

SVS CH Special Mandates Fund

Interim Report

for the six months ended 31 March 2018

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## SVS CH Special Mandates Fund

### Report of the Authorised Corporate Director ("the ACD")

St Vincent St Fund Administration (a trading name of Smith & Williamson Fund Administration Limited), as ACD, presents herewith the Interim Report for SVS CH Special Mandates Fund for the six months ended 31 March 2018.

SVS CH Special Mandates Fund ("the Company") is an authorised open-ended investment company with variable capital ("ICVC") further to an authorisation order dated 8 November 2007. The Company is incorporated under registration number IC000588. It is a non-UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ("COLL") and the Investment Funds sourcebook ("FUND"), as published by the Financial Conduct Authority ("FCA"). As the Company is a non-UCITS retail scheme, the ACD also acts as Alternative Investment Fund Manager (AIFM) in order to comply with the Alternative Investment Fund Manager's Directive (AIFMD).

The Company has been set up as an umbrella company. Provision exists for an unlimited number of sub-funds to be included within the umbrella and additional sub-funds may be established by the ACD with the agreement of the Depositary and the approval of the FCA. The sub-funds represent segregated portfolios of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other sub-fund and shall not be available for any such purpose.

The ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Company consist predominantly of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The shareholders are not liable for the debts of the Company.

The Company has no Directors other than the ACD.

The base currency of the Company is UK sterling.

The Instrument of Incorporation can be inspected at the offices of the ACD.

Copies of the Prospectus and Key Investor Information Document ("KIID") are available on request free of charge from the ACD.

#### Sub-funds

There are currently two sub-funds available in the Company:

SVS Church House Tenax Absolute Return Strategies Fund	- A income and A accumulation shares - B income and B accumulation shares - C income and C accumulation shares
SVS Church House Deep Value Investment Fund	- A accumulation shares - B accumulation shares

#### Cross holdings

At the balance sheet date the following shares in SVS CH Special Mandates - Deep Value Investments Fund were held by SVS Church House Tenax Absolute Return Strategies Fund.

Sub-Fund	Sub-Fund	Holding
SVS CH Special Mandates - Deep Value Investments Fund	SVS Church House Tenax Absolute Return Strategies Fund	1,135,000

## Report of the Authorised Corporate Director ("the ACD") (continued)

### Investment objective and policy

The investment objective and policy of each sub-fund is disclosed within the Investment Manager's report of the individual sub-funds.

### Changes affecting the Company in the period

There were no fundamental or significant changes to the Company in the period.

Further information in relation to the Company is illustrated on page 31.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook and the Investment Funds sourcebook, we hereby certify the Interim Report on behalf of the ACD, Smith & Williamson Fund Administration Limited.

B. McLean

Director

Smith & Williamson Fund Administration Limited

31 May 2018

## Accounting policies of SVS CH Special Mandates Fund (unaudited)

*for the six months ended 31 March 2018*

The accounting policies relate to the sub-funds within the Company.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and in accordance with the Statement of Recommended Practice for UK Authorised Funds ("the SORP") published by The Investment Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 September 2017 and are described in those annual financial statements.

As described in the ACD's report, the ACD continues to adopt the going concern basis in the preparation of the accounts.

## SVS Church House Tenax Absolute Return Strategies Fund

### Investment Manager's report

#### Investment objective and policy

The sub-fund has an absolute return objective, aiming to achieve positive returns over rolling twelve-month periods at lower levels of volatility than experienced in traditional balanced funds. Please note: capital invested in the sub-fund is at risk, there is no guarantee that a positive return will be achieved over a rolling twelve-month, or any other, period.

The sub-fund is broadly diversified across asset classes with limits on exposure to different classes, wherever possible seeking low correlation of returns between the classes and low volatility in the sub-fund's overall value. The sub-fund is prepared to hold high proportions in cash and other lower-risk assets in pursuit of the objective.

The sub-fund may invest in the following asset classes: transferable securities (including fixed interest securities, government securities, equities, and holdings in quoted funds and quoted property companies), money market instruments, units or shares in collective investment schemes (including interests in alternative investment funds and 'hedge funds'), and cash deposits. No more than 10% of the sub-fund's total assets may be invested in collective investment schemes.

Derivatives may be employed in the pursuit of the investment objectives of the sub-fund for both investment purposes and for the purposes of efficient portfolio management. Using derivatives and forward transactions for investment purposes may increase the volatility of a sub-fund and increase or reduce the risk profile of a sub-fund.

The sub-fund will not invest directly in immovables or gold.

#### Investment performance

Performance* over six months:	29.03.18	29.09.17	Change
SVS Church House Tenax Absolute Return Strategies Fund A accumulation	152.3	153.5	-0.8%
SVS Church House Tenax Absolute Return Strategies Fund B accumulation	157.4	158.4	-0.6%
Annual Volatility** 'A' shares	1.5%	1.6%	

Source: Bloomberg, Smith & Williamson Fund Administration Limited. Based on mid price at 12pm.

\* Percentage change in mid price of accumulation shares.

\*\* Volatility is the annual standard deviation of monthly returns expressed as a percentage.

Over this period, the three-month London Interbank Offered Rate (LIBOR) rose from a low point of 0.34% at the start of the period to a high point of 0.71% at the end.

#### Investment activities

Over the first quarter of the sub-fund's year (the final calendar quarter of 2017), the proportions held in different asset classes did not change significantly and we maintained the high allocation to floating rate notes. Transaction volume has been slightly higher than usual as the sub-fund has continued to grow.

Top 15 holdings as at 31 March 2018	
UK Treasury Gilt 1.25% 22/07/2018	8.61%
European Investment Bank 0.625% 17/01/2020	4.28%
European Investment Bank 0.77156% 16/04/2019	2.69%
European Investment Bank 0.79975% 17/02/2020	2.69%
European Investment Bank 1.125% 07/09/2021	2.68%
Santander UK 0.77444% 16/11/2022	2.51%
SpareBank 1 Boligkreditt 0.80569% 14/11/2022	2.42%
Royal Bank of Scotland 0.80663% 15/05/2020	1.62%
Toronto-Dominion Bank 1.00231% 01/02/2019	1.62%
Barclays Bank 0.7935% 22/05/2020	1.61%
Barclays Bank 0.74131% 09/01/2023	1.61%
Royal Bank of Canada 0.82994% 08/12/2022	1.61%
Stadshypotek 0.73944% 11/01/2023	1.61%
SVS Church House Investment Grade Fixed Interest Fund	1.50%
Lloyds Bank 0.82156% 16/01/2020	1.48%

## Investment Manager's report (continued)

### Investment activities (continued)

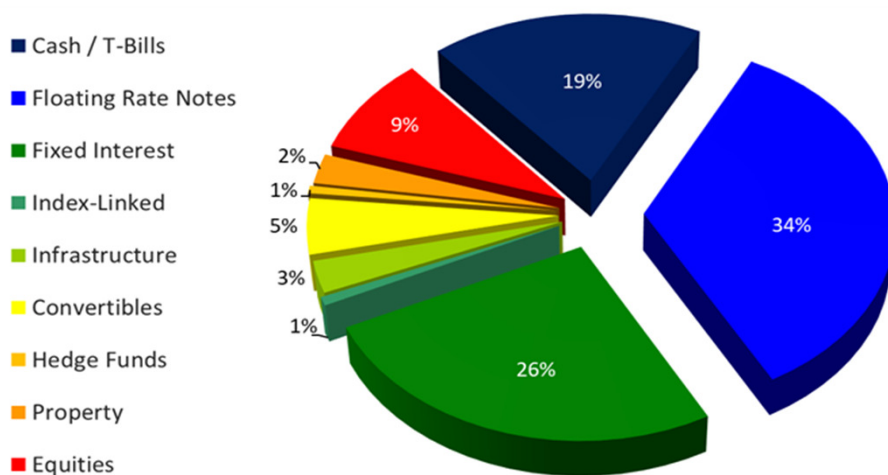
Over the course of the final quarter of 2017 and first quarter of 2018, we gradually reduced our Infrastructure exposure to 3%; it had been up over 7% in summer 2016, but a number of the funds now offer yields approaching 6% and trade at reasonable discounts to the value of underlying assets. A recent transaction in the first phase of the InterCity Express Programme (a 27.5 year contract to supply and maintain new trains for the Great Western mainline) has highlighted the value in John Laing Infrastructure Fund 15% stake in this contract. John Laing Infrastructure Fund is also proposing to move its tax domicile to the UK from Guernsey and become a UK Investment Trust, addressing one of the more political points that has been troubling the sector.

The proportion held in convertible securities has increased as we have been able to add to some of the existing holdings, recently, issues from National Grid North America 0.9% 02/11/2020 and Remgro Jersey 2.625% 22/03/2021, and participate in some new issues. We like the risk profile of convertibles; essentially they are fixed interest securities with an option to convert to an underlying ordinary share: limited risk with an opportunity. The equity slice of the portfolio has grown over the quarter, though, at 9% of the whole, it is still low. We have added several bank holdings including Morgan Stanley, Standard Chartered and Lloyds Banking Group expecting this to be one sector to benefit from higher rates.

### Investment strategy and outlook

SVS Church House Tenax Absolute Return Strategies Fund multi-asset-class portfolio seeks absolute returns at a low level of volatility. In pursuit of this, we continue to hold a diverse portfolio of investments across asset classes. The pie chart shows the disposition among the asset classes at the end of the period:

SVS Church House Tenax Absolute Return Strategies Fund - Asset Allocation 31 March 2018



Source: Church House Investments Limited

Better news from Korea has been drowned-out by a cacophony of geo-political and economic noise around trade wars, Russian interference, interest rates and, above all, President Trump's obnoxious 'Tweets'.

The fall of the Berlin Wall in 1989 and subsequent opening-up of Russia and Eastern Europe, combined with the meteoric rise of China, a boom in world trade and technological advances, have brought about a massive increase in prosperity.

President Trump now appears to be threatening free trade and, particularly, a trade war with China. While an ever more belligerent Russia, apparently happy to use biological warfare in England while supporting President Assad and befriending President Erdogan and the Iranian regime, brings a real chill to international relations. How depressing?

The complacency in US stock markets was shaken by a sharp break and ensuing volatility in early February. Initially, they were spooked by rising interest rates after the January jobs report signalled higher wages than expected, then by President Trump's imposition of trade tariffs, largely aimed at China, and finally by problems at Facebook that reverberated around the 'tech' sector. A trade war and higher borrowing costs are not a good combination.

At present, our assumption is that President Trump's antagonistic moves on trade tariffs are actually his version of negotiation. Hopefully, President Xi's relatively measured response and offer to lower tariffs while opening other sectors to inward investment, might lead to a 'deal' that could ease tensions. But, there is no doubt that this will resurface: America is not comfortable with China's rapid technological advance.

## Investment Manager's report (continued)

### Investment strategy and outlook (continued)

We expect America to lead the way with higher interest rates, the UK to follow with a base rate increase shortly and Europe to prevaricate further. Assuming that we are right about this turn in interest rates, it does present a more difficult environment in which to invest. That is why our fixed interest and absolute return portfolios are so cautiously placed.

However, it is probably too soon to write-off equity markets, which do not look as exposed as fixed interest. World economies are still on a growth path, as are corporate profits, and much of the current 'noise' around trade wars is, for the moment, just that. It would appear that last year's calm in equity markets was the exception and that volatility is back with us. While this brings some uncomfortable swings in valuation, it does also bring opportunities.

Church House Investments Limited

1 May 2018



## Summary of portfolio changes

for the six months ended 31 March 2018

The following represents the major purchases and the major sales in the period to reflect a clearer picture of the major investment activities.

	Cost £
Purchases:	
European Investment Bank 0.625% 17/01/2020	7,970,400
European Investment Bank 1.125% 07/09/2021	5,038,550
SpareBank 1 Boligkreditt 0.80569% 14/11/2022	4,513,750
European Investment Bank 0.77156% 16/04/2019	3,262,535
European Investment Bank 0.79975% 17/02/2020	3,018,900
Royal Bank of Canada 0.82994% 08/12/2022	3,000,000
Barclays Bank 0.74131% 09/01/2023	3,000,000
Stadshypotek 0.73944% 11/01/2023	3,000,000
Santander UK 0.77444% 16/11/2022	2,501,250
Santander UK 0.77444% 16/11/2022 Parent	2,188,084
Bank of America 5.5% 04/12/2019	2,176,680
SSE 5% 01/10/2018	2,066,900
National Bank of Canada 1.05306% 27/09/2021	2,013,920
Lloyds Bank 0.93306% 27/03/2023	2,000,000
Royal Bank of Canada CMS Linked Reverse Convertible Notes 28/06/2019	2,000,000
Bank of Scotland 6.375% 16/08/2019	1,860,303
Waverton Investment Funds SICAV - Waverton European Capital Growth Fund	1,612,544
Toronto-Dominion Bank 1.00231% 01/02/2019	1,507,290
Land Securities Group	1,373,626
SVS Church House Investment Grade Fixed Interest Fund	1,143,360
	Proceeds £
Sales:	
European Investment Bank 1.5% 01/02/2019	5,053,700
European Investment Bank 1.375% 15/01/2018	3,000,000
Santander UK 0.55213% 05/05/2020	2,106,510
Leeds Building Society 0.55213% 09/02/2018	1,750,000
Lloyds Bank 0.66344% 14/01/2019	1,604,202
Lloyds Bank 0.47844% 19/01/2018	1,510,000
Goldman Sachs International 1 Year 4.25% Reverse Convertible Notes on the 10 Year GBP Swap Rate 19/02/18	1,500,000
JPMorgan Chase & Co 2.21444% 25/01/2018	1,406,173
Bank of Nova Scotia 0.47806% 02/11/2017	1,065,000
Waverton Investment Funds SICAV - Waverton European Capital Growth Fund	1,053,544
Royal Bank of Canada 4.3% 29/11/2017	1,000,000
Standard Chartered 5.125% 06/06/2034	844,493
BlackRock World Mining Trust	805,193
Segro 6.75% 23/02/2024	652,690
Commonwealth Bank of Australia 0.58931% 24/01/2018	500,000
Canadian Imperial Bank of Commerce 0.48469% 15/01/2018	500,000
Toronto-Dominion Bank 0.66844% 19/01/2018	500,000
ICG Enterprise Trust	414,669
Tullow Oil 6.25% 15/04/2022	378,443
Great Portland Estates	307,505

## Portfolio statement

as at 31 March 2018

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt securities* 75.22% (69.71%)			
Aaa to Aa2 50.43% (42.91%)			
Australia & New Zealand Banking Group 1.03569% 11/02/2019**	£270,000	271,010	0.15
Bank of Montreal 0.73294% 20/07/2020**	£2,500,000	2,503,750	1.34
Bank of Nova Scotia 0.97125% 14/01/2019**	£2,000,000	2,006,080	1.08
Barclays Bank 0.7935% 22/05/2020**	£3,000,000	3,005,730	1.61
Barclays Bank 0.74131% 09/01/2023**	£3,000,000	2,996,970	1.61
Canadian Imperial Bank of Commerce 1.12206% 11/03/2019**	£500,000	502,125	0.27
Canadian Imperial Bank of Commerce 0.95269% 10/01/2022**	£1,000,000	1,007,370	0.54
Coventry Building Society 0.91432% 17/03/2020**	£1,990,000	1,996,050	1.07
Deutsche Pfandbriefbank 1.07125% 13/01/2020**	£1,000,000	1,004,350	0.54
European Investment Bank 0.83006% 25/05/2018**	£2,000,000	2,000,680	1.07
European Investment Bank 0.77156% 16/04/2019**	£5,000,000	5,015,100	2.69
European Investment Bank 0.625% 17/01/2020	£8,000,000	7,961,520	4.28
European Investment Bank 0.79975% 17/02/2020**	£5,000,000	5,014,000	2.69
European Investment Bank 1.125% 07/09/2021	£5,000,000	4,995,800	2.68
Lloyds Bank 0.82156% 16/01/2020**	£2,750,000	2,758,085	1.48
Lloyds Bank 0.93306% 27/03/2023**	£2,000,000	2,000,000	1.07
National Bank of Canada 1.05306% 27/09/2021**	£2,000,000	2,012,200	1.08
Nationwide Building Society 0.72794% 27/04/2018**	£850,000	850,026	0.46
Nationwide Building Society 1.00819% 25/04/2019**	£1,200,000	1,205,040	0.65
Nordea Eiendoms kreditt 0.94125% 14/01/2019**	£2,500,000	2,507,000	1.35
Province of Ontario Canada 0.62569% 10/11/2020**	£2,000,000	2,001,180	1.08
Royal Bank of Canada 0.82994% 08/12/2022**	£3,000,000	2,999,400	1.61
Royal Bank of Scotland 0.80663% 15/05/2020**	£3,000,000	3,006,960	1.62
Santander UK 0.80163% 29/05/2018**	£1,200,000	1,200,300	0.64
Santander UK 0.77444% 16/11/2022** Parent	£4,684,000	4,680,955	2.51
Skandinaviska Enskilda Banken 0.94975% 19/11/2018**	£400,000	400,892	0.22
SpareBank 1 Boligkreditt 0.80569% 14/11/2022**	£4,500,000	4,505,220	2.42
Stadshypotek 0.82975% 17/08/2018**	£800,000	800,696	0.43
Stadshypotek 0.73944% 11/01/2023**	£3,000,000	2,995,680	1.61
Swedbank Hypotek 0.71906% 02/04/2018**	£210,000	210,000	0.11
Swedbank Hypotek 0.90794% 29/10/2018**	£440,000	440,840	0.24
Toronto-Dominion Bank 1.00231% 01/02/2019**	£3,000,000	3,010,140	1.62
UK Treasury Gilt 1.25% 22/07/2018	£16,000,000	16,035,200	8.61
		93,900,349	50.43
Aa3 to A1 4.75% (5.86%)			
ABN AMRO Bank 1.08163% 30/11/2018**	£2,000,000	2,004,620	1.08
BMW International Investment 0.81113% 17/07/2019**	£1,500,000	1,500,975	0.81
Close Brothers Finance 2.75% 19/10/2026	£1,140,000	1,155,561	0.62
Nationwide Building Society 0.94623% 06/06/2019**	£1,000,000	1,001,430	0.54
Royal Bank of Canada 0.98893% 04/06/2019**	£700,000	702,044	0.38
Total Capital International 1.02287% 01/07/2019**	£791,000	792,273	0.42
Total Capital 3.875% 14/12/2018	£939,000	957,996	0.51
TOTAL 0.5% 02/12/2022**	\$1,000,000	733,854	0.39
		8,848,753	4.75

## Portfolio statement (continued)

as at 31 March 2018

Investment	Nominal value or holding	Market value £	% of total net assets
Debt securities (continued)			
A2 to A3 4.44% (1.99%)			
AstraZeneca 2.6914% 10/06/2022**	\$1,000,000	711,959	0.38
Aviva 4.375% 12/09/2049**	£800,000	804,392	0.43
Aviva 5.125% 04/06/2050**	£250,000	265,023	0.14
Bank of America 7.75% 30/04/2018	£1,500,000	1,507,545	0.81
Bank of America 5.5% 04/12/2019	£2,000,000	2,135,028	1.15
Hongkong & Shanghai Banking 2% perpetual**	\$1,000,000	642,465	0.35
National Grid Electricity Transmission Index Linked 2.983% 08/07/2018**	\$100,000	160,485	0.09
SSE 5% 01/10/2018	£2,000,000	2,038,520	1.09
		<u>8,265,417</u>	<u>4.44</u>
Baa1 to Baa2 2.84% (3.91%)			
Bank of Scotland 6.375% 16/08/2019	£1,750,000	1,857,961	1.00
National Grid North America 0.9% 02/11/2020	£2,000,000	1,953,100	1.05
RI Finance Bonds No 3 6.125% 13/11/2028	£650,000	749,516	0.40
SSE 3.875% perpetual**	£700,000	718,410	0.39
		<u>5,278,987</u>	<u>2.84</u>
Baa3 and below 12.76% (15.04%)			
AP Moller - Maersk 4.245% 16/03/2021**	\$1,000,000	731,038	0.39
Barclays Bank 2% 13/05/2020**	£150,000	147,375	0.08
British Land 2.375% 14/09/2029	£900,000	861,606	0.46
Centrica 5.25% 10/04/2075**	£1,000,000	1,057,500	0.57
Danske Bank 1.2118% 04/10/2018**	£400,000	400,604	0.22
Derwent London Capital No 2 Jersey 1.125% 24/07/2019	£1,000,000	1,055,810	0.57
Glencore Funding 0% 27/03/2025**	\$600,000	408,174	0.22
Goldman Sachs Group 2.1% 08/09/2021**	£500,000	501,950	0.27
Heathrow Funding Index Linked 3.334% 09/12/2039**	£100,000	225,883	0.12
InterContinental Hotels Group 3.75% 14/08/2025	£425,000	453,712	0.24
John Lewis 8.375% 08/04/2019	£1,125,000	1,200,938	0.64
Lloyds Bank 1.75% 19/06/2020**	£300,000	301,440	0.16
National Westminster Bank 2.5% perpetual**	\$1,000,000	650,485	0.35
NGG Finance 5.625% 18/06/2073**	£1,000,000	1,111,875	0.60
Nordea Bank 1.875% perpetual**	\$1,000,000	695,038	0.37
Old Mutual 8% 03/06/2021	£179,000	202,358	0.11
Orange 0.375% 27/06/2021	£1,500,000	1,447,590	0.78
Orange 5.875% perpetual	£1,000,000	1,100,050	0.59
Pennon Group 2.875% perpetual**	£800,000	800,480	0.43
Petropavlovsk 2010 9% 18/03/2020	\$188,000	140,384	0.08
Phoenix Group Holdings 4.125% 20/07/2022	£1,100,000	1,140,689	0.61
Remgro Jersey 2.625% 22/03/2021	£1,500,000	1,474,125	0.79
Rocket Internet 3% 22/07/2022	€ 1,000,000	919,910	0.49
Rothesay Life 8% 30/10/2025	£635,000	765,778	0.41
Shaftesbury Chinatown 2.348% 30/09/2027	£1,400,000	1,335,810	0.72
Shaftesbury Carnaby 2.487% 30/09/2031	£450,000	432,720	0.23
Society of Lloyd's 4.875% 07/02/2047**	£500,000	547,485	0.29

## Portfolio statement (continued)

as at 31 March 2018

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt securities (continued)			
Baa3 and below (continued)			
St Modwen Properties Securities Jersey 2.875% 06/03/2019	£1,000,000	1,003,500	0.54
Tesco Index Linked 1.982% 24/03/2036**	£500,000	739,045	0.40
Travis Perkins 4.5% 07/09/2023	£1,000,000	1,024,400	0.55
Wales & West Utilities Finance Index Linked 2.496% 22/08/2035**	£200,000	382,369	0.21
Whitbread Group 3.375% 16/10/2025	£500,000	508,491	0.27
		<u>23,768,612</u>	<u>12.76</u>
Default* 0.00% (0.00%)			
Lehman Brothers Treasury 0% 01/06/2009***	£300,000	-	-
		<u>-</u>	<u>-</u>
Total debt securities		<u>140,062,118</u>	<u>75.22</u>
Equities 11.49% (11.60%)			
Equities - United Kingdom 9.56% (10.58%)			
Equities - incorporated in the United Kingdom 4.24% (4.69%)			
Travel & Leisure 0.00% (0.15%)		-	-
Banks 0.40% (0.00%)			
Lloyds Banking Group	750,000	484,950	0.26
Standard Chartered	35,000	249,410	0.14
		<u>734,360</u>	<u>0.40</u>
Real Estate 1.47% (0.91%)			
Land Securities Group	200,000	1,874,200	1.01
Triple Point Social Housing REIT	515,331	520,484	0.28
Triple Point Social Housing REIT C shares	343,553	343,553	0.18
		<u>2,738,237</u>	<u>1.47</u>
Financial Services 2.37% (3.63%)			
Aberforth Split Level Income Trust	814,945	871,991	0.47
Caledonia Investments	45,500	1,203,475	0.65
ICG Enterprise Trust	90,000	707,400	0.38
Montanaro UK Smaller Companies Investment Trust	56,000	310,240	0.16
RIT Capital Partners Fund	70,000	1,327,200	0.71
		<u>4,420,306</u>	<u>2.37</u>
Total equities incorporated in the United Kingdom		<u>7,892,903</u>	<u>4.24</u>
Equities - incorporated outwith the United Kingdom 5.32% (5.89%)			
Utilities 0.34% (0.00%)			
SSE	50,000	638,000	0.34
Real Estate 1.11% (1.26%)			
MedicX Fund	1,475,000	1,153,450	0.62
Target Healthcare REIT	886,363	904,090	0.49
		<u>2,057,540</u>	<u>1.11</u>

## Portfolio statement (continued)

as at 31 March 2018

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - incorporated outwith the United Kingdom (continued)			
Financial Services 3.87% (4.63%)			
Acorn Income Fund	250,000	380,000	0.20
Duet Real Estate Finance****	350,000	-	-
GCP Infrastructure Investments	1,250,000	1,467,500	0.79
HICL Infrastructure	952,727	1,293,803	0.69
International Public Partnerships	987,106	1,374,052	0.74
John Laing Infrastructure Fund	950,000	1,069,700	0.58
NB Private Equity Partners Fund 'A'	120,000	1,132,800	0.61
NB Private Equity Partners Fund zero dividend preference share	383,308	429,305	0.23
Terra Catalyst Fund	193,031	55,374	0.03
		<u>7,202,534</u>	<u>3.87</u>
Total equities - incorporated outwith the United Kingdom		<u>9,898,074</u>	<u>5.32</u>
Total equities - United Kingdom		<u>17,790,977</u>	<u>9.56</u>
Equities - Europe 0.89% (0.00%)			
Equities - Belgium 0.42% (0.00%)			
Anheuser-Busch InBev	10,000	782,571	0.42
Equities - Denmark 0.47% (0.00%)			
AP Moller - Maersk	800	877,132	0.47
Total equities - Europe		<u>1,659,703</u>	<u>0.89</u>
Equities - North America 1.04% (1.02%)			
Berkshire Hathaway 'B'	9,000	1,280,133	0.69
Brookfield Infrastructure Partners	3	89	0.00
Jardine Strategic Holdings	10,000	273,311	0.15
Morgan Stanley	10,000	384,659	0.20
Total equities - North America		<u>1,938,192</u>	<u>1.04</u>
Total equities		<u>21,388,872</u>	<u>11.49</u>
Collective Investment Schemes 5.54% (5.09%)			
UK Authorised Collective Investment Schemes 3.76% (3.18%)			
SVS Church House Special Mandates - Deep Value Investments Fund #	1,135,000	1,662,775	0.89
SVS Church House Esk Global Equity Fund #	1,000,000	2,560,000	1.37
SVS Church House Investment Grade Fixed Interest Fund #	2,435,000	2,790,510	1.50
Total UK authorised collective investment schemes		<u>7,013,285</u>	<u>3.76</u>

## Portfolio statement (continued)

as at 31 March 2018

	Nominal value or holding	Market value £	% of total net assets
Investment			
Collective Investment Schemes (continued)			
Offshore Collective Investment Schemes 1.78% (1.91%)			
BANOR - North America Long Short Equity	1,167	1,253,383	0.67
Boost Gilts 10Y 3x Short Daily ETP	10,000	502,000	0.27
Waverton Investment Funds SICAV - Waverton European Capital Growth Fund	1,429,051	1,557,665	0.84
Total offshore collective investment schemes		<u>3,313,048</u>	<u>1.78</u>
Total collective investment schemes		<u>10,326,333</u>	<u>5.54</u>
Structured Products 2.93% (4.00%)			
Barclays Bank QIS2 S&P 500 Dynamic Vix Tracker 30/03/2022	500,000	113,977	0.06
JP Morgan 1-Year GBP Interest Rate Linked Note	1,500,000	1,514,359	0.81
JP Morgan 4.85% Index Linked 11/04/18 GBP	1,000,000	1,000,900	0.54
Royal Bank of Canada FTSE 100 & S&P 500 Index Linked Preference Share	650,000	810,781	0.44
Royal Bank of Canada CMS Linked Reverse Convertible Notes 28/06/2019	2,000,000	2,017,388	1.08
Total structured products		<u>5,457,405</u>	<u>2.93</u>
Portfolio of investments		177,234,728	95.18
Other net assets		8,971,047	4.82
Total net assets		<u>186,205,775</u>	<u>100.00</u>

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 30 September 2017.

\* Grouped by credit rating - source: Interactive Data and Bloomberg.

\*\* Variable interest security.

\*\*\* Lehman Brothers Treasury is in default and is included in the portfolio of investments with no value.

\*\*\*\* Duet Real Estate Finance is in liquidation and is included in the portfolio of investments with no value.

# Related party securities managed within the same corporate body as the ACD, St Vincent St Fund Administration (a trading name of Smith & Williamson Fund Administration Limited).

United Kingdom equities are grouped in accordance with the Industry Classification Benchmark.

The Industry Classification Benchmark (ICB) is a joint product of FTSE International Limited and Dow Jones & Company, Inc. and has been licensed for use. "FTSE" is a trade and service mark of London Stock Exchange and the Financial Times Limited. "Dow Jones" and "DJ" are trade and service marks of Dow Jones & Company Inc. FTSE and Dow Jones do not accept any liability to any person for any loss or damage arising out of any error omission in the ICB.

Total purchases in the period: £68,355,498

Total sales in the period: £26,785,879

## Risk and reward profile

The risk and reward profile is representative of all share classes.

The risk and reward indicator table demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

←	Typically lower rewards, lower risk	→	Typically higher rewards, higher risk	→		
1	2	3	4	5	6	7

The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

The price of the sub-fund and any income from it can go down as well as up and is not guaranteed. Investors may not get back the amount invested. Past performance is not a guide to future performance.

Where the sub-fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

Where the sub-fund invests into other investment funds, they may invest in different assets, countries or economic sectors and therefore have different risk profiles not in line with those of this sub-fund.

Investment trusts and closed ended funds may borrow to purchase additional investments. This can increase returns when stock markets rise but will magnify losses when markets fall.

The value of an investment trust or a closed-ended fund moves in line with stock market demand and its unit/share price may be less than or more than the net value of the investments it holds.

The sub-fund is entitled to use derivative instruments for efficient portfolio management and investment purposes. Derivatives may not achieve their intended purpose. Their prices may move up or down significantly over relatively short periods of time which may result in losses greater than the amount paid. This could adversely impact the value of the sub-fund.

The organisation from which the sub-fund buys a derivative may fail to carry out its obligations, which could also cause losses to the sub-fund.

For further information please refer to the Key Investor Information Document ("KIID").

For full details on risk factors for the sub-fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the period.

## Performance information

Number of shares in issue	31.03.18	30.09.17	30.09.16	30.09.15
A Accumulation	16,333,858	16,057,620	13,736,867	12,547,165
B Accumulation	27,011,074	28,639,715	19,116,814	17,187,440
C Accumulation	43,347,413	27,133,500	6,082,155	2,290,197
A Income	5,583,301	4,867,776	2,353,619	944,967
B Income	18,699,010	17,241,637	2,408,119	1,560,235
C Income	9,196,863	3,310,930	-	-
Net Asset Value (NAV)	£	£	£	£
Total NAV of the sub-fund	186,205,775	151,669,626	65,991,258	48,466,353
NAV attributable to A accumulation shareholders	24,842,664	24,619,202	20,416,235	17,349,327
NAV attributable to B accumulation shareholders	42,459,471	45,317,761	29,238,338	24,386,969
NAV attributable to C accumulation shareholders	68,410,983	43,077,696	9,323,822	3,253,863
NAV attributable to A income shareholders	8,279,878	7,281,851	3,431,093	1,294,999
NAV attributable to B income shareholders	28,296,490	26,319,264	3,581,770	2,181,195
NAV attributable to C income shareholders	13,916,289	5,053,852	-	-
Net asset value per share (based on bid value)^	p	p	p	p
A Accumulation	152.1	153.3	148.6	138.3
B Accumulation	157.2	158.2	152.9	141.9
C Accumulation	157.8	158.8	153.3	142.1
A Income	148.3	149.6	145.8	137.0
B Income	151.3	152.6	148.7	139.8
C Income	151.3	152.6	-	-

^ The net asset value per share excludes the value of the income distributions payable.

A accumulation and B accumulation shares were first issued at 100.0p per share on 22 November 2007.

B income shares were first issued at 141.4p per share on 28 November 2014.

C accumulation shares were first issued at 143.3p per share on 23 January 2015.

A income shares were first issued at 139.9p per share on 30 January 2015.

C income shares were first issued at 100.0p per share on 31 October 2016.



## Performance information (continued)

## Highest and lowest prices and distributions (continued)

Financial year to 30 September		Distribution per share p	Highest price p	Lowest price p
2015	A Accumulation	1.756	142.2	134.7
2015	B Accumulation	2.217	145.7	137.8
2015*	C Accumulation	1.738	145.8	100.0
2015**	A Income	1.442	142.0	138.2
2015***	B Income	2.409	145.6	140.6
2016	A Accumulation	1.477	149.1	137.6
2016	B Accumulation	1.939	153.5	141.4
2016	C Accumulation	2.096	153.8	141.6
2016	A Income	1.501	146.9	136.4
2016	B Income	1.913	150.0	139.3
2017	A Accumulation	0.783	154.3	149.1
2017	B Accumulation	1.271	159.2	153.5
2017	C Accumulation	1.454	159.8	153.9
2017	A Income	0.797	150.9	146.3
2017	B Income	1.288	154.2	149.3
2017****	C Income	1.274	154.3	149.2
Financial period to 31 March 2018	A Accumulation	0.104	154.6	152.0
Financial period to 31 March 2018	B Accumulation	0.332	159.7	157.1
Financial period to 31 March 2018	C Accumulation	0.435	160.3	157.7
Financial period to 31 March 2018	A Income	0.111	150.9	148.3
Financial period to 31 March 2018	B Income	0.325	154.1	151.6
Financial period to 31 March 2018	C Income	0.442	154.2	151.7

\* from 23 January 2015 to 30 September 2015.

\*\* from 30 January 2015 to 30 September 2015.

\*\*\* from 28 November 2014 to 30 September 2015.

\*\*\*\* from 31 October 2016 to 30 September 2017.

## Performance information (continued)

Summary of the distributions in the current financial period and prior financial year

A Accumulation			
Allocation date	p	Allocation date	p
31.05.18	0.104	31.05.17	0.446
		30.11.17	0.337
B Accumulation			
Allocation date	p	Allocation date	p
31.05.18	0.332	31.05.17	0.687
		30.11.17	0.584
C Accumulation			
Allocation date	p	Allocation date	p
31.05.18	0.435	31.05.17	0.771
		30.11.17	0.683
A Income			
Payment date	p	Payment date	p
31.05.18	0.111	31.05.17	0.466
		30.11.17	0.331
B Income			
Payment date	p	Payment date	p
31.05.18	0.325	31.05.17	0.677
		30.11.17	0.611
C Income			
Payment date	p	Payment date	p
31.05.18	0.442	31.05.17	0.616
		30.11.17	0.658

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

## Ongoing charges figure

The ongoing charges figure ("OCF") provides investors with a clearer picture of the total annual costs in running a collective investment scheme. The ongoing charges figure consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid.

The sub-fund has invested in collective investment schemes and the expenses incurred by these schemes in relation to the sub-fund are included in the ongoing charges calculation. This is known as 'Synthetic OCF'. The Synthetic OCF is calculated on the underlying collective investment schemes held within the sub-fund at the reporting date.

A Accumulation	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	1.21%	1.21%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>1.31%</u>	<u>1.27%</u>
B Accumulation	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	0.85%	0.85%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>0.95%</u>	<u>0.91%</u>
C Accumulation	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	0.72%	0.73%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>0.82%</u>	<u>0.79%</u>
A Income	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	1.21%	1.21%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>1.31%</u>	<u>1.27%</u>
B Income	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	0.85%	0.85%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>0.95%</u>	<u>0.91%</u>
C Income	31.03.18 <sup>^</sup>	30.09.17 <sup>^^</sup>
Annual management charge	0.72%	0.73%
Other expenses	0.05%	0.06%
Synthetic OCF	0.05%	-
Ongoing charges figure	<u>0.82%</u>	<u>0.79%</u>

<sup>^</sup> Annualised based on the expenses incurred during the period 1 October 2017 to 31 March 2018.

<sup>^^</sup> Annualised based on the expenses incurred during the period 31 October 2016 to 30 September 2017.

Please note the ongoing charges figure is indicative of the charges which the share classes may incur in a year as it is calculated on historical data.

## Financial statements - SVS Church House Tenax Absolute Return Strategies Fund (unaudited)

## Statement of total return (unaudited)

for the six months ended 31 March 2018

	1 October 2017 to 31 March 2018		1 October 2016 to 31 March 2017	
	£	£	£	£
Income:				
Net capital (losses) / gains		(1,698,940)		1,412,861
Revenue	1,158,681		708,940	
Expenses	<u>(776,423)</u>		<u>(368,117)</u>	
Net revenue before taxation	382,258		340,823	
Taxation	<u>(30,394)</u>		<u>(28,634)</u>	
Net revenue after taxation		<u>351,864</u>		<u>312,189</u>
Total return before distributions		(1,347,076)		1,725,050
Distributions		(351,813)		(308,784)
Change in net assets attributable to shareholders from investment activities		<u>(1,698,889)</u>		<u>1,416,266</u>

## Statement of change in net assets attributable to shareholders (unaudited)

for the six months ended 31 March 2018

	1 October 2017 to 31 March 2018		1 October 2016 to 31 March 2017	
	£	£	£	£
Opening net assets attributable to shareholders		151,669,626 *		65,991,258
Amounts receivable on issue of shares	48,946,919		29,697,002	
Amounts payable on cancellation of shares	<u>(13,007,106)</u>		<u>(3,721,841)</u>	
		35,939,813		25,975,161
Change in net assets attributable to shareholders from investment activities		(1,698,889)		1,416,266
Retained distributions on accumulation shares		295,225		323,378
Closing net assets attributable to shareholders		<u>186,205,775</u>		<u>93,706,063 *</u>

\* The opening net assets in the current period do not equal the closing net assets in the comparative period as they are not consecutive periods.

## Balance sheet (unaudited)

as at 31 March 2018

	31 March 2018	30 September 2017
	£	£
Assets:		
Fixed assets:		
Investments	177,234,728	137,106,633
Current assets:		
Debtors	3,262,912	1,488,721
Cash and bank balances	6,664,647	14,406,415
Total assets	<u>187,162,287</u>	<u>153,001,769</u>
Liabilities:		
Creditors:		
Distribution payable	(107,619)	(143,245)
Other creditors	(848,893)	(1,188,898)
Total liabilities	<u>(956,512)</u>	<u>(1,332,143)</u>
Net assets attributable to shareholders	<u><u>186,205,775</u></u>	<u><u>151,669,626</u></u>

## SVS Church House Deep Value Investment Fund

### Investment Manager's report

#### Investment objective and policy

The sub-fund has an objective of long-term capital growth from a concentrated portfolio of equity investments; income distributions (if any) are likely to be low. Over the long-term, the objective is to provide positive returns irrespective of the UK equity market; no attempt will be made to track, or perform relative to, the UK equity market. Long-term in this context means five years or more.

Capital invested in the sub-fund is at risk, there is no guarantee that a positive return will be achieved over a five year period, or any other time period. With such a concentrated portfolio of (typically) smaller company investments, volatility in the sub-fund's asset value is likely to be high.

The sub-fund will invest in the shares of companies that exhibit 'deep value' characteristics i.e. that exhibit balance sheet strength relative to their market capitalisation. To provide a margin of safety, the sub-fund seeks to identify companies that have traded profitably in the past and can realistically be expected to be able to return to profitability.

The sub-fund will have a concentrated portfolio; the number of investments is unlikely to exceed thirty at any one time. During periods when no suitable investments are identified the sub-fund may be substantially liquid for sustained periods; such liquidity may be maintained in cash deposits, UK Treasury bills and other short-dated UK Government securities.

The sub-fund will not invest more than 7% of its total assets in the securities of any one company or group at the time the investment is made. Primarily it will consider investment opportunities in companies admitted to trading on the London Stock Exchange and AIM, but up to 30% of total assets may also be invested in companies listed overseas, principally in Western Europe and North America. No more than 10% of the sub-fund's total assets may be invested in collective investment schemes.

The sub-fund will, at all times, invest and manage its assets in a manner that is consistent with spreading investment risk and in accordance with its published investment policy.

It is the intention that derivatives and forward transactions will only be used for efficient portfolio management. The sub-fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to shareholders. The use of derivatives for investment purposes may alter the risk profile of the sub-fund.

#### Investment performance

Performance:	29 March 2018	29 September 2017	Change
SVS Church House Deep Value Investment Fund 'A' accumulation	144.6	148.2	-2.4%

Source: Bloomberg, Smith & Williamson Fund Administration Limited. Based on mid price at 12pm.

#### Investment activities

After a strong year to the end of September, the SVS Church House Deep Value Investment Fund faded a touch in the final quarter of 2017. However there were promising underlying results across the portfolio.

BP Marsh & Partners performed strongly, showing a 20% increase in their net asset value. Record, still the largest equity holding in the portfolio, also provided a second quarter update, showing that funds under management had reached an all-time high. There was a complete sale of the Japanese company, Sanshin Electronics.

The first quarter of 2018 saw strong performance from the sub-fund. The cash (and Treasury) position in the sub-fund continues to rise as we have been selling and top-slicing a number of holdings.

## Investment Manager's report (continued)

## Investment activities (continued)

We have sold nearly half of the position in H&T Group. We met their management again, following the release of their results, which were good, but appear to be approaching a cyclical high, reinforcing our view and we deemed that their shares were now trading at 'priced-to-perfection levels'. We sold the entire holding in Hornbeck Offshore Services, concerned that they are likely to be forced into a capital restructuring soon, which could be painful for shareholders. We have sold half of the position in Telford Homes and parts of the positions in BP Marsh & Partners, after a good run, and in McKay Securities, one of a few property companies to have performed over the last few months. On the other hand, we added to the position in Land Securities Group, whose share price continues to be depressed but is available at an attractive discount to the net asset value. We met the management of PV Crystalox Solar again following their results. They still await settlement of their victorious arbitration case but remain confident.

Top 15 holdings as at 31 March 2018	
UK Treasury Gilt 1.25% 22/07/2018	17.74%
Record	8.81%
PV Crystalox Solar	6.18%
Land Securities Group	5.80%
BP Marsh & Partners	4.98%
Enteq Upstream	4.84%
Thalassa Holdings	4.65%
Hargreaves Services	4.38%
Hydrogen Group	3.98%
Lamprell	3.83%
H&T Group	3.28%
IndigoVision Group	2.88%
McKay Securities	2.41%
British Land	2.27%
MITI Wireless Edge	2.27%

## Investment strategy and outlook

The sub-fund has had a strong six months, in a very soggy UK market. We are taking profits/top-slicing positions on the back of strong results and where we feel companies have met and exceeded our valuation criteria. Cash/near-cash has moved up to 21% and will be deployed as and when valuations hit our targets. Patience is required. The strategy for the sub-fund is unchanged: the aim is to invest in companies which exhibit 'deep value' characteristics, where the market value of the company has sunk below realistic valuations, ideally below the value of their working capital (a 'net-net' valuation). We also consider companies trading at a discount to net asset value. Up to 30% of the portfolio may also be invested overseas in other Organisation for Economic Co-operation and Development economies, meaning, in practise, the major European markets, North America and Japan.

Church House Investments Limited  
1 May 2018

## Portfolio changes

for the six months ended 31 March 2018

The following represents the total purchases and the total sales in the period to reflect a clearer picture of the investment activities.

	Cost
	£
Purchases:	
UK Treasury Gilt 1.25% 22/07/2018	1,003,400
Land Securities Group	485,312
Lamprell	209,916
IndigoVision Group	113,477
MTI Wireless Edge	102,204
Enteq Upstream	83,043
	Proceeds
	£
Sales:	
H&T Group	450,413
Sanshin Electronics	285,504
BP Marsh & Partners	255,017
McKay Securities	251,209
Hornbeck Offshore Services	242,729
Telford Homes	216,942



## Portfolio statement

as at 31 March 2018

Investment	Nominal value or holding	Market value £	% of total net assets
Debt securities* 17.74% (9.07%)			
Aaa to Aa2 17.74% (9.07%)			
UK Treasury Gilt 1.25% 22/07/2018	£2,000,000	2,004,400	17.74
Total debt securities		<u>2,004,400</u>	<u>17.74</u>
Equities 70.46% (80.96%)			
Equities - United Kingdom 65.72% (72.16%)			
Equities - incorporated in the United Kingdom 55.72% (62.15%)			
Oil & Gas 11.02% (11.14%)			
Enteq Upstream	2,380,000	547,400	4.84
PV Crystalox Solar	3,525,000	697,950	6.18
		<u>1,245,350</u>	<u>11.02</u>
Industrial Goods & Services 8.36% (8.43%)			
Hargreaves Services	150,000	495,000	4.38
Hydrogen Group	1,450,000	449,500	3.98
		<u>944,500</u>	<u>8.36</u>
Personal & Household Goods 2.16% (4.09%)			
Havelock Europa	1,125,000	41,625	0.37
Telford Homes	50,000	202,250	1.79
		<u>243,875</u>	<u>2.16</u>
Insurance 0.34% (0.47%)			
ACHP	400,000	38,000	0.34
Real Estate 11.93% (9.30%)			
British Land	40,000	256,720	2.27
Great Portland Estates	24,568	163,599	1.45
Land Securities Group	70,000	655,970	5.80
McKay Securities	100,000	272,000	2.41
		<u>1,348,289</u>	<u>11.93</u>
Financial Services 19.03% (25.51%)			
BP Marsh & Partners	225,000	562,500	4.98
H&T Group	108,000	370,440	3.28
Record	2,073,392	995,228	8.81
Walker Crips Group	600,000	222,000	1.96
		<u>2,150,168</u>	<u>19.03</u>
Technology 2.88% (3.21%)			
IndigoVision Group	282,500	324,875	2.88
Total equities - incorporated in the United Kingdom		<u>6,295,057</u>	<u>55.72</u>
Equities - incorporated outwith the United Kingdom 10.00% (10.01%)			
Oil & Gas 8.48% (7.06%)			
Lamprell	600,000	433,200	3.83
Thalassa Holdings	625,000	525,000	4.65
		<u>958,200</u>	<u>8.48</u>

## Portfolio statement (continued)

as at 31 March 2018

Investment	Nominal value or holding	Market value £	% of total net assets
Equities - United Kingdom (continued)			
Equities - incorporated outwith the United Kingdom (continued)			
Industrial Goods & Services 0.94% (1.73%)			
Redt Energy	1,830,769	106,185	0.94
Retail 0.58% (1.22%)			
Stanley Gibbons Group	1,500,000	65,250	0.58
Total equities - incorporated outwith the United Kingdom		1,129,635	10.00
Total equities - United Kingdom		7,424,692	65.72
Equities - Israel 2.27% (1.64%)			
MTI Wireless Edge	950,000	256,500	2.27
Equities - Japan 0.46% (2.87%)			
Nippon Antenna	10,300	51,849	0.46
Equities - United States 2.01% (4.29%)			
Richardson Electronics	40,001	226,695	2.01
Total equities		7,959,736	70.46
Portfolio of investments		9,964,136	88.20
Other net assets		1,332,870	11.80
Total net assets		11,297,006	100.00

All investments are listed on recognised stock exchanges and are approved securities within the meaning of the FCA rules unless otherwise stated.

The comparative figures in brackets are as at 30 September 2017.

\* Grouped by credit rating - source: Interactive Data and Bloomberg.

United Kingdom equities are grouped in accordance with the Industry Classification Benchmark.

The Industry Classification Benchmark (ICB) is a joint product of FTSE International Limited and Dow Jones & Company, Inc. and has been licensed for use. "FTSE" is a trade and service mark of London Stock Exchange and the Financial Times Limited. "Dow Jones" and "DJ" are trade and service marks of Dow Jones & Company Inc. FTSE and Dow Jones do not accept any liability to any person for any loss or damage arising out of any error omission in the ICB.

Total purchases in the period: £1,997,352

Total sales in the period: £1,701,814

## Risk and reward profile

The risk and reward profile is representative of all share classes.

The risk and reward indicator table demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund. The shaded area in the table below shows the sub-fund's ranking on the risk and reward indicator.

← Typically lower rewards, lower risk			Typically higher rewards, higher risk →			
1	2	3	4	5	6	7

The sub-fund is in a medium category because the price of its investments have risen or fallen to some extent. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

The price of the sub-fund and any income from it can go down as well as up and is not guaranteed. Investors may not get back the amount invested. Past performance is not a guide to future performance.

Where investments are made in smaller company shares, these may be riskier as they can be more difficult to buy and sell. Their share prices may also move up and down more than larger companies.

Exposure to the risks associated with property investment, include but are not limited to, fluctuations in land prices, construction costs, interest rates, inflation and property yields, changes in taxation, legislation changes in landlord and tenant legislation, environmental factors, and changes in the supply and demand for property.

The sub-fund is entitled to use derivative instruments for efficient portfolio management. Derivatives may not achieve their intended purpose. Their prices may move up or down significantly over relatively short periods of time which may result in losses greater than the amount paid. This could adversely impact the value of the sub-fund.

The organisation from which the sub-fund buys a derivative may fail to carry out its obligations, which could also cause losses to the sub-fund.

The price of gold or other resources may be subject to sudden, unexpected and substantial fluctuations. This may lead to significant declines in the values of any companies developing these resources in which the sub-fund invests and significantly impact investment performance.

The sub-fund may hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the sub-fund's value than if it held a larger number of investments.

For further information please refer to the Key Investor Information Document ("KIID").

For full details on risk factors for the sub-fund, please refer to the Prospectus.

The risk and reward indicator changed from 5 to 4 during the period.

## Performance information

Number of shares in issue	31.03.18	30.09.17	30.09.16	30.09.15
A accumulation	5,021,880	5,424,247	5,345,955	7,664,436
B accumulation	2,883,237	2,156,578	1,620,134	1,307,493
Net Asset Value (NAV)	£	£	£	£
Total NAV of the sub-fund	11,297,006	11,097,845	7,864,245	9,015,158
NAV attributable to A accumulation shareholders	7,141,931	7,915,224	6,025,276	7,697,794
NAV attributable to B accumulation shareholders	4,155,075	3,182,621	1,838,969	1,317,364
Net asset value per share (based on bid value)	p	p	p	p
A accumulation	142.2	145.9	112.7	100.4
B accumulation	144.1	147.6	113.5	100.8

A accumulation shares launched on 29 February 2012 at 100.0p per share.

B accumulation shares launched on 27 November 2014 at 120.5p per share.

## Highest and lowest prices and distributions

Financial year to 30 September		Distribution per share p	Highest price p	Lowest price p
2015	A accumulation	-	121.8	109.1
2015*	B accumulation	0.341	121.6	102.5
2016	A accumulation	-	116.0	97.65
2016	B accumulation	0.255	116.8	98.10
2017	A accumulation	1.160	148.6	115.2
2017	B accumulation	1.743	150.3	116.0
Financial period to 31 March 2018	A accumulation	0.057	150.6	141.1
Financial period to 31 March 2018	B accumulation	0.351	152.4	142.8

\* from 27 November 2014 to 30 September 2015.

## Summary of the distributions in the current financial period and prior financial year

A accumulation			
Allocation date	p	Allocation date	p
31.05.18	0.057	31.05.17	0.046
		30.11.17	1.114
B accumulation			
Allocation date	p	Allocation date	p
31.05.18	0.351	31.05.17	0.340
		30.11.17	1.403

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

## Ongoing charges figure

The ongoing charges figure ("OCF") provides investors with a clearer picture of the total annual costs in running a collective investment scheme. The ongoing charges figure consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid.

A accumulation	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	1.25%	1.25%
Other expenses	0.17%	0.19%
Ongoing charges figure	<u>1.42%</u>	<u>1.44%</u>
B accumulation	31.03.18 <sup>^</sup>	30.09.17
Annual management charge	0.88%	0.88%
Other expenses	0.17%	0.19%
Ongoing charges figure	<u>1.05%</u>	<u>1.07%</u>

<sup>^</sup> Annualised based on the expenses incurred during the period 1 October 2017 to 31 March 2018.

Please note the ongoing charges figure is indicative of the charges which the share classes may incur in a year as it is calculated on historical data.

## Financial statements - SVS Church House Deep Value Investment Fund (unaudited)

## Statement of total return (unaudited)

for the six months ended 31 March 2018

	1 October 2017 to 31 March 2018		1 October 2016 to 31 March 2017	
	£	£	£	£
Income:				
Net capital (losses) / gains		(295,144)		1,625,615
Revenue	86,273		70,627	
Expenses	<u>(71,950)</u>		<u>(60,827)</u>	
Net revenue before taxation	14,323		9,800	
Taxation	<u>(2,741)</u>		<u>(1,656)</u>	
Net revenue after taxation		<u>11,582</u>		<u>8,144</u>
Total return before distributions		(283,562)		1,633,759
Distributions		(11,575)		(8,123)
Change in net assets attributable to shareholders from investment activities		<u><u>(295,137)</u></u>		<u><u>1,625,636</u></u>

## Statement of change in net assets attributable to shareholders (unaudited)

for the six months ended 31 March 2018

	1 October 2017 to 31 March 2018		1 October 2016 to 31 March 2017	
	£	£	£	£
Opening net assets attributable to shareholders		11,097,845 *		7,864,245
Amounts receivable on issue of shares	1,047,950		416,970	
Amounts payable on cancellation of shares	<u>(566,635)</u>		<u>(300,882)</u>	
		481,315		116,088
Change in net assets attributable to shareholders from investment activities		(295,137)		1,625,636
Retained distributions on accumulation shares		12,983		8,476
Closing net assets attributable to shareholders		<u><u>11,297,006</u></u>		<u><u>9,614,445 *</u></u>

\*The opening net assets in the current period do not equal the closing net assets in the comparative period as they are not consecutive periods.

## Balance sheet (unaudited)

as at 31 March 2018

	31 March 2018 £	30 September 2017 £
Assets:		
Fixed assets:		
Investments	9,964,136	9,991,653
Current assets:		
Debtors	75,013	35,621
Cash and bank balances	1,290,765	1,077,000
Total assets	<u>11,329,914</u>	<u>11,104,274</u>
Liabilities:		
Creditors:		
Other creditors	(32,908)	(6,429)
Total liabilities	<u>(32,908)</u>	<u>(6,429)</u>
Net assets attributable to shareholders	<u><u>11,297,006</u></u>	<u><u>11,097,845</u></u>

## Further information

### Distributions and reporting dates

Where net revenue is available it will be distributed/allocated semi-annually on 30 November (final) and 31 May (interim). In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	1 October	final
	1 April	interim
Reporting dates:	30 September	annual
	31 March	interim

### Buying and selling shares

The property of the sub-funds are valued at 12 noon on every business day, with the exception of Christmas Eve and New Year's Eve or a bank holiday in England and Wales, or the last business day prior to those days annually where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary, and prices of shares are calculated as at that time. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

	Minimum initial investment and minimum holding value	Minimum subsequent investment
SVS Church House Tenax Absolute Return Strategies Fund:		
<i>share classes available for investment</i>		
A income and A accumulation shares	£5,000	£5,000
B income and B accumulation shares	£100,000	£100,000
C income and C accumulation shares	£1,000,000	£1,000,000
SVS Church House Deep Value Investment Fund:		
<i>share classes available for investment</i>		
A Accumulation shares	£5,000	£1,000
B Accumulation shares	£100,000	£100,000

The minimum investments may be waived by the ACD at its discretion.

There is no initial charge applied on the purchase of shares.

Prices of shares and the estimated yield of the share classes of the sub-funds are published on the following website: [www.fundlistings.com](http://www.fundlistings.com) or may be obtained from the ACD by calling 0141 222 1151.



## Appointments

Authorised Corporate Director ("the ACD") and Registered office

St Vincent St Fund Administration (a trading name of Smith & Williamson Fund Administration Limited)

25 Moorgate

London EC2R 6AY

Telephone: 020 7131 4000

Authorised and regulated by the Financial Conduct Authority

Administrator and Registrar

St Vincent St Fund Administration (a trading name of Smith & Williamson Fund Administration Limited)

206 St. Vincent Street

Glasgow G2 5SG

Telephone: 0141 222 1151 (Registration)

0141 222 1151 (Dealing)

Authorised and regulated by the Financial Conduct Authority

Directors of the ACD

Brian McLean

David Cobb

Giles Murphy

Grant Hotson

James Gordon

Jocelyn Dalrymple

Kevin Stopps

Paul Wyse

Peter Maher

Susan Shaw

Tas Quayum

Investment Adviser

Church House Investments Limited

York House

6 Coldharbour

Sherborne

Dorset DT9 4JW

Authorised and regulated by the Financial Conduct Authority

Depositary

National Westminster Bank Plc

Trustee and Depositary Services

2nd Floor

Drummond House

1 Redheughs Avenue

Edinburgh EH12 9RH

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

Auditor

KPMG LLP

Saltire Court

20 Castle Terrace

Edinburgh EH1 2EG