



The VT Redlands Portfolios

What are the VT Redlands Portfolios?

The VT Redlands Portfolio funds each invest in one of four defined “asset classes” namely the Equity, Multi-Asset, Property and Fixed Income categories. Each fund carries a prescribed Risk Profile on a scale of 1 to 7 – with for example Equity being the highest at a factor 5. Each one is used as a building block in the creation of bespoke risk rated investment portfolios for clients of David Williams IFA.

By combining the four VT Redlands funds with other asset classes such as With Profits/ Smoothed Managed and Structured Equity funds, our clients can enjoy the benefits of a very wide level of diversification within their portfolios. This reduces volatility and creates the potential for rewarding rates of return year after year.

Each Portfolio fund is constructed as a Fund of Funds providing access to the “best of the best” sector funds from a huge investment universe. The Portfolios are designed to meet their objectives as efficiently as possible whilst keeping costs to a minimum and are run according to a strict risk-control criteria.

Typically, 15 to 25 different funds are held in each portfolio, with each one in turn managed by leading investment houses such as Baillie Gifford, Fidelity and Invesco as well as specialist boutiques including Ruffer, Fulcrum and Amati. Underlying funds have exposure to a great many shares, bonds and other assets, Therefore, a single investment into one of the Redlands Portfolios gives a spread across a myriad of different holdings, countries and investment styles.

To manage each fund and essentially pick the best funds to hold on a day to day basis we have selected **Wellian Investment Solutions**, an award-winning independent specialist fund management group who are then accountable to us for fund conduct and most crucially fund performance.

What do Wellian Investment Solutions do?

Wellian are specialist Multi-Manager investors. They are experts in choosing fund managers who are likely to perform well, allowing funds to blend together to create a cohesive portfolio. It is our belief that no single fund management group has the top fund manager in every sector and as Multi-Managers Wellian can cherry pick the very best talent from across every fund management group.

Why did we choose Wellian Investment Solutions?

Many professional fund selectors use the “5 P” test as the basis for assessing a fund and fund manager. This analyses Performance, Process, Philosophy, Prosperity and People. Wellian scored very highly across these five key metrics.

1. Performance

Ultimately, performance is the most important factor for most clients. The return achieved net of charges for a given level of risk is what matters most. Wellian has delivered not just excellent performance, but excellent risk adjusted performance over the long term.

2. Process

A robust, repeatable process is vital to any investment management business. SEMAFOUR is Wellian’s manager selection tool that analyses over 20,000 funds every month. It assesses onshore, offshore, active, passive, open and closed ended collective funds in the same unemotional way. No other fund of fund business that we know of has a process as powerful. PORTCULLIS is their risk analysis tool which they built in-house as they couldn’t find anything robust enough in the market. PORTCULLIS allows Wellian to assess the impact that any change in the portfolio will have on overall volatility to create the ideal blend. Having used technology to narrow the field individual fund manager meetings are then essential in final selection to understand the “5 Ps” of the individual sub-funds chosen. Wellian conduct hundreds of manager meetings each year.

3. Philosophy

Wellian have a simple, clear philosophy. They don't believe in over-committing to any single asset class or investment. They don't believe in investing into illiquid areas or into things they don't understand. They do believe in the power of genuine diversification and go further than most managers in understanding diversification. They also spend a huge amount of time understanding the hidden risks within funds, fund managers and fund management businesses. They are believers in both passive investing (index tracking) and active investing (stock picking). They regard passive as an active choice and not just as a way of keeping costs down. In some markets, passive is not just cheaper but also better.

4. Prosperity

It was important that the manager we selected was established and well resourced. Wellian Investment Solutions is a discretionary fund management firm, which has been authorised since 2008 and with over £1.1 bn of Assets Under Management.

5. People

People are the key to any successful investment solution. To measure the calibre of people at Wellian we needed to look at their experience, knowledge, previous performance and how they all knitted together. Wellian Investment Solutions is an award-winning team of Multi-Manager investors founded in 2008. The investment team has held the most senior investment roles in leading businesses such as Hargreaves Lansdown, Skandia, Foreign & Colonial and AXA Architas and collectively have more than 100 years of investment experience.



Richard Philbin is Chief Investment Officer of Wellian Investment Solutions. He is one of the UK's best-known multi-manager investors and previously AA rated by OBSR, Citywire and S&P. He is also the inventor of the highly regarded and publicised 'Traffic Light Analysis' system of assessing funds. Prior to Wellian, he was AXA Architas Multi Manager's Chief Investment Officer where he chaired the investment committee and helped the company go from a founding business to a top 5 player in the multi manager space in the UK with responsibility for assets of over £7 bn. Previously, Richard was Head of Multi Manager at F&C Investments. Whilst at F&C he launched the successful LifeStyle range of funds. Assets grew from £100m to over £1bn during his tenure.



Alan Durrant is Chief Executive Officer of Wellian Investment Solutions. Previous roles for Alan were Group Chief Investment Officer at The National Bank of Abu Dhabi (NBAD) and prior to NBAD he was Head of Asset Management at Gulf Finance House. Before moving to the Middle East, Alan was Chief Investment Officer at Skandia Investment Management and Chairman of the investment committee. During his tenure the firm won the Best MultiManager at the prestigious Money Marketing Awards in three consecutive years. Whilst at Skandia, Alan conceived and launched the popular Global Best Ideas and Asset Allocator ranges. Prior to Skandia, he was at Hargreaves Lansdown for 12 years, latterly as Investment Director.

Important Investment Notes

This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any particular person. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. This document represents the views of David Williams IFA Ltd, Valu-Trac Investment Management Limited and Wellian Investment Solutions Limited at the time of writing. It should not be construed as investment advice. Full details of the Redlands Funds, including risk warnings, are published in the Key Investor Information documents, the Supplementary Information document and Prospectus, available from www.valu-trac.com. The proportion of assets held, and the typical asset mix will change over time as the Fund aims, over the medium to long term, for investment risk to be controlled in line with the agreed volatility range. The Investment Manager will use a wide range of assets and asset classes to provide a diversified investment approach and will actively alter the weights of the component parts where necessary to stay within agreed boundaries. The Redlands Funds are subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back the money you invested. Investments in overseas markets may be affected by changes in exchange rates, which could cause the value of your investment to increase or diminish. You should regard your investment as medium-to-long term. Past performance is not a reliable indicator of future results. Every effort is taken to ensure the accuracy of the data used in this document, but no warranties are given. Fund holding percentage figures may not add up to 100 due to rounding. All sources Wellian Investment Solutions Limited and Valu-Trac Investment Management Limited unless otherwise stated. The authorised corporate director of the Fund is Valu-Trac Investment Management Limited, authorised and regulated by the Financial Conduct Authority, registration number 145168. Wellian Investment Solutions Limited is authorised and regulated by the Financial Conduct Authority, firm reference number 476896.



VT Redlands Equity Portfolio

December 2021

Investment Objective

The objective of the VT Redlands Equity Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to listed equity securities across developed and emerging markets. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry sector.

Fund Information

Inception Date	7 June 2017
Number of Holdings	25
Fund Size	£461.6m
Ongoing Charge Figure *	0.60%
Yield	0.90%
3 Year Annualised Volatility	10.7%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

Holdings as at 31 December 2021

Augmentum Fintech PLC	2.7%	iShares Core MSCI World UCITS ETF USD (Acc)	13.7%
AXA Framlington Health Z Acc	4.2%	iShares Core S&P 500 UCITS ETF USD (Acc)	8.6%
Baillie Gifford Japanese B Acc	1.7%	Legal & General UK Mid Cap Index C Acc	2.8%
BlackRock Continental European Income D Acc	3.5%	Legg Mason IF MC European Unconstrained S Acc	6.6%
Brown Advisory Global Leaders B Inc GBP	5.7%	LF Gresham House UK Multi Cap Inc F Sterling Acc	1.5%
Fidelity Asian Values PLC	1.7%	Liontrust Special Situations Fund (I)	2.3%
Fidelity China Special Situations PLC	1.2%	Man GLG Japan CoreAlpha Professional Acc C GBP	1.7%
Fidelity Emerging Markets W-Acc	3.3%	MS INVF Asia Opportunity ZH GBP	4.5%
Fidelity Index Japan P Acc	2.4%	Oakley Capital Investments Ltd	2.0%
Fidelity Index World P Acc	15.1%	RIT Capital Partners PLC	5.1%
Franklin UK Equity Income W Acc	1.8%	TB Amati UK Smaller Companies B Acc	2.0%
HgCapital Trust PLC	1.7%	WisdomTree Global Quality Div G UCITS ETF USD Acc	2.9%
Invesco Perpetual UK Smaller Cos Inv Tst PLC	0.7%	Cash	0.5%

Performance Summary as at 31 December 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Equity Portfolio	2.09%	4.35%	5.59%	15.65%	52.19%	50.99%	Figures quoted are on a total return basis with income reinvested.
UK Consumer Price Index ¹	n/a	1.87%	2.88%	4.85%	6.91%	10.84%	
UM Equity – International ²	1.55%	4.11%	5.59%	16.23%	53.71%	50.89%	

¹ Source: Office for National Statistics. Figures to most recently published data, being end of November 2021. All CPI statistics shown do not include the final month index figure for the period in question.

² Source: Financial Express Analytics.

Commentary

Exposure to global funds, the UK and US increased in the final month of the year with allocation to cash, Asia and Japan falling accordingly.

No new holdings were introduced to the portfolio in December and no existing holdings were entirely removed either. The portfolio contains twenty-five investments. No significant changes to the weights of the existing holdings were implemented during the month, with the majority of holdings within 0.20% of the allocation at the start of the month. The biggest movement was to increase the allocation to Oakley Capital Investments plc (to 1.98% from 1.77%) and to reduce the exposure to Morgan Stanley Asia Opportunity which now represents 4.50% (down from 4.81%).



VT Redlands Multi-Asset Portfolio

December 2021

Investment Objective

The objective of the VT Redlands Multi-Asset Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to various different asset classes including equities, fixed income securities and assets having absolute return strategies. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry or economic sector.

Fund Information

Inception Date	7 June 2017
Number of Holdings	30
Fund Size	£129.4m
Ongoing Charge Figure *	0.81%
Yield	0.91%
3 Year Annualised Volatility	5.3%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

Holdings as at 31 December 2021

Aegon Diversified Monthly Inc B Acc	2.3%	Oakley Capital Investments Ltd	3.9%
AQR Global Risk Parity UCITS C1 GBP	4.8%	Pershing Square Holdings Ltd	2.0%
AXA Global Distribution Z Acc	3.2%	RIT Capital Partners PLC	5.8%
BH Macro Limited GBP	3.2%	Round Hill Music Royalty Fund Limited	1.0%
Chrysalis Investments Ltd	2.1%	Royal London Sustainable Diversified Trust D Acc	4.9%
Fulcrum Asset Management Income F GBP Acc	2.5%	Ruffer Diversified Return Fund	3.2%
Gore Street Energy Storage Fund PLC	1.6%	Ruffer Investment Company Ltd	2.9%
Hermes Absolute Return Credit F GBP Acc Hdg	5.0%	Schroder British Opportunities Trust PLC	1.7%
Hipgnosis Songs Fund Ltd	4.9%	SEI Liquid Alternat Hdg GBP Wealth A Dist	5.6%
IFSL Brooks Macdonald Defensive Capital C Acc	2.3%	Third Point Offshore Investors Limited USD	5.9%
iShares Physical Gold ETC	1.5%	ThomasLloyd Energy Impact Trust PLC	1.1%
JPM Global Macro Opportunities C Net Acc	5.3%	TM Neuberger Berman Absolute Alpha F Acc	0.9%
Latitude Horizon Fund GBP Acc	3.5%	Troy Trojan O Acc	2.7%
LF Brook Absolute Return GBP Inst Acc	2.1%	Tufton Oceanic Assets Ltd	3.6%
Liontrust Sustainable Future Managed 6 Acc	6.2%		
North Atlantic Smaller Companies Investment Trust PLC	3.8%	Cash	0.4%

Performance Summary as at 31 December 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Multi-Asset Portfolio	0.85%	2.38%	5.94%	15.34%	31.81%	28.65%	
UK Consumer Price Index ³	n/a	1.87%	2.88%	4.85%	6.91%	10.84%	
Multi Asset Composite Benchmark ⁴	0.98%	1.46%	2.06%	5.91%	19.62%	16.64%	Figures quoted are on a total return basis with income reinvested

3 Source: Office for National Statistics. Figures to most recently published data, being end of November 2021. All CPI statistics shown do not include the final month index figure for the period in question.

4 Source: Financial Express Analytics. The Multi Asset Composite Benchmark is a composite benchmark of sectors that includes 60% Financial Express UM Mixed Asset - Balanced and 40% Investment Association UT Targeted Absolute Return.

Commentary

Two new investments were instigated in December in the VT Redlands Multi Asset fund taking the number of holdings to thirty. The first – a new offering to the market in a business that invests in renewable energy sites (predominantly solar farms) in Asia and Emerging Markets (ThomasLloyd Energy Impact Trust plc). The second investment was into a fund with a total return mindset which invests in large cap companies and uses derivative strategies to reduce direct stock market risks (Neuberger Berman Absolute Alpha). Combined, both account for c2% of the total assets of the fund.

Other activity in the month saw an increase to the recently introduced Ruffer Diversified Return fund and SEI Liquid Alternatives. Strong performance from Oakley Capital Investments saw its allocation rise to 3.93% from 3.58%. Exposure to JP Morgan Global Macro Opportunities fell by roughly ½% over the month to now represent 5.26%.



VT Redlands Property Portfolio

December 2021

Investment Objective

The investment objective of VT Redlands Property Portfolio is to generate capital growth over the long term. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles which have exposure to physical property and property related assets. The Fund may also invest in other collective investment schemes, transferable securities, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry or economic sector, other than to hold a minimum of 70% in UK real property assets to maintain qualification for the UK Direct Property sector.

VT Redlands Property Fund invests in assets that may at times be hard to sell. This means that there may be occasions when you experience a delay or receive less than you might otherwise expect when selling your investment. For more information on risks, see the prospectus and key investor information document.

Fund Information

Inception Date	7 June 2017
Number of Holdings	28
Fund Size	£113.2m
Ongoing Charge Figure *	0.93%
Yield	2.19%
3 Year Annualised Volatility	5.8%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

Holdings as at 31 December 2021

Aberdeen Standard European Logistics Income PLC	1.5%	Janus Henderson UK Property PAIF Feeder I Acc GBP	7.9%
AEW UK REIT PLC	1.9%	Legal & General UK Property I Acc (PAIF)	8.9%
Alternative Income REIT PLC	2.1%	Life Science REIT plc	2.1%
Amundi Luxembourg AM FTSE EPRA Europe Real Estate	3.6%	M&G Feeder of Property Portfolio Sterling I Acc	2.4%
Aviva Investors UK Property 2 GBP Acc	1.6%	Premier Miton Gbl Infrastructure Inc F Acc	3.4%
BMO Commercial Property Trust Limited	3.2%	Schroder Real Estate Investment Trust Ltd	2.5%
BMO UK Property Feeder 2 Acc	5.7%	SLI UK Real Estate Acc Feeder Inst Acc	7.4%
BNY Mellon Global Infrastructure F Acc	1.6%	SPDR Dow Jones Global Real Estate UCITS ETF	4.0%
Cordiant Digital Infrastructure Ltd	4.2%	Supermarket Income REIT PLC	2.0%
db x-track FTSE EPR/NRT Dev Eur RE UCITS ETF 1C DR	3.9%	ThomasLloyd Energy Impact Trust PLC	1.5%
Digital 9 Infrastructure	1.5%	Time Investments Commercial Long Income PAIF	8.7%
Empiric Student Property PLC	1.0%	TR Property Investment Trust PLC	4.6%
Home REIT plc	1.8%	Urban Logistics REIT PLC	4.3%
iShares UK Property UCITS ETF GBP (Dist)	2.5%		
iSharesDevelotedMkts PropYield UCITS ETF USD (Dist)	3.2%	Cash	0.9%

Performance Summary as at 31 December 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Property Portfolio	2.72%	5.21%	9.50%	15.66%	13.74%	19.42%	
UK Consumer Price Index ⁵	n/a	1.87%	2.88%	4.85%	6.91%	10.84%	
Property Composite Benchmark ⁶	2.25%	5.23%	8.01%	14.27%	10.62%	17.40%	Figures quoted are on a total return basis with income reinvested

⁵ Source: Office for National Statistics. Figures to most recently published data, being end of November 2021. All CPI statistics shown do not include the final month index figure for the period in question.

⁶ Source: Financial Express Analytics. The Property Composite Benchmark is a composite benchmark of sectors that includes 75% Investment Association UT Direct Property, 20% AIC IT Commercial Property and 5% Financial Express UM Property International.

Commentary

The number of holdings in the VT Redlands Property fund rose by one – to twenty-eight during the final month of the year with the introduction of the ThomasLloyd Energy Impact Trust – a new listing on the stock market which focuses on generating clean, renewable energy (predominantly solar farms) in Asia and the Emerging Markets. We believe this holding will help diversify the existing portfolio. The company will focus on a few countries (India and The Philippines being the primary ones initially) and has already started putting the raised capital to work. December saw the fund also top up the recently introduced Life Science REIT fund and the cash pot rose to just under 1.00%. The changes were funded by reducing the allocation to the M&G Property fund, Janus Henderson UK Property and Standard Life UK Real Estate.



VT Redlands Fixed Income Portfolio

December 2021

Investment Objective

The objective of the VT Redlands Fixed Income Portfolio is to provide capital growth. The Fund seeks to achieve its objective primarily by investing in collective investment vehicles (including for example collective investment schemes, exchange traded funds and investment trusts) which provide exposure to fixed income strategies and assets. The Fund may also invest in other collective investment schemes, transferable securities, bonds, money market instruments, deposits, cash and near cash. The Fund does not have a specific benchmark. However, the performance of the Fund can be assessed by considering whether the objective for capital growth over the long term is achieved. There is no particular emphasis on any geographical area or industry sector.

Fund Information

Inception Date	7 June 2017
Number of Holdings	23
Fund Size	£59.4m
Ongoing Charge Figure *	0.61%
Yield	2.20%
3 Year Annualised Volatility	3.6%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2020. This figure may vary from year to year. It excludes portfolio transaction costs. The Funds annual report for each financial year will include detail on the exact charges made.

Holdings as at 31 December 2021

Allianz Strategic Bond I Acc GBP	2.5%	Lyxor Core FTSE Acturs UK Gilts (DR)UCITS ETF-Dist	1.0%
Artemis Corporate Bond F GBP DIS	8.0%	Nomura Funds Ireland-Global Dynamic Bond I GBPH	2.6%
Baillie Gifford Strategic Bond B Acc	6.0%	Rathbone Ethical Bond Inst Acc	5.0%
Blackstone / GSO Loan Financing Ltd	1.0%	Real Estate Credit Investments Ltd	2.5%
db x-track. II Barclays GIAGgBd UCITS ETF 2C USD Hgd	5.7%	RM Infrastructure Income PLC	2.3%
Hermes Unconstrained Credit F GBP Acc Hgd	6.3%	Royal London Short Duration Global High Yield Bond Z Acc	2.2%
iShares Core Corp Bond UCITS ETF GBP (Dist)	1.2%	Schroder Sterling Corporate Bond Z Acc	6.0%
iShares Global Corp Bond UCITS ETF USD (Dist)	7.5%	SPDR Barclays Cap Sterling Corporate Bond ETF	5.8%
Janus Henderson Strategic Bond I Acc	5.8%	Starwood European Real Estate Finance Limited	2.3%
JPM GBP Ultra-Short Income UCITS ETF GBP dis	4.5%	TwentyFour Corporate Bond GBP Acc	2.8%
L&G ESG GBP Corporate Bond UCITS ETF	7.5%	Vanguard Total International Bond Index Fund	5.6%
Legal & General Global Inflation LnkD Bd Idx C Acc	5.9%	Cash	0.2%

Performance Summary as at 31 December 2021

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Fixed Income Portfolio	-0.21%	-0.18%	0.70%	-0.13%	10.91%	8.81%	
UK Consumer Price Index ⁷	n/a	1.87%	2.88%	4.85%	6.91%	10.84%	
UM Fixed Interest – Global ⁸	-1.23%	-1.05%	0.24%	-1.76%	7.45%	8.27%	
UT Global Bonds ⁸	-0.61%	-0.14%	0.42%	-1.06%	10.76%	10.23%	Figures quoted are on a total return basis with income reinvested.

⁷ Source: Office for National Statistics. Figures to most recently published data, being end of November 2021. All CPI statistics shown do not include the final month index figure for the period in question.

⁸ Source: Financial Express Analytics.

Commentary

The twenty-three diversified holdings that made up the portfolio at the beginning of the month remained in the portfolio at the end of the year and no new holdings were introduced either. This didn't mean there wasn't any portfolio activity. During December the recently introduced Nomura Global Dynamic Bond continued to be invested in – the allocation is now 2.55% (up from 2.33%).

Elsewhere in the portfolio, the allocation to Royal London Short Duration Global Bond was increased to 2.22% (from 2.01% a month earlier) in anticipation of a rise in global interest rates and cash rose a little too.