VT DOWNING INVESTOR FUNDS ICVC

(Sub-Funds VT Downing Global Investors Fund, VT Downing Unique Opportunites Fund and VT Downing European Unconstrained Income Fund)

Interim Report and Financial Statements for the Period 17 March 2020 to 31 December 2020

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Type of Company

VT Downing Investor Funds ICVC (the Company) is an investment company with variable capital incorporated in England and Wales under the OEIC Regulations with registered number IC024590 and authorised by the Financial Conduct Authority (PRN: 921279) pursuant to an authorisation order dated 17 February 2020. The Company has an unlimited duration.

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 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

This report has been prepared in accordance with the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

Neil J. Smith MA BA CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date

Name of Sub-fund	VT Downing Global Investors Fund
Size of Sub-fund	£33,058,227
Launch date	24-Mar-20
Investment objective and policy	The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years). The Fund will seek to achieve its objective by investing at least 70% in equities across global markets (with up to 20% invested in higher risk emerging markets). The Fund may also invest in government securities, fixed income, collective investment schemes (which may include those managed and/or operated by the ACD and which will provide exposure to various asset classes including equities and fixed income), money market instruments, deposits, cash and near cash. The Fund will be actively managed. Save as noted above, the Fund will not have any particular geographic, industry or economic sector focus and as such weightings in these may vary as required.
Derivatives	The Fund may hold derivatives for Efficient Portfolio Management purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Fund.
Benchmark	The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the IA Global Sector, which serves as a method of comparing the Fund's performance with other funds which have broadly similar characteristics.
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By last day of February

Minimum investment

Lump sum subscription:	Class A: £1,000 Class F: £1,000,000
Top-up:	Class A: £100 Class F: £1,000
Holding:	Class A: £1,000 Class F: £1,000,000
Regular Saving:	£100 per month
Redemption/Switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges:	Nil

The ACD may waive the minimum levels at its discretion.

ACD charges

The ACD charges	£30,000^ per annum plus Class A – 0.75% per annum Class F – 0.60% per annum

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

The investment Manager of the Fund has undertaken to absorb any costs (excluding the effect of the performance fee) that would otherwise cause the Fund to have operating expenses in excess of 1.00%.

^The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

Investment Manager's Report for the period ended 31 December 2020

Markets during 2020 were vigorous, both in terms of movement and direction. The extreme pessimism of March and April morphed throughout the ensuing months into a markedly positive mood. In addition, there is a growing awareness that of the many consequences of Covid a primary one has been the acceleration of a number of nascent trends. In particular, the digitalization and onlining of large areas of activity have accumulated momentum at a rate that would probably not have occurred without it. The transition away from carbon energy has also transformed into a rapidly scaling endeavour, and a new field of industrial activity for investors.

The economic cycle is, we believe, rebooting with adequate levels of supply of its primary inputs (money, labour and material) which should enable vigorous and broadly inclusive activity.

We believe these factors taken together will enable huge leaps in productivity which, themselves, enhance capacity for economic progress.

The portfolio has adapted well to constantly and rapidly changing events and provided good absolute and relative returns to investors in 2020. It is an expansive portfolio of exposures to multiple interlinked sectors including the transition from carbon, healthcare, data, e-commerce and technology, consumer goods and commodities. In short, a portfolio for exposure to the great reflation and the needs and wants of the global middle class.

Performance review

The Fund launched on 24 March 2020. Over the period from launch to 31 December 2020, the accumulation units rose in price from 100 pence to 152.3548 pence and generated a total return of 52.35%, which compares to an average return of 41.75% achieved by the peer group, the IA Global Sector, over the same period. Despite a positive start, this is a very short period over which to measure the performance of a fund and deduce any meaningful conclusions.

Our investment process is primarily driven from the top down, and the portfolio numbers around 200 holdings. The performance of the sectors or of asset allocation is therefore more important to returns than the individual stocks themselves. The Fund invests across many areas of activity within the global economy, the common link to all of which is that investments cater to the needs and wants of the global middle class population. The dominant exposures during the period have been to the digital and online, healthcare, transition from carbon, and consumer brand areas . All have performed well during a good period for stock markets, and all are fairly interlinked in an unconstrained fund. However, in isolation, businesses operating in the digital economy have generated the greatest returns over the period. We do exit underperforming investments and do not feel there have been or are any noteworthy detractors to or diluters of returns achieved.

Downing LLP
Investment Manager to the Fund
19th February 2021

F Accumulation		**Period from 24 March 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	53.4399
	Operating charges (note 1)	(1.0851)
	Return after operating charges *	52.3548
	Closing net asset value per unit	152.3548
	Retained distributions on accumulated units	0.8884
	*after direct transactions costs of:	0.3911
Performance		
	Return after charges	52.35%
Other information		
	Closing net asset value	£29,131,518
	Closing number of units	19,120,841
	Operating charges (note 2)	0.86%
	Direct transaction costs	0.31%
Prices		
	Highest unit price	153.90
	Lowest unit price	98.95

^Share class launched 24 March 2020

F Income		**Period from 22 May 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	36.2405
	Operating charges (note 1)	(1.0090)
	Return after operating charges *	35.2315
	Distribution on income units	(0.5794)
	Closing net asset value per unit	134.6521
	*after direct transactions costs of:	0.3637
Performance		
	Return after charges	35.23%
Other information		
	Closing net asset value	£4,017,305
	Closing number of units	2,983,471
	Operating charges (note 2)	0.86%
	Direct transaction costs	0.31%
Prices		
	Highest unit price	136.45
	Lowest unit price	99.30

^Share class launched 22 March 2020

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 fund.

Risk Profile

Based on past data, the 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 Fund is ranked '5' as the Fund is in a relatively high category because the price of its investments re expected to rise and fall to some extent.

As at 31 December 2020

Holding		Value £	% of net assets
	Communications		
75	Alphabet Inc	95,371	0.29%
3,652	Bilibili Inc	252,108	0.76%
80,000	Bollore SE	244,017	0.74%
450	Nintendo Co Ltd	210,664	0.64%
22,500	Pearson PLC	151,605	0.46%
3,000	Pinterest Inc	147,532	0.45%
835	Roku Inc	207,135	0.63%
1,892	Sea Ltd	272,531	0.82%
50,000	Sumo Group PLC	166,000	0.50%
12,000	YouGov PLC	125,400	0.38%
		1,872,363	5.66%
	Consumer Discretionary		
44	Amazon.com Inc	105,886	0.32%
2,000	Bandai Namco Holdings Inc	126,847	0.38%
14,000	Byd Co Ltd	268,544	0.81%
1,700	ETSY Inc	227,860	0.69%
7,500	Farfetch Ltd	354,307	1.07%
1,100	Fiverr International Ltd	165,362	0.50%
46,000	Li Ning Co Ltd	231,451	0.70%
414	Lululemon Athletica Inc	106,323	0.32%
500	LVMH Moet Hennessy Louis Vuitton SE	231,014	0.70%
175	Mercadolibre Inc	219,162	0.66%
3,500,000	Mitra Adiperkasa Tbk PT	146,362	0.44%
1,700	Nike Inc	176,295	0.53%
26,000	Panasonic Corp	220,031	0.67%
2,300	Pandora A/S	189,784	0.57%
1,000	Shimano Inc	171,120	0.52%
2,000	Shutterstock Inc	105,025	0.32%
10,000	Skillz Inc	141,558	0.43%
3,600	Sony Corp	263,466	0.80%
80,000	Tianneng Power International Ltd	140,911	0.43%
3,000	Yeti Holdings Inc	149,718	0.45%
2,500	Yum China Holdings Inc	104,558	0.32%
		3,845,583	11.63%
	Consumer Staples		
7,200	Archer Daniels Midland Co	263,226	0.80%
30,000	China Mengniu Dairy Co Ltd	132,600	0.40%
2,810	Colgate-Palmolive Co	174,325	0.53%
5,000	Diageo PLC	145,600	0.44%
8,500	Ebro Foods SA	144,802	0.44%
800	Estee Lauder Companies Inc	153,862	0.47%
1,880	McCormick & Company Inc	130,195	0.39%
3,500	Mondelez International Inc	148,662	0.45%
2,000	Monster Beverage Corp	133,959	0.41%
150,000	Olam International Ltd	126,647	0.38%
1,350	Remy Cointreau SA	187,867	0.57%
4,000	Unilever PLC	174,720	0.53%
77,000	Wilmar International Ltd	198,660	0.60%
		2,115,125	6.40%
	Financials		
17,000	AIA Group Ltd	152,849	0.46%
3,125	Hannon Armstrong Sustainable Infrastructure Capital Inc	147,148	0.45%
3,000	Hong Kong Exchanges and Clearing Ltd	120,445	0.36%
350	Marketaxess Holdings Inc	144,150	0.44%
360	MSCI Inc	115,231	0.35%
15,000	Switchback Energy Acquisition Corp	451,031	1.36%
		1,130,854	3.42%

As at 31 December 2020

Holding		Value £	% of net assets
	Health Care		
1,106	Abbott Laboratories	87,837	0.27%
300	Align Technology Inc	115,126	0.35%
900	Amedisys Inc	190,646	0.58%
6,200	Amplifon SpA	189,113	0.57%
260	Bio Rad Laboratories Inc	109,383	0.33%
2,700	Chemometec A/S	188,893	0.57%
800	CRISPR Therapeutics AG	94,694	0.29%
917	Danaher Corp	148,194	0.45%
14,000	Ergomed PLC	145,600	0.44%
410	Genmab A/S	121,968	0.37%
2,000	Gerresheimer AG	158,309	0.48%
1,300	Guardant Health Inc	120,004	0.36%
440	IDEXX Laboratories Inc	160,132	0.48%
620	Insulet Corp	118,297	0.36%
215	Intuitive Surgical Inc	128,419	0.39%
1,000	IQVIA Holdings Inc	130,012	0.39%
1,000	Laboratory Corporation of America Holdings	147,573	0.45%
314	Lonza Group AG	148,401	0.45%
3,000	M3 Inc	207,658	0.63%
514	Masimo Corp	100,742	0.30%
60,000	Oncimmune Holdings PLC	97,500	0.29%
12,000	Oxford BioMedica PLC	120,960	0.37%
3,400	Revenio Group Oyj	153,742	0.47%
2,000	Shockwave Medical Inc	147,767	0.45%
200	Siegfried Holding AG	108,206	0.33%
410	Tecan Group AG	147,654	0.45%
538	Teladoc Health Inc	80,152	0.24%
303	Thermo Fisher Scientific Inc	102,484	0.31%
512	Veeva Systems Inc	103,454	0.31%
19,500	WuXi Biologics (Cayman) Inc	189,047	0.57%
6,000	Xvivo Perfusion AB	169,177	0.51%
750	Zoetis Inc	90,278	0.27%
		4,321,421	13.07%
	Industrials		
3,700	Alfen NV	273,414	0.83%
3,000	Atlas Copco AB	113,855	0.34%
10,000	Biesse SpA	169,232	0.51%
2,700	Brooks Automation Inc	145,658	0.44%
500	Bucher Industries AG	168,601	0.51%
675	Canadian Pacific Railway Ltd	172,644	0.52%
24,000	Ceres Power Holdings PLC	318,960	0.96%
800	Daikin Industries Ltd	130,528	0.39%
1,700	Eaton Corporation PLC	148,615	0.45%
3,000	Fastenal Co	107,788	0.33%
750	FedEx Corp	142,810	0.43%
16,000	Havells India Ltd	144,663	0.44%
1,000	Honeywell International Inc	154,550	0.47%
120,000	Ilika PLC	252,000	0.76%
50	Interroll Holding AG	112,048	0.34%
8,000	Itochu Corp	168,651	0.51%
50,000	ITM Power PLC	249,500	0.75%
3,000	Jumia Technologies AG	93,424	0.28%
100,000	Nel ASA	245,763	0.74%
2,000	Nidec Corp	184,606	0.56%
15,000	Plug Power Inc	375,640	1.14%
3,700	Quanta Services Inc	192,887	0.58%
3,400	Ritchie Bros. Auctioneers Inc	175,436	0.53%
990	Schneider Electric SE	106,820	0.32%
200,000	SITC International Holdings Co Ltd	317,334	0.96%
1,230	Vestas Wind Systems A/S	214,386	0.65%
4,050	XP Power Ltd	188,528	0.57%
4,000	Yaskawa Electric Corp	145,979	0.44%
170,000	Zoomlion Heavy Industry Science and Technology Co Ltd	149,156	0.45%
		5,363,474	16.22%

As at 31 December 2020

Holding		Value £	% of net assets
	Information Technology		
517	Accenture PLC	97,560	0.30%
277	Adobe Systems Inc	100,843	0.31%
3,050	Advanced Micro Devices Inc	206,040	0.62%
100	Adyen NV	174,266	0.53%
424	ANSYS Inc	112,464	0.34%
1,360	Apple Inc	133,140	0.40%
2,800	Applied Materials Inc	178,317	0.54%
22,000	Asetek A/S	204,770	0.62%
565	ASML Holding NV	203,054	0.61%
1,000	Automatic Data Processing Inc	127,186	0.38%
2,630	Cloudflare Inc	149,391	0.45%
2,000	Cognex Corp	118,423	0.36%
1,100	Comet Holding AG	181,029	0.55%
1,160	CrowdStrike Holdings Inc	178,569	0.54%
5,000	Daqo New Energy Corp	208,713	0.63%
5,000	Digital Turbine Inc	208,036	0.63%
1,392	DocuSign Inc	230,115	0.70%
1,500	Elastic NV (Duplicate)	162,858	0.49%
1,700	Enphase Energy Inc	215,314	0.65%
1,562	First Solar Inc	114,742	0.35%
2,000	Hexagon AB	135,216	0.41%
6,000	HMS Networks AB	141,093	0.43%
5,000	Infineon Technologies AG	141,914	0.43%
410	Intuit Inc	112,759	0.34%
500	Keyence Corp	206,211	0.62%
4,500	Keywords Studios PLC	129,915	0.39%
600	KLA Corp	114,329	0.35%
2,000	Logitech International SA	142,740	0.43%
648	Mastercard Inc	168,781	0.51%
863	Microsoft Corp	140,061	0.42%
500	MongoDB Inc	133,666	0.40%
3,000	Murata Manufacturing Co Ltd	198,809	0.60%
7,000	Mycronic AB (publ)	154,136	0.47%
3,200	Northern Data AG	222,945	0.67%
5,000	Nuance Communications Inc	160,886	0.49%
332	NVIDIA Corp	127,754	0.39%
7,000	Palantir Technologies Inc	128,533	0.39%
700	PayPal Holdings Inc	118,630	0.36%
43,000	Pricer AB	149,460	0.45%
1,100	Qorvo Inc	134,763	0.41%
2,208	Qualcomm Inc	242,539	0.73%
170	Samsung Electronics Co Ltd	228,327	0.69%
300	ServiceNow Inc	120,296	0.36%
180	Shopify Inc	153,251	0.46%
1,228	Solaredge Technologies Inc	287,218	0.87%
1,050	Square Inc	169,911	0.51%
150,000	Sunevision Holdings Ltd	100,088	0.30%
22,000	Telefonaktiebolaget LM Ericsson	193,337	0.58%
600	Tokyo Electron Ltd	163,683	0.50%
450	Trade Desk Inc	269,497	0.82%
550	Twilio Inc	140,761	0.43%
2,000	Unity Software Inc.	226,705	0.69%
180,000	Xinyi Solar Holdings Ltd	343,825	1.04%
545	Zebra Technologies Corp	153,203	0.46%
1,050	Zscaler Inc	154,748	0.47%
		9,214,821	27.87%

As at 31 December 2020

Holding		Value £	% of net assets
	Materials		
88,000	Afrimat Ltd	192,984	0.58%
3,250	Albemarle Corp	355,262	1.07%
876,000	Alphamin Resources Corp	198,689	0.60%
5,673	Aluflexpack AG	160,473	0.49%
12,000	Anglo American PLC	290,310	0.88%
1,300	Avery Dennison Corp	146,811	0.44%
200,000	Bacanora Lithium PLC	128,000	0.39%
2,777	Croda International PLC	179,727	0.54%
6,000	Danimer Scientific Inc	104,549	0.32%
65	Gurit Holding AG	134,052	0.41%
110,000	Ivanhoe Mines Ltd	430,774	1.30%
85,870	Lynas Corporation Ltd	193,223	0.58%
2,850	Methanex Corp	97,192	0.29%
70,000	Omnia Holdings Ltd	151,644	0.46%
810	Scotts Miracle-Gro Co	116,616	0.35%
312	Sherwin-Williams Co	166,128	0.50%
786	Sika AG	158,052	0.48%
10,000	Svenska Cellulosa SCA AB	129,089	0.39%
19,553	Treatt PLC	158,966	0.48%
		3,492,542	10.56%
	Property		
9,033	SEGRO PLC	85,001	0.26%
		85,001	0.26%
	Real Estate		
280	Equinix Inc	143,666	0.43%
90,000	Mapletree Logistics Trust	99,906	0.30%
57,000	Parkway Life Real Estate Investment Trust	121,814	0.37%
1,400	Prologis Inc	101,228	0.31%
38,000	UOL Group Ltd	161,998	0.49%
5,000	Weyerhaeuser Co	123,200	0.37%
		751,811	2.27%
	US Equities		
12,000	New Providence Acquisition Corp	116,453	0.35%
		116,453	0.35%
	Utilities		
13,500	Engie SA	153,370	0.46%
2,000	Nextera Energy Inc	111,189	0.34%
9,643	Scatec ASA	281,164	0.85%
7,000	Solarpack Corporacion Tecnologica SA	173,996	0.53%
		719,720	2.18%
	Portfolio of investments	**33,029,168**	**99.91%**
	Net other assets	**116,606**	**0.35%**
	Mid to bid adjustment	**(87,547)**	**(0.26%)**
		33,058,227	**100.00%**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£	Sales (Note 14)	£
Synairgen PLC	577,517	Tesla Motors Inc	657,619
Tesla Motors Inc	576,303	Blink Charging Co	593,856
Americold Realty Trust	458,627	Synairgen PLC	463,336
Gerresheimer AG	441,316	Americold Realty Trust	458,192
Ebro Foods SA	440,706	Novacyt SA	374,929
Plug Power Inc	399,932	AAK AB (publ)	341,517
Shopify Inc	394,808	Moderna Inc	320,176
Northern Data AG	375,176	Shopify Inc	310,409
Albemarle Corp	364,035	Ajinomoto Co Inc	303,589
AAK AB (publ)	358,408	Top Glove Corporation Bhd	293,364
Tianneng Power International Ltd	350,542	Shiseido Co Ltd	286,401
Adyen NV	349,928	Gerresheimer AG	286,048
Zscaler Inc	342,267	Palantir Technologies Inc	284,780
Blink Charging Co	337,967	Ebro Foods SA	284,421
Novacyt SA	325,298	DiaSorin SpA	274,980
Zoomlion Heavy Industry Science and Techr	324,584	Tianneng Power International Ltd	263,495
Ajinomoto Co Inc	317,874	Bayer AG	260,192
Mercadolibre Inc	313,050	JD.com Inc	249,012
Omnia Holdings Ltd	301,071	Northern Data AG	244,732
Palantir Technologies Inc	296,070	Hellofresh SE	244,589
Other Purchases	43,155,477	Other Sales	20,082,337
Total Purchases for the Year	**50,800,955**	**Total Sales for the Year**	**26,877,974**

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

STATEMENT OF TOTAL RETURN

For the period ended 31 December 2020 (unaudited)

	31.12.20 £	31.12.20 £
Income		
Net capital gains/(losses)		8,865,748
Revenue	161,599	
Expenses	(149,961)	
Interest payable and similar charges	(911)	
Net revenue before taxation	10,727	
Taxation	(9,728)	
Net revenue after taxation		999
Total return before distributions		8,866,747
Finance costs: distributions		(146,454)
Changes in net assets attributable to shareholders from investment activities		8,720,293

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 31 December 2020 (unaudited)

	31.12.20 £
Opening net assets attributable to shareholders	-
Amounts receivable on creation of shares	24,861,991
Amounts payable on cancellation of shares	(680,129)
Dividend reinvested	156,072
Dilution levy	-
Changes in net assets attributable to shareholders from investment activities (see above)	8,720,293
Closing net assets attributable to shareholders	33,058,227

The Fund was Launched on 24 March 2020, hence there are no comparatives

BALANCE SHEET

As at 31 December 2020 (Unaudited)	31.12.20 £	£
ASSETS		
Investment assets		32,941,621
Current assets		
Debtors	984,418	
Cash and bank balances	123,535	
Total current assets		1,107,953
Total assets		34,049,574
LIABILITIES		
Current liabilities		
Distribution payable on income shares	(113,049)	
Bank overdraft	(22)	
Creditors	(878,276)	
Total current liabilities		(991,347)
Net assets attributable to shareholders		33,058,227

The Fund was Launched on 24 March 2020, hence there are no comparatives

For the period ended 31 December 2020

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014. The functional currency is Sterling

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on a receipts basis.

Equalisation received by the way of distributions from OEICs/unit trust investment is not included in revenue but is reflected as a reduction in the book cost of that investment.

(c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, other than those relating to the buying and selling of investments, all expenses are charged to the revenue of the Fund.

(f) Where the revenue from investments exceeds the expenses of the Fund, half yearly distributions are allocated to all holders of income and accumulation shares.

(g) The listed investments of the Fund have been valued at mid-market prices at the closing valuation point on 31 December 2020. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 31 December 2020.

(i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Fund and the Fund's Net Asset Value, the ACD retains discretion to charge a dilution levy of up to 2.5% on all purchases and redemptions of shares. The levy, which is paid into the Fund, is intended to cover certain charges not included in the bid market value of the Fund, used in calculating the share price, which could have a diluting effect on the performance of the Fund.

(k) Equalisation will be applied to the Company. An allocation of income to be made in respect of each Share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that Share.

The amount of income equalisation in respect of any Share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of Shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those Shares and applying the resultant average to each of the shares in question.

For the period ended 31 December 2020

Interim distribution in pence per share
Group 1: Shares purchased prior to 17 March 2020
Group 2 : Shares purchased on or after 17 March 2020 and on or before 30 June 2020 2020

17 March 2020 to 30 June 2020

F Accumulation	Dividend Accumulated 28 August 2020	Equalisation	Dividend Accumulated 28 August 2020
Group 1	-	-	-
Group 2	0.2816p	0.0829p	0.3645p

F Income	Dividend paid 28 August 2020	Equalisation	Dividend paid 28 August 2020
Group 1	-	-	-
Group 2	0.1479p	-	0.1479p

Interim distribution in pence per share
Group 1: Shares purchased prior to 1 July 2020
Group 2 : Shares purchased on or after 1 July 2020 and on or before 31 December 2020

01 July 2020 to 31 December 2020

F Accumulation	Dividend Accumulated 26 February 2021	Equalisation	Dividend Accumulated 26 February 2021
Group 1	-	-	-
Group 2	0.2257p	0.2982p	0.5239p

F Income	Dividend paid 26 February 2021	Equalisation	Dividend paid 26 February 2021
Group 1	-	-	-
Group 2	0.2209p	0.2106p	0.4315p

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 corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

i) 96.73% of the total dividend allocation together with the tax credit is received as franked investment income.
ii) 3.27% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Unique Opportunities Fund
Size of Sub-fund	£21,113,445
Launch date	17-Mar-20
Investment objective and policy	The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years). The Fund seeks to achieve its investment objective by investing at least 80% in equities listed on UK markets (including the London Stock Exchange, AIM and the ICAP Securities and Derivatives Exchange (ISDX)). The Investment Manager will be seeking to invest in equities which it considers to have a unique outlook and opportunity for growth. The Investment Manager will be looking for the Fund to invest in companies which have clearly identifiable characteristics to protect them against the entry of competitors (which are expected to enable such companies to produce an above average return on equity). The unique characteristics sought include: ▪ having intangible assets e.g. brands, patents or regulatory licences; ▪ having cost advantages stemming from process, location, scale or access to a unique asset; ▪ being the leading network in a business segment; and/or ▪ there being high switching costs which generate high customer retention rates. Such businesses are highly likely to be the only UK listed company in their industry or one of very few and possessing a distinctive corporate strategy and so are considered 'unique opportunities'. The Fund may also invest in other equities, fixed income, money market instruments, deposits, warrants, cash and near cash. The Fund will aim to hold a portfolio of between 25-40 investments. The Fund will be actively managed. Save as noted above (with a focus on UK listed investments), the Fund will not have any particular, industry or economic sector focus and as such weightings in these may vary as required.
Derivatives	The Fund may hold derivatives for Efficient Portfolio Management purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Fund.
Benchmark	The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the IA Global Sector, which serves as a method of comparing the Fund's performance with other funds which have broadly similar characteristics.
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By last day of February

Minimum investment

Lump sum subscription:	Class A: £1,000
Top-up:	Class A: £100
Holding:	Class A: £1,000
Regular Saving:	£100 per month
Redemption/Switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges:	Nil

The ACD may waive the minimum levels at its discretion.

ACD charges

The ACD charges	£30,000^ per annum plus Class A – 0.75% per annum

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

The investment Manager of the Fund has undertaken to absorb any costs (excluding the effect of the performance fee) that would otherwise cause the Fund to have operating expenses in excess of 1.00%.

^The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

Investment Manager’s Report for the period ended 31 December 2020

Investment Philosophy

The manager believes that there is no philosophical difference between buying shares in a business and owning the business in its entirety. The first task therefore is to identify businesses which have long term growth potential, strong finances, committed and capable management, and strong barriers to keep out competition. Such barriers could include high customer switching costs, patents, regulatory licenses, brands, network effects, low operating costs or access to a unique asset. The evidence for such barriers to competition is usually found in above average returns on capital, or, since we are equity investors, in high returns on equity, but without undue financial leverage. Businesses which regularly achieve high returns on equity and can reinvest some or most of their surplus capital at similar returns can over time see a compounding of financial rewards to investors which may be underestimated by the stock market. The manager seeks to invest into these superior businesses at below intrinsic value, defined as the sum of likely future free cash flows discounted back at a conservative rate. There is in-built conservatism in this process, in the forecasting of future cash flows, in the discount rate, and in the fact that surplus cash is not assumed to be reinvested, although some of it will be.

Performance Overview

The Fund launched in March 2020, the income units on 17 March and the accumulation units on 25 March. Over the period from launch to 31 December 2020, the income units rose in price 45.60%, and generated a total return of 47.15%, which compares to an average return of 42.4% achieved by the peer group, the IA UK All Companies Sector, over the same period. Despite a pleasing start, this is a very short period over which to measure the performance of a fund and deduce any meaningful conclusions.

The UK market had been very weak as the pandemic unfolded during the first quarter of 2020, and reached a nadir on 23 March. Thus the timing of our launch was fortuitous. The performance of the units was achieved while holding significant cash balances which averaged 35% throughout the period: this reflected the time and care taken to establish and build up the portfolio holdings. Thus the risk-adjusted returns were very healthy. The fund ended 2020 with approximately 12% in cash and 31 investments (ignoring nil-paid rights in Aveva and a holding in Trellus Health, a presently unlisted company recently divested in specie from EKF Diagnostics and valued at nil in these accounts).

Key Contributors and Detractors

The technology sector has the highest representation in the fund at over 20% of net assets, and three of the four largest contributors in the period were software and IT services companies. Alfa Financial Software is the global leader in the provision of leasing software for managing the lease cycle for automotive, aircraft, office and agricultural equipment lessors. Alfa reported several new business wins in 2020 and distributed £44 million in surplus capital to investors by way of a 15p special dividend. Kainos Group has enjoyed very strong demand from the UK central government and the NHS for its digitalisation capabilities and from corporates for its services to implement Workday Enterprise Resource Planning (ERP) software. Craneware has seen a return to revenue growth due to demand from US hospitals for its cost analysis software modules which enable a full breakdown of in-patient and pharmacy costs. The pandemic has accelerated the trend for digital interactions in many areas of the economy. The fourth most significant contribution came from Impax Asset Management which announced a 56% increase in AUM during 2020 as its sustainable investment funds gained traction.

There were only a handful of relative detractors in the period, being mainly consumer-facing businesses such as MJ Gleeson (housebuilder) and AG Barr (soft drinks manufacturer) which were negatively affected by the various UK local and national lockdowns imposed in 2020. There was only one faller in absolute terms, marine services supplier James Fisher. Its subsea services to both the offshore oil & gas and wind farm sectors were severely interrupted by the pandemic. However, trading generally started to improve in the fourth quarter.

There were two small disposals at a profit in the period, catering company SSP Group and Bioventix, a biotechnology company.

Outlook

The manager does not attempt to forecast macro-economic trends, preferring to focus on allocating investors’ capital into excellent businesses with sustainably high barriers to competition, and allowing the compounding effect of high returns on equity to generate positive value creation over the long term.

Downing LLP
Investment Manager to the Fund
19th February 2021

A Accumulation		**Period from 25 March 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	44.8425
	Operating charges (note 1)	(1.1696)
	Return after operating charges *	43.6729
	Closing net asset value per unit	143.6729
	Retained distributions on accumulated units	1.5067
	*after direct transactions costs of:	0.9503
Performance		
	Return after charges	43.67%
Other information		
	Closing net asset value	£16,504,506
	Closing number of units	11,487,558
	Operating charges (note 2)	0.96%
	Direct transaction costs	0.78%
Prices		
	Highest unit price	144.61
	Lowest unit price	100.00

^Share class launched 25 March 2020

A Income		**Period from 17 March 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	48.3317
	Operating charges (note 1)	(1.1789)
	Return after operating charges *	47.1528
	Distribution on income units	(1.5489)
	Closing net asset value per unit	145.6039
	*after direct transactions costs of:	0.9579
Performance		
	Return after charges	47.15%
Other information		
	Closing net asset value	£4,741,995
	Closing number of units	3,256,777
	Operating charges (note 2)	0.96%
	Direct transaction costs	0.78%
Prices		
	Highest unit price	147.88
	Lowest unit price	99.65

^Share class launched 17 March 2020

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 fund.

Risk Profile

Based on past data, the 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 Fund is ranked '5' as the Fund is in a relatively high category because the price of its investments re expected to rise and fall to some extent.

PORTFOLIO STATEMENT

As at 31 December 2020

Holding		Value £	% of net assets
	Communications		
25,000	4imprint Group PLC	648,125	3.07%
100,000	Auto Trader Group PLC	590,400	2.80%
60,000	YouGov PLC	627,000	2.97%
		1,865,525	8.84%
	Consumer Discretionary		
45,000	Dunelm Group PLC	553,500	2.62%
7,000	Games Workshop Group PLC	781,900	3.70%
80,000	MJ Gleeson PLC	623,200	2.95%
70,000	Vitec Group Plc	628,600	2.98%
		2,587,200	12.25%
	Consumer Staples		
125,000	A.G.Barr PLC	646,875	3.06%
		646,875	3.06%
	Financials		
130,000	AJ Bell PLC	579,800	2.75%
105,000	Impax Asset Management Group PLC	754,950	3.58%
65,000	Mortgage Advice Bureau (Holdings) PLC	556,400	2.64%
215,000	Tatton Asset Management Ltd.	584,800	2.77%
		2,475,950	11.73%
	Health Care		
215,000	Advanced Medical Solutions Group PLC	521,375	2.47%
31,000	Craneware PLC	697,500	3.30%
1,000,000	EKF Diagnostics Holdings PLC	687,500	3.26%
55,000	Ergomed PLC	572,000	2.71%
106,711	Tristel PLC	577,307	2.73%
		3,055,682	14.47%
	Industrials		
10,000	Avon Rubber PLC	317,250	1.50%
225,000	Chemring Group PLC	644,063	3.05%
29,000	Diploma PLC	638,870	3.03%
65,000	James Fisher and Sons PLC	607,425	2.88%
		2,207,608	10.46%
	Information Technology		
335,000	Alfa Financial Software Holdings PLC	437,175	2.07%
130,000	Aptitude Software Group PLC	588,900	2.79%
15,450	AVEVA Group PLC	492,932	2.33%
325,000	dotDigital Group PLC	508,625	2.41%
55,000	Kainos Group PLC	668,250	3.17%
49,000	Softcat PLC	675,465	3.20%
265,000	Strix Group PLC	583,663	2.76%
95,000	Tracsis PLC	608,000	2.88%
		4,563,010	21.61%
	Materials		
625,000	Elementis PLC	727,500	3.45%
22,000	Victrex PLC	515,680	2.44%
		1,243,180	5.89%
	Portfolio of investments	18,645,029	88.31%
	Net other assets	**2,601,473**	12.32%
	Mid to bid adjustment	**(133,057)**	(0.63%)
		21,113,445	**100.00%**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the period	**195,808**
Bioventix PLC	122,953
SSP Group PLC	72,855

	£
Total purchases for the period	**16,146,621**
4imprint Group PLC	548,602
A.G.Barr PLC	598,650
Advanced Medical Solutions Group PLC	471,818
AJ Bell PLC	504,565
Alfa Financial Software Holdings PLC	281,486
Aptitude Software Group PLC	556,159
Auto Trader Group PLC	530,135
AVEVA Group PLC	507,708
Avon Rubber PLC	336,006
Bioventix PLC	103,226
Chemring Group PLC	540,261
Craneware PLC	492,363
Diploma PLC	597,270
dotDigital Group PLC	401,732
Dunelm Group PLC	535,599
EKF Diagnostics Holdings PLC	499,238
Elementis PLC	512,500
Ergomed PLC	559,146
Games Workshop Group PLC	595,149
Impax Asset Management Group PLC	475,432
James Fisher and Sons PLC	667,356
Kainos Group PLC	545,234
MJ Gleeson PLC	495,674
Mortgage Advice Bureau (Holdings) PLC	428,978
Softcat PLC	553,674
SSP Group PLC	69,550
Strix Group PLC	546,697
Tatton Asset Management Ltd.	576,936
Tracsis PLC	545,154
Tristel PLC	485,170
Victrex PLC	433,284
Vitec Group Plc	622,668
YouGov PLC	529,203

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

STATEMENT OF TOTAL RETURN

For the period ended 31 December 2020 (unaudited)

	31.12.20	
	£	**£**
Income		
Net capital gains/(losses)		2,558,264
Revenue	145,159	
Expenses	(94,210)	
Interest payable and similar charges	(1,897)	
Net expenses before taxation	49,052	
Taxation	-	
Net expenses after taxation		49,052
Total return/(expenses) before distributions		2,607,316
Finance costs: distributions		(106,455)
Changes in net assets attributable to shareholders from investment activities		2,500,861

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 31 December 2020 (unaudited)

	31.12.20
	£
Opening net assets attributable to shareholders	-
Amounts receivable on creation of shares	18,929,245
Amounts payable on cancellation of shares	(496,136)
Dividend reinvested	147,448
Dilution levy	32,027
Changes in net assets attributable to shareholders from investment activities (see above)	2,500,861
Closing net assets attributable to shareholders	21,113,445

The Fund was Launched on 24 March 2020, hence there are no comparatives

BALANCE SHEET

As at 31 December 2020 (Unaudited)	31.12.20	
	£	£
ASSETS		
Investment assets		18,511,972
Current assets		
Debtors	530,169	
Cash and bank balances	2,286,304	
Total current assets		2,816,473
Total assets		21,328,445
LIABILITIES		
Current liabilities		
Distributions payable on income shares	(190,195)	
Bank overdraft	-	
Creditors	(24,805)	
Total current liabilities		(215,000)
Net assets attributable to shareholders		21,113,445

The Fund was Launched on 24 March 2020, hence there are no comparatives

For the period ended 31 December 2020

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014. The functional currency is Sterling

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on a receipts basis.

Equalisation received by the way of distributions from OEICs/unit trust investment is not included in revenue but is reflected as a reduction in the book cost of that investment.

(c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, other than those relating to the buying and selling of investments, all expenses are charged to the revenue of the Fund.

(f) Where the revenue from investments exceeds the expenses of the Fund, half yearly distributions are allocated to all holders of income and accumulation shares.

(g) The listed investments of the Fund have been valued at mid-market prices at the closing valuation point on 31 December 2020. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 31 December 2020.

(i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Fund and the Fund’s Net Asset Value, the ACD retains discretion to charge a dilution levy of up to 2.5% on all purchases and redemptions of shares. The levy, which is paid into the Fund, is intended to cover certain charges not included in the bid market value of the Fund, used in calculating the share price, which could have a diluting effect on the performance of the Fund.

(k) Equalisation will be applied to the Company. An allocation of income to be made in respect of each Share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum (“income equalisation”) representing the ACD’s best estimate of the amount of income included in the price of that Share.

The amount of income equalisation in respect of any Share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD’s best estimate of the amounts of income included in the price of Shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those Shares and applying the resultant average to each of the shares in question.

For the period ended 31 December 2020

Interim distribution in pence per share
Group 1: Shares purchased prior to 17 March 2020
Group 2 : Shares purchased on or after 17 March 2020 and on or before 30 June 2020 2020

17 March 2020 to 30 June 2020

A Accumulation	Dividend Accumulated 28 August 2020	Equalisation	Dividend Accumulated 28 August 2020
Group 1	-	-	-
Group 2	0.0991p	0.1241p	0.2232p

A Income	Dividend paid 28 August 2020	Equalisation	Dividend paid 28 August 2020
Group 1	-	-	-
Group 2	0.0372p	0.1991p	0.2363p

Interim distribution in pence per share
Group 1: Shares purchased prior to 1 July 2020
Group 2 : Shares purchased on or after 1 July 2020 and on or before 31 December 2020

01 July 2020 to 31 December 2020

A Accumulation	Dividend Accumulated 26 February 2021	Equalisation	Dividend Accumulated 26 February 2021
Group 1	-	-	-
Group 2	0.4382p	0.8453p	1.2835p

A Income	Dividend paid 26 February 2021	Equalisation	Dividend paid 26 February 2021
Group 1	-	-	-
Group 2	0.7487p	0.5639p	1.3126p

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 corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

i) 77.41% of the total dividend allocation together with the tax credit is received as franked investment income.
ii) 22.59% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing European Unconstrained Income Fund
Size of Sub-fund	£82,275,217
Launch date	05-Nov-20
Investment objective and policy	The investment objective of the Fund is to generate income with the potential for long term (5 years) capital growth. The Fund will seek to achieve its objective by investing at least 75% in equities issued by companies based in developed European markets (being member states of the European Union, Norway, Switzerland or the United Kingdom). The Fund may also invest in emerging and frontier European markets including Turkey, Russia and Iceland. The Fund may also invest in government securities, fixed income, closed ended collective investment schemes/vehicles (which may include those managed and/or operated by the ACD and which will provide exposure to various asset classes including equities and bonds), real estate investment trusts, money market instruments, deposits, cash and near cash. The Fund will be actively managed. Save as noted above, the Fund will not have any particular industry or economic sector focus and as such weightings in these may vary as required.
Derivatives	The Fund may hold derivatives for Efficient Portfolio Management purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Fund.
Benchmark	The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the IA Europe (ex UK) Sector, which serves as a method of comparing the Fund's performance with other funds which have broadly similar characteristics. The IA Europe (excluding UK) has been chosen as a comparator rather than the IA Europe (including UK), as it is not the intention of the Fund to have a large exposure to UK equities that generate their revenue in the UK.
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By 30 November; By last day of February; By 31 May

Minimum investment

Lump sum subscription:	Class A: £1,000 Class F: £1,000,000
Top-up:	Class A: £100 Class F: £1,000
Holding:	Class A: £1,000 Class F: £1,000,000
Regular Saving:	£100 per month
Redemption/Switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges:	Nil

The ACD may waive the minimum levels at its discretion.

ACD charges

The ACD charges	£30,000^ per annum plus Class A – 0.75% per annum Class F – 0.55% per annum

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

The investment Manager of the Fund has undertaken to absorb any costs (excluding the effect of the performance fee) that would otherwise cause the Fund to have operating expenses in excess of 1.00%.

^The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

Investment Manager's Report for the period ended 31 December 2020

The VT Downing European Unconstrained Income Fund launched on the 5 November 2020 in what was one of the strongest months for European equities in recent years. The market strength was driven by the announcement of the first Covid-19 vaccines combined with better visibility over the outcome of the US election. At the same time, the rally was coupled with an aggressive intra-market rotation which saw value sharply outperform growth. European indices continued to rise in December, although at a more modest pace than we saw the previous month with news about a new, more infectious variant of the virus, causing a sharp rise in case rates which pressured governments to once again close businesses and restrict people's movement. The rotation into value stocks that was evident in November reversed somewhat as a result.

Against this volatile market backdrop we have been pleased with the initial results of the Fund, especially as we had a large cash drag as we deployed our seed capital during November. Since launch, the F income class share had risen from 100 pence to 108.84 pence by the end of December. A number of our more cyclical names such as Amadeus IT, BE Semiconductors, Rubis, Glanbia and Eiffage, which should benefit from the resumption of economic activity as vaccines are rolled out, have performed well. We have also seen good performance from companies linked to renewable energy or the circular economy such as Befesa and Vestas Wind Systems. On the other hand, our more infrastructure linked holdings such as Vopak, GTT and Inwit have underperformed. Sensor manufacturer AMS also performed poorly on rumours that the mobile phone industry may change the technology it uses for 3D sensing in their latest handsets, although the shares recovered somewhat in early 2021.

We made one major change to the portfolio since its launch as we exited our holding in Ryanair. The shares had risen almost 40% since the start of November on the back of the positive Covid-19 vaccine news. However, we also identified a Brexit-related corporate governance issue which would mean that after 1 January 2021, UK shareholders such as ourselves would lose their voting rights in order for the company to remain compliant with EU airline ownership rules. As a result, we decided to take profits.

The outlook for the current year is likely to be bumpy and uncertain but we believe it should be positive as Covid-19 vaccine programmes around the world allow countries to open up their economies and borders. Combined with the unprecedented amount of fiscal support from governments and a global monetary policy that remains very accommodative, our cyclical and smaller companies should benefit from the resumption of economic activity. We also expect to see interesting dividend catch up opportunities, with companies such as Banca Farmafactoring stating that they will pay out their accrued 2019 and 2020 distributions as soon as the regulator allows it.

Downing LLP
Investment Manager to the Fund
19th February 2021

A Accumulation		**Period from 17 November 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	5.8816
	Operating charges (note 1)	(0.8713)
	Return after operating charges *	5.0103
	Closing net asset value per unit	105.0103
	Retained distributions on accumulated units	0.1573
	*after direct transactions costs of:	0.5125
Performance		
	Return after charges	5.01%
Other information		
	Closing net asset value	£137,263
	Closing number of units	130,714
	Operating charges (note 2)	0.85%
	Direct transaction costs	0.50%
Prices		
	Highest unit price	106.46
	Lowest unit price	99.74

^Share class launched 17 November 2020

A Income		**Period from 30 November 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	2.7229
	Operating charges (note 1)	(0.8574)
	Return after operating charges *	1.8655
	Distribution on income units	(0.1255)
	Closing net asset value per unit	101.7400
	*after direct transactions costs of:	0.5044
Performance		
	Return after charges	1.87%
Other information		
	Closing net asset value	£8,341
	Closing number of units	8,198
	Operating charges (note 2)	0.85%
	Direct transaction costs	0.50%
Prices		
	Highest unit price	103.27
	Lowest unit price	99.75

^Share class launched 30 November 2020

F Accumulation		**Period from 11 December 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	2.0963
	Operating charges (note 1)	(0.6547)
	Return after operating charges *	1.4416
	Closing net asset value per unit	101.4416
	Retained distributions on accumulated units	0.0672
	*after direct transactions costs of:	0.5036
Performance		
	Return after charges	1.44%
Other information		
	Closing net asset value	£26,757,864
	Closing number of units	26,377,615
	Operating charges (note 2)	0.65%
	Direct transaction costs	0.50%
Prices		
	Highest unit price	102.84
	Lowest unit price	99.33

^Share class launched 11 December 2020

F Income		**Period from 5 November 2020 to 31 December 2020**
Changes in net assets per unit		GBp
	Operating net asset value per unit	100.0000
	Return before operating charges	9.6811
	Operating charges (note 1)	(0.6787)
	Return after operating charges *	9.0024
	Distribution on income units	(0.1633)
	Closing net asset value per unit	108.8391
	*after direct transactions costs of:	0.5221
Performance		
	Return after charges	9.00%
Other information		
	Closing net asset value	£55,703,468
	Closing number of units	51,179,642
	Operating charges (note 2)	0.65%
	Direct transaction costs	0.50%
Prices		
	Highest unit price	110.50
	Lowest unit price	100.00

^Share class launched 5 November 2020

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 fund.

Risk Profile

Based on past data, the 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 Fund is ranked '5' as the Fund is in a relatively high category because the price of its investments re expected to rise and fall to some extent.

PORTFOLIO STATEMENT

As at 31 December 2020

Holding		Value £	% of net assets
	Communications		
269,582.0000	Infrastrutture Wireless Italiane SpA	2,403,475	2.92%
		2,403,475	2.92%
	Consumer Discretionary		
2,402,362.0000	Cairn Homes PLC	2,087,310	2.54%
545,931.0000	Europris ASA	2,397,979	2.91%
		4,485,289	5.45%
	Consumer Staples		
328,420.0000	Glanbia PLC	3,058,693	3.72%
105,500.0000	Mowi ASA	1,727,255	2.10%
60,458.0000	SalMar ASA	2,603,776	3.16%
		7,389,724	8.98%
	Energy		
33,808.0000	Gaztransport et Technigaz SA	2,412,403	2.93%
52,032.0000	Koninklijke Vopak NV	1,998,945	2.43%
493,696.0000	Snam SpA	2,043,788	2.48%
		6,455,135	7.85%
	Financials		
33,453.0000	Amundi SA	2,020,928	2.46%
739,227.0000	Banca Farmafactoring SpA	3,292,820	4.00%
359,355.0000	doValue SpA	3,060,902	3.72%
53,115.0000	Julius Baer Gruppe AG	2,251,720	2.74%
152,445.0000	Van Lanschot Kempen NV	2,874,496	3.49%
		13,500,867	16.41%
	Health Care		
165,580.0000	Elekta AB (publ)	1,641,653	2.00%
129,906.0000	Fagron NV	2,232,287	2.71%
39,210.0000	Fresenius Medical Care AG & Co KGaA	2,409,955	2.93%
44,305.0000	Siemens Healthineers AG	1,679,290	2.04%
		7,963,186	9.68%
	Industrials		
56,742.0000	Befesa SA	2,637,192	3.21%
33,955.0000	Eiffage SA	2,412,361	2.93%
90,908.0000	Prysmian SpA	2,373,260	2.88%
90,858.0000	Relx PLC	1,623,776	1.97%
21,313.0000	Schneider Electric SE	2,299,656	2.80%
12,924.0000	Vestas Wind Systems A/S	2,252,617	2.74%
		13,598,862	16.53%
	Information Technology		
30,758.0000	Amadeus IT Group SA	1,652,124	2.01%
141,299.0000	AMS AG	2,273,151	2.76%
47,157.0000	BE Semiconductor Industries NV	2,104,170	2.56%
58,639.0000	Infineon Technologies AG	1,664,340	2.02%
21,774.0000	SAP SE	2,104,817	2.56%
		9,798,602	11.91%
	Materials		
98,680.0000	SIG Combibloc Group AG	1,683,022	2.05%
		1,683,022	2.05%
	Real Estate		
230,745.0000	Cibus Nordic Real Estate AB (publ)	3,470,620	4.22%
109,115.0000	Instone Real Estate Group AG	2,055,015	2.50%
3,606,635.0000	Sirius Real Estate Ltd	3,364,990	4.09%
		8,890,625	10.81%

As at 31 December 2020

Holding		Value £	% of net assets
	Utilities		
85,038.0000	Rubis SCA	2,891,220	3.51%
		2,891,220	3.51%
	Portfolio of investments	**79,060,006**	**96.09%**
	Net other assets	**3,546,952**	**4.31%**
	Mid to bid adjustment	**(331,741)**	**(0.40%)**
		82,275,217	**100.00%**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the period	**3,854,855**
Amadeus IT Group SA	213,501
Amundi SA	315,022
BE Semiconductor Industries NV	564,061
Europris ASA	358,314
Glanbia PLC	31,863
Infrastrutture Wireless Italiane SpA	235,511
Mowi ASA	720,752
Relx PLC	133,343
Ryanair Holdings PLC	1,282,489

	£
Total purchases for the period	**77,788,608**
Amadeus IT Group SA	1,570,228
AMS AG	2,439,252
Amundi SA	2,243,553
Banca Farmafactoring SpA	2,913,927
BE Semiconductor Industries NV	2,127,399
Befesa SA	2,058,645
Cairn Homes PLC	2,058,062
Cibus Nordic Real Estate AB (publ)	3,356,696
doValue SpA	2,871,873
Eiffage SA	2,252,858
Elekta AB (publ)	1,582,424
Europris ASA	2,699,881
Fagron NV	2,297,147
Fresenius Medical Care AG & Co KGaA	2,465,708
Gaztransport et Technigaz SA	2,498,144
Glanbia PLC	2,956,941
Infineon Technologies AG	1,444,342
Infrastrutture Wireless Italiane SpA	2,704,110
Instone Real Estate Group AG	1,928,377
Julius Baer Gruppe AG	2,039,876
Koninklijke Vopak NV	2,101,067
Mowi ASA	2,086,623
Prysmian SpA	2,100,903
Relx PLC	1,683,640
Rubis SCA	2,550,675
Ryanair Holdings PLC	1,033,934
SalMar ASA	2,663,366
SAP SE	1,949,722
Schneider Electric SE	2,198,506
Siemens Healthineers AG	1,574,324
SIG Combibloc Group AG	1,663,067
Sirius Real Estate Ltd	3,138,629
Snam SpA	1,975,461
Van Lanschot Kempen NV	2,671,904
Vestas Wind Systems A/S	1,887,343

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

STATEMENT OF TOTAL RETURN

For the period ended 31 December 2020 (unaudited)

	31.12.20	
	£	**£**
Income		
Net capital gains		4,642,561
Revenue	120,582	
Expenses	(61,827)	
Interest payable and similar charges	(2,188)	
Net revenue before taxation	56,567	
Taxation	(16,591)	
Net revenue after taxation		39,976
Total return before distributions		4,682,537
Finance costs: distributions		(101,662)
Changes in net assets attributable to shareholders from investment activities		4,580,875

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 31 December 2020 (unaudited)

	31.12.20
	£
Opening net assets attributable to shareholders	-
Amounts receivable on creation of shares	78,226,083
Amounts payable on cancellation of shares	(549,673)
Dividend reinvested	17,933
Dilution levy	-
Changes in net assets attributable to shareholders from investment activities (see above)	4,580,875
Closing net assets attributable to shareholders	82,275,217

The Fund was Launched on 5 November 2020, hence there are no comparatives

BALANCE SHEET

As at 31 December 2020 (Unaudited)	31.12.20	
	£	£
ASSETS		
Investment assets		78,728,288
Current assets		
Debtors	64,795	
Cash and bank balances	3,792,639	
Total current assets		3,857,434
Total assets		82,585,722
LIABILITIES		
Current liabilities		
Distribution payable on income shares	(101,503)	
Bank overdraft	-	
Creditors	(209,002)	
Total current liabilities		(310,505)
Net assets attributable to shareholders		82,275,217

The Fund was Launched on 5 November 2020, hence there are no comparatives

For the period ended 31 December 2020

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014. The functional currency is Sterling

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on a receipts basis.

Equalisation received by the way of distributions from OEICs/unit trust investment is not included in revenue but is reflected as a reduction in the book cost of that investment.

(c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, other than those relating to the buying and selling of investments, all expenses are charged to the revenue of the Fund.

(f) Where the revenue from investments exceeds the expenses of the Fund, half yearly distributions are allocated to all holders of income and accumulation shares.

(g) The listed investments of the Fund have been valued at mid-market prices at the closing valuation point on 31 December 2020. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 31 December 2020.

(i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Fund and the Fund’s Net Asset Value, the ACD retains discretion to charge a dilution levy of up to 2.5% on all purchases and redemptions of shares. The levy, which is paid into the Fund, is intended to cover certain charges not included in the bid market value of the Fund, used in calculating the share price, which could have a diluting effect on the performance of the Fund.

(k) Equalisation will be applied to the Company. An allocation of income to be made in respect of each Share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum (“income equalisation”) representing the ACD’s best estimate of the amount of income included in the price of that Share.

The amount of income equalisation in respect of any Share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD’s best estimate of the amounts of income included in the price of Shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those Shares and applying the resultant average to each of the shares in question.

For the period ended 31 December 2020

Interim distribution in pence per share
Group 1: Shares purchased prior to 05 November 2020
Group 2 : Shares purchased on or after 05 November and on or before 31 December 2020

05 November 2020 to 31 December 2020

A Accumulation	Dividend Accumulated 26 February 2021	Equalisation	Dividend Accumulated 26 February 2021
Group 1	-	-	-
Group 2	0.0302p	0.1271p	0.1573p

A Income	Dividend paid 26 February 2021	Equalisation	Dividend paid 26 February 2021
Group 1	-	-	-
Group 2	0.0059p	0.1196p	0.1255p

F Accumulation	Dividend Accumulated 26 February 2021	Equalisation	Dividend Accumulated 26 February 2021
Group 1	-	-	-
Group 2	0.0672p	0.3519	0.4191p

F Income	Dividend paid 26 February 2021	Equalisation	Dividend paid 26 February 2021
Group 1	-	-	-
Group 2	0.1633p	0.2802p	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 corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

i) 100.00% of the total dividend allocation together with the tax credit is received as franked investment income.
ii) 0.00% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

Base Currency
The base currency of the Company is Pounds Sterling.

Share Capital
The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Structure of the Company

VT Downing Investor Funds ICVC is structured as an umbrella company. Provision exists for an unlimited number of Sub-funds, and at the date of this report three sub-funds, VT Downing Global Investors Fund, VT Downing Unique Opportunities Fund and VT Downing European Unconstrained Income Fund are authorised.

Taxation
The Company will pay corporation tax on its profits for the period ended 31 December 2020 and capital gains within the Company will not be taxed.

Individual shareholders
Tax on distributions: HM Revenue and Customs changed the taxation of dividends on 6 April 2016. Dividend tax credits were abolished and replaced by a tax-free annual dividend allowance of £2,000. UK resident shareholders are now 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 (2020/2021) 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.

Classes of Shares
The Company can issue different classes of share in respect to any sub-fund.

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, with the Depositary's approval.

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:
Downing@valu-trac.com for deals relating to all the Sub-funds.

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

Pricing Basis
There is a 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 prices of shares are published daily on the Investment Association website at www.fundlistings.com. Neither the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

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.

CORPORATE DIRECTORY

Authorised Corporate Director & Registrar	Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 Email: Downing@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Investment Manager	Downing LLP St Magnus House 3 Lower Thames Street London EC3R 6HD Authorised and regulated by the Financial Conduct Authority
Depositary	NatWest Trustee and Depositary Services Limited House F Floor 2, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE