

VT THISTLEDOWN ICVC
(Sub-Fund VT Thistledown Income Fund)

Interim Report and Financial Statements
for the six months ended 30 June 2019

This letter was first written in 2014. It remains relevant to anyone thinking of investing in the fund.

Dear Potential Investor,

Warren Buffett calls ‘**The Intelligent Investor**’ by Benjamin Graham (1949) ‘the best book on investing ever written’. It ends ‘To achieve satisfactory investment results is easier than most people realise; to achieve superior results is harder than it looks’.

If you want a satisfactory return, then things have improved since 1949. How? One word: Vanguard.

Vanguard Group, founded by Jack Bogle, pioneered index funds. These deliver market returns at very low cost. Yes, you get the ups and downs. But, prepared for these by the excellent Vanguard website, you should stay the course and earn a satisfactory return.

Thistledown aims for a superior return? How? By dealing with Mr Market, the manic-depressive.

Mr Market is a mythical character from ‘**The Intelligent Investor**’. He is manic-depressive and as his mood swings so does the price he offers to buy and sell parts of businesses (shares). Happy he offers silly prices for our shares; sad, he’ll sell at silly prices.

Who is Mr. Market and how can we avoid being like him?

He doesn’t exist, but stands for ‘groupthink’ in the financial market. Think of the Dotcom mania of 1999/2000, or the financial boom and bust of 2008/09. One year the crowd believes good times will last forever, the next that the recession will never end. Thistledown does its best to stand apart, focussing on what a company is worth, its intrinsic value, not the market price which the crowd determines. We aim to buy below intrinsic value. We don’t try to forecast in a conventional sense; ‘**forecasts tell you more about the forecaster than the future**’ as Warren Buffett wrote. But broadly we believe that intrinsic value acts as a magnet, which pulls prices to it over time. A view supported by the work of the Nobel Economist Robert Shiller*.

The chef eats here.

We have over 90% of our equity investments in the fund. But, although this approach sounds easy, it isn’t. Ignoring current opinion is hard, results aren’t guaranteed and superior returns are not delivered consistently. Yet this approach is behind numerous successful investment partnerships. And it is supported by academic studies showing cheap companies and cheap markets provide better returns than expensive companies or markets.

Yours sincerely,
Dominic Fisher

Founder

Thistledown Investment Management Ltd

* Market Volatility. Robert J. Shiller MIT Press 1989

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INVESTMENT MANAGER'S ANNUAL REVIEW

Introduction

This report covers the six months to June 30th. There is a little to add to the quarterly report so much of that is repeated below. I comment on holdings each quarter and will not repeat that here. The outlook has been added to reflecting developments since the end of June..

Performance

The performance over the last 6 months is a return of 6.74% for the Class Z Net Accumulation investor. Over the last year, the fund and the market have barely moved, despite the falls in the autumn and the strong returns this year.

The more striking statistic is the return since inception of 91.3% for both the market and the fund. This return poses an existential question. What's the point of holding the fund if it merely matches the market? Index funds are a cheaper way of investing in the UK stock market than this fund with its ongoing charge (OCF) of 1.3% per annum.

I'd answer this question by asking another question 'Do you worry if it wobbles?' If you do, then you should consider another number on page 1; annualised volatility. The fund volatility is 6.7% against 14.2% for the market. My thinking on volatility was outlined in the 2016 Annual Report:

Many value investors scorn volatility as a measure of risk with phrases like 'Risk is permanent loss of capital'. I take a different view because I think the journey matters. Imagine two funds that return 10% per annum. In just over seven years they will both have doubled. Yet one was twice as volatile as the other; simplistically its fluctuations were twice as large as the other. Which fund would have provided the most comfortable journey? And, to stretch this a little further, might the ride be so bumpy that you ask to get off half way through? This illustration is not meant to suggest that volatility is perfect, but I think the purists ignore the emotional impact of volatility and the threat that the investor gives up half way through. And, if history is a guide, the point when most investors will give up will be just before a rebound with dramatic results for their wealth.

My family are the largest investors in the fund, and a strategy that provides a smooth journey suits us. I hope it suits you.

Transactions.

There were no transactions over the last six months.

Commentary

Woodford Investment Management have been in the financial news for problems with investments that led to one of its funds closing for redemption and another one falling sharply in price. These problems raise a couple of questions that might help you in considering this fund and others.

The first issue is liquidity. Woodford have stopped redemptions, which has upset investors. This reaction is understandable but uninformed; most funds can delay redemptions above a certain amount. This fund can; see Paragraph 3.3.4 of the prospectus for details of when. Essentially if there is a significant redemption. A temporary delay to redemptions avoids dramatic write-downs that would result from forced sales. It also addresses the fact that the concept of liquidity is a difficult one. In buoyant markets, it is easy to buy and sell investments. They are liquid. However, when markets are stressed, even large companies become illiquid. In the 2008 financial crisis, even government bonds became illiquid. The fact that liquidity is not a constant is one of the risks that attach to investing and why a fund such as this needs to be held for long periods.

The second issue that Woodford highlighted was the problems of investing in early-stage businesses. Woodford had an excellent record of investing for his clients before he started his own business. The problems began as he invested in areas that had not been core to his success. Backing new companies may be laudable. But it seems this was not an area where he had expertise – the market term would be style drift. He should have stuck to his knitting. (As an aside Warren Buffett a hero to so many investors and a great supporter of the US entrepreneurial spirit does not back start-ups).

Outlook

This year has seen all financial assets rise, both bonds and equities. This rise is unusual; usually, what is good for bonds is bad for equities and vice versa. The immediate reasons for this strength are the statements and actions of central banks, particularly the US Federal Reserve. I sympathise with any of you who have become tired of my 'macro' views, I am tired of them myself, but that doesn't make them wrong.

'The Good Judgement Project' is a group that takes its lead from the work of Philip Tetlock, a US academic interested in forecasting and the author of 'Superforecasting'. The group and the book provide lessons to those who would like to forecast. The first thing is to establish, where possible, a base rate from the study of comparable events. This base rate is the best guide to forecasting.

The base rate for financial markets is valuation, particularly average valuations.

INVESTMENT MANAGER'S ANNUAL REVIEW (Continued)

Robert Shiller, a US academic and Nobel prize winner, examined returns in the US stock market. This work allowed him to show what return investors made over thirty-year spans and what they might have expected to make given the growth in profits. He explained that over these long periods, investors received similar levels of earnings from the underlying companies because the effects of good and bad times averaged out; what varied enormously was the price investors paid to own these future profits. The price they were prepared to pay he related to the average earnings for the previous ten years. This average, known as the cyclically adjusted price-earnings or CAPE, was a good predictor of future returns. A high number led to low returns and vice versa. Incidentally, the price paid fluctuated around twelve times more than the actual earnings that companies deliver averaged over long periods. Research Affiliates helpfully provide tools to assess this ratio. In the US, it has only been higher 5% of the time, which implies poor returns over the next ten to twelve years. As we have time on our side and no need to chase returns, it makes sense to hold back when the base rate suggests such a weak outlook.

The paragraphs above discuss equities and suggest that, with equities towards the top of their range of valuation, it makes sense to 'hold back'. Fixed interest markets have made a mockery of a sensible approach this year.

- Austria issued a 100-year bond in 2017 that paid 2%. This bond has risen 60% since January. If it continues at this rate, it will increase 140% this year. It now offers investors a yield of around 1% per annum.
- Austria is not an exception. Every single government bond issued by Switzerland, Germany and the Netherlands now guarantees investors a loss; all have negative yields.

A fund manager friend, when asked about bitcoin, said, "I think of it somewhere between a joke and a fraud." I feel the same way about negative yielding 30 year bonds and 100-year bonds paying 1%. Investors are paying a very high price for an asset and guaranteeing a very low return. What is difficult to understand is why? I think it reflects a madness that grips markets from time to time; those buying the bonds must believe that this time is different. I reflect on 1999 and the internet bubble or the Japanese market in the late '80s. They must see a future of returns crushed by economic problems but where governments credit remains good because that is the only outcome that will reward their bravery. Or maybe it is not their money.

Thistledown Investment Management Limited
Investment manager to the Fund

COMPANY OVERVIEW

Type of Company

VT Thistledown ICVC (the 'Company') is an investment company with variable capital incorporated in England and Wales under registered number IC001011 and authorised by the FCA (PRN: 621244) with effect from 13 June 2014. The Company has been certified by the FCA as complying with the conditions necessary for it to enjoy the rights conferred by the UCITS Directive. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Thistledown Income Fund
Size of Sub-fund	£14,519,659
Launch date	14 July 2014
Investment objective and policy	<p>to provide income while investing to provide some capital growth over the medium to long term.</p> <p>The Fund will seek to achieve its investment objective by investing principally in equities. The Fund may also invest in exchange traded funds ("ETFs"), fixed income securities and other collective investment schemes.</p> <p>The ACD will apply a 'value' based policy when selecting equities for the Fund's portfolio. This means that an asset will be included in the portfolio when the Investment Adviser's analysis and expertise suggests it will provide a total return over the full investment cycle or longer that is higher than the total return that could be expected from UK equity investments over the same period (i.e. between 5 and 10 year horizons). Achieving these target returns for each equity investment or for the Fund's portfolio as a whole is highly uncertain as equities are volatile assets and are expected to be the principal portfolio investment.</p> <p>The ACD will hold ETFs, fixed income securities, collective investment schemes and cash and near cash when it cannot identify enough opportunities to achieve a suitable spread of equity investments with the appropriate 'value' characteristics. The ACD will also seek to reduce investment risk by diversifying the Fund's investments across industries and countries. It will not consider the size of company or market important to its investment decision provided the ACD and the Investment Adviser believe the relevant investment will diversify risk in the portfolio. Investments in assets denominated in foreign currencies may be hedged into sterling.</p> <p>The ACD must ensure that the Fund maintains sufficient cash for the purposes of maintaining liquidity. This portion of the sub-fund's assets must be represented by cash or similarly liquid assets (which may include money market instruments, deposits or units in collective investment schemes) at all times.</p> <p>The Fund's portfolio and mix of asset classes will be rebalanced from time to time at the absolute discretion of the ACD.</p>
Annual accounting date	31 December
Interim accounting dates	30 June
Annual income allocation date	31 December
Interim income allocation dates	31 March, 30 June, 30 September
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.
Minimum investment	
Lump sum subscription:	Z Class Income/Accumulation = £3,000 F Class Income/Accumulation = £10,000,000 C Class Income/ Accumulation = £3,000
Top up:	Z Class Income/Accumulation= £500 (£100 for regular contributions) F Class Income/Accumulation = £1,000,000 C Class Income/Accumulation =£500 (£100 for regular contributions)
Holding:	Z Class Income/Accumulation = £3,000 F Class Income/Accumulation = £10,000,000 C Class Income/ Accumulation = £3,000

VT THISTLEDOWN ICVC-VT THISTLEDOWN INCOME FUND

For the six months ended 30 June 2019

SUB-FUND OVERVIEW (Continued)

Redemption:	Z Class Income/Accumulation = £1,000
	F Class Income/Accumulation = £1,000,000
	C Class Income/ Accumulation = £1,000

N.B. C Class Shares are only available to registered charities and subject to their continuing to be so registered.

The ACD may at its discretion accept subscriptions lower than the minimum amount.

ACD charges

The annual management charge is comprised of a fixed element which is retained by the ACD for its own account and a variable element which is paid by the ACD to the Investment Manager.

The fixed element, which is equal to £20,500 per annum, is taken from Z Class, F Class Shares and C Class Shares pro-rata to their Net Asset Value.

The variable element in respect of the Z Class Shares is equal to 1.00% per annum of the Net Asset Value of the Z Class Shares.

The variable element in respect of the F Class Shares is equal to 0.60% per annum of the Net Asset Value of the F Class Shares.

The variable element in respect of the C Class Shares is equal to 0.60% per annum of the Net Asset Value of the C Class Shares.

Initial Charge	Z Class = Nil
	F Class = 5.0%
	C Class = Nil

PORTFOLIO STATEMENT

As at 30 June 2019 (unaudited)

Holding	Investment	Value £	% of net assets
Europe excluding UK 6.78% (31 December 2018:7.93%)			
25,448	Fondul P (REGS)	252,357	1.74
4,350,000	OMV Petrom SA	324,763	2.24
27,971	Svenska Handelsbanken AB	217,860	1.50
1,561	Total Gabon	<u>188,739</u>	<u>1.30</u>
		983,619	6.78
Global Emerging Markets 9.03% (31 December 2018:8.81%)			
12,408	iShares Emer Mkts Local Govt Bd UCITS ETF	603,897	4.16
27,595	SPDR S&P Emerging Markets Dividend ETF	<u>707,141</u>	<u>4.87</u>
		1,311,038	9.03
Asia ex Japan Equity 2.80% (31 December 2018:2.63%)			
1,025,000	Lion Rock Group Ltd	140,974	0.97
331	Samsung Electronics Sp. GDR Repr 1/2 Vtg Sh	<u>265,847</u>	<u>1.83</u>
		406,821	2.80
Japan 6.61% (31 December 2018:6.67%)			
75,229	Morant Wright Fuji Yield GBP Inc Hedged	795,008	5.48
15,000	Pasona Group Inc	<u>164,620</u>	<u>1.13</u>
		959,628	6.61
North America 7.16% (31 December 2018:4.83%)			
8,155	AT & T Inc	211,769	1.46
16,334	HP Inc	267,455	1.84
14,293	Kulicke and Soffa Industries	255,521	1.76
150,000	Sprott Inc	<u>305,505</u>	<u>2.10</u>
		1,040,250	7.16
UK Equity 19.30% (31 December: 2018:18.31%)			
113,039	Alumasc Group	106,822	0.74
66,672	Ashmore Group PLC ORD GBP0.0001	338,861	2.33
52,534	Aviva ORD GBP0.25	218,358	1.50
55,147	BP ORD USD0.25	302,454	2.08
117,130	Brown (N) Group Ord 1/19p	151,039	1.04
138,300	Dixons Carphone PLC	151,784	1.05
18,650	GlaxoSmithKline PLC	294,017	2.02
21,618	Hargreaves Services PLC	50,802	0.35
470,000	Lloyds Banking Group PLC	266,420	1.83
6,976	Rio Tinto PLC	339,871	2.34
21,731	SSE PLC	243,822	1.68
85,000	Ti Fluid Systems PLC	167,535	1.16
132,498	Vodafone Group PLC	<u>170,949</u>	<u>1.18</u>
		2,802,734	19.30

VT THISTLEDOWN ICVC-VT THISTLEDOWN INCOME FUND

For the six months ended 30 June 2019

PORTFOLIO STATEMENT (Continued)

UK Gilts 27.25% (31 December 2018:28.32%)			
7,720	iShares III PLC - iShares UK Gilts 0-5yr UCITS ETF	1,030,620	7.10
16,703	SPDR Barclays 1-5 Year Gilt UCITS ETF	857,950	5.91
2,042,056	UK GILT 22/01/2021	<u>2,067,990</u>	<u>14.24</u>
		3,956,560	27.25
Corporate Bonds 4.02% (31 December 2018:4.18%)			
7,400	ISHARES \$ ULTRASHORT BOND UCITS ETF	583,860	4.02
Investment assets 82.95% (31 December 2018:81.78%)		12,044,610	82.95
Net other assets 17.14% (31 December 2018:18.32%)		2,488,753	17.14
Adjustment to revalue assets from Mid to Bid prices (0.09%)		(13,704)	(0.09)
(31 December 2018:(0.10%))		<u>14,519,659</u>	<u>100.00</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the period ended 30 June 2019	0

	£
Total sales for the period ended 30 June 2019	0

There were no the sales or purchases during the period.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S (ACD'S) RESPONSIBILITIES

The rules of the Financial Conduct Authority's 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 position of the Company at the end of the financial period and its net revenues and net capital gains for the period. In preparing these financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles 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 judgments 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 COLL regulations, 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.

DIRECTOR'S STATEMENT

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook, we hereby certify the interim report.

Anne A. Laing CA

Neil J. Smith MA BA CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date 30/08/2019

STATEMENT OF TOTAL RETURN

For the six months ended 30 June 2019 (unaudited)

	30.06.19	30.06.18
	£	£
Income		
Net capital gains/(losses)	739,806	(414,513)
Revenue	276,263	224,097
Expenses	(77,425)	(74,276)
Interest payable and similar charges	-	-
Net revenue before taxation	<u>198,838</u>	<u>149,821</u>
Taxation	<u>(3,708)</u>	<u>-</u>
Net revenue after taxation	<u>195,130</u>	<u>149,821</u>
Total return before distributions	934,936	(264,692)
Finance costs: distributions	<u>(195,130)</u>	<u>(149,821)</u>
Change in net assets attributable to shareholders from investment activities	<u><u>739,806</u></u>	<u><u>(414,513)</u></u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 June 2019 (unaudited)

	30.06.19	30.06.18
	£	£
Opening net assets attributable to shareholders	13,826,083	13,375,436
Amounts receivable on creation of shares	72,815	711,522
Amounts payable on cancellation of shares	(194,700)	(21,297)
Dilution Levy	-	773
Dividend reinvested	75,655	54,081
Change in net assets attributable to shareholders from investment activities (see above)	<u>739,806</u>	<u>(414,513)</u>
Closing net assets attributable to shareholders	<u><u>14,519,659</u></u>	<u><u>13,706,002</u></u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 31 December 2018 was £13,826,083.

VT THISTLEDOWN ICVC-VT THISTLEDOWN INCOME FUND

For the six months ended 30 June 2019

BALANCE SHEET

As at 30 June 2019 (unaudited)

	30.06.19		31.12.18	
	£	£	£	£
ASSETS				
Investment assets		12,030,906		11,292,394
Current Assets				
Debtors		53,935		21,010
Cash and bank balances		2,528,317		2,544,885
Total other assets		<u>2,582,252</u>		<u>2,565,895</u>
Total assets		14,613,158		13,858,289
LIABILITIES				
Creditors				
Distribution payable		(75,667)		(14,556)
Creditors		<u>(17,832)</u>		<u>(17,650)</u>
Total liabilities		<u>(93,499)</u>		<u>(32,206)</u>
Net assets attributable to shareholders		<u><u>14,519,659</u></u>		<u><u>13,826,083</u></u>

Accounting Policies

The accounting policies applied are consistent with those of the financial statements for the period ended 31 December 2018 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014.

PERFORMANCE RECORD

Class Z Net Income GBP		Six months to 30 June 2019	Year ended 31 December 2018	Period ended 31 December 2017
Changes in net assets per unit		GBP	GBP	GBP
	Opening net asset value per unit	120.7686	133.5246	123.2763
	Return before operating charges	9.7642	(8.8275)	13.6605
	Operating charges (note 1)	(1.6414)	(1.6575)	(1.8134)
	Return after operating charges*	8.1228	(10.485)	11.8471
	Distribution on income units	(1.6561)	(2.271)	(1.5988)
		127.2353	120.7686	133.5246
	*after direct transaction costs of:	-	0.0636	0.0642
Performance	Return after charges	6.73%	(7.85%)	9.61%
Other information	Closing net asset value	£5,656,119	£5,481,458	£5,521,555
	Closing number of units	4,445,399	4,538,810	4,135,233
	Operating charges (note 2)	1.31%	1.30%	1.40%
	Direct transaction costs	-	0.05%	0.05%
Prices	Highest unit price	128.30	135.59	130.04
	Lowest unit price	120.77	120.05	120.02
Class Z Net Accumulation GBP		Six months to 30 June 2019	Year ended 31 December 2018	Period ended 31 December 2017
Changes in net assets per unit		GBP	GBP	GBP
	Opening net asset value per unit	124.2288	134.9492	122.9237
	Return before operating charges	10.0629	(9.0311)	13.8436
	Operating charges (note 1)	(1.6925)	(1.6893)	(1.8181)
	Return after operating charges*	8.3704	(10.7204)	12.0255
		132.5992	124.2288	134.9492
	Retained distributions on accumulated units	1.7087	2.3098	1.6120
	*after direct transaction costs of:	-	0.0648	0.0645
Performance	Return after charges	6.74%	(7.94%)	10.03%
Other information	Closing net asset value	£5,871,832	£5,506,002	£4,728,564
	Closing number of units	4,428,255	4,432,144	3,503,958
	Operating charges (note 2)	1.31%	1.30%	1.40%
	Direct transaction costs	-	0.05%	0.05%
Prices	Highest unit price	132.60	137.03	134.95
	Lowest unit price	124.23	123.32	123.10

^Share class launched 04 April 2016

PERFORMANCE RECORD (Continued)

Class F Net Income GBP	Six months to 30 June 2019	Year ended 31 December 2018	Period ended 31 December 2017
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	117.4075	129.8152	119.8491
Return before operating charges	9.2485	(8.5853)	13.2839
Operating charges (note 1)	(1.1090)	(1.1170)	(1.2599)
Return after operating charges*	8.1395	(9.7023)	12.024
Distribution on income units	(1.8503)	(2.7054)	(2.0579)
	123.6967	117.4075	129.8152
	*	after direct transaction costs of:	
	-	0.0618	0.0624
Performance			
Return after charges	6.93%	(7.47%)	9.78%
Other information			
Closing net asset value	£3,005,411	£2,852,604	£3,154,069
Closing number of units	2,429,660	2,429,660	2,429,660
Operating charges (note 2)	0.91%	0.90%	1.00%
Direct transaction costs	-	0.05%	0.05%
Prices			
Highest unit price	124.85	131.84	133.62
Lowest unit price	117.41	116.83	123.45

- 1 The operating charges per unit figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
- 2 The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the fund.

Risk Profile

Based on past data, the fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Fund is ranked 4 because simulated monthly historical performance data indicates that it has experienced moderate rises and falls in market prices historically.

DISTRIBUTION TABLES

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 January 2019

Group 2: Shares purchased 01 January 2019 to 31 March 2019

Payment date	Unit type	Share class	Net revenue	Equalisation	Distribution paid / allocated	Distribution paid / allocated
			2019	2019	2019	2018
14.04.19	Group 1	Z Net Income	0.5886	-	0.5886	0.5302
14.04.19	Group 2	Z Net Income	0.4027	0.1859	0.5886	0.5302
14.04.19	Group 1	F Net Income	0.6891	-	0.6891	0.6408
14.04.19	Group 2	F Net Income	0.6891	-	0.6891	0.6408
14.04.19	Group 1	Z Net Accumulation	0.6055	-	0.6055	0.5358
14.04.19	Group 2	Z Net Accumulation	0.0979	0.5076	0.6055	0.5358

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 April 2019

Group 2: Shares purchased 01 April 2019 to 30 June 2019

Payment date	Unit type	Share class	Net revenue	Equalisation	Distribution paid / allocated	Distribution paid / allocated
			2019	2019	2019	2018
12.07.19	Group 1	Z Net Income	1.0675	-	1.0675	0.8629
12.07.19	Group 2	Z Net Income	0.8879	0.1796	1.0675	0.8629
12.07.19	Group 1	F Net Income	1.1612	-	1.1612	0.9677
12.07.19	Group 2	F Net Income	1.1612	-	1.1612	0.9677
12.07.19	Group 1	Z Net Accumulation	1.1032	-	1.1032	0.8759
12.07.19	Group 2	Z Net Accumulation	1.0068	0.0964	1.1032	0.8759

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

INFORMATION FOR INVESTORS

General Information

Base Currency

The base currency of the Company is Pounds Sterling which is the functional currency.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Structure of the Company

The VT Thistledown ICVC is structured as an umbrella company. Provision exists for an unlimited number of Sub-Funds, and at the date of this Report there is one sub-fund, VT Thistledown Income Fund, authorised.

Classes of Shares

The Company can issue different classes of share in respect to any Sub-Fund.

Valuation Point

The scheme property of the Company and each Sub-Fund will normally be valued at 16.30 on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-Fund at any time if it considers it desirable to do so, with the Depositary's approval.

Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8:30am and 5:30pm. Instructions to buy or sell shares may either be in writing to:

Valu-Trac Investment Management Ltd

Orton, Fochabers, Moray, IV32 7QE

Or by email to:

thistledown@valu-trac.com for deals relating to the sub-fund.

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-Fund which represents the net asset value of the Sub-Fund concerned. The share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on the Investment Association website at www.fundlistings.com. Neither the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected free of charge at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application.

CORPORATE DIRECTORY

Authorised Corporate Director & Registrar

Valu-Trac Investment Management Limited

Orton

Fochabers

Moray

IV32 7QE

Telephone: 01343 880344

Fax: 01343 880267

(Authorised and regulated by the Financial Conduct Authority)

Investment Manager

Thistledown Investment Management Limited

Otham Manor

Otham Street

Maidstone

Kent

ME18 8RW

(Authorised and regulated by the Financial Conduct Authority)

Depositary

NatWest Trustee and Depositary Services Limited

Drummond House

2nd Floor

1 Redheughs Avenue

Edinburgh, EH12 9RH

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority)

Auditor

FKF Accounting Limited

33 High Street

Inverness

IV1 1HT