



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 Hawksmoor Investment Management, an award-winning independent specialist fund management group. Hawksmoor are then accountable to us for fund conduct and most crucially fund performance. The Hawksmoor team managing the fund was previously known as Wellian Investment Solutions, prior to their merger with Hawksmoor in March 2022.

What do Hawksmoor Investment Management do?

Hawksmoor 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 Hawksmoor can cherry pick the very best talent from across every fund management group.

Why did we choose Hawksmoor Investment Management?

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.

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. Hawksmoor has delivered not just strong performance, but strong risk adjusted performance over the long term.

2. Process

A robust, repeatable process is vital to any investment management business. SEMAFOUR is Hawksmoor’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 Hawksmoor 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. Hawksmoor conduct hundreds of manager meetings each year.

3. Philosophy

Hawksmoor 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. Hawksmoor Investment Management is a discretionary fund management firm, which has been authorised since 2007 and with over £2.7 bn of Assets Under Management.

5. People

People are the key to any successful investment solution. To measure the calibre of people at Hawksmoor we needed to look at their experience, knowledge, previous performance and how they all knitted together. Hawksmoor Investment Management is an award-winning team of Multi-Manager investors founded in 2007. The investment team has held the most senior investment roles in leading businesses such as Hargreaves Lansdown, Skandia, Foreign & Colonial and AXA Architas.



Richard Philbin is Chief Investment Officer of the Hawksmoor Investment Solutions division at Hawksmoor. 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 Hawksmoor and Wellian's merger, 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 Investment Officer of the Hurst Point Group, owner of Hawksmoor. 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. During his tenure the firm won the Best Multi-Manager 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 Hawksmoor Investment Management 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 Hawksmoor Investment Management 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. Hawksmoor Investment Management Limited is authorised and regulated by the Financial Conduct Authority, firm reference number 472929.



VT Redlands Equity Portfolio

August 2022

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	£456.8m
Ongoing Charge Figure *	0.73%
Yield	1.09%
3 Year Annualised Volatility	11.5%

* The ongoing charges figure is based on expenses and the net asset value as at 17 June 2022. 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 August 2022

Augmentum Fintech PLC	2.3%	iShares Core MSCI World UCITS ETF USD (Acc)	13.8%
AXA Framlington Health Z Acc	4.6%	iShares Core S&P 500 UCITS ETF USD (Acc)	8.9%
BlackRock Continental European Income D Acc	3.2%	Legal & General UK Mid Cap Index C Acc	1.4%
Brown Advisory Global Leaders B Inc GBP	5.2%	LF Gresham House UK Multi Cap Inc F Sterling Acc	2.0%
Fidelity Asian Values PLC	1.8%	Liontrust Special Situations Fund (I)	1.2%
Fidelity China Special Situations PLC	1.0%	Man GLG Japan CoreAlpha Professional Acc C GBP	3.6%
Fidelity Emerging Markets W-Acc	1.8%	MS INVF Asia Opportunity ZH GBP	3.4%
Fidelity Index Japan P Acc	2.8%	Oakley Capital Investments Ltd	2.3%
Fidelity Index World P Acc	15.0%	RIT Capital Partners PLC	4.6%
Franklin UK Equity Income W Acc	4.9%	Rockwood Strategic plc	0.1%
FTF MC European Unconstrained S Acc	4.1%	TB Amati UK Smaller Companies B Acc	1.5%
HgCapital Trust PLC	1.1%	WisdomTree Global Quality Div G UCITS ETF USD Acc	5.3%
Invesco Perpetual UK Smaller Cos Inv Tst PLC	0.9%	Cash	3.2%

Performance Summary as at 31 August 2022

	1 MONTH	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Equity Portfolio	0.54%	0.40%	-6.51%	20.42%	35.17%	37.10%	Figures quoted are on a total return basis with income reinvested.
UK Consumer Price Index ¹	n/a	5.79%	9.28%	13.01%	18.02%	18.59%	
UM Equity – International ²	0.52%	0.81%	-4.40%	22.25%	37.22%	39.52%	

¹ Source: Office for National Statistics. Figures to most recently published data, being end of July 2022. All CPI statistics shown do not include the final month index figure for the period in question.

² Source: Financial Express Analytics.

Commentary

The twenty-five holdings that were in the portfolio at the beginning of the month were also in the portfolio at the end. In terms of portfolio activity, from a geographical asset allocation perspective, no significant activity occurred with all regions within 0.5% of where they were previously. Exposure to UK, US, Japan and global managers were slightly up, with weights to Europe, Asia and Emerging Markets down.

Market volatility is rising as uncertainty surrounding interest rates, inflation and the “cost of living” crisis garners more column inches.



VT Redlands Multi-Asset Portfolio

August 2022

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	£130.2m
Ongoing Charge Figure *	1.33%
Yield	0.96%
3 Year Annualised Volatility	6.1%

* The ongoing charges figure is based on expenses and the net asset value as at 17 June 2022. 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 August 2022

Aegon Diversified Monthly Inc B Acc	1.5%	North Atlantic Smaller Companies Investment Trust PLC	3.8%
AQR Global Risk Parity UCITS C1 GBP	4.2%	Oakley Capital Investments Ltd	4.0%
AXA Global Distribution Z Acc	3.9%	Pershing Square Holdings Ltd	2.5%
BH Macro Limited GBP	3.9%	RIT Capital Partners PLC	5.7%
Chrysalis Investments Ltd	0.5%	Round Hill Music Royalty Fund Limited	0.6%
Fulcrum Asset Management Income F GBP Acc	3.0%	Royal London Sustainable Diversified Trust D Acc	3.9%
Gore Street Energy Storage Fund PLC	1.7%	Ruffer Investment Company Ltd	3.0%
Hermes Absolute Return Credit F GBP Acc Hdg	3.0%	Schroder British Opportunities Trust PLC	1.7%
Hipgnosis Songs Fund Ltd	5.6%	SEI Liquid Alternat Hdg GBP Wealth A Dist	5.8%
IFSL Brooks Macdonald Defensive Capital C Acc	1.8%	Third Point Offshore Investors Limited USD	5.8%
iShares Physical Gold ETC	3.5%	ThomasLloyd Energy Impact Trust PLC	1.4%
JPM Global Macro Opportunities C Net Acc	3.5%	TM Neuberger Berman Absolute Alpha F Acc	1.2%
Latitude Horizon Fund GBP Acc	3.7%	Troy Trojan O Acc	2.7%
LF Brook Absolute Return GBP Inst Acc	1.7%	Tufton Oceanic Assets Ltd	4.2%
LF Ruffer Diversified Return I Acc	4.3%		
Liontrust Sustainable Future Managed 6 Acc	3.8%	Cash	4.1%

Performance Summary as at 31 August 2022

	1 MONTH	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Multi-Asset Portfolio	0.46%	-0.18%	-4.05%	17.26%	20.48%	20.30%	
UK Consumer Price Index ³	n/a	5.79%	9.28%	13.01%	18.02%	18.59%	
Multi Asset Composite Benchmark ⁴	0.13%	-1.38%	-4.69%	5.12%	8.03%	9.00%	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 July 2022. 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

The thirty holdings in the portfolio are the same thirty that have now graced the portfolio (for nine months, although that doesn't mean there hasn't been portfolio activity). The Multi Asset fund remains broadly diversified across manager, asset class, geography and investment style. As market volatility rose, it was felt prudent to up the allocation a little to cash too.

In terms of significant turnover, there was no holding that saw its weight increase or reduce by more than 0.5% (bar one – RIT Capital Partners) but this didn't stop the allocation to Third Point Investors or Neuberger Berman Absolute Alpha rising, or the weight exposure to Oakley Capital Investors or Chrysalis Investments falling.



VT Redlands Property Portfolio

August 2022

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	£112.4m
Ongoing Charge Figure *	1.23%
Yield	2.57%
3 Year Annualised Volatility	6.5%

* The ongoing charges figure is based on expenses and the net asset value as at 17 June 2022. 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 August 2022

Aberdeen Standard European Logistics Income PLC	3.9%	iSharesDevelotedMkts PropYield UCITS ETF USD (Dist)	3.0%
AEW UK REIT PLC	2.0%	Legal & General UK Property I Acc (PAIF)	9.0%
Alternative Income REIT PLC	2.5%	Life Science REIT plc	3.0%
Amundi Luxembourg AM FTSE EPRA Europe Real Estate	2.6%	M&G Feeder of Property Portfolio Sterling I Acc	2.3%
Aviva Investors UK Property 2 GBP Acc	1.1%	Premier Miton Gbl Infrastructure Inc F Acc	4.3%
Balanced Commercial Property Trust Limited	3.0%	Schroder Real Estate Investment Trust Ltd	2.7%
BNY Mellon Global Infrastructure F Acc	2.3%	SLI UK Real Estate Acc Feeder Inst Acc	7.6%
Cordiant Digital Infrastructure Ltd	4.3%	SPDR Dow Jones Global Real Estate UCITS ETF	3.7%
CT UK Property Feeder 2 Acc	6.2%	Supermarket Income REIT PLC	1.4%
db x-track FTSE EPR/NRT Dev Eur RE UCITS ETF 1C DR	3.1%	ThomasLloyd Energy Impact Trust PLC	1.7%
Digital 9 Infrastructure	1.6%	Time Investments Commercial Long Income PAIF	9.1%
Downing Renewables & Infrastructure Trust PLC	2.1%	TR Property Investment Trust PLC	3.7%
Empiric Student Property PLC	1.5%	Urban Logistics REIT PLC	3.5%
Home REIT plc	2.0%		
iShares UK Property UCITS ETF GBP (Dist)	2.3%	Cash	4.3%

Performance Summary as at 31 August 2022

	1 MONTH	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Property Portfolio	-1.88%	0.34%	2.41%	7.27%	16.44%	17.79%	
UK Consumer Price Index ⁵	n/a	5.79%	9.28%	13.01%	18.02%	18.59%	
Property Composite Benchmark ⁶	-1.19%	2.15%	7.07%	7.21%	9.54%	10.54%	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 July 2022. 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 same twenty-eight holdings that were in the portfolio at the end of July were remained at the end of August. Strong share price performance from the long-held Alternative Income REIT helped see the allocation of this holding rise over the period. The allocation to Premier Miton Global Infrastructure Income was also increased this month.

August was a "care and maintenance" month where cash flow was used to keep the portfolio in line with the investment objectives. We took advantage of a couple of instances where the share price and net asset value discrepancies made sense to add / trim appropriately.



VT Redlands Fixed Income Portfolio

August 2022

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	22
Fund Size	£46.4m
Ongoing Charge Figure *	0.76%
Yield	1.56%
3 Year Annualised Volatility	3.8%

* The ongoing charges figure is based on expenses and the net asset value as at 17 June 2022. 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 August 2022

Allianz Strategic Bond I Acc GBP	2.8%	Man GLG Sterling Corporate Bd Inst Acc F	5.8%
Artemis Corporate Bond F GBP DIS	8.1%	Nomura Funds Ireland-Global Dynamic Bond I GBPH	3.1%
Baillie Gifford Strategic Bond B Acc	2.6%	Rathbone Ethical Bond Inst Acc	4.5%
Blackstone / GSO Loan Financing Ltd	1.3%	Real Estate Credit Investments Ltd	3.6%
db x-track. II Barclays GIAGgBd UCITS ETF 2C USD Hgd	6.6%	RM Infrastructure Income PLC	2.8%
Hermes Unconstrained Credit F GBP Acc Hgd	4.0%	Royal London Short Duration Global High Yield Bond Z Acc	3.1%
iShares Core Corp Bond UCITS ETF GBP (Dist)	1.2%	SPDR Barclays Cap Sterling Corporate Bond ETF	5.0%
iShares Global Corp Bond UCITS ETF USD (Dist)	8.8%	Starwood European Real Estate Finance Limited	2.6%
Janus Henderson Strategic Bond I Acc	4.9%	TwentyFour Corporate Bond GBP Acc	2.9%
JPM GBP Ultra-Short Income UCITS ETF GBP dis	4.0%	Vanguard Total International Bond Index Fund	8.4%
L&G ESG GBP Corporate Bond UCITS ETF	6.2%		
Legal & General Global Inflation LnkD Bd Idx C Acc	6.6%	Cash	1.2%

Performance Summary as at 31 August 2022

	1 MONTH	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	SINCE INCEPTION DATE 7 JUNE 2017	Past performance is not a reliable guide to future performance
VT Redlands Fixed Income Portfolio	-1.37%	-4.72%	-9.21%	-7.58%	-0.66%	-0.42%	
UK Consumer Price Index ⁷	n/a	5.79%	9.28%	13.01%	18.02%	18.59%	
UM Fixed Interest – Global ⁸	-2.36%	-7.35%	-11.94%	-6.26%	-3.10%	-2.72%	
UT Global Bonds ⁸	-1.53%	-5.42%	-9.14%	-7.78%	-2.97%	-1.40%	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 July 2022. All CPI statistics shown do not include the final month index figure for the period in question.

⁸ Source: Financial Express Analytics.

Commentary

Exposure to Investment Grade Credit bonds and International Sovereign bonds increased in August, although the same twenty-two holdings were held through the month. Elsewhere, the allocation to cash fell, as did the weight allocated to strategic bond managers.

In terms of portfolio activity, the allocation to the following funds increased: Vanguard Total International Bond Index, iShares Global Corporate Bond, Artemis Corporate Bond and Man GLG Sterling Corporate Bond. Sterling suffered compared to most of its trading partners over the month, partly due to uncertainty over the UK's political future.