MORAY PLACE INVESTMENT COMPANY

REPORT AND FINANCIAL STATEMENTS
for the year ended 30 September 2018

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ABOUT YOUR COMPANY

Moray Place Investment Company (MPIC) was formed on 2 May 2012 as an open-ended investment company and started trading on 15 May 2012. It is regulated and authorised by the Financial Conduct Authority in the UK as a non-UCITS retail scheme.

The company is intended to be a long-term investment vehicle for like-minded individuals. It is low-cost, straightforward and free of the conflicts of interest that bedevil the money management industry.

MPIC's objective is to preserve and grow (in that order) the purchasing power of its investors' capital. The investment manager believes that it is most meaningful to assess MPIC's progress over a full economic cycle, which is typically 5-10 years. Over this time frame useful comparators include UK consumer price inflation, the yield on long-dated gilts, and equity indices.

MPIC expects to achieve its objective primarily through owning shares in established companies listed on stock exchanges around the world. It will not borrow, use derivatives, short-sell securities, or invest in property directly.

The investment approach is uncomplicated, disciplined and patient. The investment manager also believes that it is conservative, if idiosyncratic. MPIC is not designed to appeal to a broad constituency. It is only suitable for investors who can evaluate the merits and risks of such an approach: if you cannot, or it makes you uncomfortable, or it simply does not suit your psychology, you should not invest.

Value of company at 30 September 2018	£81,033,711
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Investment manager	Hollis Capital Limited
Minimum investment	Initial: £200,000 Subsequent: £10,000
Dealing spread	1%
Ongoing charges	0.49%
Performance fee	Not applicable
Initial charges	Not applicable
Redemption charges	5% for sales within 2 years of purchase; 2% for sales between 2 and 5 years of purchase *Paid to MPIC, not to the ACD or investment manager*
Ex-dividend date	30 September
Dividend date	30 November

FINANCIAL SUMMARY

	At and for the year ended				
	30 Sept 2018	**30 Sept 2017**	**30 Sept 2016**	**30 Sept 2015**	**30 Sept 2014**
Value of company	£81.0m	£68.7m	£51.4m	£34.2m	£28.3m
Shares outstanding					
Accumulation	28.5m	27.3m	22.2m	19.1m	17.0m
Income	7.6m	5.7m	5.6m	5.4m	5.1m
NAV per share *(mid price)*					
Accumulation	228.2p	210.4p	186.9p	141.0p	128.4p
Income	214.4p	200.4p	180.3p	136.7p	125.9p
Dividend per share					
Accumulation	3.09p	2.66p	2.28p	1.80p	1.45p
Income	2.95p	2.56p	2.22p	1.80p	1.45p
Effective liquidity	21%	22%	25%	22%	26%
Ongoing charges	0.49%	0.51%	0.58%	0.61%	0.63%
Portfolio turnover	7%	8%	9%	10%	3%

	Cumulative gain to 30 Sept 2018	
	5 years	**Since inception**
NAV per accumulation share	87%	128%
Comparators		
UK Consumer Price Index	8%	11%
Index of the annual yield on the longest dated gilt	14%	20%
FTSE All-Share Total Return Index	44%	84%

Notes
The company started trading on 15 May 2012 when shares were issued at 100p each.
Effective liquidity includes the investment in gold; all the current constituents are shown on p.9.
The ongoing charges ratio is based on the actual charges and the average NAV during the period.

Dear fellow shareholders

Moray Place Investment Company exists first to protect and then to grow the purchasing power of its investors' capital. My first letter to shareholders in 2012 outlined how I would assess MPIC's progress. Those comments are repeated in full on page six, as part of a reiteration of the guiding principles by which I manage the company.

Progress so far

I stated in my first letter that a single year is not a meaningful period over which to assess MPIC's progress. Instead, I would evaluate the company's results over a full economic cycle. As each cycle varies in length, and for simplicity, I committed to comment on periods of at least five years but no more than ten. In that 2012 letter I also undertook to gauge progress against three benchmarks. Those comparisons are summarised in the table at the bottom of page two.

Since inception in May 2012, MPIC's asset value per accumulation share has risen by 128%. This compares with an increase in the UK Consumer Price Index (CPI) of 11% over the same period. The final two rows of the table on page 25 show that the increase in asset value per share is equivalent to an annual gain in purchasing power of almost 12%. The company's objective is to grow its purchasing power, but in previous letters I have suggested that over a full cycle it may grow by no more than 5% per annum. Therefore, the actual result exceeds my estimate of likely gains in purchasing power.

Outcome = skill + luck

The outcome of any human endeavour is a combination of skill and luck. MPIC's results are no different. While it is my luck, the skill overwhelmingly comes from the people and capabilities of MPIC's underlying businesses. Unfortunately, it is impossible to determine accurately the relative contribution of skill and luck. However, it is possible to make a tentative assessment.

To help assess the skilful element of these results, I have used a framework outlined in my previous letters. It distinguishes between the *fundamental* and *speculative* components of equity investment returns. The fundamental return is that of the underlying business. The speculative return is the fluctuation in share valuation. With my investing approach, I contend that the fundamental return is analogous to skill. I consider the speculative component as predominantly luck.

Since May 2012, the total return from MPIC's liquidity has been 10%. This means that the company's liquidity has just about maintained its purchasing power over that period. In analysing progress so far, I have assumed that there is no speculative element in the return from liquidity. Thus, all the speculative return has come from MPIC's equity investments.

Since May 2012, the total return from MPIC's equities has been 175%. To estimate the fundamental return from MPIC's equities since inception, I reviewed its original 38 holdings. I calculated their dividend returns as a proxy for their underlying businesses. Their initial weighted average dividend yield was 2½% and they have since grown their aggregate dividends by 8% annually. If their dividend yields had not changed, the total return from MPIC's original equity investments would have been 10½% per annum. This is the fundamental return – that which is derived from the underlying businesses, with no change in the valuation of their shares.

This estimate of fundamental return is incomplete as over a fifth of MPIC's equity portfolio has a policy of paying a zero or flat dividend. As a check, I also examined the five North American insurance companies that have been a cornerstone of MPIC since inception. They have represented about a quarter of the equity portfolio throughout. As a surrogate for their fundamental return I calculated the growth per share in asset value rather than dividends. The insurers' underlying business return in US dollars was over 11% per annum.

Thus, my analysis suggests that since inception MPIC's total annual return from its underlying businesses has been about 11%. This compares with MPIC's actual total annual return from owning equities of 17%. The extra six percentage points has come from a rise of share prices compared with their underlying business values. This extra boost is the speculative return.

Most activity in the stockmarket aims to benefit from the fluctuations in share valuations, by buying cheap and selling dear. However, this is a difficult game, as for every winner there is a loser. The speculative gain for investors in aggregate disappears over time. My approach is to buy superior businesses at a reasonable price, hold on, and earn the fundamental return over time. It is the mentality of the owner of a private, family business. By paying a reasonable price, I simply seek to avoid making speculative losses.

If the speculative return in MPIC's equity portfolio had been zero, all its gains would have been of a fundamental nature. Were this to have been the case, I calculate that the accumulation share price at 30 September 2018 would have been 170p rather than 228p. A price of 170p equates to an average gain in purchasing power of 7% each year. Even this fundamental return is probably an overstatement of skill as the period has been a lucky one for business owners, with buoyant profits and no bad times.

I regard MPIC's speculative gains as lucky. However, while the gains are unlikely to be repeated, it does not necessarily follow that they will be reversed. MPIC's companies have in aggregate had an upward revaluation of their shares, but that may have corrected a previous anomaly. Regardless, the future is likely to be less rewarding than the last 6½ years. My presumption remains that over future cycles MPIC's shares should outpace inflation, but by no more than 5% annually.

A future like the past?

Identifying and owning superior businesses continue to dominate my thinking and MPIC's portfolio. Yet, as the figures above highlight, I have erred in having too little invested in equities. With hindsight, my concerns about the global monetary experiment encouraged me to hold too much liquidity. However, just because I have been wrong so far, it does not necessarily follow that I will be wrong in future. Nothing is more difficult than assessing whether the future will be like the past. If it were that simple, librarians and historians would be wealthy.

Surprise and shock are endemic to financial markets, commerce and life. Bubbles, busts and ruin occur because people act as if they know what the future holds. I manage MPIC aware that my understanding of human behaviour is limited, flawed and unconsciously biased. John Archibald Wheeler, the theoretical physicist, once said, "We live on an island of knowledge surrounded by a sea of ignorance. As our island of knowledge grows, so does the shore of our ignorance."

The current portfolio

MPIC's portfolio changes little from year to year. Sustainable value is created by its underlying businesses, not stockmarket activity. I seek to be a long-term owner of superior businesses, run by good people, bought at a reasonable price. A superior business is one that can expand profitably over a long period, while surviving downturns without undue distress. Good people are the sort that you would wish to back as a sleeping partner in a private company that you can never sell. A reasonable price is one that over a cycle is unlikely to suffer a speculative loss.

Underpinning all my thinking is a desire to make MPIC resilient. Financial academics and many investors obsess about fluctuations in market prices, but I think that the more important concept is resilience. Resilience is the ability to survive misfortune, adapt to change and flourish in good times. It is a remarkable trait in man. It is also the defining trait of superior businesses.

The portfolio is the outcome of my continuous search for resilience, superior businesses and good people. Currently, the company comprises four components each of 20% to 30%.

1. Property and casualty insurance companies. Insurers make money not just from underwriting risk but also from investing their policyholders' premiums and shareholders' funds. Underwriting and investing are difficult businesses to expand profitably over a long period. A differentiated corporate mindset is vital. I think MPIC's insurers possess some of the best corporate mindsets and institutional attitudes of any companies in the portfolio.

2. Investment and holding companies. Typically, these are controlled by low-profile families who treat outside shareholders with respect. MPIC and other outside shareholders gain through low-cost investment expertise, the benefits of long-term ownership and Board representation, and share prices that can be 20% to 50% below their underlying business values.

3. A selection of apparently unrelated businesses. They provide basics such as beer, industrial pumps, self-drive home removal vans, tug boats and sausage rolls. However, while their activities are commonplace, their investment traits are scarce: they are all durable, profitable businesses led by skilful people, bought at what I judge a reasonable price.

4. Liquidity, including gold. I do not regard liquidity as an investment but as a form of insurance with option value. The insurance enhances MPIC's resilience in bad times. The option value is the ability to buy superior businesses in future at better prices. However, while this sounds prudent and may offer peace of mind, it can incur a cost in lost opportunities – as it has in recent years. More insidiously, it can engender a gloomy perspective. This is unhelpful if it diverts attention from the objective of owning superior businesses led by good people.

The golden rule

My governing principle in managing MPIC is to abide by the golden rule: to treat others as I would wish to be treated myself. Thus, the company is a low-cost, tax-efficient savings vehicle for growing the long-term purchasing power of its investors' capital. I have, and will maintain, most of my own capital invested in MPIC.

Thank you for your continued trust and patient support.

Peter Hollis

I introduced my first letter to shareholders in 2012 by stating that all enduring human endeavours and relationships appear to have a commitment to common goals and shared values. To help potential co-investors assess whether they share my goals and values, I outlined the objectives and guiding principles by which I manage MPIC. They are repeated below, with an alteration to the reference about undated gilts, which no longer exist, and an explanation for my final principle. They are principles, so I do not expect significant changes in coming years; however, they may evolve as I continue to learn from new insights as well as from my mistakes.

Investment objective and appropriate gauges of progress

One key to attracting and keeping like-minded co-investors is that we gauge progress by the same yardstick. Moreover, that yardstick needs to be stated at the start of the relationship.

The essence of investment is to defer consumption today so that one may consume more in future. Hence, MPIC's objective is to preserve and grow (in that order) the purchasing power of its investors' capital. In deferring consumption today one might wish, for instance, to buy more groceries, property or education in future. All would represent valid standards by which to assess progress. However, for ease, I will compare MPIC's results against three benchmarks.

1. *The UK Consumer Price Index*
   Spending power is most commonly evaluated with respect to consumer goods. One basic hurdle for MPIC is thus to grow faster than UK consumer goods inflation.

2. *The yield on UK long-dated gilts*
   Consumer goods are only a part of personal expenditure. Perhaps the most comprehensive gauge of the expected erosion of purchasing power is the yield on UK long-dated gilts. This yield can be interpreted as the market's best guess of the nominal return required at least to sustain the purchasing power of pound sterling in the future.

3. *The UK FTSE All-Share Index*
   MPIC is not an equity fund, but it does expect primarily to use quoted equities as the means of achieving its objective. An equity index is thus an informative comparator, as well as a test of whether MPIC is preserving its investors' purchasing power in one specific form of assets: publicly quoted companies.

Note, first, that the comparators are UK-oriented. This seems appropriate as most of MPIC's owners are British with predominantly pound sterling commitments and liabilities. Second, I do not believe that a single year is an informative time frame over which to assess progress. I believe that the most appropriate period is an economic cycle, not the time it takes the earth to orbit the sun. Thus, I will compare MPIC's returns against its three comparators over a full economic cycle. The economic cycle varies in length, but for simplicity I will define it as a minimum of five years and maximum of ten, and comment on both periods.

My guiding principles

Another way of assessing whether there is a community of interest with my investment values is to compare your investing beliefs, or principles, with mine. These are mine:

- *I will treat your investment in MPIC as I would treat my own*
  I have, and will maintain, most of my personal capital in MPIC.

- *Costs matter*
  While the investment results of MPIC will be volatile and inherently uncertain, I am certain of one thing: costs erode long-term returns. Therefore, MPIC aspires to be one of the lowest cost investment companies available to individual investors.

GUIDING PRINCIPLES

- *Long-term thinking*
  I will invest so as to be untroubled if markets were to close for five years. Expect turnover of investments within MPIC to average less than 10% each year.

- *Independent thinking*
  My investment philosophy is to be conservative, but not conventional. I will shun excessively popular, fashionable investments. I believe that an important paradox in investment is that the more popular an idea becomes, the less profitable it is likely to be.

- *Long-term optimism on man's instincts to trade, barter and exchange goods and ideas*
  I believe that this is the true source of durable prosperity and wealth. Rising living standards are largely derived from accumulated knowledge and new ideas, which is only constrained by human ingenuity and imagination.

- *Long-term pessimism on the value of government promises*
  The logic of politicians is to trade short-term, obvious benefits for long-term, less obvious costs. This undermines the worth of government-backed promises, such as paper money and sovereign bonds. One consequence of this process is inflation, which I believe to be at source a political phenomenon. It has been one of the tragedies of modern financial academic work to label government bonds "risk-free".

- *The role of quoted equity investments*
  I believe that the long-term ownership of exceptional businesses run by honest people is the best means of allowing the investor to participate in the general tendency for global living standards to rise, while simultaneously protecting his capital from inflation. Quoted equity securities allow the investor to part-own a variety of high quality businesses around the world, at remarkably low cost. Consequently, it is likely that investments in quoted equities will dominate the portfolio.

- *Risk and uncertainty cannot be avoided*
  Business and investing are complex, unpredictable and fraught with uncertainty. I do not believe that government bonds are risk-free; I do not believe that investment risk can be quantified; and I do not believe in smooth progress. MPIC is designed to cope with investment risk and uncertainty, not to eliminate it.

- *Progress will be lumpy*
  Quoted equities represent claims on corporate cash flows, yet their market prices have proved far more volatile than their underlying business values. Historically, publicly listed businesses have suffered widespread, general falls in market prices in approximately one calendar year in three. Indeed, dramatic declines of over 30% have occurred at some point in most decades. I do not believe that MPIC can avoid such characteristic downturns in business and stockmarket cycles, but it will seek to survive them without undue distress.

- *I will discourage investors who cannot commit funds for at least five years*
  MPIC is an open-ended investment company. If funds flow in *and out,* the company's returns may be compromised, to the detriment of the remaining shareholders. Thus, there is an exit charge for all redemptions within five years, which is paid into MPIC to compensate the remaining shareholders. (The charge is not paid to the ACD or the investment manager.)

Peter Hollis

PORTFOLIO AT 30 SEPTEMBER 2018

Security	Country	Holding	Value (£)	%	*30 Sept 2017*
Markel	US	7,400	6,719,142	8.3%	
Fairfax Financial	Canada	11,000	4,593,102	5.7%	
VP	UK	380,000	4,151,500	5.1%	
Svenska Handelsbanken A	Sweden	420,000	4,080,251	5.0%	
WH Soul Pattinson	Australia	190,000	2,730,053	3.4%	
JD Wetherspoon	UK	200,000	2,623,000	3.2%	
Progressive Corp	US	48,000	2,596,136	3.2%	
Jardine Strategic	Singapore	90,000	2,504,945	3.1%	
Admiral Group	UK	110,000	2,286,900	2.8%	
Moody's	US	15,000	1,958,314	2.4%	
Hansa Trust A	UK	165,000	1,666,500	2.4%	
Hansa Trust Ords	UK	25,000	267,500		
AMERCO	US	7,000	1,891,030	2.3%	
Next	UK	30,000	1,649,700	2.0%	
Lloyds Banking Group	UK	2,750,000	1,631,988	2.0%	
Philip Morris International	US	25,000	1,567,675	1.9%	
Rights & Issues Investment Trust	UK	66,000	1,534,500	1.9%	
Sofina	Belgium	10,000	1,530,930	1.9%	
Investor B	Sweden	40,000	1,418,955	1.7%	
Strategic Education	US	13,000	1,359,150	1.7%	
Pargesa Holding	Switzerland	20,000	1,239,541	1.6%	
US Bancorp	US	30,000	1,211,937	1.5%	
Franco-Nevada	Canada	24,000	1,156,606	1.4%	
RLI Corp	US	18,000	1,079,186	1.3%	
Wm Morrison Supermarkets	UK	400,000	1,039,900	1.3%	
Nestle	Switzerland	14,000	900,825	1.1%	
Motor Oil (Hellas)	Greece	43,071	866,908	1.1%	
Itausa – Investimentos Itau Prefs	Brazil	400,000	760,557	0.9%	
Spirax-Sarco	UK	10,213	753,464	0.9%	
Exor	Italy	12,000	618,357	0.8%	
Atlas Copco B	Sweden	30,000	615,563	0.8%	
Colruyt	Belgium	14,000	607,331	0.8%	
Graham Holdings B	US	1,300	572,886	0.7%	
Alleghany Corp	US	1,100	549,389	0.7%	
Ackermans & van Haaren	Belgium	4,000	534,534	0.7%	
Greggs	UK	50,000	527,500	0.7%	
CF-Alba	Spain	12,000	514,318	0.6%	
Liberty SiriusXM C	US	15,000	500,402	0.6%	
Wells Fargo warrants (28.10.18)	US	32,000	475,437	0.6%	
Ocean Wilsons Holdings	UK	30,000	313,500	0.4%	
Remgro	South Africa	25,000	267,414	0.3%	
Epiroc B	Sweden	30,000	238,022	0.3%	
Total equities			***64,104,848***	***79.1%***	*78.3%*

PORTFOLIO AT 30 SEPTEMBER 2018

Security	Country	Holding	Value (£)	%	*30 Sept 2017*
US 0.125% Inflation-protected Treasury 2023	US	1,500,000	1,215,647	1.5%	
US 0.375% Inflation-protected Treasury 2025	US	1,000,000	788,994	1.0%	
US 0.625% Inflation-protected Treasury 2021	US	750,000	641,285	0.8%	
US 0.125% Inflation-protected Treasury 2019	US	750,000	614,626	0.8%	
UK 0.125% Index-linked Gilt 2019	UK	300,000	349,568	0.4%	
Royal Canadian Mint Gold ETR	Canada	300,000	2,894,539	3.6%	
Perth Mint Gold ETP	Australia	248,954	2,286,473	2.8%	
Sprott Physical Gold & Silver Trust	Canada	200,000	1,797,490	2.2%	
Sprott Physical Gold Trust	US	200,000	1,466,575	1.8%	
Cash and equivalents	Various		5,042,302	6.2%	
Total effective liquidity			***17,097,499***	***21.1%***	*22.0%*
Adjustment to revalue assets from mid to bid			*-168,636*	*-0.2%*	
Total portfolio			**81,033,711**	**100%**	

Statement of total return

For the year ended 30 September	Notes	2018 £	2018 £	2017 £	2017 £
Income					
Net capital gains	2		5,157,343		5,845,074
Revenue	3	1,478,153		1,181,373	
Expenses	4	(364,143)		(316,549)	
Finance costs: interest	5	(1,781)		(5,829)	
Net revenues before taxation		1,112,229		858,995	
Taxation	6	(54,864)		(42,716)	
Net revenues after taxation			1,057,365		816,279
Total return before dividend			6,214,708		6,661,353
Finance costs: dividend	5		(1,103,930)		(871,205)
Change in net assets attributable to shareholders from investment activities			5,110,778		5,790,148

Statement of changes in net assets attributable to shareholders

For the year ended 30 September	2018 £	2017 £
Opening net assets attributable to shareholders	68,678,318	51,366,077
Amounts receivable on creation of shares	6,364,259	10,797,789
Amounts payable on cancellation of shares	-	-
Dividend accumulated	880,356	724,304
Change in net assets attributable to shareholders from investment activities (see above)	5,110,778	5,790,148
Closing net assets attributable to shareholders	81,033,711	68,678,318

Balance sheet

At 30 September	Notes	2018 £	2018 £	2017 £	2017 £
Assets					
Investment assets			75,991,409		65,348,127
Debtors	7	240,024		246,032	
Cash and bank balances	8	5,113,195		3,466,043	
Total other assets			5,353,219		3,712,075
Total assets			81,344,628		69,060,202
Liabilities					
Creditors	9	(87,343)		(234,983)	
Dividend payable		(223,574)		(146,901)	
Total liabilities			(310,917)		(381,884)
Net assets attributable to shareholders			81,033,711		68,678,318

For the year ended 30 September 2018

1 Accounting policies

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

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Bond interest is accrued daily into the Company. An adjustment is made to the amount of income recognised in bonds using the effective interest yield basis. Interest on deposits is accounted for on an accruals basis. Other revenue is accounted for on a receipts basis. Accumulation of revenue, relating to accumulation shares held in the Company, is not included in the amount available for distribution.

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

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

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

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

(f) Where the revenue from investments exceeds the expenses of the Company, annual dividends are paid to all holders of income shares. In all cases, tax vouchers will be issued to shareholders.

(g) The Company is not more than 60% invested in qualifying investments (as defined by S468L ICTA 1988) and where applicable will pay a dividend distribution.

(h) The listed investments of the Company have been valued at bid market prices at 4.30pm UK time on 28 September 2018. Suspended securities are valued initially at the suspended price but are subject to constant review.

(i) All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point and any gains or losses taken to capital.

(j) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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

(k) In certain circumstances the ACD may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Company, is intended to cover certain charges not included in the bid market value of the Company, used in calculating the share price, which could have a diluting effect on the performance of the Company.

2 Net capital gains

	2018 £	2017 £
The net capital gains comprise:		
Currency gains	141,020	15,712
Non-derivative securities gains – unrealised	3,578,088	3,914,826
– realised	1,439,835	1,917,337
Custodial transaction charges	(1,600)	(2,801)
Total net capital gains	5,157,343	5,845,074

3 Revenue

	2018 £	2017 £
UK dividends	586,468	542,780
Overseas dividends	840,859	617,950
Bond income	50,826	20,643
Total revenue	1,478,153	1,181,373

4 Expenses

	2018 £	2017 £
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD fee	308,641	273,537
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	32,131	30,264
Safe custody fees and cash transactions	13,471	7,106
Adjustment to 2017 custody fee	4,076	-
	49,678	37,370
Other expenses:		
Audit fee	5,700	5,700
FCA fee	124	(58)
	5,824	5,642
Total expenses	364,143	316,549

5 Finance costs

	2018 £	2017 £
Negative interest on deposits	1,781	5,829
Dividend for the year	1,103,930	871,205
Reconciliation of dividend:		
Net revenue after taxation	1,057,365	816,279
Equalisation on subscriptions	46,565	54,926
Dividend for the year	1,103,930	871,205

6 Taxation

	2018 £	2017 £
(a) Analysis of charge in the year		
Irrecoverable income tax	54,864	42,716
Total current tax charge for the year (note 6b)	54,864	42,716

(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 of 20.0% (2017 20.0%). The differences are shown below.

	2018 £	2017 £
Net revenues before taxation	1,112,229	858,995
OEIC corporation tax at 20.0% (2017 20.0%)	222,446	171,799
Effects of:		
Revenue not subject to UK corporation tax	(285,465)	(232,146)
Current year expenses not utilised	63,019	60,347
Overseas tax expenses	54,864	42,716
Current tax charge for year (note 6a)	54,864	42,716

(c) Provision for deferred taxation

At 30 September 2018 there is a potential deferred tax asset of £262,745 (2017 £199,726) 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.

7 Debtors

	2018 £	2017 £
Accrued revenue	136,705	121,723
Tax reclaimable	103,319	124,309
Total debtors	240,024	246,032

8 Cash and bank balances

	2018 £	2017 £
Cash and bank balances	5,113,195	3,466,043

9 Creditors

	2018 £	2017 £
Accrued expenses	87,343	74,634
Unsettled trades	-	160,349
Total creditors	87,343	234,983

10	**Share movement**	**Income shares**	**Acc. shares**
	Shares outstanding at 1 October 2017	5,734,173	27,279,396
	Shares issued during the period	1,851,876	1,182,080
	Shares cancelled during the period	-	-
	Shares converted during the period	-	-
	Shares outstanding at 30 September 2018	7,586,049	28,461,476

11	**Related party transactions**	**2018** **£**	**2017** **£**
	Authorised Corporate Director's fees and Investment Manager's fees were payable to the following related parties during the period:		
	Valu-Trac Investment Management Limited	20,607	20,353
	Hollis Capital Limited	288,034	253,184
	The balances due to these related parties at 30 September 2018 were as follows:		
	Valu-Trac Investment Management Limited	-	-
	Hollis Capital Limited	76,007	66,278

12 Financial instruments

In pursuing its investment objective as stated on page 1, the Company holds a number of financial instruments. The Company'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 Company'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 Company'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 Company might suffer through holding market positions in the face of price movements.

The Company'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.

Foreign currency risk

The Company can invest in overseas securities and hold cash in foreign currencies.

Foreign currency risk may cause the Company's investments to fluctuate as a result of changes in foreign currency exchange rates. Revenue received in other currencies is converted to sterling on or near the date of receipt.

The currency exposure at 30 September 2018 consists of:

	Effective liquidity		Total equities		Total portfolio	
	2018	2017	2018	2017	2018	2017
	£	£	£	£	£	£
Sterling	4,472,405	2,977,184	18,445,952	16,458,187	22,918,357	19,435,371
Australian Dollar	2,344,447	2,409,402	2,730,053	1,778,825	5,074,500	4,188,227
Brazilian Real	17,057	0	760,557	0	777,614	0
Canadian Dollar	5,125,339	4,738,387	5,749,708	5,747,928	10,875,047	10,486,315
Euro	105,766	524,946	4,672,378	3,971,874	4,778,144	4,496,820
S.African Rand	11,900	5,829	267,414	283,681	279,314	289,510
Swedish Kroner	49,631	1,020,955	6,352,791	5,033,363	6,402,422	6,054,318
Swiss Franc	70,109	50,993	2,140,366	873,663	2,210,475	924,656
US Dollar	4,900,845	3,364,958	22,985,629	19,636,604	27,886,474	23,001,562
	17,097,499	15,092,654	64,104,848	53,784,125	81,202,347	68,876,779
Mid to bid adjt.	(34,410)	(47,080)	(134,226)	(151,381)	(168,636)	(198,461)
Total	17,063,089	15,045,574	63,970,622	53,632,744	81,033,711	68,678,318

If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained the same the return attributable to shareholders for the year ended 30 September 2018 would have increased or decreased by £5,820,649 (2017 £4,916,087).

Interest rate risk

Interest rate risk is the risk that the capital value or income of the Company's investments will fluctuate as a result of changes in interest rates.

The Company currently does not invest in floating rate securities. The Company does hold cash balances which are subject to variable interest rates.

At the period end date 10.8% of the Company's assets by value were interest bearing.

Maturity of financial liabilities

The financial liabilities of the Company at 30 September 2018 are payable either within one year or on demand.

Liquidity risk

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

Credit risk

Certain transactions in securities that the Company 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 Company has fulfilled its responsibilities. The Company 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

All investments are valued using prices for identical instruments in active markets.

13 Contingent assets and liabilities

At 30 September 2018 the Company had no contingent liabilities or commitments.

14 Portfolio transaction costs

	2018 £	% of purchases	**2017** £	% of purchases
Analysis of total purchase costs:				
Purchases before transaction costs	10,523,051		16,105,238	
Commissions	7,229	0.07	14,628	0.09
Taxes	6,542	0.06	23,156	0.14
Total transaction costs	13,771	0.13	37,784	0.23
Total purchases plus transaction costs	10,536,822		16,143,022	

	£	% of sales	£	% of sales
Analysis of total sale costs:				
Sales before transaction costs	5,206,456		5,298,148	
Commissions	1,444	0.03	4,487	0.08
Taxes	10	0.00	67	0.00
Total transaction costs	1,454	0.03	4,554	0.08
Total sales less transaction costs	5,205,002		5,293,594	

	£	% of average net assets	£	% of average net assets
Analysis of total transaction costs:				
Commissions	8,673	0.01	19,115	0.03
Taxes	6,552	0.01	23,223	0.04
	15,225	0.02	42,338	0.07

COMPARATIVE TABLES

	Income shares		
For the year ended 30 September	**2018**	**2017**	**2016**
Change in net assets per share			
Opening net asset value per share	200.4p	180.3p	136.7p
Return before operating charges †	18.0p	23.7p	46.7p
Operating charges	(1.0p)	(1.0p)	(0.9p)
Return after operating charges	17.0p	22.7p	45.8p
Dividend on income shares	(3.0p)	(2.6p)	(2.2p)
Closing net asset value per share	214.4p	200.4p	180.3p
† after direct transaction costs of	0.04p	0.13p	0.06p
Returns			
Total return after charges	8.5%	12.6%	32.6%
Other information			
Closing net asset value	£16.3m	£11.5m	£10.1m
Closing number of shares	7.6m	5.7m	5.6m
Operating charges	0.49%	0.51%	0.58%
Direct transaction costs	0.02%	0.07%	0.04%
Share prices			
Highest offer price	219.9p	206.8p	181.2p
Lowest bid price	193.5p	178.3p	141.6p

	Accumulation shares		
For the year ended 30 September	**2018**	**2017**	**2016**
Change in net assets per share			
Opening net asset value per share	210.4p	186.9p	141.0p
Return before operating charges †	18.9p	24.5p	46.8p
Operating charges	(1.1p)	(1.0p)	(0.9p)
Return after operating charges	17.8p	23.5p	45.9p
Closing net asset value per share	228.2p	210.4p	186.9p
Retained dividend on accumulation shares	3.1p	2.7p	2.3p
† after direct transaction costs of	0.04p	0.13p	0.06p
Returns			
Total return after charges	8.5%	12.6%	32.6%
Other information			
Closing net asset value	£64.9m	£57.4m	£41.4m
Closing number of shares	28.5m	27.3m	22.2m
Operating charges	0.49%	0.51%	0.58%
Direct transaction costs	0.02%	0.07%	0.04%
Share prices			
Highest offer price	230.8p	214.3p	187.8p
Lowest bid price	205.2p	184.7p	145.8p

AUTHORISED CORPORATE DIRECTOR'S REPORT

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 affairs of the Company and of its revenue for the period. In preparing these financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus 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 FCA's Investment Funds Sourcebook ("FUND"), 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 Schemes Sourcebook and FUND, we hereby certify the annual report.

Anne A. Laing CA　　　　Neil J. Smith MA BA CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Investment Funds 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 and that 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 Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has the 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 AIFM:

(i) has carried out the issue, sale, redemptions 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
1 October 2018

Opinion

We have audited the financial statements of Moray Place Investment Company ("the Company") for the year ended 30 September 2018 which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Shareholders, Balance Sheet, the related Notes to the Financial Statements and the dividends. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company at 30 September 2018 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are described further in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the ACD's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the ACD has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The ACD is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the COLL regulations

In our opinion, based on the work undertaken in the course of the audit:

- proper accounting records for the Company have been kept and the accounts agree with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- the information given in the report of the ACD and in the report of the authorised fund manager for the year is consistent with the financial statements.

Responsibilities of the Authorised Corporate Director

As explained more fully in the Authorised Corporate Director's Responsibilities Report set out on page 19, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal controls as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the ACD.
- Conclude on the appropriateness of the ACD's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ("the COLL Rules") issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. 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.

Johnston Carmichael LLP, Chartered Accountants
Statutory Auditor, Elgin

Authorised Corporate Director's charges

The annual ACD charges are £20,000, indexed each year to the Consumer Price Index from 1 October 2014, plus the investment management fee. The annual investment management fee is currently equal to:

1. 0.50% of the net asset value of the Company on the first £20 million; and
2. 0.35% of the net asset value of the Company thereafter.

Dividend

All the net revenue of the Company will be paid as a dividend to shareholders on or before 30 November each year.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours. Instructions may be given by telephone (01343 880344) and by sending an application form. Application forms are available from the Registrar.

Dealing is possible on the 1st and 15th (or the next business day) of each month. The price of shares will be determined by a valuation of the Company's net assets at 4.30pm on the dealing day.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued.

A contract note giving details of the shares traded and the price used will be issued by the Registrar by the end of the third business day following the valuation point.

Ownership of shares will be recorded by an entry on the Company's Register of Shareholders. Certificates will not be issued. Annual statements will show the number of shares held by the recipient on which the dividend is paid. Individual statements of a shareholder's (or, when shares are jointly held, the first named holder's) shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the trade date. The minimum value of shares that a shareholder may hold is £200,000 at cost. The ACD may at its discretion accept subscriptions lower than the minimum amount.

A redemption charge is payable on any shares redeemed within five years of purchase. The redemption charge is paid to the Company to compensate continuing shareholders; it is not paid to the ACD or the investment manager.

The most recent issue and redemption prices are available from the ACD.

Alternative Investment Fund Managers Directive

Under the EU's Alternative Investment Fund Managers Directive (AIFMD) 2013, the Company has been designated an Alternative Investment Fund. The ACD, Valu-Trac Investment Management Limited, has been appointed as the Alternative Investment Fund Manager (AIFM). The AIFMD has had little impact on the operating costs or management of MPIC.

To comply with the AIFMD, information about the AIFM's remuneration policies and disclosures is available from Valu-Trac Investment Management Limited on its website. The Company does not employ any staff directly from the AIFM, so there are no quantitative disclosures in this report.

Taxation

The Company will pay no corporation tax for the year ended 30 September 2018 and capital gains within the Company will not be taxed.

The information below on taxation is a general summary, and shareholders should consult their tax advisers about their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Individual shareholders

Tax on dividends
HM Revenue and Customs changed the taxation of dividends on 6 April 2016. Dividend tax credits were abolished and replaced by an annual dividend allowance. UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. The actual rate charged depends on the individual's tax rate band.

Capital gains tax
Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. Presently each year there is a tax-free allowance for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual taxpayer.

ISAs
Individuals resident in the UK for tax purposes may invest each year in Individual Savings Accounts (ISAs), free of income and capital gains tax. The ISA allowance for the 2018/19 tax year is £20,000. The ACD offers a simple, zero-charge ISA which is invested solely in MPIC accumulation shares. For each investor the overall minimum initial and subsequent investment in MPIC still applies. Further details may be obtained from the ACD.

Corporate shareholders

Companies resident in the UK for tax purposes which hold shares should note that OEIC dividends are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which is subject to tax. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

Advantages of investing through an open-ended investment company

Moray Place Investment Company is an open-ended investment company (OEIC). Investing through an OEIC offers considerable advantages for individual investors compared to managing their own portfolio directly or through a financial adviser. These advantages include:

- The full-time attention of an experienced professional investor
- Participation in a diversified portfolio of assets
- The OEIC does not incur capital gains tax on transactions within its portfolio. Investors thus defer any capital gains tax liability until they sell their shares in the OEIC
- The OEIC is able to offset management and administration costs against taxable income. It is not possible to do this with the costs of directly managed portfolios or financial adviser fees
- Less paperwork and record-keeping

HISTORICAL INFORMATION

	Value of company	NAV per acc. share (1)	Dividend per inc. share	Consumer Price Index (2)	Real NAV per acc. share (1)/(2)*100
At and for the period ended					
15 May 2012		100.0p		100	**100**
30 Sept 2012	£15.6m	104.1p	nil	101	**103**
30 Sept 2013	£22.8m	121.9p	1.04p	103	**118**
30 Sept 2014	£28.3m	128.4p	1.45p	105	**123**
30 Sept 2015	£34.2m	141.0p	1.80p	104	**135**
30 Sept 2016	£51.4m	186.9p	2.22p	105	**177**
30 Sept 2017	£68.7m	210.4p	2.56p	109	**194**
30 Sept 2018	£81.0m	228.2p	2.95p	111	**205**
Gain since inception					
Cumulative		128%		11%	**105%**
Annualised		13.8%		1.7%	**11.9%**

Notes
The company started trading on 15 May 2012 when shares were issued at 100p each.
The UK CPI in May 2012 was 95.9. It has been rebased to 100 to aid comparability.
Real NAV is the net asset value per accumulation share deflated by the UK CPI.

CORPORATE DIRECTORY

ACD, AIFM and Registrar	Valu-Trac Investment Management Limited Orton Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 E-mail: mpic@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No. 2428648
Director	Valu-Trac Investment Management Limited as ACD
Investment Manager	Hollis Capital Limited 28 Walker Street Edinburgh EH3 7HR Authorised and regulated by the Financial Conduct Authority
Depositary	National Westminster Bank Plc Drummond House 2nd Floor, 1 Redheughs Avenue Edinburgh EH12 9RH Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE