THE MULBEN INVESTMENT FUNDS
(Sub-Funds VT icf Absolute Return Portfolio and VT De Lisle America Fund)

Annual Report and Financial Statements
for the year ended 31 March 2017

Type of Company

The Mulben Investment Funds ("the Company") is an authorised open-ended investment company with variable capital ("ICVC") further to a Financial Conduct Authority ("FCA") authorisation order dated 19 May 2010. The Company is incorporated under registration number IC00816. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes Sourcebook ("COLL") issued by the FCA.

The Company has been set up as an umbrella company. The Company has currently two sub-funds available for investment, the VT icf Absolute Return Portfolio and the VT De Lisle America Fund.

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 year and its net revenues/expenses and net capital gains/losses for the year. 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 judgments 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

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook, we hereby certify the annual report.

Anne A. Laing CA

Neil J. Smith MA BA CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the "OEIC Regulations"), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored (this requirement on the Depositary applied from 18 March 2016) and that the cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and

ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

National Westminster Bank Plc
01 April 2017

We have audited the financial statements of The Mulben Investment Funds for the year ended 31 March 2017 which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, the related Notes to the Financial Statements and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland."

This report is made solely to the Company's shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the ACD and Auditor

As explained more fully in the ACD's Responsibilities Statement set out on page 2, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the ACD; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion:

- the accounts give a true and fair view of the financial position of the Company as at 31 March 2017 and of the net expense and the net capital gains on the property of the Company for the year then ended;
- the financial statements have been properly prepared in accordance with the IA Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation;
- the report of the ACD is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- we have received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

Size of Company	£4,737,546
Launch date	6 August 2010
Sub - Fund objective and policy	The objective of the Sub-Fund is to achieve a consistent absolute return over the long term irrespective of market conditions. The Sub-Fund will invest in a diverse mix of absolute return oriented collective investment schemes. The Sub-Fund may also invest in listed closed-end funds, transferable securities, cash deposits and money market funds**.**
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March**,** 30 September
Distribution dates	31 May, 30 November
Individual Savings Account (ISA)	The Sub-Fund is a qualifying investment for inclusion in an ISA.

Minimum investment

Lump sum subscription:	A Class = £1,000 B Class = £100,000 F Class = £1,000,000
Top-up:	All Share Classes = £500
Holding:	A Class = £1,000 B Class = £100,000 F Class = £1,000,000
Redemption:	All Share Classes = £500

The ACD may at its discretion accept subscriptions lower than the minimum amount.

ACD charges

The annual management charge is comprised of a fixed element which is retained by the ACD for its own account and a variable element which is paid by the ACD to the Investment Manager.

The fixed element, which is equal to £12,500 per annum, is taken from A Class, B Class Shares and F Class Shares pro-rata to their Net Asset Value.

The variable element in respect of the A Class Shares is equal to 1.50% per annum of the Net Asset Value of the A Class Shares.

The variable element in respect of the B Class Shares is equal to 1.00% per annum of the Net Asset Value of the B Class Shares.

The variable element in respect of the F Class Shares is equal to 0.50% per annum of the Net Asset Value of the F Class Shares.

Initial Charge	A Class = 5.0% B Class = 2.0% F Class = 0.0%

Britain joined the European Economic Community on January the 1st 1973. We had already been blackballed twice in '63 and '67 by Charles De Gaulle of France (widely assumed because he had aspirations for French rather than English to be the primary language of Europe). If opinion polls of the time are to be believed (and they were back then) it was higher food prices and losing sovereignty that most vexed the public about joining the European club. In 1975 Labour's Harold Wilson called a referendum to try and extricate the UK but 66% said you know what, we're staying put.

A good couple of decades later in June 2016 the Conservative's David Cameron asked pretty much the same question and this time a majority said we should getting out (or for the benefit of the now deceased M De Gaulle, nous quittons). In many ways it was that point in our financial year that defined the moment, the past and the future as far as UK based investors are concerned. With the question of continuing membership out of the way, and the opinion polls conforming to the 21st century norm, financial markets had to quickly pass judgement on the implications. The pound went down (we seem to recall that was its usual behaviour under Harold Wilson), domestic equities went through their usual 'I'm shocked' phase before quickly working out that all those euro and dollar revenues were rather more interesting. The FTSE100 (an index suitably engorged with dollar and euro revenues) lost a few hundred points in fairly short order and then carried on along its merry way to end the year nearly 20% ahead of where it started. The Gilt market yawned and said a bit more sovereignty is maybe for the best, but oh food prices are starting to rise. Plus ca change M De Gaulle, plus ca change.

Meanwhile closer to home (at least in terms of investment strategy) the UCITS absolute return universe did little, gaining less than 1% in local currency terms, but benefitted greatly from the pound's setback to record a near 10% return when translated into sterling. Amongst all this your fund, although it didn't benefit from currency volatility, had a broadly constructive year moving gently up from 117.8 pence to 121.5 pence to record a gain of just over 3%.

As the agenda moves on to the two years of bartering about what mix of sovereignty and food prices the future holds, there is a certain irony that monetary sovereignty (our ability to exercise exclusive legal control over our currency) may well be the UK's biggest strength. Vive la livre.

icf management limited

Investment Manager to the Fund

Financial Highlights

Class F Net Accumulation GBP	**Year to 31 March 2017**	**Year to 31 March 2016**	**Year to 31 March 2015**
Changes in net assets per unit	GBp	GBp	GBp
Opening net asset value per unit	117.8422	118.7223	114.6591
Return before operating charges	6.3487	1.7595	6.5598
Operating charges (note 1)	(2.6689)	(2.6396)	(2.4966)
Return after operating charges*	3.6798	(0.8801)	4.0632
Closing net asset value per unit	121.5220	117.8422	118.7223
Retained Distribution on accumulated units	-	-	-
*after direct transaction costs of:	-	0.0118	0.0117
Performance			
Return after charges	3.12%	(0.74%)	3.54%
Other information			
Closing net asset value (note 3)	£4,746,530	£4,679,423	£4,806,649
Closing number of units	3,905,901	3,970,923	4,048,649
Operating charges (note 2)	2.23%	2.25%	2.16%
Direct transaction costs	0.00%	0.01%	0.01%
Prices			
Highest unit price	122.14	119.66	119.04
Lowest unit price	116.58	115.40	112.16

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 year.
2. The operating charges percentage is based on expenses incurred during the year annualised, as a proportion of the average net asset value of the fund together with the ongoing charges included within the underlying Open ended Investment Companies held within the fund’s holdings.

Risk Profile

Based on past data, the fund is ranked a ‘3’ on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Fund is in a lower category because funds of this type have experienced low to medium rises and falls in value in the past. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

As at 31 March 2017

Holding	Security	Value (Note 1g) £	% of Total Net Assets %
	Investment Companies 96.20% (2016 – 98.07%)		
850	Personal Assets Trust PLC	346,715	7.32
62,000	Dexion Absolute Limited	16,349	0.34
125,000	Ruffer Investment Company Limited	294,531	6.22
6,000	BH Macro Limited	127,320	2.69
100,000	S&W Kennox Strategic Value Fund	131,700	2.78
291,100	Kames UK Equity Absolute Return Fund	348,709	7.36
125,000	CF Odey UK Absolute Return Fund	335,138	7.07
140,000	Old Mutual Global Equity Absolute Return	227,248	4.79
40,000	Polar Capital - Insurance	240,592	5.08
28	Exane Funds 1 - Archimedes Fund	406,250	8.58
370,000	Premier Defensive Growth Fund	454,841	9.60
7,000	First Private Wealth Fund	448,707	9.47
700,000	Jupiter Absolute Return Fund	404,845	8.55
50	ING (L) Invest Absolute Return Bond	251,125	5.30
635,000	F & C Global Equity Market Neutral Fund	371,538	7.84
75,000	SF Metropolis Value A Accumulation	151,931	3.21
		4,557,539	96.20%
	Liquidity Funds 1.69% (2016 – 5.14%)		
40,000	Short-term Inv Co (Global Series) - £ liquidity	40,000	0.84
40,000	Deutsche Managed Sterling Fund	40,000	0.85
		80,000	1.69%
	Derivatives - Forward Currency Contract 0.02% (2016 – (0.26%))		
	Sold eur £1,110,608 Bought £1,109,697 (06.06.17)	911	0.02%
	Investment assets (2016-102.95%)	**4,638,450**	**97.91%**
	Net other assets (2016-(2.72%))	**108,081**	**2.28%**
	Adjustment to revalue assets from Mid to Bid prices (2016-(0.23%))	**(8,985)**	**(0.19)%**
	Net assets	**4,737,546**	**100.00%**

	£
Total sales for the year (note 14)	**695,573**
CF Odey Absolute Return	66,745
Dexion Absolute Ltd	79,955
First Private Wealth	85,265
Kennox Strategic Value Fund	181,000
Polar Global Insurance	122,608
Short-term Inv Co (Global Series) - £ liquidity	160,000

	£
Total purchases for the year (note 14)	**246,140**
F & C Global Equity Market Neutral Fund	113,820
SF Metropolis Value	132,320

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

STATEMENT OF TOTAL RETURN

For the year ended 31 March 2017

	Notes	31.03.17 £	31.03.17 £	31.03.16 £	31.03.16 £
Income					
Net capital gains	**2**		202,023		6,418
Revenue	**3**	11,750		15,583	
Expenses	**4**	(64,342)		(63,341)	
Interest payable and similar charges	**6**	(2)		-	
Net expense before taxation		(52,594)		(47,758)	
Taxation	**5**	-		-	
Net expense after taxation			(52,594)		(47,758)
Total return before distributions			149,429		(41,340)
Finance costs: distributions	**6**		-		-
Change in net assets attributable to shareholders from investment activities			149,429		(41,340)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March 2017

	31.03.17 £	31.03.16 £
Opening net assets attributable to shareholders	4,668,475	4,802,050
Amounts receivable on creation of shares	119,523	304,978
Amounts payable on cancellation of shares	(199,881)	(397,213)
Change in net assets attributable to shareholders from investment activities (see above)	149,429	(41,340)
Closing net assets attributable to shareholders	4,737,546	4,668,475

As at 31 March 2017

	Notes	31.03.17 £	31.03.17 £	31.03.16 £	31.03.16 £
ASSETS					
Investment assets			4,629,465		4,795,480
Current Assets					
Debtors	**7**	1,565		1,071	
Cash and bank balances	**8**	381,967		213,143	
Total other assets			383,532		214,214
Total assets			5,012,997		5,009,694
LIABILITIES					
Creditors					
Creditors	**9**	(12,369)		(129,033)	
Bank overdrafts	**8**	(263,082)		(212,186)	
Total liabilities			(275,451)		(341,219)
Net assets attributable to shareholders			4,737,546		4,668,475

For the year ended 31 March 2017

1. Accounting policies

(a) Basis of accounting
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 of the Fund is Sterling.

(b) Recognition of revenue
Revenue is included in the Statement of Total Return on the following basis:

Dividends on quoted equities and preference shares are recognised when the shares are quoted ex-dividend.

Distributions from collective investment schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distribution revenue.

Interest on bank and other cash deposits is recognised on an accrual basis.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(c) Treatment of stock and special dividends
The ordinary element of stocks received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distribution revenue.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax accounting treatment follows the treatment of the principal amount.

(d) Treatment of expenses
All expenses, except for those relating to the purchase and sale of investments, are charged against revenue for the year on an accruals basis.

(e) Taxation
Corporation tax is provided at 20% on revenue, after deduction of expenses.

Where overseas tax has been deducted from overseas income that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation purposes, calculated at the rate at which it is anticipated the timing difference will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(f) Distribution policy
The net revenue after taxation, as disclosed, in the financial statements, after adjustments for items of a capital nature, is distributable to shareholders as dividend distributions. Any revenue deficit is funded from capital.

The balance of revenue is distributed to investors via an interim and final distribution in accordance with the regulations.

Distributions not claimed within a six year period will be forfeited and added back to the capital property of the Sub-Fund.

(g) Basis of valuation of investments
Listed investments are valued at close of business mid prices, excluding any accrued interest in the case of fixed interest securities. On the last business day of the accounting year a mid to bid adjustment is made in the portfolio statement to revalue the portfolio to bid price.

Collective investment schemes are valued at quoted mid prices for dual priced funds and at quoted price for single priced funds, on the last business day of the accounting period. On the last business day of the accounting year a mid to bid adjustment is made in the portfolio statement to revalue the portfolio to bid price.

Unlisted or suspended investments are valued by the Investment Manager taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

(h) Exchange rates

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into Sterling at the closing exchange rate ruling on that date.

(i) Dilution levy

The ACD may require a dilution levy on the sale and redemption of shares if, in its opinion, the existing Shareholders (for redemption) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances: where the scheme property is in continual decline: on a Sub-Fund experiencing large levels of net sales relative to its size; on ‘large deals’; in any case where the ACD is of its opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

2	**Net capital gains**	**31.03.17**	**31.03.16**
	The net capital gains comprise:	**£**	**£**
	Non-derivative securities gains –unrealised	205,871	133,167
	realised gains/(losses)	77,307	(43,490)
	Derivative securities (losses)	(81,037)	(82,269)
	Transaction charges	(118)	(597)
	Currency (losses)	-	(393)
	Total net capital gains	202,023	6,418

3	**Revenue**	**31.03.17**	**31.03.16**
		£	**£**
	Franked investment income	11,286	10,417
	Unfranked income	-	4,118
	Bank interest	-	12
	Bond interest	464	1,036
	Total revenue	11,750	15,583

4	**Expenses**	**31.03.17**	**31.03.16**
		£	**£**
	Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
	ACD fee	36,307	36,507
	Payable to the depositary, associates of the depositary, and agents of either of them:		
	Depositary fee	17,963	18,037
	Safe custody fee	1,729	1,339
		19,692	19,376
	Other expenses		
	Audit fee	6,881	6,900
	FCA fee	64	315
	Investment Association fees	498	243
	Legal fees	900	-
		8,343	7,458
	Total expenses	64,342	63,341

		31.03.17	31.03.16
		£	£
5.	**Taxation**		
(a)	**Analysis of charge in the year**		
	Irrecoverable income tax	-	-
	Total tax charge for the year (note 5b)	-	-

(b) Factors affecting current tax charge for the year
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company (20%). The differences are explained below:

	31.03.17	31.03.16
Net expense before taxation	(52,594)	(47,758)
Corporation tax at 20%	(10,519)	(9,552)
Effects of:		
Revenue not subject to taxation	(2,257)	(2,907)
Current year expenses not utilised	12,776	12,459
Total tax charge for year (note 5a)	-	-

(c) Provision for deferred taxation

At 31 March 2017 there is a potential deferred tax asset of £82,117 (31 March 2016: £69,341) in relation to surplus management expenses. It is unlikely the Company will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

		31.03.17	31.03.16
		£	£
6.	**Finance costs**		
	Interim distribution	-	-
	Final dividend distribution	-	-
		-	-
	Add: Revenue deducted on cancellation of shares	-	-
	Deduct: Revenue received on issue of shares	-	-
		-	-
	Interest payable and similar charges	2	-
	Total finance costs	2	-

Reconciliation of distributions

	31.03.17	31.03.16
Net expenses after taxation	(52,594)	(47,758)
Allocations to capital:		
Excessive expenses paid by capital	52,594	47,758
Net distribution for the year	-	-

		31.03.17	31.03.16
7	**Debtors**	**31.03.17**	**31.03.16**
		£	**£**
	Accrued revenue	1,190	1,071
	Prepayments	375	-
	Total debtors	1,565	1,071

8	**Cash and bank balances**	**31.03.17**	**31.03.16**
		£	**£**
	Cash and bank balances	381,967	213,143
	Bank overdrafts	(263,082)	(212,186)

9	**Creditors**	**31.03.17**	**31.03.16**
		£	**£**
	Amounts payable for redemption of shares	-	118,152
	Amounts payable to the ACD, associates of the ACD and agents of either of them:		
	ACD's periodic charge	3,078	3,041
	Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
	Depositary's fees	1,529	-
	Safe custody and other bank charges	709	805
		2,238	805
	Other accrued expenses	7,053	7,035
	Total creditors	12,369	129,033

10. Units held

Units Held – Class F Net Accumulation

Opening units at 01.04.16	**3,970,923**
Units issued during the year	99,725
Units cancelled during the year	(164,747)
Units converted during the year	-
Closing units at 31.03.17	**3,905,901**

11. Financial instruments

In pursuing its investment objective as stated on page 6, the Sub-Fund holds a number of financial instruments. The Sub-Fund's financial instruments, other than derivatives, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from financial instruments, those of its underlying holdings and the ACD's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-Fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the company holds. It represents the potential loss the Sub-Fund might suffer through holding market positions in the face of price movements.

The Sub-Fund's investment portfolio is exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to Ordinary shareholders and equity for the year ended 31.03.17 would have increased/decreased by £462,946 (2016 – £479,548).

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-Fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-Fund's investment portfolio is invested in funds that are registered overseas and collective investment schemes which invest in overseas securities, and the balance sheet can be affected by movements in foreign exchange rates. The ACD may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to sterling on or near the date of receipt.

A portion of the net assets of the Sub-Fund is denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements.

Net currency monetary assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	31.03.17	31.03.16	31.03.17	31.03.16	31.03.17	31.03.16
Sterling	108,016	(127,005)	3,523,384	3,695,925	3,631,400	3,568,920
Euro	65	-	1,106,081	1,099,555	1,106,146	1,099,555
Total	108,081	(127,005)	4,629,465	4,795,480	4,737,546	4,668,475

Interest rate risk
The table below details the interest rate risk profile at the balance sheet date

31.03.17			
Currency	**Floating rate financial assets**	**Financial assets not carrying interest**	**Total**
	£	**£**	**£**
Sterling	381,902	3,524,949	3,906,851
Euros	65	1,106,081	1,106,146
Total	381,967	4,631,030	5,012,997
	Floating rate financial liabilities	**Financial liabilities not carrying interest**	**Total**
	£	**£**	**£**
Sterling	(263,082)	(12,369)	(275,451)
Total	(263,082)	(12,369)	(275,451)

31.03.16			
Currency	**Floating rate financial assets**	**Financial assets not carrying interest**	**Total**
	£	**£**	**£**
Sterling	213,143	3,696,996	3,910,139
Euros	-	1,099,555	1,099,555
Total	213,143	4,796,551	5,009,694
	Floating rate financial liabilities	**Financial liabilities not carrying interest**	**Total**
	£	**£**	**£**
Sterling	(212,186)	(129,033)	(341,219)
Total	(212,186)	(129,033)	(341,219)

Interest rate risk is the risk that the value of the Sub-fund’s investment holdings will fluctuate as a result of changes in interest rates.

Maturity of financial liabilities
The financial liabilities of the company as at 31 March 2017 are payable either within one year or on demand.

Liquidity risk
The Sub-fund’s assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk
Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers’ financial ratings are reviewed.

Fair Value Disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

A Fair value based on a quoted price for an identical instrument in an active market.

B Fair value based on the price of a recent transaction for an identical instrument.

C1 Fair value based on a valuation technique using observable market data.

C2 Fair value based on a valuation technique that relies significantly on non-observable market data

Valuation Technique	Assets (£'000)	Liabilities (£'000)
A Quoted prices for identical instruments in active markets	4,613	-
C1 Fair value based on observable market data	16	
Total	4,629	-

12. Contingent assets and liabilities

At 31 March 2017, the fund had no contingent liabilities or commitments (31 March 2016: £nil).

13. Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 31 March 2017. Since that date, the Fund's quoted price has moved as follows for the following share class:

Share Class	Price at 31 March 2017	Price at 17 July 2017
Class F Net Accumulation	121.5220	121.8293

14. Portfolio transaction costs

	31.03.17		31.03.16	
Analysis of total purchase costs	**£**	**% of total purchases**	**£**	**% of total purchases**
Purchases in the year before transaction costs	246,140		1,092,278	
Commissions	-	0.00%	-	0.00%
Taxes	-	0.00%	-	0.00%
Levy	-	0.00%	-	0.00%
Total purchase costs	-	0.00%	-	0.00%
Total purchases including transaction costs	246,140		1,092,278	

Analysis of total sale costs	**£**	**% of total sales**	**£**	**% of total sales**
Sales in year before transaction costs	695,573		800,508	
Commissions	-	0.00%	-	0.00%
Taxes	-	0.00%	-	0.00%
Levy	-	0.00%	-	0.00%
Total sale costs	-	0.00%	-	0.00%
Total sales net of transaction costs	695,573		800,508	

Name of Sub-Fund	VT De Lisle America Fund
Size of Sub-Fund	£32,046,795
Launch date	6 August 2010
Sub-Fund objective and policy	The Sub-Fund will aim to achieve a long term return. The Sub-Fund will invest primarily in equities and other investments in America (and may also invest in Canada). The Sub-Fund will invest in, predominantly, listed securities, typically common stock and American Depositary Receipts listed on US exchanges, including exchange traded funds. The Sub-Fund may invest in collective schemes, transferable securities, cash deposits and money market funds permitted by the FCA Rules.
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March, 30 September
Distribution dates	31 May, 30 November
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.

Minimum investment

Lump sum subscription:	All share classes £1,000 (or $1,000)
Top-up:	All share classes £500 (or $500)
Holding:	All share classes £1,000 (or $1,000)
Redemption:	All share classes £500 (or $500)

The ACD may at its discretion accept subscriptions lower than the minimum amount.

ACD charges

The annual management charge is comprised of a fixed element which is retained by the ACD for its own account and a variable element which is paid by the ACD to the Investment Manager.

The fixed element, which is equal to £12,500 per annum, is taken from A Class and B Class Shares pro-rata to their Net Asset Value.

The variable element in respect of the A Class Shares (£) is equal to 1.50% per annum of the Net Asset Value of the A Class Shares (£).

The variable element in respect of the B Class Shares (£) is equal to 1.00% per annum of the Net Asset Value of the B Class Shares (£).

The variable element in respect of the B Class Shares ($) is equal to 1.00% per annum of the Net Asset Value of the B Class Shares ($).

Initial Charge	Class A Net Accumulation GBP = 5.0% Class B Net Accumulation GBP = 2.0% Class B Net Accumulation USD = 2.0%

Investment Manager's Report
For the period from 1st April 2016 to 31st March 2017.

Investment Objectives and Policy
The VT De Lisle America Fund seeks to achieve capital appreciation by investing in US smaller companies. We have 103 holdings. 25 are over $1 billion in market capitalisation and are typically less than $2 billion in market capitalisation. 15 are between $500 and $1 billion in capitalisation. The Fund does not hedge its dollar exposure.

Manager's Review
The share classes within the VT De Lisle America Fund rose by 49.52% (-0.28% 2016) for the Class B GBP and by 29.43% (-2.94% 2016) for the Class B USD in the year ending 31st March 2017 while the S&P500 Index rose by 14.71%. Our performance was better than any index we might be compared with. The nearest index to us, and the best performer of all indices, was the S&P600 (Small Cap) which was up 22.87%. The value component of this, with which we are aligned, was up 22.35%.

There were few changes in the economic environment in the last year and few in prospect despite rapid change in the political environment. Last year's annual report could be reissued today. We had strong outperformance until December 9th 2016 and performance has eroded ever since. This was due to optimism, subsequently fading, about spending policies which favourably skew small company performance.

We have accurately stayed away from broken sectors: retail, energy, and commodities. We have stayed away from over-leveraged stocks, which underperform because of the persistent disappointment with growth. We feel the two questions are: What jobs will our children do? And how will they spend their time? We approach from different angles but the paths converge in similar places. For instance, we have ended up holding many different types of outdoor leisure specialist, a healthy food manufacturer and even an indulgent food manufacturer. Demographics have always been very important and they are changing. We have been with the baby boomers for ever. We have, as ever, pets, cemeteries and nursing homes. Yet baby boomer themes are well known, hard to exploit and are weakening in their power. We are passing through an inflection point where the behaviour of their children is interesting and is less well understood. It is an insight to listen to the Thor CEO talking about the love of millennials for RVs: so useful for pop festivals. For decades RVs have been for retirees. We have examined every way to play this theme.

Behavioural changes, combined with the ever-aging demographic and ever greater indebtedness, mean GNP growth as we knew it will be at a lower rate on a secular basis, even as the rate of improvement in the quality of life may be actually increasing. Thus the low inflation and low interest rate paradigm is justified and permanent. This makes the nine year underperformance of value stocks justified. We missed it. I'm sorry. It also makes the record levels of the Cape-Shiller index reasonable and the hard and fast lessons from the past about mean reversion are no longer valid, which is a relief because we don't want to actually worry about stock price levels. In funds I run, I last went to significant levels of liquidity in 2001 and so it is not a procedure that comes naturally.

If the revaluation of growth in a permanent low interest, low inflation environment is justified, should we even now reconsider strategy? Having convinced ourselves that Cape-Shiller is not relevant, should we not ask how long growth P/Es can expand, with one eye on the ever lower bond yields? The trick would seem to be in the risk/reward calculation. I was quite happy in steady growth stocks in the 80s and 90s as bond yields were double and stock P/Es were half, even after a 20 year disinflation bull run. Today, with the 10 year bond at 2.15% and core inflation at 1.5%, below 2% target, I wonder how much further this can be pushed? Even if yields stay here, the revaluation of growth has already occurred and future stock price increases would be dependent on actual earnings growth, which does, as we know, still mean revert and at a faster rate than people expect.

With little interruption, growth stocks have been in the ascendant since 1980, yet value remains the asset class of choice. How can this be? Without an analysis of survivor bias and mean reversion, here is one example: we hold Horizon Global and not Tesla. Our stock, 1.7% of the Fund, makes tow-bars, cycle racks and other such auto peripherals. Its roots go back over 100 years and its brand names are strong with decent margins and a P/E lower than the market. In addition, it is a spin-off with just a $360 million market capitalisation and is almost unknown; all attributes of an outperforming asset class. It is 0.45 times sales versus Tesla at 5.1 times sales, thus making it over 11 times cheaper on one of the standard measures of value. With the growth in RVs and the outdoors, it is as much a demographic play as Thor and is growing well, yet this year has gone from $24 to $15. Over this same period, Tesla has gone from $215 to $370 which is a relative outperformance to Horizon Global of 175%. How dangerous is it to add to Horizon Global here, even with growth running?

Everyone is getting busier as it is easier to be busy. Last year I wrote about the decline of direct interpersonal activity and this trend continues with recent figures showing alcohol consumption now declining in many countries. We are not inclined to benefit from Facebook, Netflix and Nvidia but realised it was time to leave craft brewing several years ago. The challenge is to invest in beneficiaries of this theme. The busyness pursues experience over stuff but we have ruled out virtual experiences because the stock market values them highly and I don't understand the desire beyond recognising the symptoms of addiction. There we have two reasons why we could never have caught, with any conviction, the rocket known as Nvidia. We are left investing in real world experiences as the pathways to our investment choices merge into the usual suspects.

A big and obscure way to play this theme is through community banks which accelerated in an uptrend in 2016 to become half the total portfolio. They are a play on their local economies where they lend to individuals and small businesses. We continue to hold this large weighting as they recover from the last recession and their P/Es steadily improve. They are chosen for the benign and steady state of their communities and corporate philosophies. Many are undiscovered. The experiential part is that they are in attractive places to live. Last year I wrote that FS Bancorp was undiscovered. It was 2.5% of the portfolio, $25 and unfollowed. It is now $45, has risen to 7.4% of the portfolio and has been picked up by two small brokers. It is in the Seattle suburbs and the Olympic National Park to the west and had failed to respond properly to a value-enhancing acquisition for some six months or so.

We followed this by buying Bar Harbor Bankshares on the coast of Maine and also just under the Canadian border. This bank, founded in 1887, dominates, for example, Mount Desert Island, with banks in pastel coloured clapboard buildings on Main Streets in towns which look like they are part of a film set. The idea is not to make money from loans to mend lobster pots, pleasing as that may be. It is to make money from that quaint new build at the end of the street, with attractive views of the harbour, which is in fact an intelligent cottage, where an escapee from the big city is running a new business. The UK analogy would be buying a Bank of The New Forest or a Bank of Mull.

We’re not just in National Parks. We’re betting on increasing population in South Dakota, the lifestyle around Chesapeake Bay and thirty more areas in what the Democrats used to call the ‘flyover states’. We also retain our slant towards ethnic banks, such as German American Bancorp in Jasper, Indiana which have been working for us for many years. Chinese banks, Korean banks and farmers’ banks are still there, still doing well, yet community banks are the principal reason we have underperformed in 2017. We should have sold heavily but we sold lightly. We would now be starting to buy back even though we are not expecting much in the form of interest rate rises. Although higher rates would improve margins and earnings, the underlying investment thesis is not a macro financial overview.

Outlook
The outlook for the Fund is based on our ability to participate in these changing lifestyles in the US. As ever, certain qualities within companies based on their balance sheets, ownership and size give us an edge as we know which characteristics have typically led to outperformance. The double edge is that this also keeps us out of the exciting companies which have been giving the best performance. The Fund has grown in the last year and is now at $39 million or £31 million, a size where we retain flexibility to invest in these small companies. We were recommended by CityWire last autumn which produced a welcome flurry of investment though net flows are now quiet again. The market capitalisation of each of our companies has risen quite substantially although that is partly a factor of our low turnover. Companies raise their capitalisations over time as their share prices rise but also through the natural flow of mergers, acquisitions or being acquired.

Our long run dollar rate of return is around 10% a year and I would like to say that is the expected return as a result of our investment techniques. But we will never really know.

Richard de Lisle
De Lisle Partners LLP
Investment Manager to the Fund

Financial Highlights

Class B GBP Net Accumulation

		Year to 31 March 2017	**Year to 31 March 2016**	**Year to 31 March 2015**
Changes in net assets per unit		GBp	GBp	GBp
	Opening net asset value per unit	237.3597	238.0148	193.4598
	Return before operating charges	121.0285	2.0288	47.0503
	Operating charges (note 1)	(3.4943)	(2.6839)	(2.4953)
	Return after operating charges*	117.5342	(0.6551)	44.5550
	Closing net asset value per unit	354.8939	237.3597	238.0148
	Retained distributions on accumulated units	1.1580p	1.1700p	0.0011p
	*after direct transaction costs of:	0.4146	0.3565	0.2157
Performance				
	Return after charges	49.52%	(0.28%)	23.03%
Other information				
	Closing net asset value	£16,699,369	£8,932,448	£9,359,762
	Closing number of units	4,705,454	3,763,254	3,932,428
	Operating charges (note 2)	1.18%	1.22%	1.23%
	Direct transaction costs	0.14%	0.15%	0.10%
Prices				
	Highest unit price	370.46	241.20	238.01
	Lowest unit price	233.55	199.86	181.27

Class B USD Net Accumulation

		Year to 31 March 2017	**Year to 31 March 2016**	**Year to 31 March 2015**
Changes in net assets per unit		USDc	USDc	USDc
	Opening net asset value per unit	221.4912	228.2065	208.3662
	Return before operating charges	68.1816	(4.0951)	22.4366
	Operating charges (note 1)	(2.9982)	(2.6202)	(2.5963)
	Return after operating charges*	65.1834	(6.7153)	19.8403
	Closing net asset value per unit	286.6746	221.4912	228.2065
	Retained distributions on accumulated units	0.7841	0.7600	0.0007
	*after direct transaction costs of:	0.3557	0.3373	0.2183
Performance				
	Return after charges	29.43%	(2.94%)	9.52%
Other information				
	Closing net asset value	$19,222,100	$15,284,807	$16,289,522
	Closing number of units	6,705,198	6,900,863	7138,063
	Operating charges (note 2)	1.18%	1.22%	1.23%
	Direct transaction costs	0.14%	0.15%	0.10%
Prices				
	Highest unit price	295.21	230.00	228.91
	Lowest unit price	217.35	193.58	196.44

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 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 because funds of this type have experienced relatively high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

As at 31 March 2017

Holding	Security	Value (Note 1g) £	% of Total Net Assets %
	Financials 59.71% (2016 – 48.65%)		
1,478	Access National Corporation Common	35,532	0.11%
3,698	American National Bankshares	110,533	0.34%
4,000	Ameris Bancorp	149,109	0.46%
13,779	BCB Bancorp	183,374	0.57%
25,372	Bank of South Carolina	434,445	1.35%
12,727	Bar Harbour Bankshares Common Stock	328,854	1.03%
14,901	BNC Bancorp	420,863	1.31%
9,300	Cardinal Financial	224,883	0.70%
28,673	Carolina Bank Holdings	383,220	1.19%
143,259	Cascade Bancorp	899,539	2.81%
4,500	Central Pacific Financial	112,211	0.35%
37,539	Compass Diversified Holdings	493,577	1.54%
8,097	DNB Financial	219,589	0.69%
36,038	Eastern Virginia Bankshares	302,246	0.94%
2,000	East West Bancorp	84,238	0.26%
13,712	Farmers Capital Bank	443,983	1.39%
11,223	First Bancorp	266,337	0.83%
1,500	First Busey Corporation	35,639	0.11%
4,275	First Interstate Bancsystem	137,496	0.43%
3,900	First Merchants	124,071	1.13%
107,645	FNB Corporation	1,302,129	4.06%
63,200	FS Bancorp	1,883,719	5.88%
2,808	Home Bancorp	76,648	0.24%
21,819	Mercantile Bank Corp	618,707	1.93%
11,306	German American Bancorp	439,839	1.37%
6,500	Hanmi Financial Corp	161,665	0.51%
22,080	Landmark Bancorp	532,586	1.66%
17,200	Medallion Financial	30,315	0.10%
23,400	Middleburg Financial Corp	729,489	2.28%
19,221	Mid Penn Bancorp	424,038	1.32%
23,934	Pacific Continental	473,241	1.48%
28,267	People's Bancorp of North Carolina	645,960	2.02%
11,373	Park Sterling Corporation	111,456	0.35%
2,800	Preferred Bank	121,373	0.38%
16,153	Select Bancorp	142,153	0.44%
9,809	Southern First Bancshares	258,930	0.81%
37,463	Southern National Bancorp of Virginia	505,964	1.58%
1,000	The Goldman Sachs Group Inc. Common Stock	185,559	0.58%
121,819	Towne Bank	3,220,564	10.05%
10,900	United Bankshares	372,188	1.16%
8,117	West Bancorporation	151,177	0.47%
32,407	Westwood Holdings	1,358,315	4.24%
		19,135,754	**59.71%**

Holding	Security	Value (Note 1g) £	% of Total Net Assets %
	Consumer Staples 1.45% (2016 – 2.29%)		
8,851	Calavo Growers	412,822	1.29%
16,432	Female Helth Co	13,854	0.04%
4,056	Rocky Mountain Chocolate Factory	36,525	0.12%
		463,201	**1.45%**
	Materials 6.78% (2016 – 7.96%)		
10,000	AK Steel Holdings Corporation	58,014	0.18%
10,000	Cliffs Natural Resources	66,364	0.21%
54,511	Handy & Harman	1,199,295	3.74%
10,000	Ryoner Advanced Materials Inc	105,388	0.33%
2,000	Steel Dynamics	55,476	0.17%
5,500	Stepan Co	345,483	1.08%
17,129	UFP Technologies	343,158	1.07%
		2,173,178	**6.78%**
	Consumer Discretionary 14.45% (2016 – 16.56%)		
1,500	Blue Buffalo Pet Products	27,774	0.08%
40,152	Carriage Services	871,454	2.72%
64,928	Crown Crafts	428,804	1.34%
41,600	Horizon Global Corp	469,478	1.46%
24,874	Johnson Outdoors - Class A	718,917	2.24%
2,000	LCI Industries	160,511	0.50%
67,039	Marine Products	587,278	1.83%
56,209	Shiloh Industries	594,631	1.86%
6,459	Strattec Security Corp	139,900	0.44%
77,921	Summer Infant	118,877	0.37%
3,318	Superior Uniform Group	50,420	0.16%
3,500	Thor Industries	271,999	0.68%
40,823	U-Swirl Inc	770	0.00%
1,226	West Marine	9,278	0.03%
10,000	Winnebago Industries	235,467	0.74%
		4,685,558	**14.45%**

Holding	Security	Value (Note 1g) £	% of Total Net Assets %
	Industrials 12.85% (2016 – 11.63%)		
5,434	Alamo Group	336,974	1.05%
5,000	Allied Motion Technologies	80,255	0.25%
5,500	AZZ Inc Common Stock	257,357	0.80%
7,500	Blue Bird Corporation	103,130	0.32%
2,110	Espey Manufacturing and Electronics	40,213	0.12%
10,000	Fortive Corporation Common Stock	478,802	1.49%
15,830	Gencor Industries	189,708	0.59%
2,769	Gorman-Rupp Co	69,592	0.22%
4,500	Granite Construction Incorporated	181,622	0.57%
21,780	Hardinge	194,471	0.61%
2,924	Hyster-Yale Materials	131,056	0.41%
1,500	Jacobs Engineering Group	66,629	0.21%
27,161	Jewett-Cameron Trading	267,706	0.83%
71,568	Manitex International	384,734	1.20%
10,000	The Manitowoc Corporation	46,612	0.15%
5,000	NN Inc	99,667	0.31%
22,649	Orion Marine Group	135,941	0.42%
15,100	Primoris Services Corporation	227,957	0.87%
2,000	Toro	101,678	0.32%
10,000	Tutor Perini Corp	249,920	0.78%
22,014	Vectrus	387,022	1.21%
1,000	XPO Logistics	38,080	0.12%
		4,119,126	**12.85%**
	Information Technology 2.81% (2016 – 4.33%)		
1,900	Clearone Inc	14,722	0.04%
64,803	Computer Task Group	285,666	0.89%
14,700	Gerber Scientific	0	0.00%
1,500	Microsoft Corporation	79,143	0.25%
10,352	Mocon	183,076	0.57%
22,250	Moduslink Global Solutions	32,694	0.10%
19,548	Wayside Technology Group	293,126	0.92%
20,600	Westell Technologies Inc	11,248	0.04%
		899,675	**2.81%**
	Energy 0.56% (2016 – 1.23%)		
8,000	McDeremott International	42,749	0.13%
4,000	Murphy Oil Corporation	90,846	0.28%
2,500	SM Energy Compnay	46,863	0.15%
		180,458	**0.56%**
	Health 2.12% (2016 – 6.60%)		
2,061	National Research Class A	32,105	0.10%
5,001	National Research Class B	160,663	0.50%
28,272	Span-America Medical Systems	487,053	1.52%
		679,821	**2.12%**

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	Value (Note 1g) £	% of Total Net Assets %
Investment assets (2016 – 99.25%)	**32,336,771**	**100.90%**
Net other assets (2016 – 1.02%)	**(202,924)**	**(0.63)%**
Adjustment to revalue assets from Mid to Bid prices (2016 – (0.27%))	**(87,052)**	**(0.27)%**
Net assets	**32,046,795**	**100.00%**

	£
Total sales for the year (note 14)	**10,770,651**
Actuity Brands	265,248
Cardinal Financial	382,410
Compass Minerals International	511,068
DPX Enterprises	434,656
Fortive Corporation	440,035
First Merchants	431,667
Marine Products	479,583
Rite Aid Corporation	412,879
United Bankshares	413,821
Westwood Holdings Group	380,595

	£
Total purchases for the year (note 14)	**14,538,332**
Cardinal Financial	452,530
Cascade Bancorp	637,507
Compass Diversified	456,383
Compass Materials	374,995
Fortive Corporation	880,893
FS Bancorp	828,530
Horizon Global	331,579
Middleburg Financial	678,404
Murphy Oil Corporation	317,318
United Bankshares	567,716

The above transactions represent the major sales and purchases during the year.

For the year ended 31 March 2017

	Notes	£	31.03.17 £	£	31.03.16 £
Income					
Net capital gains/(losses)	**2**		9,627,403		(217,792)
Revenue	**3**	482,793		380,398	
Expenses	**4**	(312,105)		(226,768)	
Interest payable and similar charges	**6**	(566)		(234)	
Net revenue before taxation		170,122		153,396	
Taxation	**5**	(67,230)		(56,198)	
Net revenue after taxation			102,892		97,198
Total return before distributions			9,730,295		(120,594)
Finance costs: distributions	**6**		(102,892)		(97,198)
Change in net assets attributable to shareholders from investment activities			9,627,403		(217,792)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March 2017

	31.03.17 £	31.03.16 £
Opening net assets attributable to shareholders	19,491,301	20,315,848
Amounts receivable on creation of shares	10,578,176	552,282
Amounts payable on cancellation of shares	(7,789,785)	(1,258,774)
Distribution accumulated	104,091	96,857
Dilution Levy	35,609	2,880
Change in net assets attributable to shareholders from investment activities (see above)	9,627,403	(217,792)
Closing net assets attributable to shareholders	32,046,795	19,491,301

As at 31 March 2017

	Notes	31.03.17 £	31.03.17 £	31.03.16 £	31.03.16 £
ASSETS					
Investment assets			32,249,719		19,293,007
Current Assets					
Debtors	**7**	183,991		39,789	
Cash and bank balances	**8**	190,878		315,502	
Total other assets			374,869		355,291
Total assets			32,624,588		19,648,298
LIABILITIES					
Creditors					
Creditors	**9**	(577,793)		(126,965)	
Bank overdrafts	**8**	-		(30,032)	
Total liabilities			(577,793)		(156,997)
Net assets attributable to shareholders			32,046,795		19,491,301

For the year ended 31 March 2017

1. Accounting policies

(a) Basis of accounting
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 of the Fund is Sterling.

(b) Recognition of revenue
Revenue is included in the Statement of Total Return on the following basis:

Dividends on quoted equities and preference shares are recognised when the shares are quoted ex-dividend.

Interest on bank and other cash deposits is recognised on an accrual basis.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(c) Treatment of stock and special dividends
The ordinary element of stocks received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distribution revenue.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax accounting treatment follows the treatment of the principal amount.

(d) Treatment of expenses
All expenses, except for those relating to the purchase and sale of investments, are charged against revenue for the year on an accruals basis.

(e) Taxation
Corporation tax is provided at 20% on revenue, after deduction of expenses.

Where overseas tax has been deducted from overseas income that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation purposes, calculated at the rate at which it is anticipated the timing difference will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(f) Distribution policy
The net revenue after taxation, as disclosed, in the financial statements, after adjustments for items of a capital nature, is distributable to shareholders as dividend distributions. Any revenue deficit is funded from capital.

The balance of revenue is distributed to investors via an interim and final distribution in accordance with the regulations.

Distributions not claimed within a six year period will be forfeited and added back to the capital property of the Sub-Fund.

(g) Basis of valuation of investments
Listed investments are valued at close of business mid prices, excluding any accrued interest in the case of fixed interest securities. On the last business day of the accounting year a mid to bid adjustment is made in the portfolio statement to revalue the portfolio to bid priced.

Unlisted or suspended investments are valued by the Investment Manager taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

(h) Exchange rates

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the closing exchange rate ruling on that date.

(i) Dilution levy

The ACD may require a dilution levy on the sale and redemption of shares if, in its opinion, the existing Shareholders (for redemption) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances: where the scheme property is continual decline: on a Sub-Fund experiencing large levels of net sales relative to its size; on ‘large deals’; in any case where the ACD is of its opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

(j) Equalisation

Equalisation will be applied to the Fund. An allocation of income to be made in respect of each share is issued or sold by the ACD during an accounting period in respect of which that income allocations 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 Shares may be the actual amount of income included in the issue price of the shares in question or it may be an amount arrived 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.

		31.03.17	31.03.16
2	**Net capital gains**	**31.03.17**	**31.03.16**
	The net capital gains/(losses) comprise:	**£**	**£**
	Non-derivative securities gains –unrealised	9,044,845	745,865
	realised gains/(losses)	382,389	(936,124)
	Transaction charges	(8,351)	(7,711)
	Currency gains/(losses)	208,520	(19,822)
	Total net capital gains/(losses)	9,627,403	(217,792)

3	**Revenue**	**31.03.17**	**31.03.16**
		£	**£**
	Overseas dividends	482,793	380,398
	Total revenue	482,793	380,398

4	**Expenses**	**31.03.17**	**31.03.16**
		£	**£**
	Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
	ACD fee	12,474	12,526
	Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
	Investment manager’s fee	264,327	185,741
	Payable to the depositary, associates of the depositary, and agents of either of them:		
	Depositary fee	18,370	18,037
	Safe custody fee	8,948	3,009
		27,318	21,046
	Other expenses		
	Audit fee	6,900	6,900
	FCA fee	63	315
	Investment association fee	123	240
	Legal fees	900	-
		7,986	7,455
	Total expenses	312,105	226,768

5.	**Taxation**	**31.03.17**	**31.03.16**
		£	**£**
(a)	**Analysis of charge in the year**		
	Irrecoverable income tax	67,230	56,198
	Total tax charge for the year (note 5b)	67,230	56,198

(b) Factors affecting current tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an open-ended investment company (20%). The differences are explained below:

	31.03.17 £	31.03.16 £
Net revenue before taxation	170,122	153,396
Corporation tax at 20%	34,024	30,680
Effects of:		
Overseas dividends	(96,559)	(76,080)
Current year expenses not utilised	62,535	45,400
Overseas tax expenses	67,230	56,198
Total tax charge for year (note 5a)	67,230	56,198

(c) Provision for deferred taxation

At 31 March 2017 there is a potential deferred tax asset of £277,117 (31 March 2016: £214,582) in relation to surplus management expenses. It is unlikely the Company will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6.	**Finance costs**	**31.03.17**	**31.03.16**
		£	**£**
	Interim distribution	46,163	28,347
	Final dividend distribution	57,928	68,510
		104,091	96,857
	Add: Revenue deducted on cancellation of shares	7,605	606
	Deduct: Revenue received on issue of shares	(8,804)	(265)
		102,892	97,198
	Interest payable and similar charges	566	234
	Total finance costs	103,458	97,432
	Reconciliation of distributions		
	Net revenue after taxation	102,892	97,198
	Net distribution for the year	103,892	97,198

		31.03.17	31.03.16
7	**Debtors**	**£**	**£**
	Overseas dividends	45,009	39,609
	Outstanding trade settlements	61,184	-
	Prepayments	-	180
	Income tax recoverable	24,191	-
	Outstanding subscriptions	53,607	-
	Total debtors	183,991	39,789

		31.03.17	31.03.16
8	**Cash and bank balances**	**£**	**£**
	Cash and bank balances	190,878	315,502
	Bank overdrafts	-	(30,032)

		31.03.17	31.03.16
9	**Creditors**	**£**	**£**
	Amounts payable to the ACD, associates of the ACD and agents of either of them:		
	ACD's periodic charge	1,062	1,059
	Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them		
	Investment Manager's fee	27,315	16,567
	Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
	Depositary's fees	1,529	-
	Safe custody and other bank charges	7,852	4,167
		9,381	4,167
	Other expenses:		
	Audit fee	6,900	6,900
	FCA fee	172	315
		7,072	7,215
	Outstanding settlements	-	97,957
	Outstanding redemptions	532,963	-
	Total creditors	577,793	126,965

10. Units held

Units Held – Class B Net Accumulation GBP

Opening units at 01.04.16	**3,763,254**
Units issued during the year	3,124,941
Units cancelled during the year	(2,182,741)
Units converted during the year	-
Closing units at 31.03.17	**4,705,454**

Units Held – Class B Net Accumulation USD

Opening units at 01.04.16	**6,900,863**
Units issued during the year	113,878
Units cancelled during the year	(309,543)
Units converted during the year	-
Closing units at 31.03.17	**6,705,198**

11. Financial instruments

In pursuing its investment objective as stated on page 21, the Sub-fund holds a number of financial instruments. The Sub-Fund's financial instruments, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-Fund's financial instruments, those of its underlying holdings and the ACD's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-Fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the company holds. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements.

The Sub-Fund's investment portfolio is exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.17 would have increased/decreased by £3,224,972 (2016 – £1,929,301).

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-Fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-Fund's investment portfolio is invested in funds that are registered overseas and the balance sheet can be affected by movements in foreign exchange rates. Revenue received in other currencies is converted to sterling on or near the date of receipt.

A portion of the net assets of the Sub-Fund is denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements. If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.17 would have increased/decreased by £3,186,395 (2016 – £1,952,119).

Net currency monetary assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets and liabilities		Total net assets	
	£		£		£	
	31.03.17	31.03.16	31.03.17	31.03.16	31.03.17	31.03.16
Sterling	(210,956)	(29,893)	-	-	(210,956)	(29,893)
US Dollar	8,032	228,187	32,249,719	19,293,007	32,257,751	19,521,194
Total	(202,924)	198,294	32,249,719	19,293,007	32,046,795	19,491,301

Interest rate risk
The table below details the interest rate risk profile at the balance sheet date.

31.03.17			
Currency	**Floating rate financial assets**	**Financial assets not carrying interest**	**Total**
	£	**£**	**£**
Sterling	182,845	-	182,845
US Dollar	8,033	32,433,710	32,441,743
Total	190,878	32,433,710	32,624,588
	Floating rate financial liabilities	**Financial liabilities not carrying interest**	**Total**
	£	**£**	**£**
Sterling	-	(577,793)	(577,793)
US Dollar	-	-	-
Total	-	(577,793)	(577,793)

31.03.16			
Currency	**Floating rate financial assets**	**Financial assets not carrying interest**	**Total**
	£	**£**	**£**
Sterling	28,967	180	29,147
US Dollar	286,535	19,332,616	19,619,151
Total	315,502	19,332,796	19,648,298
	Floating rate financial liabilities	**Financial liabilities not carrying interest**	**Total**
	£	**£**	**£**
Sterling	(30,032)	(29,008)	(59,040)
US Dollar	-	(97,957)	(97,957)
Total	(30,032)	(126,965)	(156,997)

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

Maturity of financial liabilities
The financial liabilities of the company as at 31 March 2017 are payable either within one year or on demand.

Liquidity risk
The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk
Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Fair Value Disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

A Fair value based on a quoted price for an identical instrument in an active market.

B Fair value based on the price of a recent transaction for an identical instrument.

C1 Fair value based on a valuation technique using observable market data.

C2 Fair value based on a valuation technique that relies significantly on non-observable market data

Valuation Technique	Assets (£'000)	Liabilities (£'000)
A Quoted prices for identical instruments in active markets	32,250	-
Total	32,250	-

12. Contingent assets and liabilities
At 31 March 2017, the fund had no contingent liabilities or commitments (31 March 2016: £nil).

13. Post balance sheet events
As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 31 March 2017. Since that date, the Fund's quoted mid price has moved as follows for each share class:

Share Class	Price at 31 March 2017	Price at 17 July 2017
Class B Net Accumulation GBP	354.8939p	355.8692p
Class B Net Accumulation USD	286.6746c	301.6298c

14. Portfolio transaction costs

	31.03.17		31.03.16	
Analysis of total sale costs	**£**	**% of total sales**	**£**	**% of total sales**
Sales in year before transaction costs	10,784,276		7,896,227	
Commissions	(13,528)	0.13%	(11,651)	0.15%
Taxes & levies	(7)	0.00%	-	0.00%
Total sale costs	(13,625)	0.13%	(11,651)	0.15%
Total sales net of transaction costs	10,770,651		7,884,576	

	31.03.17		31.03.16	
Analysis of total purchase costs	**£**	**% of total purchases**	**£**	**% of total purchases**
Purchases in the year before transaction costs	14,517,443		7,148,973	
Commissions	20,888	0.14%	10,823	0.15%
Taxes & levis	1	0.00%	-	0.00%
Total purchase costs	20,889	0.14%	10,823	0.15%
Total purchases including transaction costs	14,538,332		7,159,796	

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the year:

	2017 £	% of average net asset value	2016 £	% of average net asset value
Commissions	34,416	0.13%	22,474	0.11%
Taxes & Levies	8	0.00%	-	0.00%
	34,424	0.13%	22,474	0.11%

Final distribution in pence per share
Group 1 – Shares purchased prior to 01 October 2016
Group 2 – Shares purchased on or after 01 October 2016 and on or before 31 March 2017.

01 October 2016 to 31 March 2017

Class B Net Accumulation GBP	**Dividend accumulated 31.05.2017**	**Equalisation**	**Distribution accumulated 31.05.2017**	**Distribution accumulated 31.05.2016**
Group 1	0.6368	-	0.6368	0.8300
Group 2	0.1790	0.4568	0.6368	0.8300

Class B Net Accumulation USD	**Dividend accumulated 31.05.2017**	**Equalisation**	**Distribution accumulated 31.05.2017**	**Distribution accumulated 31.05.2016**
Group 1	0.4171	-	0.4171	0.5400
Group 2	0.2097	0.2074	0.4171	0.5400

Interim distribution in pence per share
Group 1 – Shares purchased prior to 01 April 2016
Group 2 – Shares purchased on or after 01 April 2016 and on or before 30 September 2016.

01 April 2016 to 30 September 2016

Class B Net Accumulation GBP	**Dividend accumulated 30.09.2016**	**Equalisation**	**Distribution accumulated 30.09.2016**	**Distribution accumulated 30.09.2015**
Group 1	0.5212	-	0.5212	0.3400
Group 2	0.3674	0.1448	0.5212	0.3400

Class B Net Accumulation USD	**Dividend accumulated 30.09.2016**	**Equalisation**	**Distribution accumulated 30.09.2016**	**Distribution accumulated 30.09.2015**
Group 1	0.3670	-	0.3670	0.2200
Group 2	0.3621	-	0.3670	0.2200

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 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.

Authorised Status
The Mulben Investment Funds (the "Company") is incorporated in England and Wales as an ICVC under registration number IC00816. The shareholders are not liable for the debts of the Company.

The Company is authorised by the FCA as a UCITS Scheme under the COLL Sourcebook and is an umbrella company for the purposes of the OEIC Regulations with each Fund being a UCITS Scheme. The effective date of the authorisation order made by the FSA (predecessor of the FCA) was 19 May 2010.

Head Office
Valu-Trac Investment Management Ltd, Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

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

Share Capital
The minimum share capital of the Company is £1 and the maximum is £150,000,000,000.

Structure of the Company
The Mulben Investment Funds is structured as an umbrella company. Provision exists for an unlimited number of Sub-Funds, and at the date of this Report two Sub-Funds, The VT icf Absolute Return Portfolio and The VT De Lisle America Fund are authorised.

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

Holders of income shares are entitled to be paid the revenue attributable to such shares in respect of each accounting period.

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 Ltd
Orton, Fochabers, Moray, IV32 7QE
Or by email to:
icf@valu-trac.com for deals relating to The VT ICF Absolute Return Portfolio
delisle@valu-trac.com for deals relating to The VT De Lisle America Fund

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 by 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.

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Authorised Corporate Director, Administrator & Registrar	Valu-Trac Investment Management Limited Orton Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 E-mail: icf@valu-trac.com delisle@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 Managers	For VT icf Absolute Return Portfolio icf Management Limited 40 Gracechurch Street London EC 3V 0BT For VT De Lisle America Fund: De Lisle Partners LLP Cliff House 8A Westminster Road Poole BH13 6JW Both authorised and regulated by the Financial Conduct Authority
Fund Managers	The VT icf Absolute Return Portfolio Mark Lynam Jeremy Suffield The VT De Lisle America Fund Richard de Lisle
Depositary	National Westminster Bank Plc Younger Building, 1st Floor 3 Redheughs Avenue Edinburgh EH12 9RH Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE