Lindsell Train Japanese Equity	3,224,540
Man GLG Japan CoreAlpha	6,250,829
MI Chelverton UK Equity Income	630,795
Picton Property Income Ltd	2,200,616
Polar Capital Global Insurance	8,260,001
Polar Capital Global Technology	3,525,045
Schroder ISF Asian Total Return	2,258,587
Vanguard Global Bond Index	4,129,003
Xtrackers MSCI World Health Care UCITS ETF	8,473,080
Aberforth Smaller Companies	427,478
iShares Physical Gold ETC	3,251,183
iShares Gold Producers UCITS ETF	3,133,470
iShares Core MSCI World UCITS ETF	6,679,836
iShares Core FTSE 100 UCITS ETF	3,698,085
iShares \$ Treasury Bd 7-10y UCITS ETF	4,136,667
Vietnam Enterprise	1,219,068

	£
Total sales for the period	103,082,094
Artemis UK Special Situations	4,666,900
Baillie Gifford Pacific	4,238,041
BlackRock European Dynamic FD	11,395,173
BlackRock Natural Resources Growth & Income	1,309,600
Fundsmith Equity	5,235,416
Goldman Sachs EMs Eq Pf	5,208,955
Goldman Sachs India Equity Portfolio	2,229,634
iShares Edge MSCI World Value Factor UCITS ETF	11,801,485
MI Chelverton UK Equity Growth	6,309,611
MI Chelverton UK Equity Income	2,974,727
Schroder ISF Strategic Credit	5,204,308
T. Rowe Jap Eq	3,614,548
Troy Trojan	4,864,744
Vulcan Value Equity	14,758,279
iShares Physical Gold ETC	2,017,337
iShares Gold Producers UCITS ETF	1,550,617
iShares Core S&P 500 UCITS ETF	4,165,938
iShares PLC S&P 500 EFT	3,970,470
Nippon Active Value Fund	1,535,426
TR Property Investment Trust	2,666,730
FTF MC European Unconstrained	3,364,155

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

STATEMENT OF TOTAL RETURN

For the six months ended 30 June 2022 (unaudited)

	Six months ended 30.06.2022		Six months ended 30.06.2021	
	£	£	£	£
Income				
Net capital (losses)/gains		(27,765,478)		13,354,897
Revenue	1,382,548		787,539	
Expenses	(719,621)		(629,625)	
Interest payable and similar charges	<u>(2,363)</u>		<u>(20,323)</u>	
Net revenue before taxation	660,564		137,591	
Taxation	<u>-</u>		<u>-</u>	
Net revenue after taxation		<u>660,564</u>		<u>137,591</u>
Total return before distributions		(27,104,914)		13,492,488
Finance costs: distributions		<u>(1,453,209)</u>		<u>(1,155,619)</u>
Changes in net assets attributable to shareholders from investment activities		<u>(28,558,123)</u>		<u>12,336,869</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 June 2022 (unaudited)

	Six months ended 30.06.2022 £	Six months ended 30.06.2021 £
Opening net assets attributable to shareholders	219,273,252	170,534,797
Amounts receivable on creation of shares	18,715,461	23,966,259
Amounts payable on cancellation of shares	(6,139,087)	(11,183,310)
Accumulation dividends retained	1,509,135	1,190,145
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(28,558,123)</u>	<u>12,336,869</u>
Closing net assets attributable to shareholders	<u>204,800,638</u>	<u>196,844,760</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 31 December 2021 was £219,273,252.

BALANCE SHEET

As at 30 June 2022 (unaudited)	30.06.2022		31.12.2021	
	£	£	£	£
FIXED ASSETS				
Investment assets		190,959,392		210,039,369
Current assets				
Debtors	366,107		642,567	
Cash and bank balances	14,227,543		9,130,702	
Total current assets		<u>14,593,650</u>		<u>9,773,269</u>
Total assets		<u>205,553,042</u>		<u>219,812,638</u>
CURRENT LIABILITIES				
Creditors	(266,058)		(142,303)	
Bank overdraft	(486,346)		(397,083)	
Total current liabilities		<u>(752,404)</u>		<u>(539,386)</u>
Net assets attributable to shareholders		<u>204,800,638</u>		<u>219,273,252</u>

Accounting Policies

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

Interim distributions 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

Class A: Accumulation Retail	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	1.1487p	-	1.1487p	0.8667p
Group 2	0.5356p	0.6131p	1.1487p	0.8667p

Class B: Accumulation Staff	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	1.1600p	-	1.1600p	0.8719p
Group 2	0.6320p	0.5280p	1.1600p	0.8719p

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.

INFORMATION FOR INVESTORS

Distribution

Distributions of the revenue of the Company if applicable will be made to shareholders on or before the last day of February each year and interim allocations of revenue on or before 31 August.

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.

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 (2022/23) 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 prevailing rates 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 between 8.30am and 5.30pm. Instructions may be given by email (grosvenor@valu-trac.com) or by sending an application form to the Registrar. Application forms are available from the Registrar.

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon (London Time) 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, together with, where appropriate, a notice of the applicant's right to cancel. Settlement is due four business days after the trade date shown on the contract note and should be made to the 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 may hold is £1,000. The ACD may waive the minimum levels at its discretion.

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

Authorised Corporate Manager & Registrar	Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 Email: grosvenor@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Director	Valu-Trac Investment Management Limited as ACD
Investment Manager	Brompton Asset Management LLP 1 Knightsbridge Green London SW1X 7QA Authorised and regulated by the Financial Conduct Authority
Depositary	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
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House Elgin IV30 1JE