

# The VT Castlebay UK Equity Fund



Fact sheet as at 31st May 2017

Share Class	*OCF	Min	Price (P)	Sedol
A Accum	1.0%	£10k	121.0	BV0LF60
A Income	1.0%	£10k	113.1	BV0LF59
B Accum	0.8%	£2m	109.1	BV0LF82
B Income	0.8%	£2m	114.4	BV0LF71
C Accum	0.6%	£20m	123.0	BV0LFB5
C Income	0.6%	£20m	-	BV0LF93

Fund Type	UK OEIC
Fund Manager	David F Ridland
Launch Date	28th January 2015
Dividend Payment	Aug, Nov, Feb, May
Dividend Yield	2.7%
Initial & Exit charges	None
Auth Corp Director	Valu-Trac
Depository	NatWest
Dealing	Daily at Noon
IMA Sector	UK All Companies
Fund Size	£19M
Portfolio Turnover <sup>^</sup>	7%
Av holding period	14 years
Active Share	85% at 31/05/17
5 Day Liquidity	100%
No. Holdings	25
Average co. founded	1931
Average Mkt Cap	£21BN

\*Ongoing Charges Figure (OCF) includes all ongoing fund charges except stamp duty & dealing commission.

<sup>^</sup>Portfolio Turnover Ratio (PTR) calculated as Purchases or Sales (whichever is less) divided by Average NAV of fund, annualised since inception 28/01/15.

## The VT Castlebay UK Equity Fund

The VT Castlebay UK Equity fund is unconstrained and invests a minimum of 80% in UK listed companies with the flexibility to have a maximum of 20% in either cash, fixed interest securities or overseas equities.

### Our Aim:

Our aim is to generate a return in excess of inflation (CPI) plus 4% annually over a rolling three year period. We seek to deliver a total return of income and capital growth by investing in high quality companies at attractive valuations for the long term.

Our investment process focuses on companies with:

- A Valuation Margin of Safety.
- An Operational Margin of Safety.
- Strong cash flows.
- High returns on capital employed.
- Good operating margins
- Low or no debt

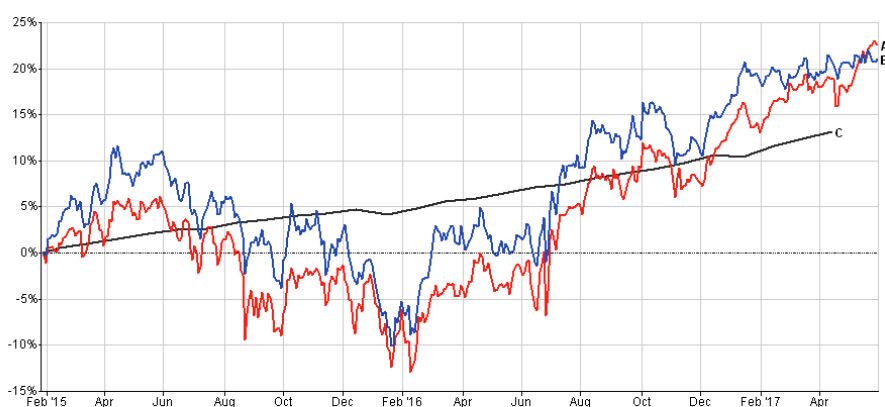
- We invest in high quality companies which have the ability to compound their returns over time for the benefit of their shareholders, an aspect often ignored by the market.
  - We invest for the long term, we do not speculate on short term share price movements
  - We invest on a bottom up basis, only once a company has passed our investment process
  - We invest in a conviction portfolio of between 20-30 high quality companies.
  - We levy transparent management fees which are capped & aligned to long term performance
- Our quarterly investor letter highlights any changes to our fund.



Quality Table	Castlebay Fund	Market
Return on Equity	34%	24%
Operating profit margin	21%	12%
Net debt to equity	44%	80%
Cash conversion	125%	93%
Free Cash Flow yield	3.8%	3.4%

Source Bloomberg as at 31 May 2017

## Performance of the VT Castlebay UK Equity fund



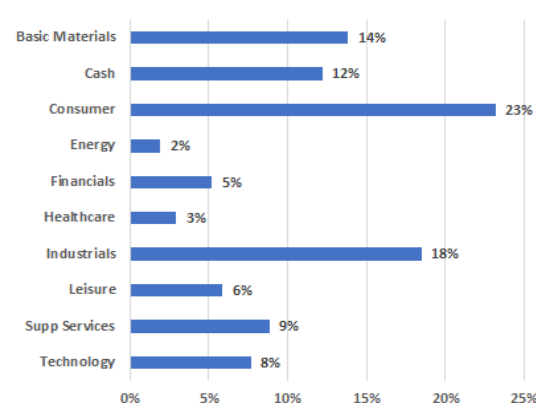
■ A - MSCI United Kingdom All Cap TR in GB [22.60%] ■ B - VT - Castlebay UK Equity A Act in GB [21.01%] ■ C - UK Consumer Price +4% TR in GB [13.16%] 28/01/2015 - 31/05/2017 Data from FE 2017

Benchmark	2017	2016	2015 <sup>^</sup>	Inception
Castlebay Fund <sup>1</sup>	4.2%	17.7%	-1.3%	21.0%
CPI +4%*	2.3%*	5.6%	4.7%	13.2%*
UK Equities <sup>2</sup>	8.1%	17.3%	-3.3%	22.6%
Bonds <sup>3</sup>	1.9%	6.5%	-0.8%	7.8%

<sup>1</sup>A Class Accum Net of Fees, priced at Noon (source: FE 2016) Castlebay UK Equity fund inception 28/01/15 <sup>2</sup>MSCI UK All Cap (GBP) (Source: FE 2016) <sup>3</sup>Bloomberg/EFFAS Bond Indices UK Govt 5-10 year (source: Bloomberg)

<sup>^</sup>2015 Performance since fund launch 28/01/15 to end December 2015 \*CPI+4% to 14/04/17 (source Bloomberg)

## Portfolio Characteristics



## Castlebay UK Equity Portfolio

Admiral Group	Croda	Rio Tinto
AstraZeneca	Domino's Pizza	Rolls Royce
Aveva Group	Dunelm Group	Rotork
BHP Billiton	Imperial Brands	Serco Group
British American Tob	Intercont Hotels	Tesco
Burberry Group	Kone Corp	Unilever
Capita	Pagegroup	Victrex
Colgate-Palmolive	Petrofac	
Craneware	Reckitt Benckiser	

Past performance is not necessarily a guide to future returns. The value of the investments & the income from them may fall. You may not get back what you invest  
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