

VT REDLANDS FUND RANGE

What are the VT Redlands Funds?

The VT Redlands Funds invest in one of four defined “asset classes” namely Equity, Multi-Asset, Property and Fixed Income. Each fund carries a prescribed Risk Profile, measured on a scale of 1 to 7 – with for example Equity being the highest at a factor 5. Each fund is used as a building block, creating 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 broad diversification within their portfolios. This reduces volatility and creates the potential for better, more consistent returns.

Each fund is constructed as a “Fund of Funds” providing access to the “best of the best” sector funds from a huge investment universe. The funds 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 30 different funds are held in each portfolio, with each one in turn managed by leading investment houses.

To manage each fund, David Williams IFA has appointed Hawksmoor Investment Management Limited (Hawksmoor), an award-winning, independent, and specialist fund management firm. Hawksmoor is part of the Hawksmoor Group which manages over £4bn for individual private clients, charities and intermediaries.

What do Hawksmoor do?

Hawksmoor are specialist Multi-Manager investors, they are experts in choosing fund managers who are likely to perform well, building portfolios that blend together to create a cohesive whole. No single asset 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. Alongside these active managers Hawksmoor also identifies the best value passive funds to include in portfolios, providing low-cost access to core investment markets.

Why did we choose Hawksmoor?

Hawksmoor Fund Managers (HFM), the specific team within Hawksmoor that manage the Redlands Portfolios, have built a strong and proven performance track record of over 14 years. Like David Williams IFA, HFM believe that 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. HFM has delivered not just strong performance, but strong risk-adjusted performance over the long term.

HFM have a simple and clear philosophy, to deliver the very best returns within the confines of a given risk framework. Their investment process is built around dynamic management of portfolios and excellent fund selection driven by both quantitative and importantly fundamental qualitative resources. The team's own research is complimented by other research resources across Hawksmoor, including the proprietary fund research tool SEMAFOUR and output from over 40 investment professionals and analysts.



Hawksmoor Fund Managers Daniel Lockyer and Ben Conway have worked together at Hawksmoor for over ten years. They are supported by Ben Mackie and Dan Cartridge. The strong track records of the Funds since their respective launch dates have resulted in the team winning many industry Awards.

Important Information

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. David Williams IFA Limited is authorised and regulated by the Financial Conduct Authority, firm reference number 530750. Hawksmoor Investment Management Limited is authorised and regulated by the Financial Conduct Authority, firm reference number 472929.

VT Redlands Equity Portfolio

December 2024

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	21
Fund Size	£556.1m
Ongoing Charge Figure*	0.51%
Yield	1.62%
3 Year Annualised Volatility	8.9%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2024. 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 2024

Augmentum Fintech PLC	1.8%
Fidelity Asia Pacific Opportunities W-Acc	3.0%
Fidelity Asian Values PLC	1.4%
Fidelity Index UK P Acc	9.0%
Fiera Atlas Global Companies I Acc GBP	3.5%
FTF Martin Currie UK Equity Income Fund W acc	3.0%
Hermes Asia ex Japan Equity F GBP Acc	4.6%
Invesco Perpetual UK Smaller Cos Inv Tst PLC	0.5%
iShares Core S&P 500 UCITS ETF USD (Acc)	14.7%
Lazard Japanese Strategic Equity EA Acc GBP	2.9%
Legal & General UK Mid Cap Index C Acc	8.3%

M&G Japan Smaller Companies Sterling PP Acc	2.2%
Oakley Capital Investments Ltd	2.2%
Premier Miton US Opportunities B Acc	5.5%
Ranmore Global Equity Institutional GBP Acc	3.1%
RIT Capital Partners PLC	2.5%
Rockwood Strategic plc	0.3%
Vanguard S&P 500 UCITS ETF USD Acc	14.9%
VT De Lisle America B Acc GBP	3.4%
WS Gresham House UK Multi Cap Inc F Sterling Acc	5.3%
WS Lightman European I Acc GBP	6.4%
Cash	1.2%

Performance Summary as at 31 December 2024

	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	-1.03%	3.79%	11.93%	10.06%	39.77%	66.17%	Figures quoted are on a total return basis with income reinvested.
Composite Performance Comparator ¹	-1.72%	3.16%	11.70%	11.47%	45.31%	74.06%	

¹ composite performance comparator consists of 80% IA Global and 20% IA UK All Companies, rebalanced monthly. Source: FE fundinfo.

VT Redlands Multi-Asset Portfolio

December 2024

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	20
Fund Size	£121.2m
Ongoing Charge Figure*	0.59%
Yield	2.87%
3 Year Annualised Volatility	5.4%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2024. 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 2024

3i Infrastructure PLC	4.1%
BBGI Global Infrastructure SA	7.0%
BH Macro Limited GBP	6.7%
Chrysalis Investments Ltd	2.0%
Gore Street Energy Storage Fund PLC	1.2%
HICL Infrastructure Company Ltd	6.7%
International Public Partnerships Ltd	6.1%
iShares Physical Gold ETC	7.0%
Lazard Rathmore Alternative S Acc GBP H	6.4%
Man GLG Absolute Value CX Professional GBP Acc	4.7%
Neuberger Berman Commodities GBP I3 Acc Unhdg	4.4%

Pantheon Infrastructure PLC	3.2%
Renewables Infrastructure Group Ltd	3.8%
Ruffer Investment Company Ltd	3.7%
Taylor Maritime Investments Ltd	2.6%
Third Point Offshore Investors Limited USD	4.0%
TM Tellworth UK Select A Acc	4.2%
Tufton Oceanic Assets Ltd	4.0%
VT Argonaut Absolute Return I GBP Acc	4.8%
Winton Trend Fund (UCITS) Class I GBP	8.7%
Cash	4.8%

Performance Summary as at 31 December 2024

	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	0.31%	3.86%	10.12%	-0.56%	21.91%	27.93%	Figures quoted are on a total return basis with income reinvested.
IA Flexible Investment ²	-0.89%	2.96%	9.42%	6.64%	26.63%	42.18%	

² Source: FE fundinfo.

VT Redlands Property Portfolio

December 2024

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	£93.6m
Ongoing Charge Figure*	0.41%
Yield	4.44%
3 Year Annualised Volatility	8.2%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2024. 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 2024

abrdn European Logistics Income PLC	3.5%
abrdn Property Income Trust Limited	0.3%
AEW UK REIT PLC	2.7%
Alternative Income REIT PLC	2.5%
Aviva Investors UK Property Fund 2 Acc	0.4%
Care REIT PLC	4.4%
Cordiant Digital Infrastructure Ltd	4.8%
db x-track FTSE EPR NRT Dev Eur RE UCITS ETF 1C DR	5.1%
Digital 9 Infrastructure	0.3%
Downing Renewables & Infrastructure Trust PLC	2.9%
Empiric Student Property PLC	2.8%
Greencoat UK Wind PLC	4.4%
Home REIT plc	0.3%
iShares UK Property UCITS ETF GBP (Dist)	1.7%
Legal & General Global Infrastructure Index C Acc	5.6%

Life Science REIT plc	1.9%
Londonmetric Property PLC	5.0%
M&G Feeder of Property Portfolio Sterling I Acc	1.1%
M&G Global Listed Infrastructure L Acc	1.6%
Picton Property Income Ltd	2.1%
Primary Health Properties PLC	5.4%
PRS Reit PLC	2.3%
Schroder Real Estate Investment Trust Ltd	3.1%
SPDR Dow Jones Global Real Estate UCITS ETF	5.8%
Supermarket Income REIT PLC	3.3%
TR Property Investment Trust PLC	7.6%
Tritax Big Box REIT PLC	6.4%
Urban Logistics REIT PLC	4.3%
Cash	8.3%

Performance Summary as at 31 December 2024

	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	-2.12%	2.49%	-0.64%	-16.94%	-11.10%	-0.80%	Figures quoted are on a total return basis with income reinvested.
Composite Performance Comparator ³	-2.14%	1.71%	0.33%	-7.89%	0.32%	13.50%	

³ composite performance comparator consists of 60% IA UK Direct Property and 40% IA Property Other, rebalanced monthly. Source: FE fundinfo.

VT Redlands Fixed Income Portfolio

December 2024

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	19
Fund Size	£75.3m
Ongoing Charge Figure*	0.51%
Yield	3.91%
3 Year Annualised Volatility	3.6%

* The ongoing charges figure is based on expenses and the net asset value as at 31 December 2024. 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 2024

AEGON European ABS I GBP Acc Hgd	7.9%
Amundi Index Glob Agg 500m ETF DR H GBP D	6.7%
Amundi UK Government Bond UCITS ETF Dist	17.3%
Artemis Corporate Bond F GBP Dis	5.7%
Blackstone Loan Financing Limited	0.6%
Close Sustainable Select Fixed Income X GBP Acc	4.4%
iShares \$ TIPS UCITS ETF GBP Hgd (Dist)	7.9%
iShares Core UK Gilts UCITS ETF GBP (Dist)	2.9%
JPM GBP Ultra-Short Income UCITS ETF Acc GBP	5.0%
Legal & General All Stocks Ind Link Gilt Ind C Acc	6.9%

Legal & General Global Inflation Lnkd Bd Idx C Acc	2.8%
Man Sterling Corporate Bond	8.0%
MSIF Emerging Markets Debt Opportunities Fd A USD A	1.7%
Premier Miton Strategic Monthly Inc Bond C Acc	6.4%
Rathbone Ethical Bond Inst Acc	5.2%
Real Estate Credit Investments Ltd	1.2%
RM Infrastructure Income PLC	1.2%
Starwood European Real Estate Finance Limited	0.7%
TwentyFour Corporate Bond GBP Acc	2.3%
Cash	5.0%

Performance Summary as at 31 December 2024

	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	-0.85%	1.66%	2.69%	-2.39%	0.44%	6.21%	Figures quoted are on a total return basis with income reinvested.
Composite Performance Comparator ⁴	-0.48%	2.86%	3.67%	-0.45%	5.01%	12.65%	

⁴ composite performance comparator consists of 50% IA Global Mixed Bond and 50% IA Sterling Strategic Bond, rebalanced monthly. Source: FE fundinfo.

Commentaries

December 2024

VT Redlands Equity Portfolio

Global equity markets were spooked in December by fears of slower growth and higher inflation, taking the shine off what has otherwise been a good year for equity investors. The Redlands Equity Portfolio navigated the difficult market conditions in December relatively well, with a loss of 1% compared with a 1.7% loss for the Performance Comparator. Even allowing for the tricky end to the year, investors who had been in the fund throughout saw an 11.9% return during 2024, again ahead of the Performance Comparator. We believe this is notable given the Portfolio's significantly lower allocation to high-flying US equity markets that we believe dominates the composition of the Comparator. The fund has had on average around 40% exposure to the US. The holdings in Asia, the UK and Europe all more than pulled their weight over the course of the year. We remain comfortable with the relatively low allocation to US equities for a number of reasons. Returns on US markets have been running well above historic norms for most of the past decade and we have been happy to take profits on this growth periodically as company valuations become stretched. In addition, the US index is highly concentrated (more so than at any time in history) with the largest three companies, Apple, Microsoft and Nvidia, comprising more than 20% of the index, and the top 10 companies account for 38%. We have deliberated tried to dilute exposure to these companies to reduce risk. Turning back to December's performance, the best performers were some of the specialist positions demonstrating the benefit of a diversified portfolio. Augmentum Fintech was up nearly 10%, Oakley Capital was up nearly 4%, RIT Capital was up 3.7% and Rockwood Strategic gained 3.6%. Detractors were some of the broader US equity funds with Premier Miton US Opportunities falling 6.8%. There were no significant changes made during December as we believe the Portfolio is well placed to benefit from a broadening out of global equity markets should the US large companies fail to live up to expectations. The Portfolio's exposure to UK, Europe, Japan, Asia and US funds focused on smaller to medium sized companies offer good value in that scenario.

VT Redlands Multi-Asset Portfolio

The Multi-Asset Portfolio finished the year well, gaining 0.3% in December and outperforming its Performance Comparator that fell 0.9%. The Portfolio also outperformed the 2024 calendar year, returning 10.1% compared to 9.4%. The best performance in December came from the funds designed to offer idiosyncratic and uncorrelated returns with the standout contributors being Chrysalis Investments rising 12%, Taylor Maritime up 6.8%, Third Point Investors up 4%, and RIT Capital up 3.7%. Elsewhere there were positive returns from a wide range of asset classes including the NB Commodities fund (+2.5%), Argonaut Absolute Return (+2.1%) and Winton Trend (+1.7%). Negatives came from the funds that carry more interest rate sensitivity. This included the infrastructure investment trusts such as Gore Street Energy Storage (down 5.2%) and The Renewables Infrastructure Group (-4%). Those price changes across the Portfolio led us to sell completely the RIT Capital Partners position after the strong run given it has been identified as being non-core to the strategy and reinvest proceeds into value opportunities such as some of the infrastructure trusts.

VT Redlands Property Portfolio

The property asset class struggled again in December as bond yields rose. As outlined in the below Fixed Income commentary, the UK 10 year bond yield finished the year at its peak of 4.5% causing the weakness across much of the Property Portfolio. Despite strong fundamentals of large parts of the UK property market, especially the logistics sector to which the Portfolio is highly exposed, the market is indiscriminately selling the sector in response to higher bond yields. The dividend yields now on offer from the underlying holdings are very attractive relative to history and gilt yields, often in excess of 7%. This makes us optimistic for the prospects for attractive total returns from the sector, particularly when combined with increased corporate activity that is leading to mergers and acquisitions. Indeed, the Portfolio has benefitted this year from recent bids for positions at significant premia to the prevailing share prices and we expect more in 2025 if prices and yields remain at these cheap levels.

VT Redlands Fixed Income Portfolio

December was a difficult month for the fixed income asset class as global bond yields rose again (causing prices to fall). The 10 year benchmark government bonds in the UK and US both ended the year near or at their 2024 peaks, both around 4.5%, while yields on French and German government bonds also rose. These higher yields are in response to concerns that governments around the world are choosing to prioritise populist policies to curry favour with voters than undertake harsh but potentially necessary measures to deal with the spiralling amount of government debt. Corporate bonds continued to perform better than government bonds, arguably reflecting investors' preference for the credit risk of companies than governments. However, that strong performance has pushed the yield for corporate bonds, particularly the lowest quality bonds known as sub-investment grade, close to a historic low relative to government bonds. This means investors are being scantily rewarded for taking on additional risk. The allocation to funds offering exposure to government bonds was the main detractor for performance in December, with falls of between 1.2% for global index-linked bonds and 4.7% for UK index-linked bonds. The positive contributors were the private credit investment trusts in wind-down including RM Infrastructure Income and Starwood European Real Estate Finance that were up 3.5% and 2.7% respectively, as well as Morgan Stanley Emerging Markets Debt Opportunities which was up 1%. We believe the bond market's reaction to weak government policies that has pushed yields higher will, in time, force governments to adopt tighter fiscal conditions if only to cap the amount they have to spend on paying the interest on their bonds. That leads us to believe we are close to the peak in bond yields that will be beneficial for the Portfolio's positioning going into 2025.