MORAY PLACE INVESTMENT COMPANY

REPORT AND FINANCIAL STATEMENTS
for the year ended 30 September 2021

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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 authorised and regulated 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 2021	£121m
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	0.45%
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 2021	**30 Sept 2020**	**30 Sept 2019**	**30 Sept 2018**	**30 Sept 2017**
Value of company	£121.3m	£93.0m	£92.2m	£81.0m	£68.7m
Shares outstanding					
Accumulation	33.6m	31.9m	30.4m	28.5m	27.3m
Income	10.5m	9.2m	7.6m	7.6m	5.7m
NAV per share *(mid price)*					
Accumulation	281.6p	230.4p	246.5p	228.2p	210.4p
Income	255.5p	211.8p	228.4p	214.4p	200.4p
Dividend per share					
Accumulation	3.64p	1.82p	3.48p	3.09p	2.66p
Income	3.34p	1.69p	3.27p	2.95p	2.56p
Effective liquidity	14%	20%	19%	21%	22%
Ongoing charges	0.45%	0.46%	0.47%	0.49%	0.51%
Portfolio turnover	8%	6%	8%	7%	8%

	Cumulative gain to 30 Sept 2021	
	5 years	**Since inception**
NAV per accumulation share	51%	182%
Comparators		
UK Consumer Price Index	11%	17%
Index of the annual yield on the longest dated gilt	6%	24%
FTSE All-Share Total Return Index	30%	101%

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 year.

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 the guiding principles by which I manage the company. Those principles are repeated in full on pages six and seven.

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 the three benchmarks shown in the table at the bottom of page two.

Since inception in May 2012, MPIC's asset value per accumulation share has risen by 182%. This compares with an increase in the UK Consumer Price Index of 17% over the same period. The table on page 29 offers another perspective. Its final row shows that the increase in asset value per share is equivalent to an average gain in purchasing power of almost 10% each year. In future, I think annual gains in purchasing power of up to 5% are achievable. However, any advance is likely to be less regular as well as slower than that experienced so far.

Chance with choice

All human endeavours involve both luck and skill. Albert O. Hirschman was an economist and political thinker who spent his life reflecting on uncertainty, doubt and choice. He described life as "chance with choice". Hirschman was born in 1915 a German Jew. He was the wrong religion, in the wrong country, at the wrong time. It was a bitter, personal example of the power of chance in life. He chose to leave his family and country in 1933 aged 18. That decision saved his life.

Chance with choice is integral to life, commerce and investing. Investors can draw insights from activities that combine chance with choice, such as gambling, games or sports. Indeed, one of the best quotes I have read about investing comes from Pug Pearson, a world class poker player, golf hustler and professional gambler. Pearson said, "Ain't only three things to gambling: knowin' the 60-40 end of the proposition, money management and knowin' yourself."

The 60-40 end of the proposition is the search for mispriced odds, which requires thinking in probabilities. Thus, successful horse race betting is not simply about identifying the best horse. The real skill, and the money, is in identifying the mispriced horse – that whose chances of winning are much greater than its odds imply.

The best gamblers, games players and sportsmen understand the difference between luck and skill. They realise that outcomes involve luck, so they focus on their decisions, which they can control. Thus, the legendary US basketball coach, John Wooden, taught his teams to distinguish between winning and succeeding. He believed that you cannot always win but with good decisions you can always succeed.

The table below summarises the possible combinations of choice and outcome. Thus, a good choice can have a bad outcome – which is bad luck. Similarly, a bad choice can have a good outcome – dumb luck. In a repetitive game, the influence of choices tends to prevail as that of luck wanes. Evaluating choices only by their outcomes is what poker players call "resulting". Poker players and expert gamblers regard resulting as an error because it is too easy to infer false lessons from feedback. When gamblers are unaware of the role of dumb luck in their good outcomes, they are vulnerable to hubris, overconfidence and ruin.

		Outcome: Bad	Outcome: Good
Choice	Good	*Bad luck*	*Deserved success*
	Bad	*Deserved failure*	*Dumb luck*

Money management is knowing how much to bet. It is calibrating one's confidence. The first step is to stay in the game – to avoid the risk of ruin. However, if one has an edge, it is easy to under-bet. Gamblers can err by not having more eggs in one basket. Money management is important but difficult to explain. It is a form of tacit knowledge, a skill that cannot be articulated. It is akin to explaining how to be funny, ride a bike or what it feels like to lose money. Some lessons must be experienced to be understood.

Knowin' yourself is to understand human motives and behaviour, particularly your own. It is another tacit skill. It involves reflection, self-control and making good choices when stressed. Pug Pearson again: "The gambler's ace is his ability to control his emotions under stress."

Why investing is not gambling

Gambling, games and sports are useful analogies but they are not perfect. Investing is better than gambling because it can be a "positive-sum" game. An activity is positive-sum if the aggregate gains and losses of all participants are positive. Theoretically, everyone could gain. At best, gambling, games and sports are zero-sum. For every winner there is a loser. Frequently, gambling is a negative-sum game as the house takes a cut. It is remarkably easy to lose all your money gambling. It is remarkably hard to do so investing.

Success in investing, commerce and life does not require a loser. The arts illustrate the endless possibilities of growing novelty, choice and wealth. Literature, music and art are constrained only by human ideas and imagination. *Harry Potter* has added to the sum of human flourishing without belittling *Pride and Prejudice*. Despite only 26 letters in the English alphabet, we are not running out of ideas for literature. Nor are we running out of innovative ideas to improve life in other endeavours.

Investing is better than gambling because the investor can succeed by benefiting from the ingenuity, energy and expertise of others. Investing in quoted businesses is akin to riding in a sidecar bound to a motorbike. Investors benefit from a 60-40 edge when they sit tight attached to durable businesses steered by trustworthy owners, and do not overpay for the privilege.

Investing differs from gambling because each investor plays a different game, with different objectives and different time horizons. The investor simply needs to know his objectives and choose his game. George Goodman, under the pseudonym Adam Smith, wrote *The Money Game* five decades ago. In it he warned, "if you don't know yourself, the stockmarket is an expensive place to find out".

Finally, investing is more complicated than gambling, games or sports. Investing is a perpetual game subject to unquantifiable uncertainty, not least undefined rules. There is no definitive answer and no finish. It is difficult to learn and improve because the distinction between deserved success and dumb luck is seldom clear. The US intelligence agent, Greg Treverton, distinguished between a puzzle and a mystery. A puzzle has defined rules and a definitive answer; a mystery does not. Gambling is a puzzle. Investing is a mystery.

A positive-sum game, inflation and dumb luck

MPIC exists to protect and then grow investors' purchasing power, while controlling costs, taxes and stress. Its core comprises shares in various businesses, which I choose and buy through stock exchanges. Businesses are investments in human adaptability and creativity. They are communities of problem-solvers who make lives better. Making lives better is a positive-sum game. By playing this positive-sum game, MPIC benefits from *the 60-40 end of the proposition*. In addition, I try to improve MPIC's odds by avoiding glamorous favourites led by high-profile people. However, these are probabilistic judgements with no guarantee of winning outcomes.

Gold is a feature of MPIC's *money management*. I regard it as a form of insurance against bad luck, which reduces the risk of ruin. It is not a productive investment but it is a store of durable wealth. People have cherished gold throughout recorded history for its unique attributes. It is indestructible, never loses its lustre, is easy to use, and of consistent quality. In contrast to paper money, gold is not someone else's promise, cannot be counterfeited, and its supply is limited. Over time, its purchasing power tends not to rise. However, the price of gold does tend to rise because the value of paper money falls – which is inflation.

Inflation is pertinent to another element of MPIC's *money management* – to shun conventional bonds, bank deposits and cash. Monetary assets such as these are protected from inflation by political will. Worldwide, I see little political will to suppress inflation. The short-term costs appear too obvious and unpleasant to politicians and electorates. I fear that investing in monetary assets is a way to risk financial ruin.

Pug Pearson also advised *knowin' yourself*. In managing MPIC, I try to be clear which game I am playing. Thus, the first shareholders' letter in 2012 included my guiding principles, which I have repeated each year since. MPIC is a slow, long-term game. Purposeful inactivity helps me control my emotions under stress. Importantly, I also want my co-investors to know themselves, and to understand the game I am playing.

While the odds may favour human ingenuity, setbacks are inevitable in life, commerce and investing. What is remarkable is that the setbacks of the past four decades have been so trivial for investors, businessmen and homeowners. Consumer price inflation subsided, interest rates collapsed, corporate profit margins rose, taxes on capital fell, and asset values soared. Asset owners grew richer, with an incredible boost since 2009 from zero-interest rate policies. All asset owners should beware the role of dumb luck. For nine and a half years chance has flattered MPIC's outcomes. It will not always be so.

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, it is a low-cost, tax-efficient savings vehicle for like-minded individuals. Most of my own savings are, and will remain, invested in MPIC.

Thank you for your continued trust and patient support.

Peter Hollis

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, in my first letter to shareholders in 2012 I outlined the objectives and guiding principles by which I manage MPIC. They are restated below, as they have been in every annual report. They are principles, so are unlikely to change significantly. 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.

- *Purposeful inactivity*
  I will invest so to be untroubled were financial markets 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 about 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 superior 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 such 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 2021

Security	Country	Holding	Value £'000	%	*30 Sept 2020*
Markel	US	11,500	10,348	8.5%	
VP	UK	621,141	6,398	5.3%	
Exor	Italy	80,000	5,001	4.1%	
Next	UK	60,000	4,928	4.1%	
AMERCO	US	8,500	4,169	3.4%	
Svenska Handelsbanken A	Sweden	500,000	4,161	3.4%	
Ackermans & van Haaren	Belgium	32,000	4,104	3.4%	
Franco-Nevada	Canada	42,000	4,070	3.4%	
Moody's	US	15,000	3,991	3.3%	
Fairfax Financial	Canada	13,000	3,907	3.2%	
JD Wetherspoon	UK	340,000	3,558	2.9%	
BAT	UK	135,000	3,525	2.9%	
GBL	Belgium	41,850	3,417	2.8%	
Admiral Group	UK	110,000	3,406	2.8%	
Progressive Corp	US	48,000	3,246	2.7%	
Swedish Match	Sweden	450,000	2,924	2.4%	
Investor B	Sweden	160,000	2,560	2.1%	
Lloyds Banking Group	UK	5,000,000	2,319	1.9%	
Bunzl	UK	90,000	2,217	1.8%	
Philip Morris International	US	30,000	2,137	1.8%	
Hansa Investment Company A	UK	825,000	1,799	1.7%	
Hansa Investment Company Ord	UK	125,000	278		
Ryanair	Ireland	140,000	1,972	1.6%	
Jet2	UK	140,000	1,793	1.5%	
Rights & Issues Investment Trust	UK	66,000	1,752	1.5%	
Ringkjoebing Landbobank	Denmark	20,000	1,704	1.4%	
RLI Corp	US	18,000	1,359	1.1%	
Heineken Holding	Netherlands	20,000	1,293	1.1%	
Wm Morrison Supermarkets	UK	400,000	1,181	1.0%	
Jardine Matheson Holdings	Singapore	30,000	1,179	1.0%	
Atlas Copco B	Sweden	30,000	1,138	0.9%	
Remgro	South Africa	150,000	1,006	0.8%	
Northern Trust	US	12,000	978	0.8%	
Greggs	UK	30,000	886	0.7%	
Alleghany Corp	US	1,800	848	0.7%	
Charles Schwab	US	15,000	828	0.7%	
Bellway	UK	25,000	824	0.7%	
CF-Alba	Spain	20,000	811	0.7%	
State Street	US	12,000	768	0.6%	
Itausa	Brazil	400,000	614	0.5%	
Motor Oil (Hellas)	Greece	43,071	488	0.4%	
Strategic Education	US	7,000	374	0.3%	
Ocean Wilsons Holdings	UK	30,000	294	0.2%	
Total equities			***104,553***	***86.1%***	*80.3%*

PORTFOLIO AT 30 SEPTEMBER 2021

Security	Country	Holding	Value £'000	%	*30 Sept 2020*
Royal Canadian Mint Gold ETR	Canada	375,000	4,998	4.1%	
Perth Mint Gold ETP	Australia	282,836	3,651	3.0%	
Sprott Physical Gold Trust	US	340,000	3,487	2.9%	
Sprott Physical Gold & Silver Trust	Canada	200,000	2,547	2.1%	
Zurich Cantonal Bank Gold ETF	Switzerland	3,000	1,181	1.0%	
Cash and equivalents	Various		1,161	1.0%	
Total effective liquidity			***17,025***	***14.1%***	*19.9%*
Adjustment to revalue assets from mid to bid			*-242*	*-0.2%*	
Total portfolio			**121,336**	**100%**	

Statement of total return

For the year ended 30 September	Notes	£'000	2021 £'000	£'000	2020 £'000
Income					
Net capital gains (losses)	2		19,945		(7,181)
Revenue	3	2,182		1,263	
Expenses	4	(509)		(430)	
Finance costs: interest	5	(7)		(3)	
Net revenue before taxation		1,666		830	
Taxation	6	(115)		(98)	
Net revenue after taxation			1,551		732
Total return before dividend			21,496		(6,449)
Finance costs: dividend	5, 15		(1,574)		(737)
Change in net assets attributable to shareholders from investment activities			19,922		(7,186)

Statement of changes in net assets attributable to shareholders

For the year ended 30 September	2021 £'000	2020 £'000
Opening net assets attributable to shareholders	92,956	92,226
Amounts receivable on creation of shares	7,276	7,523
Amounts payable on cancellation of shares	(41)	(188)
Dividend accumulated	1,223	581
Change in net assets attributable to shareholders from investment activities (see above)	19,922	(7,186)
Closing net assets attributable to shareholders	121,336	92,956

Balance sheet

At 30 September	Notes	£'000	2021 £'000	£'000	2020 £'000
Assets					
Investment assets			120,175		92,100
Debtors	7	447		264	
Cash and bank balances	8	1,188		900	
Total other assets			1,635		1,164
Total assets			121,810		93,264
Liabilities					
Creditors	9	(123)		(152)	
Dividend payable		(351)		(156)	
Total liabilities			(474)		(308)
Net assets attributable to shareholders			121,336		92,956

For the year ended 30 September 2021

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 and to the amendments to the SORP issued by the IA in June 2017. The functional currency of the Company is sterling and the amounts are rounded up to the nearest £'000.

(b) Dividends on equities are recognised gross of withholding tax and are credited to revenue 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 scrip dividends is recognised as revenue of the Company, and where applicable is included in the distribution. In the case of an enhanced scrip 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 accrue to all shareholders. Holders of income shares receive their dividends as a cash payment. 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 2021. 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 market impact costs not included in the bid market value of the Company, used in calculating the share price. These costs could dilute the interests of the remaining shareholders.

2 Net capital gains (losses)

	2021 £'000	2020 £'000
The net capital gains (losses) comprise:		
Currency (losses) gains	(78)	14
Non-derivative securities gains (losses) – unrealised	18,273	(8,886)
– realised	1,750	1,692
Custodial transaction charges	-	(1)
Total net capital gains (losses)	19,945	(7,181)

3 Revenue

	2021 £'000	2020 £'000
UK dividends	1,052	345
Overseas dividends	1,130	889
Bond income	-	27
Bank interest	-	2
Total revenue	2,182	1,263

4 Expenses

	2021 £'000	2020 £'000
Payable to the ACD, its associates, and agents of either:		
ACD fee	455	373
Payable to the depositary, its associates, and agents of either:		
Depositary fee	40	41
Safe custody fees and cash transactions	8	10
	48	51
Other expenses, including Audit fee:	6	6
Total expenses	509	430

5 Finance costs

	2021 £'000	2020 £'000
Negative interest on deposits	7	3
Dividend for the year	1,574	737
Reconciliation of dividend:		
Net revenue after taxation	1,551	732
Equalisation on subscriptions	23	5
Dividend for the year	1,574	737

6 Taxation

	2021	2020
	£'000	£'000
(a) Analysis of charge in the year		
Irrecoverable overseas tax	115	98
Total current tax charge for the year (note 6b)	115	98

(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% (2020: 20.0%). The differences are shown below.

	2021	2020
Net revenues before taxation	1,666	830
OEIC corporation tax at 20.0% (2020: 20.0%)	333	166
Effects of:		
Revenue not subject to UK corporation tax	(436)	(247)
Current year expenses not utilised	103	81
Irrecoverable overseas tax	115	98
Current tax charge for year (note 6a)	115	98

(c) Provision for deferred taxation

At 30 September 2021 there is a potential deferred tax asset of £518k (2020 £415k) 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

	2021	2020
	£'000	£'000
Accrued revenue	303	160
Tax reclaimable	144	104
Total debtors	447	264

8 Cash and bank balances

	2021	2020
	£'000	£'000
Cash and bank balances	1,188	900

9 Creditors

	2021	2020
	£'000	£'000
Accrued expenses	123	104
Unsettled trades	-	47
Total creditors	123	151

10	Share movement	Income shares	Acc. shares
	Shares outstanding at 1 October 2020	9,234,728	31,946,525
	Shares issued during the period	1,240,426	1,744,126
	Shares cancelled during the period	(794)	(15,430)
	Shares converted during the period	29,830	(27,422)
	Shares outstanding at 30 September 2021	10,504,190	33,647,799

11	Related party transactions	2021	2020
		£'000	£'000
	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	22	22
	Hollis Capital Limited	433	351
	The balances due to these related parties at 30 September 2021 were:		
	Valu-Trac Investment Management Limited	-	-
	Hollis Capital Limited	114	89

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	
	2021	2020	2021	2020	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
Sterling	768	531	35,157	20,041	35,925	20,572
Australian Dollar	3,651	3,657	-	-	3,651	3,657
Brazilian Real	16	4	614	488	630	492
Canadian Dollar	7,571	9,394	7,977	6,019	15,548	15,413
Danish Krone	-	-	1,704	1,176	1,704	1,176
Euro	119	40	17,087	13,677	17,206	13,717
S.African Rand	3	143	1,006	327	1,009	470
Swedish Krona	-	-	10,783	6,246	10,783	6,246
Swiss Franc	1,242	65	-	1,291	1,242	1,356
US Dollar	3,655	4,712	30,225	25,363	33,880	30,075
	17,025	18,546	104,553	74,628	121,578	93,174
Mid to bid adjt.	(13)	(26)	(229)	(192)	(242)	(218)
Total	17,012	18,520	104,324	74,436	121,336	92,956

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 2021 would have increased or decreased by £8,558k (2020 £7,252k).

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 1.0% of the Company's assets by value were interest bearing.

Maturity of financial liabilities

The financial liabilities of the Company at 30 September 2021 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 also 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. Finally, there is 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 2021 the Company had no contingent liabilities or commitments.

14 Portfolio transaction costs

	2021	% of	**2020**	% of
	£'000	purchases	**£'000**	purchases
Analysis of total purchase costs:				
Purchases before transaction costs	16,669		14,065	
Commissions	8	0.05	7	0.05
Taxes	33	0.20	17	0.12
Total transaction costs	41	0.25	24	0.17
Total purchases plus transaction costs	16,710		14,089	

	£'000	% of sales	**£'000**	% of sales
Analysis of total sale costs:				
Sales before transaction costs	8,610		5,582	
Commissions	1	0.01	2	0.03
Taxes	-	0.00	-	0.00
Total transaction costs	1	0.01	2	0.03
Total sales less transaction costs	8,609		5,580	

		% of average		% of average
	£'000	net assets	**£'000**	net assets
Analysis of total transaction costs:				
Commissions	9	0.01	9	0.01
Taxes	33	0.03	17	0.02
Total transaction costs	42	0.04	26	0.03

15 Dividend tables

The company distributes all its net income in a single dividend payment each year. All expenses are charged against revenue.

The tables split shareholders into two categories. Group 1 shareholders bought their shares before 1 October 2020. Group 2 shareholders bought their shares on or after 1 October 2020, during the reporting period.

Equalisation applies only to Group 2 shares bought during the reporting period. It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to shareholders with the dividend as a return of capital. It is capital so is not liable to income tax but should be deducted from the cost of the shares for capital gains tax purposes.

	Income shares		
	Dividend per share	**Equalisation per share**	**Total paid per share**
Group 1	3.34p	-	3.34p
Group 2	2.83p	0.51p	3.34p

	Accumulation shares		
	Dividend per share	**Equalisation per share**	**Total reinvested per share**
Group 1	3.64p	-	3.64p
Group 2	2.66p	0.98p	3.64p

COMPARATIVE TABLES

	Income shares		
For the year ended 30 September	**2021**	**2020**	**2019**
Change in net assets per share			
Opening net asset value per share	211.8p	228.4p	214.4p
Return before operating charges †	48.1p	(13.9p)	18.3p
Operating charges	(1.1p)	(1.0p)	(1.0p)
Return after operating charges	47.0p	(14.9p)	17.3p
Dividend on income shares	(3.3p)	(1.7p)	(3.3p)
Closing net asset value per share	255.5p	211.8p	228.4p
† after direct transaction costs of	0.09p	0.07p	0.07p
Returns			
Total return after charges	22.2%	(6.5%)	8.0%
Other information			
Closing net asset value	£26.8m	£19.6m	£17.4m
Closing number of shares	10.5m	9.2m	7.6m
Operating charges	0.45%	0.46%	0.47%
Direct transaction costs	0.04%	0.03%	0.03%
Share prices			
Highest offer price	265.8p	243.3p	234.4p
Lowest bid price	209.7p	186.5p	203.6p

	Accumulation shares		
For the year ended 30 September	**2021**	**2020**	**2019**
Change in net assets per share			
Opening net asset value per share	230.4p	246.5p	228.2p
Return before operating charges †	52.4p	(15.0p)	19.4p
Operating charges	(1.2p)	(1.1p)	(1.1p)
Return after operating charges	51.2p	(16.1p)	18.3p
Dividend on accumulation shares	(3.6p)	(1.8p)	(3.5p)
Reinvested dividend on accumulation shares	3.6p	1.8p	3.5p
Closing net asset value per share	281.6p	230.4p	246.5p
† after direct transaction costs of	0.09p	0.07p	0.07p
Returns			
Total return after charges	22.2%	(6.5%)	8.0%
Other information			
Closing net asset value	£94.7m	£73.6m	£75.0m
Closing number of shares	33.6m	31.9m	30.4m
Operating charges	0.45%	0.46%	0.47%
Direct transaction costs	0.04%	0.03%	0.03%
Share prices			
Highest offer price	289.2p	262.6p	249.4p
Lowest bid price	228.1p	201.3p	216.6p

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 net revenue and net capital gains for the period. In preparing these financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus 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.

David Fraser FCCA David E. Smith 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, redemption and cancellation, and calculation of the price of the Company’s shares and the application of the Company’s income in accordance with the Regulations and the Scheme documents of the Company, and
(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
1 October 2021

We have audited the financial statements of Moray Place Investment Company ("the Company") for the year ended 30 September 2021 which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Shareholders, Balance Sheet and the related Notes to the Financial Statements, including significant accounting policies. 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 2021 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 (COLL) 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 Financial Reporting Council's (FRC) 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

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the annual report. 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 conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 Authorised Corporate Director 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 20, the Authorised Corporate Director 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 control as the Authorised Corporate Director 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 Authorised Corporate Director 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 Authorised Corporate Director 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.

Extent to which the audit is considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds
- the Financial Conduct Authority's Collective Investment Schemes Sourcebook
- the Financial Conduct Authority's Investment Funds Sourcebook
- the Company's Prospectus

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Corporate Director. We corroborated these enquiries through our review of any relevant correspondence with regulatory bodies and the Company's breaches register.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director in its calculation of accounting estimates for potential management bias; and
- Assessing the Company's compliance with the key requirements of the Collective Investment Schemes Sourcebook, Investment Funds Sourcebook and its Prospectus.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material risk due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

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 £21,690, indexed each year on 1 October to the Consumer Price Index, plus the investment management fee. The annual investment management fee is:

0.50% of the net asset value of the Company on the first £20 million;
0.35% of the net asset value of the Company between £20 million and £150 million; and
0.30% 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. In this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant. 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.

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 bought and the price paid 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 sold, payment will be made not later than the close of business on the fourth business day following the trade date.

A redemption charge is payable on any shares sold 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: www.valu-trac.com. The Company does not employ any staff directly from the AIFM, so there are no quantitative disclosures in this report.

Value assessment

The ACD has conducted an assessment of value for the Company. The assessment of value report is available on the ACD's website and is updated annually.

Taxation

The Company will pay no corporation tax for the year ended 30 September 2021 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
Individual shareholders resident in the UK for tax purposes may be liable to income tax on their dividend income. Presently there is a tax-free annual dividend income allowance for individuals. Dividend income in excess of that amount is charged at the rate of tax applicable to the individual taxpayer.

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 2021/22 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

At and for the period ended	Value of company	NAV per acc. share (1)	Dividend per inc. share	Consumer Price Index (2)	Real NAV per acc. share (1)/(2)*100
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**
30 Sept 2020	£93.0m	230.4p	1.69p	114	**202**
30 Sept 2021	£121.3m	281.6p	3.34p	117	**240**
Gain since inception					
Cumulative		182%		17%	**140%**
Annualised		11.7%		1.7%	**9.8%**

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 43 Melville Street Edinburgh EH3 7JF Authorised and regulated by the Financial Conduct Authority
Depositary	NatWest Trustee and Depositary Services Limited House A, Floor 0 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised and regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE