MORAY PLACE INVESTMENT COMPANY

REPORT AND FINANCIAL STATEMENTS
for the year ended 30 September 2019

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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 then grow 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 five to ten 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 2019	£92,225,527	
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	0.47%	
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 2019	**30 Sept 2018**	**30 Sept 2017**	**30 Sept 2016**	**30 Sept 2015**
Value of company	£92.2m	£81.0m	£68.7m	£51.4m	£34.2m
Shares outstanding					
Accumulation	30.4m	28.5m	27.3m	22.2m	19.1m
Income	7.6m	7.6m	5.7m	5.6m	5.4m
NAV per share *(mid price)*					
Accumulation	246.5p	228.2p	210.4p	186.9p	141.0p
Income	228.4p	214.4p	200.4p	180.3p	136.7p
Dividend per share					
Accumulation	3.48p	3.09p	2.66p	2.28p	1.80p
Income	3.27p	2.95p	2.56p	2.22p	1.80p
Effective liquidity	19%	21%	22%	25%	22%
Ongoing charges	0.47%	0.49%	0.51%	0.58%	0.61%
Portfolio turnover	8%	7%	8%	9%	10%

	Cumulative gain to 30 Sept 2019	
	5 years	**Since inception**
NAV per accumulation share	92%	146%
Comparators		
UK Consumer Price Index	8%	13%
Index of the annual yield on the longest dated gilt	12%	22%
FTSE All-Share Total Return Index	39%	89%

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 page 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 to protect and then 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

In my 2012 letter I stated 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 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 146%. This compares with an increase in the UK Consumer Price Index of 13% over the same period. The table on page 25 offers another perspective. Its final row shows that the increase in asset value per share is equivalent to an annual gain in purchasing power of 11%. I expect the company to continue to grow its investors' purchasing power. However, I do not think it reasonable to expect future annual gains of more than 5% to be sustainable. And any advance is unlikely to be as regular as it has been so far.

Bad news and uncertainty but three tenets

Judging by the tenor of the news headlines, the outlook for humanity is grim. Apparently, if trade wars, erratic political leadership or experimental monetary policies do not destroy our wellbeing, then climate change will. It is unclear how one should react. Within the sphere of business and investing, a common refrain is to wait for the uncertainty to subside. Yet, the only certainty is change and uncertainty. To guide me in managing MPIC, I rely on three tenets.

1. Emphasise long shelf-life information

Hans Rosling, the late Swedish public health academic, was a TED Talk phenomenon. His 2018 book, *Factfulness*, highlighted three points. First, human wellbeing has improved around the world and is likely to continue to do so. Second, most educated professionals do not appear to realise the scale of improvement. Third, the news media gives a misleading impression of the improvement. It seems that bad news is too dramatic to ignore, while good news is too persistent to notice.

While setbacks in economic activity or stockmarkets dominate the headlines, it is fleeting news on which it is hard to act. At best, it is information with a short shelf-life. At worst, it diverts attention from the important news with a long shelf-life: the persistent gains in human wellbeing worldwide. Stockmarket news rarely highlights the underlying attractions of business ownership.

2. Long-term pessimism on paper money

One observation with a perpetual shelf-life is that politicians promise too much. In exchange for obvious short-term benefits they routinely incur less obvious long-term costs. This undermines the value of their promises. One important government promise is to control inflation, or restrain the rate at which paper money depreciates. Freely traded currencies are said to "float" on foreign exchange markets. It is a misleading metaphor. All paper currencies sink – the question is how quickly.

Sidney Homer and Richard Sylla wrote *A History of Interest Rates*. It reveals that printing money and suppressing interest rates has been tried many times by desperate governments. At best, any benefits have had a short shelf-life. Negative interest rates are an extra degree of desperation. The current global experiment in monetary policy is unprecedented, according to Sylla. I am pessimistic about its consequences.

In contrast to paper currencies, gold is not a government promise, nor someone's liability. It is scarce, durable, hard to counterfeit and does not corrode. It has been a cherished store of purchasing power throughout recorded history. I regard its value as inversely related to faith in government action. I do not regard gold as an investment, but as insurance against events that one cannot predict.

3. Long-term optimism on business

My pessimism about government promises and money is countered by my enduring optimism about man's ability to think, accumulate knowledge and trade ideas. Skilled, motivated and free people solve problems and improve living standards. This is mostly done through businesses, which are communities of problem-solvers. If they solve their customers' problems successfully, then the capital, time and human thought that they invest will earn a profit. Profit is not the point of corporate existence, but it is the prize. As long as there are human needs, there will be opportunities for profitable commerce.

The return on capital invested in business is uncertain and cyclical. Yet, for periods extending over a decade, the return on business owners' capital appears remarkably resilient. This was highlighted in a recent paper sponsored by the San Francisco Federal Reserve Bank, *The Return on Everything, 1870-2015.* It analysed the investment returns from various asset classes, adjusted for inflation, over periods of at least 10 years, across 16 countries, since 1870. Importantly, every country in the cohort allowed private ownership of property. Two results are of note. First, the long-term returns from publicly quoted businesses were surprisingly consistent. For all 16 countries they tended to be 5-7% per annum more than inflation. Second, the differences in the returns between owning publicly quoted businesses and owning government bonds could vary markedly. However, the extreme variations were largely owing to the occasional periods of awful inflation-adjusted returns from government bonds.

In 1977 Warren Buffett noted in a *Forbes* magazine article the surprising constancy of the underlying returns on business owners' capital. He calculated that in the US the average annual return on owners' capital was 12% in the first decade after 1945, as well as in the second and the third. I calculate that if one adjusts for the recurring "exceptional" charges, the average publicly quoted business in the US still earns about 12% on its owners' capital. Indeed, it has done so in each of the four decades since Buffett's article.

Businesses as compounding machines

Business owners benefit not just from the surprising long-term resilience of profits. Those profits also grow. This is the result of a feature unmatched by other assets. Most businesses distribute only a portion of their profits to their owners as dividends. The rest is retained to reinvest back into the business. The retained profits add to the accumulated savings, or capital, invested in the business by its owners. For healthy businesses, the retained profits earn more profits, which in time beget yet more.

Thus, at the heart of such businesses is a compound-interest effect on their underlying value. This is reflected in the compound growth of their owners' capital, or net asset value. For publicly quoted businesses, the link with their share prices is less obvious. However, over time, share prices do follow business values, even if the fluctuations are distracting.

It is of note that a share owner reinvesting his dividends seldom replicates the effect of a company reinvesting its profits. This is because the share owner reinvests at market prices while the company effectively reinvests at net asset value. The reinvestment feature is of little consequence if the share price and net asset value are similar. But when the share price exceeds net asset value it is of consequence and valuable. This occurs when the underlying return on business owners' capital is greater than prevailing interest rates – which is the case for most businesses today.

Purposeful inactivity

MPIC's portfolio is the outcome of my continuous search for resilience and growth in purchasing power. In that search, there is an infinite amount of potentially relevant information. My policy is to emphasise information with a long shelf-life.

Most news has a short shelf-life, especially that about the economy and the stockmarket. It is quickly irrelevant. My enduring belief is that owning businesses is both the most likely and simplest way of achieving resilience and growth. MPIC uses stock exchanges as a convenient means of owning a variety of businesses.

A feature of information with a long shelf-life is that it can appear stale. It is no coincidence that the company's portfolio changes little from year to year. It is purposeful inactivity. The portfolio's foundations remain based on the following observations.

- Politicians promise too much. I doubt their ability to protect the value of paper money.
- Durable wealth is created by man's freedom and ability to think. Businesses are the main conduit for productive thinking and problem-solving.
- The underlying return on business owners' capital has been remarkably resilient.
- The stockmarket is a distraction from the underlying advantages of owning businesses.
- A defining characteristic of businesses is the reinvestment of a portion of their profits. In the current environment, this is particularly valuable.

Don't expect the impossible

Socrates had many long shelf-life insights on human behaviour. He even pronounced on a helpful attitude for investing, if unwittingly. Two and a half thousand years ago he said, "Remember there is nothing stable in human affairs; therefore, avoid undue elation in prosperity or undue depression in adversity."

Harry Browne was a financial commentator and libertarian politician in the twentieth century. He said, "The rules of investing are little different from the rules of life: recognise that you live in an uncertain world, don't expect the impossible, and don't trust strangers."

None of the investors in MPIC are strangers to me. Thank you for your 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 then grow 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.

- *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*
  Politicians promise too much. In exchange for obvious short-term benefits they willingly incur less obvious long-term costs. This undermines the value of government-backed promises, such as paper money and sovereign bonds. One consequence 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 superior 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 2019

Security	Country	Holding	Value (£)	%	*30 Sept 2018*
Markel	US	8,000	7,662,692	8.3%	
Fairfax Financial	Canada	13,000	4,638,358	5.0%	
JD Wetherspoon	UK	270,000	4,174,200	4.5%	
Svenska Handelsbanken A	Sweden	500,000	3,824,794	4.1%	
VP	UK	410,000	3,321,000	3.6%	
Jardine Strategic	Singapore	125,000	3,043,623	3.3%	
Progressive Corp	US	48,000	3,010,686	3.3%	
Pargesa Holding	Switzerland	45,000	2,809,828	3.0%	
Lloyds Banking Group	UK	5,000,000	2,716,000	2.9%	
AMERCO	US	8,500	2,691,151	2.9%	
Moody’s	US	15,000	2,512,300	2.7%	
Next	UK	40,000	2,488,400	2.7%	
Admiral Group	UK	110,000	2,329,800	2.5%	
Ackermans & van Haaren	Belgium	18,000	2,226,230	2.4%	
Franco-Nevada	Canada	28,000	2,071,345	2.2%	
Sofina	Belgium	10,000	1,810,862	2.0%	
Hansa Investment Company A	UK	825,000	1,542,750	1.9%	
Hansa Investment Company Ord	UK	125,000	237,000		
Investor B	Sweden	40,000	1,592,002	1.8%	
Philip Morris International	US	25,000	1,542,143	1.7%	
Exor	Italy	28,000	1,528,696	1.7%	
RLI Corp	US	18,000	1,358,834	1.5%	
US Bancorp	US	30,000	1,356,151	1.5%	
Ryanair	Ireland	140,000	1,309,805	1.4%	
Dart Group	UK	140,000	1,282,750	1.4%	
Rights & Issues Investment Trust	UK	66,000	1,260,600	1.4%	
Nestle	Switzerland	14,000	1,235,986	1.3%	
Alleghany Corp	US	1,800	1,161,366	1.3%	
Itausa – Investimentos Itau Pref	Brazil	400,000	1,035,842	1.1%	
Motor Oil (Hellas)	Greece	43,071	813,751	0.9%	
Wm Morrison Supermarkets	UK	400,000	804,000	0.9%	
Spirax-Sarco	UK	10,213	802,742	0.9%	
CF-Alba	Spain	20,000	790,839	0.9%	
Strategic Education	US	7,000	759,052	0.8%	
Atlas Copco B	Sweden	30,000	662,686	0.7%	
Remgro	South Africa	75,000	657,116	0.7%	
Greggs	UK	30,000	627,000	0.7%	
Liberty SiriusXM C	US	15,000	512,658	0.6%	
Wells Fargo	US	11,384	468,138	0.5%	
Ocean Wilsons Holdings	UK	30,000	268,500	0.3%	
Total equities			***74,941,676***	***81.3%***	*79.1%*

PORTFOLIO AT 30 SEPTEMBER 2019

Security	Country	Holding	Value (£)	%	*30 Sept 2018*
US 0.125% Inflation-protected Treasury 2023	US	1,500,000	1,344,795	1.4%	
US 0.375% Inflation-protected Treasury 2025	US	1,000,000	891,591	1.0%	
US 0.625% Inflation-protected Treasury 2021	US	750,000	696,782	0.7%	
UK 0.125% Index-linked Gilt 2019	UK	300,000	349,733	0.4%	
Royal Canadian Mint Gold ETR	Canada	350,000	4,533,996	4.9%	
Perth Mint Gold ETP	Australia	248,581	3,017,333	3.3%	
Sprott Physical Gold Trust	US	300,000	2,875,279	3.1%	
Sprott Physical Gold & Silver Trust	Canada	200,000	2,301,004	2.5%	
Cash and equivalents	Various		1,460,941	1.6%	
Total effective liquidity			***17,471,454***	***18.9%***	*21.1%*
Adjustment to revalue assets from mid to bid			*-187,603*	*-0.2%*	
Total portfolio			**92,225,527**	**100%**	

Statement of total return

For the year ended 30 September	Notes		2019		2018
		£	£	£	£
Income					
Net capital gains	2		5,570,410		5,157,343
Revenue	3	1,806,872		1,488,172	
Expenses	4	(407,063)		(364,143)	
Finance costs: interest	5	(4,563)		(1,781)	
Net revenues before taxation		1,395,246		1,122,248	
Taxation	6	(102,191)		(64,883)	
Net revenues after taxation			1,293,055		1,057,365
Total return before dividend			6,863,465		6,214,708
Finance costs: dividend	5		(1,309,784)		(1,103,930)
Change in net assets attributable to shareholders from investment activities			5,553,681		5,110,778

Statement of changes in net assets attributable to shareholders

For the year ended 30 September	2019 £	2018 £
Opening net assets attributable to shareholders	81,033,711	68,678,318
Amounts receivable on creation of shares	4,742,386	6,364,259
Amounts payable on cancellation of shares	(164,882)	-
Dividend accumulated	1,060,631	880,356
Change in net assets attributable to shareholders from investment activities (see above)	5,553,681	5,110,778
Closing net assets attributable to shareholders	92,225,527	81,033,711

Balance sheet

At 30 September	Notes	2019 £	2019 £	2018 £	2018 £
Assets					
Investment assets			90,764,586		75,991,409
Debtors	7	259,548		240,024	
Cash and bank balances	8	1,559,651		5,113,195	
Total other assets			1,819,199		5,353,219
Total assets			92,583,785		81,344,628
Liabilities					
Creditors	9	(109,105)		(87,343)	
Dividend payable		(249,153)		(223,574)	
Total liabilities			(358,258)		(310,917)
Net assets attributable to shareholders			92,225,527		81,033,711

For the year ended 30 September 2019

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.

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 30 September 2019. 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**	**2019**	**2018**
		£	**£**
	The net capital gains comprise:		
	Currency gains	27,489	141,020
	Non-derivative securities gains – unrealised	2,027,895	3,578,088
	– realised	3,515,578	1,439,835
	Custodial transaction charges	(552)	(1,600)
	Total net capital gains	5,570,410	5,157,343

3	**Revenue**	**2019**	**2018**
		£	**£**
	UK dividends	647,944	586,468
	Overseas dividends	1,104,258	850,878
	Bond income	44,910	50,826
	Bank interest	9,760	-
	Total revenue	1,806,872	1,488,172

4	**Expenses**	**2019**	**2018**
		£	**£**
	Payable to the ACD, its associates, and agents of either:		
	ACD fee	356,748	308,641
	Payable to the depositary, its associates, and agents of either:		
	Depositary fee	37,784	32,131
	Safe custody fees and cash transactions	6,758	13,471
	Adjustment to 2017 custody fee	-	4,076
		44,542	49,678
	Other expenses:		
	Audit fee	5,700	5,700
	FCA fee	73	124
		5,773	5,824
	Total expenses	407,063	364,143

5	**Finance costs**	**2019**	**2018**
		£	**£**
	Negative interest on deposits	4,563	1,781
	Dividend for the year	1,309,784	1,103,930
	Reconciliation of dividend:		
	Net revenue after taxation	1,293,055	1,057,365
	Equalisation on subscriptions	16,729	46,565
	Dividend for the year	1,309,784	1,103,930

6	Taxation	2019 £	2018 £
(a)	**Analysis of charge in the year**		
	Irrecoverable income tax	102,191	64,883
	Total current tax charge for the year (note 6b)	102,191	64,883

(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% (2018 20.0%). The differences are shown below.

	2019 £	2018 £
Net revenues before taxation	1,395,246	1,122,248
OEIC corporation tax at 20.0% (2018 20.0%)	279,049	224,450
Effects of:		
Revenue not subject to UK corporation tax	(350,440)	(287,469)
Current year expenses not utilised	71,391	63,019
Overseas tax expenses	102,191	64,883
Current tax charge for year (note 6a)	102,191	64,883

(c) Provision for deferred taxation

At 30 September 2019 there is a potential deferred tax asset of £334,136 (2018 £262,745) 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	2019 £	2018 £
	Accrued revenue	156,219	136,705
	Tax reclaimable	103,329	103,319
	Total debtors	259,548	240,024

8	Cash and bank balances	2019 £	2018 £
	Cash and bank balances	1,559,651	5,113,195

9	Creditors	2019 £	2018 £
	Accrued expenses	109,105	87,343
	Total creditors	109,105	87,343

10 Share movement

	Income shares	Acc. shares
Shares outstanding at 1 October 2018	7,586,049	28,461,476
Shares issued during the period	101,367	1,982,249
Shares cancelled during the period	(77,942)	-
Shares converted during the period	-	-
Shares outstanding at 30 September 2019	7,609,474	30,443,725

11 Related party transactions

	2019 £	2018 £
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	21,333	20,607
Hollis Capital Limited	335,415	288,034
The balances due to these related parties at 30 September 2019 were as follows:		
Valu-Trac Investment Management Limited	-	-
Hollis Capital Limited	88,414	76,007

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.

Below is a summary of the main risks arising from the Company's financial instruments, its underlying holdings and the ACD's policies for managing them. 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 consists of:

	Effective liquidity		Total equities		Total portfolio	
	2019	2018	2019	2018	2019	2018
	£	£	£	£	£	£
Sterling	1,406,061	4,472,405	21,854,740	18,445,952	23,260,801	22,918,357
Australian Dollar	3,017,333	2,344,447	-	2,730,053	3,017,333	5,074,500
Brazilian Real	106,857	17,057	1,035,842	760,557	1,142,699	777,614
Canadian Dollar	6,839,827	5,125,339	6,709,703	5,749,708	13,549,530	10,875,047
Euro	59,632	105,766	8,480,183	4,672,378	8,539,815	4,778,144
S.African Rand	70	11,900	657,116	267,414	657,186	279,314
Swedish Kroner	37,513	49,631	6,079,481	6,352,791	6,116,994	6,402,422
Swiss Franc	131,913	70,109	4,045,815	2,140,366	4,177,728	2,210,475
US Dollar	5,872,248	4,900,845	26,078,796	22,985,629	31,951,044	27,886,474
	17,471,454	17,097,499	74,941,676	64,104,848	92,413,130	81,202,347
Mid to bid adjt.	(26,608)	(34,410)	(160,995)	(134,226)	(187,603)	(168,636)
Total	17,444,846	17,063,089	74,780,681	63,970,622	92,225,527	81,033,711

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 2019 would have increased or decreased by £6,904,920 (2018 £5,820,649).

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 5.1% of the Company's assets by value were interest bearing.

Maturity of financial liabilities

The financial liabilities of the Company at 30 September 2019 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

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations.

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 are authorised and regulated by the Financial Conduct Authority and have been approved by the ACD as acceptable counterparties. In addition, limits are set to the exposure to any individual broker.

The Company is exposed to credit risk through its investments in debt securities. To limit credit risk during the period, all bonds held by the Company were backed by either the UK or US government. There is also credit risk when cash balances are held by banking institutions. The ACD and the investment manager review the banking partners and deposit levels on an ongoing basis.

Fair value disclosure

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

13 Contingent assets and liabilities

At 30 September 2019 the Company had no contingent liabilities or commitments.

14 Portfolio transaction costs

	2019 £	% of purchases	2018 £	% of purchases
Analysis of total purchase costs:				
Purchases before transaction costs	16,174,427		10,523,051	
Commissions	5,243	0.03	7,229	0.07
Taxes	16,161	0.10	6,542	0.06
Total transaction costs	21,404	0.13	13,771	0.13
Total purchases plus transaction costs	16,195,831		10,536,822	

	£	% of sales	£	% of sales
Analysis of total sale costs:				
Sales before transaction costs	7,010,290		5,206,456	
Commissions	1,846	0.03	1,444	0.03
Taxes	-	0.00	10	0.00
Total transaction costs	1,846	0.03	1,454	0.03
Total sales less transaction costs	7,008,444		5,205,002	

	£	% of average net assets	£	% of average net assets
Analysis of total transaction costs:				
Commissions	7,089	0.01	8,673	0.01
Taxes	16,161	0.02	6,552	0.01
	23,250	0.03	15,225	0.02

COMPARATIVE TABLES

	Income shares		
For the year ended 30 September	**2019**	**2018**	**2017**
Change in net assets per share			
Opening net asset value per share	214.4p	200.4p	180.3p
Return before operating charges †	18.3p	18.0p	23.7p
Operating charges	(1.0p)	(1.0p)	(1.0p)
Return after operating charges	17.3p	17.0p	22.7p
Dividend on income shares	(3.3p)	(3.0p)	(2.6p)
Closing net asset value per share	228.4p	214.4p	200.4p
† after direct transaction costs of	0.07p	0.04p	0.13p
Returns			
Total return after charges	8.0%	8.5%	12.6%
Other information			
Closing net asset value	£17.4m	£16.3m	£11.5m
Closing number of shares	7.6m	7.6m	5.7m
Operating charges	0.47%	0.49%	0.51%
Direct transaction costs	0.03%	0.02%	0.07%
Share prices			
Highest offer price	234.4p	219.9p	206.8p
Lowest bid price	203.6p	193.5p	178.3p

	Accumulation shares		
For the year ended 30 September	**2019**	**2018**	**2017**
Change in net assets per share			
Opening net asset value per share	228.2p	210.4p	186.9p
Return before operating charges †	19.4p	18.9p	24.5p
Operating charges	(1.1p)	(1.1p)	(1.0p)
Return after operating charges	18.3p	17.8p	23.5p
Dividend on accumulation shares	(3.5p)	(3.1p)	(2.7p)
Reinvested dividend on accumulation shares	3.5p	3.1p	2.7p
Closing net asset value per share	246.5p	228.2p	210.4p
† after direct transaction costs of	0.07p	0.04p	0.13p
Returns			
Total return after charges	8.0%	8.5%	12.6%
Other information			
Closing net asset value	£75.0m	£64.9m	£57.4m
Closing number of shares	30.4m	28.5m	27.3m
Operating charges	0.47%	0.49%	0.51%
Direct transaction costs	0.03%	0.02%	0.07%
Share prices			
Highest offer price	249.4p	230.8p	214.3p
Lowest bid price	216.6p	205.2p	184.7p

AUTHORISED CORPORATE DIRECTOR'S REPORT

The rules of the Financial Conduct Authority's (FCA) 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 FCA's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook, 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.

Authorised Corporate Director's statement

In accordance with the requirements of the FCA's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook, we hereby certify the annual report.

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

Valu-Trac Investment Management Limited
Authorised Corporate Director

DEPOSITARY'S REPORT

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.

NatWest Trustee and Depository Services Limited
1 October 2019

Opinion

We have audited the financial statements of Moray Place Investment Company ("the Company") for the year ended 30 September 2019 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 2019 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 current annual ACD charges are £21,333, indexed each year on 1 October to the Consumer Price Index, plus the investment management fee. The annual investment management fee is 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).

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 2019 and capital gains within the Company will not be taxed.

The information below on taxation is a general summary. 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 that exceeds 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 2019/20 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**
30 Sept 2019	£92.2m	246.5p	3.27p	113	**218**
Gain since inception					
Cumulative		146%		13%	**118%**
Annualised		13.0%		1.7%	**11.1%**

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	NatWest Trustee and Depositary Services Limited Drummond House 2nd Floor, 1 Redheughs Avenue Edinburgh EH12 9RH Authorised and regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE