

THE MULBEN INVESTMENT FUNDS

Annual Report
31 March 2013

THE MULBEN INVESTMENT FUNDS

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THE MULBEN INVESTMENT FUNDS

Directory

Authorised Corporate Director & Registrar (Up to 31 March 2012)

Phoenix Fund Services (UK) Limited
Springfield Lodge, Colchester Road, Chelmsford, Essex, CM2 5PW
Telephone: 01245 398950
Fax: 01245 398951
(Authorised and regulated by the Financial Conduct Authority)

Authorised Corporate Director & Registrar (From 1 April 2012)

Valu-Trac Investment Management Limited
Mains of Orton, Fochabers, Moray, IV32 7QE
Telephone: 01343 880217
Fax: 01343 880267
(Authorised and regulated by the Financial Conduct Authority)

Investment Managers

icf management limited
40 Gracechurch Street, London, EC3V 0BT
(Authorised and regulated by the Financial Conduct Authority)

De Lisle Partners LLP
Cliff House, 8A Westminster Road, Poole, BH13 6JW
(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 (Up to 31 March 2012)

BNY Mellon Trust & Depositary (UK) Limited
The Bank of New York Mellon Centre, 160 Queen Victoria Street, London, EC4V 4LA
(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority)

Depositary (From 1 April 2012)

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)

Auditors

Johnston Carmichael LLP CA
Chartered Accountants & Statutory Auditors
Commerce House, South Street, Elgin, IV30 1JE

THE MULBEN INVESTMENT FUNDS

Statement of the Authorised Corporate Director'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 annual 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 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 Management Association in October 2010, 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.

Anne A Laing CA

Martin J Henderson

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date **11 July 2013**

THE MULBEN INVESTMENT FUNDS

Statement of the Depositary's Responsibilities and Report of the Depositary

The depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the depositary to take reasonable care to ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Scheme sourcebook (COLL), as amended, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended (the 'OEIC Regulations'), the Company's instrument of incorporation, and prospectus in relation to the pricing of, and dealings in, shares in the Company; the application of revenue of the Company; and 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 authorised corporate director:

- (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 revenue in accordance with COLL and, where applicable, the OEIC Regulations, the instrument of incorporation and prospectus of the company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the company

National Westminster Bank Plc
1 April 2013

THE MULBEN INVESTMENT FUNDS

Independent Auditors' Report to the Members of The Mulben Investment Funds (The Company)

We have audited the Company's (or, as the case may be, each Sub-Fund's) financial statements for the year ended 31 March 2013 which comprise the Statements 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 statements for each Sub-Fund have been prepared under the accounting policies as set out therein.

This report is made solely to the Company's members, 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 Sub-Funds' members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the ACD and Auditors

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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

THE MULBEN INVESTMENT FUNDS

Independent Auditors' Report to the Members of The Mulben Investment Funds (The Company) (Continued)

Opinion

In our opinion;

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the financial position of the Company as at 31 March 2013 (and of each Sub-Fund) and of the net revenue and the net capital gains on the property of the Company (and of each Sub-Fund) for the year then ended;
- the financial statements have been properly prepared in accordance with the IMA Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Services 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.

11 July 2013

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditors
Elgin

THE MULBEN INVESTMENT FUNDS

Statement of Total Return

for the year ended 31 March 2013

		01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	Note	£	£	£	£
Income					
Net capital gains	2		3,442,341		439,812
Revenue	3	326,500		148,399	
Expenses	4	(204,518)		(228,820)	
Finance costs: Interest	6	<u>(283)</u>		<u>(517)</u>	
Net income/(expenses) before taxation		121,699		(80,938)	
Taxation	5	<u>(52,766)</u>		<u>(23,355)</u>	
Net expense after taxation			68,933		(104,293)
Total return before distributions			3,511,274		335,519
Finance costs: Distributions	6		(45,649)		-
Change in net assets attributable to shareholders from investment activities			3,465,625		335,519

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2013

	01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	£	£	£	£
Opening net assets attributable to shareholders		13,631,803		13,419,686
Amounts receivable on issue of shares	3,621,786		484,773	
Less: Amounts paid on cancellation of shares	<u>(2,468,700)</u>		<u>(608,175)</u>	
		1,153,086		(123,402)
Distribution accumulated		45,649		-
Stamp duty reserve tax		(1,028)		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		3,465,625		335,519
Closing net assets attributable to shareholders		18,295,135		13,631,803

THE MULBEN INVESTMENT FUNDS

Balance Sheet

as at 31 March 2013

	Note	£	31.03.13 £	£	31.03.12 £
ASSETS					
Investment assets			18,097,241		13,570,022
Debtors	7	152,218		50,456	
Bank balances		<u>213,360</u>		<u>164,017</u>	
Total other assets			365,578		214,473
Total assets			18,462,819		13,784,495
LIABILITIES					
Investment liabilities			-		(159)
Creditors	8	(33,181)		(37,727)	
Bank overdrafts		<u>(134,503)</u>		<u>(114,806)</u>	
Total other liabilities			(167,684)		(152,533)
Total liabilities			(167,684)		(152,692)
Net assets attributable to shareholders			18,295,135		13,631,803

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Statements

for the year ended 31 March 2013

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice ("SORP") for Financial Statements of Authorised Funds issued by the Investment Management Association in October 2010.

(b) Basis of aggregation

The aggregate financial statements represent the sum of the individual Sub-Funds within the umbrella company.

(c) 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 distributable revenue.

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

In the case of debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the effective yield basis of calculating amortization.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

(d) 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 distributable 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.

(e) Treatment of expenses

All expenses, except for those relating to the purchase and sale of investments and stamp duty reserve tax, are charged against revenue for the year on an accruals basis.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

(f) 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.

Stamp duty reserve tax suffered on surrender of shares is deducted from capital.

(g) 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.

Interim distributions may be made at the Investment Manager's discretion and the balance of revenue is distributed 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.

(h) Basis of valuation of investments

Listed investments are valued at close of business bid priced on the last business day of the accounting year excluding any accrued interest in the case of fixed interest securities.

Collective investment schemes are valued at quoted bid prices for dual priced funds and at quoted price for single priced funds, on the last business day of the accounting period.

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.

(i) 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 rates ruling on that date.

(j) 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 the opinion that the interests of remaining Shareholders require the imposition of a dilution levy.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

2. Net Capital Gains

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Non-derivative securities	2,741,791	461,389
Currency losses	706,492	(16,887)
Transaction charges	(5,942)	(4,690)
Net capital gains	3,442,341	439,812

3. Revenue

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Overseas dividends	305,897	121,505
Franked investment income	19,636	16,148
Unfranked investment income	-	8,390
Bank interest	967	2,356
Total revenue	326,500	148,399

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

4. Expenses

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Payable to the Authorised Corporate Director (ACD) associates of the ACD and agents of either of them:		
ACD's fee	22,068	68,164
Registration fees	-	6,016
	<u>22,068</u>	<u>74,180</u>
Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	<u>130,435</u>	<u>113,658</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	35,743	17,917
Safe custody and other bank charges	4,260	2,590
	<u>40,003</u>	<u>20,507</u>
Other expenses:		
Audit fee (including VAT)	11,309	17,497
FSA fee	703	2,522
Set up costs	-	(8,225)
Printing costs	-	4,888
Legal costs	-	3,793
	<u>12,012</u>	<u>20,475</u>
Total expenses	204,518	228,820

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

5. Taxation

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
(a) Analysis of charge in the period		
Overseas tax	52,766	23,355
Total tax charge (note 5b)	52,766	23,355
<hr/>		
(b) Factors affecting taxation charge for the period		
Net income/(expense) before taxation	121,699	(80,938)
Corporation tax at 20%	24,340	(16,188)
Effects of:		
Non taxable dividends	(61,179)	(24,301)
UK non taxable dividends	(3,927)	(3,230)
Surplus management expenses	40,766	43,719
Overseas tax expenses	52,766	23,355
Total tax charge (note 5a)	52,766	23,355

(c) Deferred Tax

At the period end there is a potential deferred tax asset of £114,968 in relation to surplus management expenses. It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax has been recognized in the current period.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

6. Finance Costs

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Distributions		
The distributions take account of income received on the creation of shares and revenue deducted on cancellation of shares and comprise:		
Final	45,649	-
Finance costs: Distributions	45,649	-
Finance costs: Interest	283	517
Total finance costs	45,932	517

Reconciliation of net expense after taxation to net distributions:

Net revenue/(expense) after taxation per statement of total return	68,933	(104,293)
Revenue deficit carried forward from earlier periods	(58,255)	-
Revenue deficit at period end funded from capital	34,971	104,293
Finance costs: Distributions	45,649	-

7. Debtors

	31.03.13	31.03.12
	£	£
Overseas dividends	12,092	5,083
Unfranked dividends	1,190	1,050
Outstanding subscriptions	138,936	-
Outstanding trades	-	44,323
Total debtors	152,218	50,456

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

8. Creditors

	31.03.13	31.03.12
	£	£
Amounts payable to the Authorised Corporate Director (ACD), associates of the ACD and agents of either of them:		
ACD's fee	1,918	8,571
Registration fees	-	1,496
	<u>1,918</u>	<u>10,067</u>
Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	<u>12,523</u>	<u>9,626</u>
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	2,762	1,479
Safe custody and other bank charges	2,084	378
	<u>4,846</u>	<u>1,857</u>
Other expenses:		
FCA fee	208	-
Audit fee	13,686	16,177
	<u>13,894</u>	<u>16,177</u>
Total creditors	<u>33,181</u>	<u>37,727</u>

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

9. Related Party Transactions

Authorised Corporate Director and other fees payable to Valu-Trac Investment Management Limited (the ACD) are disclosed in note 4 and amounts due at the period end are shown in note 8.

Management fees payable to the Investment Managers are disclosed in note 4 and amounts due at the period end are shown in note 8.

Depositary and other fees payable to National Westminster Bank plc are disclosed in note 4 and amounts due at the period end are shown in note 8.

10. Contingent Liabilities and Commitments

Details of contingent liabilities or outstanding commitments are set out in the notes to the accounts for the relevant Sub-Fund.

11. Derivatives and other Financial Instruments

In pursuing their investment objectives, the Sub-Funds may hold a number of financial instruments. These financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from the Sub-Funds' operations, for example in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for redemptions and debtors for accrued revenue.

The Sub-Funds may also enter into a range of derivative transactions whose purpose is efficient portfolio management. In addition the Sub-Fund only executes derivative contracts where both the derivative instrument and the counterparty have been approved by the ACD.

The main risks arising from financial instruments and the ACD's policies for managing these risks are stated below. These policies have been applied throughout the period under review.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Sub-Fund might suffer through holding market positions in the face of price movements. This means the value of an investors' holding may go down as well as up and an investor may not recover the amount invested. Investors should consider the degree of exposure of the Sub-Fund in the context of all their investments.

The Sub-Funds' investment portfolios are exposed to market price fluctuations, which are monitored by the ACD as per the policies as set out in the Prospectus. The investment guidelines and investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the Financial Services Authorities Collective Investment Schemes Sourcebook describe the nature of the market risk to which the Sub-Fund will be exposed.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

11. Derivatives and other Financial Instruments (continued)

Currency risk

Although the Sub-Funds capital and revenue are denominated in sterling, a proportion of the Sub-Funds investments have currency exposure and, as a result, the revenue and capital value of the Sub-Funds are affected by currency movements.

Foreign currency risk is the risk that the value of the Sub-Funds' investments will fluctuate as a result of changes in foreign currency exchange rates. For those Sub-Funds where a proportion of the net assets of the Sub-Fund is denominated in currencies other than sterling, the balance sheet can be affected by movements in exchange rates. The ACD monitors the foreign currency exposure of the Sub-Funds and 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.

Details of foreign currency risk profile per Sub-Fund is set out in the notes to the accounts of the relevant Sub-Fund.

Interest rate risk

Interest rate risk is the risk that the value of investments will fluctuate as a result of interest rate changes. The majority of the Sub-Fund's assets comprise equity shares which neither pay interest nor have a maturity date.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

Details of interest rate risk profile per Sub-Fund is set out in the notes to the accounts of the relevant Sub-Fund.

Credit risk

Credit risk arises from three main sources. Firstly, the possibility that the issuer of a security will be unable to pay interest and principle in a timely manner. Secondly, for asset backed investments (including Commercial Paper (CP) and Floating Rate Notes (FRN)) there is the possibility of default of the issuer and default in the underlying assets meaning that a Sub-Fund may not receive back the full principle originally invested. Thirdly, there is counterparty risk, which is 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, which could result in the Sub-Fund suffering a loss. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit credit risk.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

11. Derivatives and other Financial Instruments (continued)

Liquidity risk

There is little exposure to credit or cash flow risk. There is no net borrowings or unlisted securities and so little exposure to liquidity risk.

Liquidity risk is the risk that a Sub-Fund cannot raise sufficient cash to meet its liabilities when due. One of the key factors influencing this will be the ability to sell investments at, or close to, the fair value without a significant loss being realised. Recent market issues following the credit crunch resulted in a significant reduction in liquidity of the bond markets and FRN markets in particular.

Under normal circumstances, a Sub-Fund will remain close to fully invested. However, where circumstances require: either because a view of illiquid securities markets or high levels of redemptions in the Sub-Fund, the Sub-Fund may hold cash and/or more liquid assets. Temporary higher liquidity levels may also arise during the carrying out of a change in asset allocation policy, or following a large issue of shares.

The ACD manages the Sub-Fund's cash to ensure they can meet their liabilities. The ACD receives daily reports or subscriptions and redemptions enabling the ACD to raise cash from the Sub-Funds' portfolio in order to meet redemption requests. In addition the ACD monitors market liquidity of all securities, with particular focus on the CP and FRN markets, seeking to ensure the Sub-Funds maintain sufficient liquidity to meet known and potential redemption activity. Sub-Fund cash balances are monitored daily by the ACD and the Investment Manager. All of the Sub-Funds' financial liabilities are payable on demand or in less than one year.

Counterparty risk

The risk that the counterparty will not deliver the investments for a purchase or the cash for a sale after the Sub-Fund has fulfilled its responsibilities which could result in the Sub-Fund suffering a loss. The Investment Manager minimizes the risk by conducting trades through only the most reputable counter parties.

THE MULBEN INVESTMENT FUNDS

Notes to the Aggregated Financial Statements

continued

11. Derivatives and other Financial Instruments (continued)

Derivatives

Sub-Funds may enter into derivative or forward transactions only for the purpose of hedging with the aim of reducing the risk profile of the Sub-Funds in accordance with the principles of Efficient Portfolio Management (EPM).

In the opinion of the ACD there is no sophisticated derivative use within the Sub-Funds and accordingly a sensitivity analysis is not presented in the individual Sub-Fund financial statements.

Fair value of financial assets and liabilities

There is no material difference between the carrying values and the fair values of the financial instruments disclosed in the balance sheet.

12. Portfolio Transaction Costs

Details of portfolio transaction costs are set out in the notes to the accounts for the relevant Sub-Fund.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Investment Objective

The objective of the Sub-Fund is to achieve a consistent absolute return over the long term irrespective of market conditions.

Investment Policy

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.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Investment Manager's Report

For the year ended 31 March 2013

Over the course of our financial year, the twelve months to the 31st of March 2013, investors have had much to contend with. Bond investors have had to weigh up prices that have lost touch with reality against central banks buying indiscriminately with money created for the purpose. Currency traders have, as our economist Andrew so eloquently puts it, to identify the best horse in the glue factory. Commodities have been torn between weak economies and inflationary creep. Equity investors have faced a world where economies are struggling and profit margins are at cyclical highs in the knowledge that cash rich corporations might still be least risky asset class. And yet, and yet; when the final tally rolls in it has not been a bad year. With adversity comes opportunity. Gilts started the year offering investors a yield inadequately compensating them for domestic inflation – and ended the year unrepentantly doing the same. The Euro had three big moves either side of 10% against the Dollar but ended not a million miles from where it started. The oil price fell from around \$125 to below \$90 and then promptly retraced virtually the whole move. The FTSE100 added around 600 points or 10%.

Diversity is good in an investment portfolio. Amongst the volatility the fund saw strong gains from the houses of Odey and Polar alongside a quieter year from those of Julius Baer and Kames. The contribution of those and your fund's other holdings allowed the NAV to rise from 103.0p to 111.4p over the year, a gain of 8.1%. The comparator we use on the monthly fact sheets, the UCITs alternative index Fund of funds in sterling, recovered from a faltering start to end the year ahead by 4.4%.

As we move into the fund's third year, we still see lots to worry about. Central banks and governments will continue to debase currencies and savings wherever possible. We are not convinced the medicine will work although we expect some of the bystanders to feel a lot better because of it. We expect politics (and probably by association currencies) not to be far from the headlines. Economic activity and company profits will be harder to come by. Inflationary pressures remain. The portfolio will maintain a diversity of investment practitioners and styles which should hopefully lead to a smoother ride.

We welcome investors that have joined us through the year and thank all investors for their continued support.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Portfolio Statement

as at 31 March 2013

Holding	Security	Value (Note 1h) £	% of Total Net Assets %
Investment Companies 92.76% (2012 - 93.64%)			
850	Personal Assets Trust Plc Ordinary	308,847	7.60
25,000	Dexion Absolute Limited	35,938	0.88
125,000	Ruffer Investment Company Limited	273,750	6.74
5,871	Absolute Return Trust Limited	6,700	0.16
4,500	BH Macro Limited	94,095	2.32
2,482	Julius Baer Absolute Return Bond Fund	322,461	7.94
300,000	Artemis Strategic Assets Fund	223,950	5.51
330,000	S&W Kennox Strategic Value Fund	346,500	8.53
918	AC Risk Parity 12 Fund	104,771	2.58
291,100	Kames UK Equity Absolute Return Fund	326,381	8.03
170,000	CF Odey UK Absolute Return Fund	383,945	9.45
330,000	CF Eclectica Absolute Macro Fund	350,823	8.63
250,000	Old Mutual Global Equity Absolute Return	316,000	7.78
120,000	Polar Capital - Insurance	367,068	9.03
24	Exane Fund 1 - Archimedes Fund	307,800	7.58
		<hr/>	<hr/>
		3,769,029	92.76
Liquidity Funds 5.18% (2012 - 5.90%)			
150,000	Short-Term Inv Co (Global Series) - £ Liquidity	150,000	3.69
60,639	Deutsche Managed Sterling Fund	60,639	1.49
		<hr/>	<hr/>
		210,639	5.18
Derivatives - Forward Currency Contract 0.17% (2012 - 0.00%)			
	Sold £303,373, Bought eur357,244 (04.06.13)	6,741	0.17
		<hr/>	<hr/>
	Investment assets	3,986,409	98.11
	Net other assets	81,581	2.01
		<hr/>	<hr/>
	Adjustment to revalue assets from Mid to Bid prices	(4,983)	(0.12)
		<hr/>	<hr/>
	Net assets	4,063,007	100.00

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Significant Portfolio Changes

for the year ended 31 March 2013

Major purchases during the year

	Cost £
CF Eclectica Absolute Macro Fund	182,105
Polar Capital - Insurance	94,104
CF Eclectica Absolute Macro Fund	78,600
CF Eclectica Absolute Macro Fund	51,530
Ruffer Investment Company Limited	48,647
Other purchases	117,208
Total Purchases for the year (note 12)	572,194

Major sales during the year

	Proceeds £
Schroder ISF EM DBT Absolute Return	145,887
Schroder ISF EM DBT Absolute Return	142,980
Liontrust European Absolute Return	94,410
Ruffer Investment Company Limited	51,148
CF Odey UK Absolute Return Fund	26,544
Other sales	23,525
Total Sales for the year (note 12)	484,494

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Comparative Tables

Net Asset Values

Share Class	Accumulation of Shares		
	Net asset value (£)	No. of shares in issue	Net asset value (pence per share)
Class F 2011 [^]	3,435,538	3,307,981	103.86
Class F 2012 [^]	3,577,996	3,472,413	103.04
Class F 2013 [^]	4,068,096	3,651,435	111.41

[^] As at 31 March

Price History

The table below shows the highest buying and lowest selling prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Share Class	Accumulation of Shares	
	Highest (pence)	Lowest (pence)
Class F 2010 [^]	103.14	99.37
Class F 2011	104.85	99.89
Class F 2012	105.23	100.10
Class F 2013 ^{^^}	111.41	104.59

[^] Launched 6 August 2010

^{^^} To 31 March 2013

Distribution Record

Share Class	Accumulation of Shares
	Net revenue per share (pence)
Class F 2011	0.0000
Class F 2012	0.0000
Class F 2013 [^]	0.0000

[^] To 31 March 2013

Total Expense Ratio [^]

Share Class	Expense Type	31 March 2013 %	31 March 2012 %
Class F	Investment Manager's charge	0.50	0.50
	Other expenses	1.02	1.56
	Total expense ratio	1.52	2.06

[^] The total expense ratio is annualised based on the fees suffered during the accounting period.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Comparative Tables

continued

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.

Risk Warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past Performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rate, which can be favourable or unfavourable.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Statement of Total Return

for the year ended 31 March 2013

		01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	Note	£	£	£	£
Income					
Net capital gains	2		334,472		8,007
Revenue	3	20,603		26,894	
Expenses	4	(55,557)		(73,484)	
Finance costs: Interest	6	(17)		(143)	
Net expenses before taxation		(34,971)		(46,733)	
Taxation	5	-		-	
Net expense after taxation			(34,971)		(46,733)
Total return before distributions			299,501		(38,726)
Finance costs: Distributions	6		-		-
Change in net assets attributable to shareholders from investment activities			299,501		(38,726)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2013

	01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	£	£	£	£
Opening net assets attributable to shareholders		3,571,232		3,435,538
Amounts receivable on issue of shares	2,594,551		317,773	
Less: Amounts paid on cancellation of shares	(2,401,249)		(143,353)	
		193,302		174,420
Stamp duty reserve tax		(1,028)		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		299,501		(38,726)
Closing net assets attributable to shareholders		4,063,007		3,571,232

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Balance Sheet

as at 31 March 2013

	Note	£	31.03.13 £	£	31.03.12 £
ASSETS					
Investment assets			3,981,426		3,548,343
Debtors	7	31,670		1,050	
Bank balances		<u>132,805</u>		<u>69,781</u>	
Total other assets			164,475		70,831
Total assets			4,145,901		3,619,174
LIABILITIES					
Investment liabilities			-		(159)
Creditors	8	(11,291)		(14,748)	
Bank overdrafts		<u>(71,603)</u>		<u>(33,035)</u>	
Total other liabilities			(82,894)		(47,783)
Total liabilities			(82,894)		(47,942)
Net assets attributable to shareholders			4,063,007		3,571,232

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

for the year ended 31 March 2013

1. Accounting Policies

The Sub-Fund's financial statements have been prepared on the same basis as the Aggregated Financial Statements

2. Net Capital Gains

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Non-derivative securities	338,662	49
Currency (losses)/gains	(3,393)	9,278
Transaction charges	(797)	(1,320)
Net capital gains	334,472	8,007

3. Revenue

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Franked investment income	19,636	16,148
Unfranked investment income	-	8,390
Bank interest	967	2,356
Total revenue	20,603	26,894

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

4. Expenses

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Payable to the Authorised Corporate Director (ACD) associates of the ACD and agents of either of them:		
ACD's fee	11,745	30,955
Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	18,382	17,873
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	17,871	8,869
Safe custody and other bank charges	1,564	934
	19,435	9,803
Other expenses:		
Audit fee (including VAT)	5,644	8,759
FSA fee	351	1,276
Printing costs	-	2,334
Legal costs	-	2,484
	5,995	14,853
Total expenses	55,557	73,484

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

5. Taxation

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
(a) Analysis of charge in the period		
Total tax charge (note 5b)	-	-
(b) Factors affecting taxation charge for the period		
Net expense before taxation	(34,971)	(46,733)
Corporation tax at 20%	(6,994)	(9,347)
Effects of:		
UK non taxable dividends	(3,927)	(3,230)
Surplus management expenses	10,921	12,577
Total tax charge (note 5a)	-	-

(c) Deferred Tax

At the period end there is a potential deferred tax asset of £32,110 in relation to surplus management expenses. It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax has been recognized in the current period.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

6. Finance Costs

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Distributions		
The distributions take account of income received on the creation of shares and revenue deducted on cancellation of shares and comprise:		
Final	-	-
Finance costs: Distributions	-	-
Finance costs: Interest	17	143
Total finance costs	17	143
Reconciliation of net expense after taxation to net distributions:		
Net expense after taxation per statement of total return	(34,971)	(46,733)
Revenue deficit at period end funded from capital	34,971	46,733
Finance costs: Distributions	-	-

7. Debtors

	31.03.13	31.03.12
	£	£
Unfranked dividends	1,190	1,050
Outstanding subscriptions	30,480	-
Total debtors	31,670	1,050

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

8. Creditors

	31.03.13	31.03.12
	£	£
Amounts payable to the Authorised Corporate Director (ACD), associates of the ACD and agents of either of them:		
ACD's fee	959	4,313
Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	1,561	1,468
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	1,381	741
Safe custody and other bank charges	443	127
	1,824	868
Other expenses:		
Audit fee	6,843	8,099
FCA fee	104	-
	6,947	8,099
Total creditors	11,291	14,748

9. Related Party Transactions

Authorised Corporate Director and other fees payable to Valu-Trac Investment Management Limited (the ACD) and disclosed in note 4 and amounts due at the period end are shown in note 8.

Management fees payable to icf management limited (the Investment Managers) are disclosed in note 4 and amounts due at the period end are shown in note 8.

Depositary and other fees payable to BNY Mellon Trust & Depositary (UK) Ltd are disclosed in note 4 and amounts due at the period end are shown in note 8.

10. Contingent Liabilities and Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

11. Derivatives and other Financial Instruments

The main risk arising from financial instruments and the ACD's policies for managing these risks are disclosed in note 11 of the Notes to the Aggregated Financial Statements on page 15.

Currency risk

The table below details the foreign currency risk profile at the balance sheet date.

31.03.13

Currency	Monetary exposures £	Non-Monetary exposures £	Total £
Euro	-	314,541	314,541
Sterling	81,581	3,666,885	3,748,466
	81,581	3,981,426	4,063,007

Interest rate risk

The tables below detail the interest rate profile at the balance sheet date.

31.03.13

Currency	Floating rate financial assets £	Fixed rate financial assets £	Financial assets not carrying interest £	Total £
Euro	-	-	314,541	314,541
Sterling	132,805	-	3,698,555	3,831,360
	132,805	-	4,013,096	4,145,901

Currency	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
Sterling	71,603	11,291	82,894
	71,603	11,291	82,894

THE VT ICF ABSOLUTE RETURN PORTFOLIO

Notes to the Financial Statements

continued

12. Portfolio Transaction Costs

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Analysis of purchases		
Purchases before transaction costs	571,756	1,148,738
Transaction costs:		
Commissions	438	446
Total Purchase cost	572,194	1,149,184
Analysis of sales		
Sales before transaction costs	484,597	1,005,878
Transaction costs:		
Commissions and other charges	(103)	-
Total Sales proceeds	484,494	1,005,878

THE VT DE LISLE AMERICA FUND

Investment Objective

The Sub-Fund will aim to achieve a long term return.

Investment Policy

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 FSA Rules.

THE VT DE LISLE AMERICA FUND

Investment Manager's Report

For the year ended 31 March 2013

Investment Objectives and Policy

The Sub-Fund seeks to achieve capital appreciation by investing in US smaller companies. Typically, 85% of the portfolio is in US companies of market capitalization less than \$500 million and the rest is in larger US companies. The portfolio will consist of equity securities quoted on the US stock markets.

Manager's Review

The Sub-Fund rose by 23.62% in the year ending 31st March 2013, while the S&P500 Index rose by 11.41%. While the year-end months are flattering to us, because our good months fell nicely inside the period, this was a good year, where we beat all eight US indices we monitor. We will stay with our current orientation towards small caps as we still think the environment favours them.

Our top-down overview is unchanged for continued slow recovery in the US. We have had few portfolio changes so are still overweight consumer, service and industrial stocks and this year we are leaning more towards the latter as they are stimulated by the weaker dollar. There is little to choose between value and growth in terms of the macro environment, although we continue to be weighted more towards value.

Our biggest holdings remain the same as a year ago; namely MWI Vets, Village Stores and Westwood Group. We increased Monarch, a community bank, into a top five position after they skillfully paid off the Treasury to their advantage and we introduced Hyster Yale, a forklift maker, as a top ten holding after it was spun off and as an independent was unfollowed and undervalued. Both these stocks are up more than half since purchase and between them have contributed about 4% to our overall performance.

In other news, it has been our lowest turnover year as I redefined my best guess at the analogy we are living through, from the 1970s to the 1950s, another period when the world was recovering from huge destruction of wealth. Success in the 1950s came from identifying a winner and holding it and we are trying to do the same.

THE VT DE LISLE AMERICA FUND

Portfolio Statement

as at 31 March 2013

Holding	Security	Value (Note 1h) £	% of Total Net Assets %
Automobiles 0.00% (2012 - 1.58%)			
Financials 24.83% (2012 - 14.03%)			
9,603	Access National Corporation Common	103,761	0.73%
900	American Tower	45,754	0.32%
50,000	Artio Global Investors	90,097	0.63%
8,500	BCB Bancorp	55,505	0.39%
5,234	Bank of South Carolina	41,706	0.29%
14,801	BNC Bancorp	96,944	0.68%
4,000	Cardinal Financial	48,563	0.34%
1,800	Compass Diversified Holdings	18,729	0.13%
4,000	DNB Financial	44,371	0.31%
22,600	ECB Bancorp	218,864	1.54%
5,000	Farmers Capital Bank	61,977	0.43%
5,500	First Merchants	56,609	0.40%
2,692	German American Bancorp	40,943	0.29%
5,000	Hanmi Financial Corp	53,034	0.37%
29,035	India Fund	404,733	2.84%
7,150	Landmark Bancorp	97,516	0.69%
3,500	Medallion Financial	30,412	0.21%
1,262	Metrocorp Bancshare	8,621	0.06%
2,000	Middleburg Financial	25,214	0.18%
7,194	Mid Penn Bancorp	52,448	0.37%
95,869	Monarch Financial Holdings	677,375	4.76%
1,903	Pacific Continental	13,943	0.10%
22,429	People's Bancorp of North Carolina	173,455	1.22%
2,946	Park Sterling Corporation	11,026	0.08%
4,569	SCBT Financial Corporation	153,438	1.08%
5,000	Southern National Bancorp of Virginia	31,741	0.22%
5,000	Virginia Commerce Bancorp	46,256	0.33%
21,582	Westwood Holdings Group	639,504	4.49%
15,000	Wilshire Bancorp	63,928	0.45%
48,597	Yadkin Valley Financial	127,578	0.90%
		<u>3,534,045</u>	<u>24.83%</u>
Consumer Staples 9.75% (2012 - 8.62%)			
5,171	Calavo Growers	98,274	0.69%
31,000	Craft Brewers Alliance	153,232	1.08%
3,500	J & J Snack Foods	176,498	1.24%
30,693	Rocky Mountain Chocolate Factory	249,745	1.75%
31,663	Village Super Market Class 'A'	710,206	4.99%
		<u>1,387,955</u>	<u>9.75%</u>

THE VT DE LISLE AMERICA FUND

Portfolio Statement

continued

Holding	Security	Value (Note 1h) £	% of Total Net Assets %
Materials 7.27% (2012 - 11.51%)			
8,000	Balchem	229,724	1.61%
2,000	Clearwater Paper	69,043	0.49%
49,743	Handy & Harman	494,387	3.47%
6,000	Schulman (A)	126,209	0.89%
8,858	UFP Technologies	114,954	0.81%
		<u>1,034,317</u>	<u>7.27%</u>
Consumer Discretionary 21.18% (2012 - 28.85%)			
62,446	Barry (R.G.)	543,628	3.82%
23,000	Books-A-Million	39,392	0.28%
31,622	Carriage Services	441,318	3.10%
18,454	Charles & Colvard	45,456	0.32%
20,100	Chromcraft Revington	9,636	0.07%
46,619	Comstock Homebuilding	57,031	0.40%
10,000	Crown Crafts	39,246	0.28%
2,200	Dollar General	74,143	0.52%
14,548	Dover Saddlery	35,835	0.25%
8,500	Drew Industries	205,804	1.45%
8,500	Jewett-Cameron Trading	101,708	0.71%
9,161	Johnson Outdoors	144,692	1.02%
4,000	Kona Grill	24,374	0.17%
100,000	Marine Products	477,434	3.35%
6,000	Meritage Homes	187,430	1.32%
5,000	Service Corp International	54,703	0.38%
7,777	Shiloh Industries	51,170	0.36%
2,300	Steiner Leisure Limited	75,095	0.53%
10,000	StoneMor Partners LP Unit	167,234	1.18%
4,000	Strattec Security Corp	75,953	0.53%
11,928	Summer Infant	19,798	0.14%
3,900	Unifi	49,193	0.34%
3,236	U.S. Concrete Inc Class B Warrant 31-08-2017	0	0.00%
3,236	U.S. Concrete Inc Class A Warrant 31-08-2017	0	0.00%
8,687	West Marine	65,286	0.46%
6,000	Zagg	28,983	0.20%
		<u>3,014,542</u>	<u>21.18%</u>

THE VT DE LISLE AMERICA FUND

Portfolio Statement

continued

Holding	Security	Value (Note 1h) £	% of Total Net Assets %
Industrials 16.50% (2012 - 12.84%)			
9,138	DXP Enterprises	449,150	3.16%
10,208	Encore Wire	234,840	1.65%
2,000	Espey Manufacturing and Electronics	34,386	0.24%
3,800	Fabrinet	35,669	0.25%
1,300	Foster (LB) Co	37,962	0.27%
1,300	Genesee & Wyoming	79,771	0.56%
1,600	Gorman-Rupp Co	31,762	0.22%
5,862	Hardinge	53,280	0.37%
10,524	Hyster-Yale Materials	398,899	2.80%
10,000	Manitex International	84,212	0.59%
5,085	Marten Transport Ltd	68,529	0.48%
12,900	NCI Building Systems	149,665	1.05%
12,302	NN Inc Common	78,909	0.56%
8,000	Orion Marine Group	53,245	0.37%
3,793	SL Industries	44,771	0.32%
3,403	Standard Parking Services	46,874	0.33%
8,000	StarTek	31,212	0.22%
20,500	TriMas Corporation	435,417	3.06%
		<u>2,348,553</u>	<u>16.50%</u>
Information Technology 6.67% (2012 - 10.59%)			
24,000	Computer Task Group	336,056	2.36%
2,300	Dice Holdings	15,430	0.11%
14,700	Gerber Scientific	0	0.00%
23,504	Mocon	225,054	1.58%
7,500	Moduslink Global Solutions	16,490	0.11%
500	MRV Communications	3,634	0.03%
5,000	PC Connection	55,530	0.39%
15,000	Richardson Electronics Ltd	117,738	0.83%
22,194	Wayside Technology Group	179,122	1.26%
		<u>949,054</u>	<u>6.67%</u>
Energy 1.47% (2012 - 2.06%)			
8,000	World Fuel Services	<u>209,145</u>	<u>1.47%</u>

THE VT DE LISLE AMERICA FUND

Portfolio Statement

continued

Holding	Security	Value (Note 1h) £	% of Total Net Assets %
Health 11.83% (2012 - 9.87%)			
6,000	Ensign	132,617	0.93%
12,000	Female Health Co	55,864	0.39%
700	Henry Schein	42,213	0.30%
1,200	Hi-Tech Pharmacal	26,357	0.19%
13,553	MWI Veterinary Supply	1,208,589	8.49%
3,383	National Research	129,761	0.91%
6,582	Span-America Medical Systems	88,877	0.62%
		<u>1,684,278</u>	<u>11.83%</u>
	Investment assets	14,161,889	99.50%
	Net other assets	116,313	0.82%
	Adjustment to revalue assets from Mid to Bid prices	(46,074)	-0.32%
	Net assets	<u>14,232,128</u>	<u>100.00%</u>

THE VT DE LISLE AMERICA FUND

Significant Portfolio Changes

for the year ended 31 March 2013

Major purchases during the year

	Cost £
Hyster-Yale Materials	182,727
India Fund	178,256
Monarch Financial Holdings	94,055
Artio Global	88,686
J & J Snack Foods	70,751
Other purchases	3,533,771
Total Purchases for the year (note 12)	4,148,246

Major sales during the year

	Proceeds £
Tractor Supply	332,695
Stonemor Partners LP Unit	191,143
Williams Controls	178,378
KSW	175,169
Dollar Tree	122,493
Other sales	2,213,007
Total Sales for the year (note 12)	3,212,885

THE VT DE LISLE AMERICA FUND

Comparative Tables Net Asset Values

Share Class	Accumulation of Shares		
	Net asset value	No. of shares in issue	Net asset value
Class B 2011 [^]	£4,360,644	3,328,647	131.00p
Class B 2012 [^]	£4,280,224	3,164,864	135.24p
Class B 2013 [^]	£6,333,780	3,584,539	176.70p
Class B USD\$ 2011 [^]	\$9,014,477	6,724,108	134.06c
Class B USD\$ 2012 [^]	\$9,294,388	6,635,954	140.06c
Class B USD\$ 2013 [^]	\$12,014,113	6,948,610	172.90c

[^] As at 31 March

Price History

The table below shows the highest buying and lowest selling prices on a calendar year basis in pence per share since launch. Past performance is not necessarily a guide to the future performance.

Share Class	Accumulation of Shares	
	Highest (pence)	Lowest (pence)
Class B 2010 [^]	120.99p	97.18p
2011	139.93p	105.92p
2012	145.53p	119.75p
2013 ^{^^}	176.70p	142.43p
Class B USD\$ 2010 [^]	118.92c	92.78c
2011	142.53c	106.08c
2012	150.63c	120.93c
2013 ^{^^}	172.90c	150.15c

[^] Launched 11 August 2010

^{^^} To 31 March 2013

Distribution Record

Share Class	Accumulation of Shares	
	Net revenue per share	
Class B 2011 [^]	0.0000p	
2012 [^]	0.0000p	
2013 [^]	0.5600p	
Class B US\$ 2011 [^]	0.0000c	
2012 [^]	0.0000c	
2013 [^]	0.5600c	

[^] To 31 March

Total Expense Ratio [^]

Share Class	Expense Type	31 March 2013 %	31 March 2012 %
Class B	Investment Manager's charge	1.00	1.00
	Other expenses	0.33	0.67
	Total expense ratio	1.33	1.67
Class B US\$	Investment Manager's charge	1.00	1.00
	Other expenses	0.33	0.67
	Total expense ratio	1.33	1.67

[^] The total expense ratio is annualised based on the fees incurred during the accounting period.

THE VT DE LISLE AMERICA FUND

Comparative Tables

continued

Risk Profile

Based on past data, the fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Fund is in a higher category because the price of its investments has risen or fallen frequently and more dramatically than some other types of investment. The higher the rank, the greater the potential reward but the greater the risk of losing money.

Risk Warning

As Investment in an Investment Company with Variable Capital should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

THE VT DE LISLE AMERICA FUND

Statement of Total Return

for the year ended 31 March 2013

		01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	Note	£	£	£	£
Income					
Net capital gains	2		3,107,869		431,805
Revenue	3	305,897		121,505	
Expenses	4	(148,961)		(155,336)	
Finance costs: Interest	6	<u>(266)</u>		<u>(374)</u>	
Net revenue/(expenses) before taxation		156,670		(34,205)	
Taxation	5	<u>(52,766)</u>		<u>(23,355)</u>	
Net revenue/(expense) after taxation			103,904		(57,560)
Total return before distributions			3,211,773		374,245
Finance costs: Distributions	6		(45,649)		-
Change in net assets attributable to shareholders from investment activities			3,166,124		374,245

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 March 2013

	01.04.12 - 31.03.13		01.04.11 - 31.03.12	
	£	£	£	£
Opening net assets attributable to shareholders		10,060,571		9,984,148
Amounts receivable on issue of shares	1,027,235		167,000	
Less: Amounts paid on cancellation of shares	<u>(67,451)</u>		<u>(464,822)</u>	
		959,784		(297,822)
Distribution accumulated		45,649		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		3,166,124		374,245
Closing net assets attributable to shareholders		14,232,128		10,060,571

THE VT DE LISLE AMERICA FUND

Balance Sheet

as at 31 March 2013

	Note	£	31.03.13 £	31.03.12 £
ASSETS				
Investment assets			14,115,815	10,021,679
Debtors	7	120,548		49,406
Bank balances		<u>80,555</u>		<u>94,236</u>
Total other assets			201,103	143,642
Total assets			14,316,918	10,165,321
LIABILITIES				
Creditors	8	(21,890)		(22,979)
Bank overdrafts		<u>(62,900)</u>		<u>(81,771)</u>
Total other liabilities			(84,790)	(104,750)
Total liabilities			(84,790)	(104,750)
Net assets attributable to shareholders			14,232,128	10,060,571

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

for the year ended 31 March 2013

1. Accounting Policies

The Sub-Fund's financial statements have been prepared on the same basis as the Aggregated Financial Statements.

2. Net Capital Gains

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Non-derivative securities	2,403,129	461,340
Currency gains/(losses)	709,885	(26,165)
Transaction charges	(5,145)	(3,370)
Net capital gains	3,107,869	431,805

3. Revenue

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Overseas dividends	305,897	121,505
Total revenue	305,897	121,505

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

4. Expenses

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Payable to the Authorised Corporate Director (ACD) associates of the ACD and agents of either of them:		
ACD's fee	10,323	37,209
Registration fees	-	6,016
	<u>10,323</u>	<u>43,225</u>
Payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	<u>112,053</u>	<u>95,785</u>
Payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fee (including VAT)	17,872	9,048
Safe custody and other bank charges	2,696	1,656
	<u>20,568</u>	<u>10,704</u>
Other expenses:		
Audit fee (including VAT)	5,665	8,738
FSA fee	352	1,246
Set up costs	-	(8,225)
Printing costs	-	2,554
Legal costs	-	1,309
	<u>6,017</u>	<u>5,622</u>
Total expenses	148,961	155,336

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

5. Taxation

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
(a) Analysis of charge in the period		
Overseas tax	52,766	23,355
Total tax charge (note 5b)	52,766	23,355
(b) Factors affecting taxation charge for the period		
Net revenue/(expense) before taxation	156,670	(34,205)
Corporation tax at 20%	31,334	(6,841)
Effects of:		
Non taxable dividends	(61,179)	(24,301)
Surplus management expenses	29,845	31,142
Overseas tax expenses	52,766	23,355
Total tax charge (note 5a)	52,766	23,355

(c) Deferred Tax

At the period end there is a potential deferred tax asset of £82,858 in relation to surplus management expenses. It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax has been recognized in the current period.

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

6. Finance Costs

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Distributions		
The distributions take account of income received on the creation of shares and revenue deducted on cancellation of shares and comprise:		
Final	45,649	-
	<hr/>	<hr/>
Finance costs: Distributions	45,649	-
	<hr/>	<hr/>
Finance costs: Interest	266	374
	<hr/>	<hr/>
Total finance costs	45,915	374

Reconciliation of net expense after taxation to net distributions:

Net revenue/(expense) after taxation per statement of total return	103,904	(57,560)
Revenue deficit carried forward from earlier periods	(58,255)	-
Revenue deficit at period end funded from capital	-	57,560
	<hr/>	<hr/>
Finance costs: Distributions	45,649	-

7. Debtors

	31.03.13	31.03.12
	£	£
Overseas dividends	12,092	5,083
Outstanding subscriptions	108,456	-
Outstanding trades	-	44,323
	<hr/>	<hr/>
Total debtors	120,548	49,406

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

8. Creditors

	31.03.13	31.03.12
	£	£
Amounts payable to the Authorised Corporate Director (ACD), associates of the ACD and agents of either of them:		
ACD's fee	959	4,258
Registration fees	-	1,496
	<u>959</u>	<u>5,754</u>
Amounts payable to the Investment Manager, associates of the Investment Manager and agents of either of them:		
Investment Manager's fee	<u>10,962</u>	<u>8,158</u>
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fees	1,381	738
Safe custody and other bank charges	1,641	251
	<u>3,022</u>	<u>989</u>
Other expenses:		
Audit fee	6,843	8,078
FCA fee	104	-
	<u>6,947</u>	<u>8,078</u>
Total creditors	21,890	22,979

9. Related Party Transactions

Authorised Corporate Director and other fees payable to Valu-Trac Investment Management Limited (the ACD) are disclosed in note 4 and amounts due at the period end are shown in note 8.

Management fees payable to De Lisle Partners LLP (the Investment Managers) are disclosed in note 4 and amounts due at the period end are shown in note 8.

Depositary and other fees payable to National Westminster Bank Plc are disclosed in note 4 and amounts due at the period end are shown in note 8.

10. Contingent Liabilities and Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

11. Derivatives and other Financial Instruments

The main risks arising from financial instruments and the ACD's policies for managing these risks are disclosed in note 11 of the Notes to the Aggregated Financial Statements on page 15.

Currency risk

The table below details the foreign currency risk profile at the balance sheet date.

31.03.13

Currency	Monetary exposures £	Non-Monetary exposures £	Total £
Sterling	120,642	-	120,642
US Dollar	(4,329)	14,115,815	14,111,486
	116,313	14,115,815	14,232,128

Interest rate risk

The tables below detail the interest rate risk profile at the balance sheet date.

31.03.13

Currency	Floating rate financial assets £	Fixed rate financial assets £	Financial assets not carrying interest £	Total £
Sterling	67,140	-	75,393	142,533
US Dollar	13,415	-	14,160,970	14,174,385
	80,555	-	14,236,363	14,316,918

Currency	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
Sterling	-	(21,890)	(21,890)
US Dollar	(62,900)	-	(62,900)
	(62,900)	(21,890)	(84,790)

THE VT DE LISLE AMERICA FUND

Notes to the Financial Statements

continued

12. Portfolio Transaction Costs

	01.04.12 - 31.03.13	01.04.11 - 31.03.12
	£	£
Analysis of purchases		
Purchases before transaction costs	4,142,074	3,889,090
Transaction costs:		
Commissions	6,172	5,709
Total Purchase cost	4,148,246	3,894,799
Analysis of sales		
Sales before transaction costs	3,216,754	4,289,435
Transaction costs:		
Commissions and other charges	(3,869)	(6,438)
Total Sales proceeds	3,212,885	4,282,997

THE MULBEN INVESTMENT FUNDS

General Information

Authorised Status

The Mulben Investment Funds (the "Company") is incorporated in Scotland as an ICVC under registration number 516628. 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 was 19 May 2010.

Head Office

Mains of Orton, Orton, Fochabers, Morayshire, IV32 7QE

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

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.

THE MULBEN INVESTMENT FUNDS

General Information

continued

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 4:30pm. Instructions to buy or sell shares may either be in writing to:

Mains of Orton, Orton, Fochabers, Morayshire, IV32 7QE

Or by telephone to:

01343 880 217

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 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 Management Association website at www.investmentuk.org and in the Financial Times. 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, Simplified Prospectus 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. Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

Risk Warning

An investment in an investment company with variable capital (ICVC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rate, which can be favourable or unfavourable.