

SVS CH Special Mandates Fund

Interim Report

for the six months ended 31 March 2020

Contents

Page

Report of the Authorised Corporate Director	2
Accounting policies of SVS CH Special Mandates Fund	4
Sub-funds	
- SVS Church House Tenax Absolute Return Strategies Fund	5
Financial statements - SVS Church House Tenax Absolute Return Fund	19
- SVS Church House Deep Value Investment Fund	21
Financial statements - SVS Church House Deep Value Investment Fund	30
Further information	32
Appointments	34

SVS CH Special Mandates Fund Report of the Authorised Corporate Director ('ACD')

St Vincent St Fund Administration (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 2020.

SVS CH Special Mandates Fund ('the Company' or 'the Fund') 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 retail scheme ('NURS') 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 NURS, 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.

Brexit is one of the most significant economic events for the UK, and its effects are subject to unprecedented levels of uncertainty of consequences, with the full range of possible effects unknown. As ACD we have applied appropriate accounting policies consistently, supported by reasonable and prudent judgements and estimates. However, as ACD we are unable to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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 were held by SVS Church House Tenax Absolute Return Strategies Fund.

Sub-Fund	Holding
SVS Church House Deep Value Investment Fund	1,790,000

Report of the Authorised Corporate Director (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.

Important Note from the ACD

Since January 2020, global financial markets have been affected by Covid-19. The impact on the Company will take longer to assess; however, the ACD has enacted its business continuity plans and continues to monitor this situation closely.

The virus has caused major uncertainty and disruption to business and everyday life. Financial markets have reacted sharply to this news, with concerns regarding the economic impact this may have on a global scale. The long-term impact on the global economy and markets will depend upon the overall scale and the duration of the outbreak, as well as on the actions taken by governments and central banks.

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 32.

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.

Brian McLean
Director
Smith & Williamson Fund Administration Limited
28 May 2020

Accounting policies of SVS CH Special Mandates Fund (unaudited) *for the six months ended 31 March 2020*

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 2019 and are described in those annual financial statements.

The ACD has considered the impact of the emergence and spread of Covid-19 and potential implications on future operations of the sub-funds of reasonably possible downside scenarios. The ACD has considered a detailed assessment of the sub-funds' ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

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 the six months:	31.03.20	30.09.19	Change
SVS Church House Tenax Absolute Return Strategies Fund A Accumulation	149.0p	155.6p	-4.2%
SVS Church House Tenax Absolute Return Strategies Fund B Accumulation	154.9p	161.5p	-4.1%
Annual Volatility** 'A' shares	4.8%	1.8%	

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

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

Investment activities*

October was a quiet month for transactions, we added one floating rate note (FRN) issue from Canadian Imperial Bank of Commerce 0.9165% 28/10/2022, paying us Sterling Overnight Interbank Average Rate +48 basis points (bps) and a modest amount of conventional fixed interest stock from CK Hutchison Group Telecom Finance 2% 17/10/2027, both new issues during the month. Otherwise, we had the opportunity to add to our two relatively new energy efficiency holdings: Gresham House Energy Storage Fund and SDCL Energy Efficiency Income Trust, both of which came to the market to raise further funds. A new addition to the portfolio was a position in the Hipgnosis Songs, which also raised funds during the month. In the equity portion, we took profits in our UK mid-cap exposure after a buoyant month. November was also quiet as we awaited developments in the Election. The only transactions of any scale were the establishment of two new triple-A FRN positions, issues from Santander UK 1.3107% 12/11/2024 and the Yorkshire Building Society 1.2906% 21/11/2024 and reduction in an existing Export Development Canada 1.0207% 29/05/2024 FRN. We reduced exposure to Euroclear BA 1.25% 30/09/2024, added to our Remgro Jersey 2.625% 22/03/2021 convertible holding and to the zero dividend preference share issue from Aberforth Split Level Income Trust (though this involved four separate trades over the month).

We remained quiet over the first ten days of December in the run up to the Election, but the strength in sterling in the final days led us to start to rebuild the foreign currency exposure in the portfolio: we bought US dollars and euro. We utilised some of this to acquire US dollar FRNs from Goldman Sachs 2.86175% 15/11/2021 and JP Morgan 2.435% 09/03/2021. Otherwise, we took some profit from our ELM BV for Swiss Re 3.25% 13/06/2024 convertible holding and added further to two of the zero dividend preference holdings.

* Source: Bloomberg.

Investment Manager's report (continued)

Investment activities* (continued)

Post-Election there were some sharp moves: we reduced our UK property exposure into this. Land Securities Group stock price jumped 10% (adding to a solid recovery from the August lows); we sold part of this holding. In contrast, a number of the major international stocks were adversely affected. We acquired new positions in a number, including Diageo and Royal Dutch Shell 'B' and latterly added a position in Unilever, whose stock was knocked back after they reduced sales guidance. The sterling floating rate note market remained active and we added two new holdings from Lloyds Bank 0.86579% 16/05/2024 and the Yorkshire Building Society 0.8841% 19/11/2023.

As we entered the New Year, SVS Church House Tenax Absolute Return Strategies Fund was maintaining a cautious disposition (some were saying that we were being too cautious). This position was a response to what we saw as expensive debt and equity markets and not reflective of any great prescience as to the spread of Covid-19. Markets broke sharply in February once the seriousness of the pandemic became clear. Our greatest concern as we went into this period of chaotic markets was to preserve actual cash resources, to be able to take advantage of opportunities as they arose, and to avoid getting caught in a (lack of) liquidity trap. The summary by broad asset class below outlines our activity over the difficult period to the end of March.

Cash and UK Treasury

We raised the actual cash level in the sub-fund to around 13%, up from 8% at the end of February. This was achieved by the sale of three of the floating rate note (FRN) positions (Leeds Building Society 0.60535% 15/01/2025, Nationwide Building Society 0.61529% 10/01/2025 and Yorkshire Building Society 1.2906% 21/11/2024), along with the redemption of a JP Morgan 2.435% 09/03/2021 FRN that we held. Cash is the best diversifier and insurance in febrile markets when there is the added risk of disruption and illiquidity in the market-place.

Floating Rate Notes (FRN)

Following the sales noted above, our weighting here is down to 43% from 47% at the end of February. This is not to say that we are unsure about FRN now, they continue to offer attractive returns and risk/reward characteristics, it is simply adding to our flexibility as above.

Equity

Jumping across to the opposite end of the risk spectrum, equities, as this is where there have been the largest number of transactions in the portfolio. The S&P 500 Index and FTSE 100 Index both broke down on 24 February and, by the Ides of March, had both fallen around 36% from their January highs. Writing now, we have seen a modest recovery from the extremes of mid-March and it feels that FTSE 100 Index might have 'found a floor' around the 5,000 level ('feels' as nothing is certain in this climate). But there is no doubt that there was value on offer in a number of areas and we felt that it was the time to be re-building our exposure.

The weighting to equities in SVS Church House Tenax Absolute Return Strategies Fund at the end of March was 8.4%, up from 6.8% at the end of February, which is something of an understatement as stocks have fallen so far. Among the direct investments, we have been focused on building or adding to positions in higher quality companies, which we feel are the most likely to return to favour and the least likely to suffer lasting damage from the inevitable economic slowdown that is coming. Holdings that we have been building-up as prices came back include: Diageo, Halma, Wm Morrison Supermarkets, Royal Dutch Shell 'B', Smith & Nephew and Unilever. We have also re-instated our holding in Berkshire Hathaway (that we sold last summer).

Another area that reflected the shift in sentiment from calm to panic, as equity markets came back, was closed-ended Investment Trusts. Notably over the third week of March, these came under sustained selling pressure, driving their share prices down faster than their actual underlying asset values. This presented opportunities in a number of the major trusts, notably Avi Global Trust, Caledonia Investments, F&C Investment Trust and RIT Capital Partners.

Fixed Interest

Our weighting here is beginning to edge up (19.1% from 18%), though we have begun to make some additions over the latter days of March as conditions became calmer. The credit markets have moved broadly in-line with equities, with spreads widening from the end of February until late March. With the sheer weight of (welcome) support from central banks, there was a modest shift back to normalcy and even a few new issues to demonstrate this. The first of these being an issue from Diageo Finance 2.875% 27/03/2029, which came on a spread of 255bps over the gilt. We participated in this issue and have also picked-up some existing issues from Credit Suisse and Nationwide.

* Source: Bloomberg.

Investment Manager's report (continued)

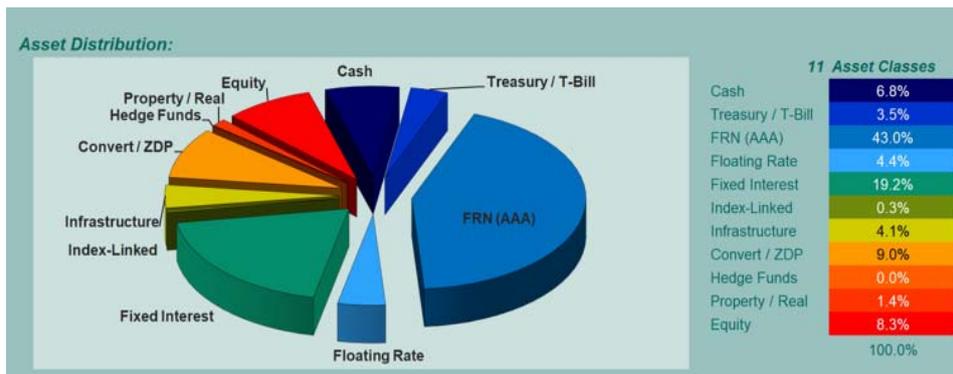
Investment activities* (continued)

Infrastructure

Mid-March presented something of a 'perfect storm' for a long-only multi asset fund as all asset classes were hit and Infrastructure was no exception. Having started the period relatively steadily, the various stock prices broke with a vengeance in mid-March under major selling pressure, reminiscent of what was happening in the investment trust market. We have bought back the HICL Infrastructure that we sold in January and have added to our holdings in BBGI SICAV and Gresham House Energy Storage Fund.

Our strategy in pursuit of absolute returns remains unchanged 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 2020



Source: Church House Investments Limited

As we write, it would appear that stock markets on both sides of the Atlantic found their low points between 17 and 23 March, having lost more than a third of their values over the preceding weeks. Incidentally, the rout in UK stock prices in February/March did eclipse the October 1987 fall, just, (between October and November 1987, UK stocks fell 34%): between 12th February and 16th March this year UK stocks fell 35%.

The credit markets (re)opened for business in the latter part of March encouraged by the strenuous efforts of the US Federal Reserve (Fed), European Central Bank and other central banks. Credit spreads found support around the same time and corporates are able to raise funds, a significant comfort for equity markets. A month on from the announcement of 'QE infinity' by the Fed and capital markets have stabilised and are functioning. There are still stresses and strains but, collectively, the Central Bank and Government programs enacted have produced an environment in which companies can refinance. The 'risk free' ten-year gilt yield has stabilised around 30bps and the US around 60bps.

After a 30% rally in US stocks from the March low point, they are not so clearly cheap now, but it has been good to see the volatility easing off again. Stock markets did appear to be settling into a more rational frame of mind over the past few weeks with a rather clearer focus on the long-term winners and losers from the current crisis. Economists are sounding gloomy (as is the BBC), the International Monetary Fund having recently declared that the Great Lockdown Recession will likely be worse than the Great Depression; in reality they are as much in the dark as the rest of us. What we are seeing is some colossal dispersion in ratings and performance of the various sectors and stocks. Obvious examples being Amazon.com, now up by 25% over the year, and Netflix, up by 34%; contrast these with ExxonMobil down 40% and Wells Fargo by 50%.

We are not making any predictions about the future direction of markets, frankly, they could go anywhere in such an emotional climate, as witness the market for oil. But we do take the view that some expensive markets (practically all sovereign debt, notably that with any duration) have got even more expensive, while other expensive markets, such as US equities, credit markets (quality only), have flipped to looking cheap again.

Having gone some way to re-building equity exposure and seen a welcome re-opening of the market for convertible securities, we expect to find most opportunities for SVS Church House Tenax Absolute Return Strategies Fund in the credit markets over the next few months. Here, there will be liquidity from the volume of new issues and central bank support and value to be found and we will seek to increase exposure in the sub-fund.

* Source: Bloomberg.

Summary of portfolio changes

for the six months ended 31 March 2020

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

	Cost
	£
Purchases:	
UK Treasury Bill 0% 03/02/2020	9,982,082
Royal Bank of Canada 0.89239% 30/01/2025	7,001,440
Yorkshire Building Society 1.2906% 21/11/2024	6,000,000
Yorkshire Building Society 0.8841% 19/11/2023	5,030,650
Lloyds Bank 0.86579% 16/05/2024	5,008,600
Lloyds Bank 0.76425% 03/02/2023	5,003,000
National Australia Bank 0.8908% 04/02/2025	5,000,000
Nationwide Building Society 0.61529% 10/01/2025	5,000,000
Santander UK 1.3107% 12/11/2024	5,000,000
Landesbank Baden-Wuerttemberg 1.5% 03/02/2025	4,994,800
Canadian Imperial Bank of Commerce 0.9165% 28/10/2022	4,500,000
JP Morgan 2.435% 09/03/2021	3,799,833
Marks & Spencer 3.25% 10/07/2027	3,442,000
Goldman Sachs 2.86175% 15/11/2021	3,066,423
Nationwide Building Society 0.82425% 02/08/2022	3,009,510
Leeds Building Society 0.60535% 15/01/2025	3,000,000
Diageo Finance 2.875% 27/03/2029	2,984,940
Gresham House Energy Storage Fund	2,510,760
Caledonia Investments	2,417,609
British Telecommunications 5.75% 07/12/2028	2,355,220
	Proceeds
	£
Sales:	
UK Treasury Gilt 4.75% 07/03/2020	14,881,000
UK Treasury Bill 0% 28/10/2019	10,000,000
UK Treasury Bill 0% 03/02/2020	10,000,000
National Westminster Bank 1.02813% 15/05/2020	8,004,000
Yorkshire Building Society 1.2906% 21/11/2024	5,967,000
Santander UK 1.3107% 12/11/2024	5,042,200
International Bank for Reconstruction & Development 0.9501% 04/10/2023	5,000,300
European Investment Bank 1.01538% 17/02/2020	5,000,000
Export Development Canada 1.0207% 29/05/2024	5,000,000
Nationwide Building Society 0.61529% 10/01/2025	5,000,000
Lloyds Bank 1.14062% 13/09/2021	4,002,080
JP Morgan 2.435% 09/03/2021	3,836,268
Bank of Montreal 0.98263% 20/07/2020	3,502,240
Leeds Building Society 0.60535% 15/01/2025	3,009,900
Euroclear BA 1.25% 30/09/2024	2,500,500
Aviva	2,014,191
ELM BV for Swiss Re 3.25% 13/06/2024	1,687,115
HICL Infrastructure	1,348,870
Mercantile Investment Trust	1,092,210
Deutsche Pfandbriefbank AG 1.31713% 13/01/2020	1,000,000

Portfolio statement

as at 31 March 2020

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt securities* 66.59% (72.41%)			
Aaa to Aa2 43.84% (50.76%)			
Asian Development Bank 0.7871% 12/10/2023**	£9,500,000	9,466,750	2.18
Australia & New Zealand Banking Group 1.14467% 24/01/2022**	£8,000,000	7,975,600	1.84
Bank of Nova Scotia 0.76275% 11/06/2021**	£2,000,000	1,987,620	0.46
Barclays Bank UK 0.7834% 15/05/2023**	£5,300,000	5,196,438	1.20
Barclays Bank UK 0.965% 22/05/2020**	£4,000,000	4,001,440	0.92
Canadian Imperial Bank of Commerce 0.9165% 28/10/2022**	£4,500,000	4,455,000	1.03
Canadian Imperial Bank of Commerce 1.20575% 10/01/2022**	£1,721,000	1,716,095	0.39
Clydesdale Bank 0.7775% 22/03/2024**	£3,900,000	3,830,463	0.88
Coventry Building Society 0.92674% 13/11/2023**	£10,000,000	9,828,000	2.26
Coventry Building Society 1.0481% 15/01/2025**	£1,500,000	1,453,710	0.33
European Investment Bank 0.4213% 29/06/2023**	£10,000,000	9,995,400	2.30
European Investment Bank 0.4666% 12/03/2026**	£10,528,000	10,492,731	2.41
International Bank for Reconstruction & Development 0.3112% 04/10/2023**	£5,000,000	4,986,600	1.15
Landesbank Baden-Wuerttemberg 1.02625% 18/05/2021**	£3,500,000	3,488,940	0.80
Leeds Building Society 1.1481% 15/04/2023**	£6,100,000	6,016,430	1.38
Lloyds Bank 0.76425% 03/02/2023**	£5,000,000	4,908,400	1.13
Lloyds Bank 0.86579% 16/05/2024**	£11,000,000	10,726,980	2.47
Lloyds Bank 1.13515% 14/01/2022**	£4,000,000	3,981,520	0.92
National Australia Bank 0.8908% 04/02/2025**	£5,000,000	4,823,600	1.11
National Bank of Canada 0.92625% 27/09/2021**	£2,000,000	1,996,060	0.46
National Westminster Bank 0.67739% 22/03/2023**	£4,000,000	3,938,160	0.91
Nationwide Building Society 1.29261% 10/01/2024**	£4,000,000	3,939,840	0.91
Royal Bank of Canada 0.65122% 03/10/2024**	£9,000,000	8,778,240	2.02
Royal Bank of Canada 0.89239% 30/01/2025**	£7,000,000	6,752,830	1.55
Santander UK 0.5117% 20/09/2021**	£11,000,000	10,961,720	2.52
Santander UK 1.0639% 12/02/2024**	£3,000,000	2,957,550	0.68
Toronto-Dominion Bank 0.546% 24/06/2022**	£11,850,000	11,729,486	2.70
TSB Bank 1.1734% 15/02/2024**	£5,000,000	4,934,650	1.14
UK Treasury Gilt 2% 22/07/2020	£15,000,000	15,084,000	3.47
Yorkshire Building Society 0.8841% 19/11/2023**	£10,250,000	10,069,805	2.32
		<u>190,474,058</u>	<u>43.84</u>
Aa3 to A1 3.37% (3.17%)			
ABN AMRO Bank NV 1.10488% 29/05/2020**	£4,200,000	4,197,984	0.97
Close Brothers Finance 2.75% 19/10/2026	£2,140,000	2,081,385	0.48
Metropolitan Life Global Funding 1.125% 15/12/2021	£4,500,000	4,414,950	1.02
Nationwide Building Society 1% 44950	£2,000,000	1,904,000	0.44
Province of Ontario Canada 0.84388% 10/11/2020**	£2,000,000	1,999,440	0.46
		<u>14,597,759</u>	<u>3.37</u>
A2 to A3 3.94% (1.71%)			
AstraZeneca 1.516% 10/06/2022**	\$1,000,000	786,349	0.18
Aviva 4.375% 12/09/2049**	£800,000	751,424	0.17
Aviva 5.125% 04/06/2050**	£250,000	240,664	0.06
Aviva 6.125% Perpetual**	£1,000,000	974,725	0.22
Aviva 6.625% 03/06/2041**	£1,000,000	1,041,045	0.24
Diageo Finance 2.875% 27/03/2029	£3,000,000	3,021,810	0.70
Goldman Sachs 2.86175% 15/11/2021**	\$4,000,000	3,181,583	0.73
HSBC 2% Perpetual**	\$1,000,000	527,239	0.12
Landesbank Baden-Wuerttemberg 1.5% 03/02/2025	£5,000,000	4,651,900	1.07
Prudential 5.625% 20/10/2051**	£2,000,000	1,957,500	0.45
		<u>17,134,239</u>	<u>3.94</u>

Portfolio statement (continued)

as at 31 March 2020

Investment	Nominal value or holding	Market value £	% of total net assets
Debt securities* (continued)			
Baa1 to Baa2 7.95% (1.58%)			
Barclays Bank 10% 21/05/2021	£4,000,000	4,241,372	0.98
British Telecommunications 5.75% 07/12/2028	£2,000,000	2,393,862	0.55
CK Hutchison Group Telecom Finance 2% 17/10/2027	£2,000,000	1,888,110	0.43
Credit Suisse Group 2.125% 12/09/2025**	£1,100,000	1,040,369	0.24
E.ON SE 1% 07/10/2025	€800,000	704,748	0.16
Marks & Spencer 3.25% 10/07/2027	£4,000,000	3,430,000	0.79
National Westminster Bank 1.875% Perpetual**	\$2,000,000	1,228,275	0.28
NGG Finance 5.625% 18/06/2073**	£1,000,000	1,050,000	0.24
Orange 5.875% Perpetual**	£2,000,000	2,071,610	0.48
RL Finance Bonds No 3 6.125% 13/11/2028	£650,000	700,385	0.16
Southern Gas Networks 4.875% 21/12/2020	£3,545,000	3,619,693	0.83
SSE 3.875% Perpetual**	£1,700,000	1,673,174	0.39
Tesco 1.982% 24/03/2036**	£500,000	844,000	0.19
Tesco Corporate Treasury Services 2.5% 02/05/2025	£3,000,000	2,942,280	0.68
Virgin Money 4% 25/09/2026**	£1,000,000	928,670	0.21
Vodafone Group 4.875% 03/10/2078**	£4,000,000	3,875,000	0.89
Yorkshire Building Society 3% 18/04/2025**	£2,000,000	1,970,300	0.45
		<u>34,601,848</u>	<u>7.95</u>
Baa3 and below 7.49% (15.19%)			
AP Moller - Maersk 2.8405% 16/03/2021**	\$1,000,000	820,194	0.19
Barclays Bank 2% 13/05/2020**	£150,000	149,831	0.03
British Land 2.375% 14/09/2029	£900,000	898,012	0.21
Goldman Sachs Group 2.1% 08/09/2021**	£500,000	489,500	0.11
Heathrow Funding Index Linked 3.334% 09/12/2039**	£100,000	234,876	0.05
InterContinental Hotels Group 3.75% 14/08/2025	£425,000	388,935	0.09
John Lewis 6.125% 21/01/2025	£3,772,000	3,600,450	0.83
Lloyds Bank 1.75% 19/06/2020**	£300,000	300,528	0.07
Nationwide Building Society 0.82425% 02/08/2022**	£13,000,000	12,858,820	2.96
Phoenix Group Holdings 5.75% Perpetual**	£2,000,000	1,671,200	0.38
Rothesay Life 5.5% 17/09/2029**	£2,000,000	2,012,260	0.46
Rothesay Life 6.875% Perpetual**	£2,000,000	1,620,320	0.37
Rothesay Life 8% 30/10/2025	£1,285,000	1,369,540	0.32
Shaftesbury Chinatown 2.348% 30/09/2027	£3,000,000	2,898,180	0.67
Society of Lloyd's 4.875% 07/02/2047**	£2,500,000	2,477,750	0.57
Tullow Oil 6.25% 15/04/2022	\$2,000,000	405,258	0.09
Wales & West Utilities Finance 2.496% 22/08/2035**	£200,000	411,777	0.09
		<u>32,607,431</u>	<u>7.49</u>
Total debt securities		<u>289,415,335</u>	<u>66.59</u>
Convertible Bonds 5.05% (5.61%)			
Derwent London Capital No 3 Jersey Ltd 1.5% 12/06/2025	£3,500,000	3,369,310	0.78
ELM BV for Swiss Re 3.25% 13/06/2024	\$3,000,000	2,203,395	0.51
Glencore Funding 0% 27/03/2025	\$4,000,000	2,244,478	0.52
National Grid North America 0.9% 02/11/2020	£5,000,000	4,915,500	1.13
Orange 0.375% 27/06/2021	£5,000,000	4,782,050	1.10
Remgro Jersey 2.625% 22/03/2021	£2,500,000	2,417,500	0.56
TOTAL 0.5% 02/12/2022	\$2,600,000	1,984,991	0.45
Total convertible bonds		<u>21,917,224</u>	<u>5.05</u>

Portfolio statement (continued)

as at 31 March 2020

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities 3.65% (2.96%)			
Equities - United Kingdom 3.65% (2.75%)			
Equities - incorporated in the United Kingdom 3.65% (2.75%)			
Energy 0.16% (0.00%)			
Royal Dutch Shell 'B'	50,000	679,800	0.16
Consumer Staples 1.02% (0.00%)			
Diageo	75,000	1,938,750	0.45
Unilever	40,000	1,628,200	0.37
Wm Morrison Supermarkets	500,000	889,750	0.20
		4,456,700	1.02
Health Care 0.19% (0.15%)			
Sensyne Health	600,000	258,000	0.06
Smith & Nephew	40,000	573,400	0.13
		831,400	0.19
Financial Services 1.39% (1.47%)			
Arix Bioscience	1,500,000	855,000	0.20
Barclays	750,000	705,825	0.16
Berkshire Hathaway	15,000	2,211,742	0.51
Lloyds Banking Group	2,500,000	799,750	0.18
Morgan Stanley	25,000	685,713	0.16
Standard Chartered	176,700	787,729	0.18
		6,045,759	1.39
Information Technology 0.13% (0.00%)			
Halma	30,000	576,300	0.13
Real Estate 0.76% (1.13%)			
Land Securities Group	250,000	1,390,500	0.32
Target Healthcare REIT	1,793,887	1,910,490	0.44
		3,300,990	0.76
Total equities - incorporated in the United Kingdom		15,890,949	3.65
Equities - incorporated outwith the United Kingdom 0.00% (0.00%)			
Industrials 0.00% (0.00%)		-	-
Utilities 0.00% (0.00%)			
Brookfield Infrastructure Partners	3	87	0.00
Total equities - incorporated outwith the United Kingdom		87	0.00
Total equities - United Kingdom		15,891,036	3.65
Equities - North America 0.00% (0.21%)		-	-
Equities - Rest of the World 0.00% (0.00%)			
Prime Infrastructure^	10	-	-
Total equities		15,891,036	3.65

Portfolio statement (continued)

as at 31 March 2020

Investment	Nominal value or holding	Market value £	% of total net assets
Closed-Ended Funds 9.78% (7.68%)			
Closed-Ended Funds - incorporated in the United Kingdom 6.11% (4.53%)			
Aberforth Smaller Companies Trust	125,000	1,027,500	0.24
Aberforth Split Level Income Trust	2,269,945	2,247,246	0.52
Avi Global Trust	215,000	1,193,250	0.27
Caledonia Investments	150,000	3,652,500	0.84
F&C Investment Trust	50,000	284,500	0.07
Gresham House Energy Storage Fund	5,919,000	5,327,100	1.23
HICL Infrastructure	1,528,356	2,472,880	0.57
ICG Enterprise Trust	170,000	1,111,800	0.26
Mobius Investment Trust	1,000,000	654,000	0.15
Odyssean Investment Trust	1,100,000	990,000	0.23
RIT Capital Partners	116,798	2,107,036	0.48
SDCL Energy Efficiency Income Trust	3,349,000	3,081,080	0.71
Tritax EuroBox	2,500,000	2,325,000	0.54
Total closed-ended funds - incorporated in the United Kingdom		<u>26,473,892</u>	<u>6.11</u>
Closed-Ended Funds - incorporated outwith the United Kingdom 3.15% (2.76%)			
Acorn Income Fund	720,000	1,036,800	0.24
Duet Real Estate Finance^^	350,000	-	-
GCP Infrastructure Investments	3,000,000	3,378,000	0.78
Hipgnosis Songs	1,469,400	1,498,788	0.34
International Public Partnerships	987,106	1,537,911	0.35
NB Private Equity Partners Fund 2022 zero dividend preference share	633,308	702,972	0.16
NB Private Equity Partners Fund 2024 zero dividend preference share	4,030,000	4,030,000	0.93
NB Private Equity Partners Fund 'A'	215,000	1,470,600	0.34
Terra Catalyst Fund^^^	193,031	35,808	0.01
Total closed-ended funds - incorporated outwith the United Kingdom		<u>13,690,879</u>	<u>3.15</u>
Closed-Ended Fund - Luxembourg 0.52% (0.39%)			
BBGI SICAV	1,425,472	2,280,755	0.52
Total closed-ended funds		<u>42,445,526</u>	<u>9.78</u>
Preference shares 0.31% (0.20%)			
Polar Capital Global Healthcare Zero Dividend	1,325,000	1,351,500	0.31
Collective Investment Schemes 3.51% (3.93%)			
UK Authorised Collective Investment Schemes 3.13% (3.44%)			
SVS Church House Deep Value Investment Fund #	1,790,000	1,974,370	0.45
SVS Church House Esk Global Equity Fund #	2,200,000	6,008,200	1.38
SVS Church House Investment Grade Fixed Interest Fund #	5,100,000	5,640,600	1.30
Total UK authorised collective investment schemes		<u>13,623,170</u>	<u>3.13</u>
Offshore Collective Investment Schemes 0.38% (0.49%)			
WisdomTree Gilts 10Y 3x Short Daily ETP	10,000	339,300	0.08
Waverton Investment Funds PLC - Waverton European Capital Growth Fund	1,429,051	1,317,584	0.30
Total offshore collective investment schemes		<u>1,656,884</u>	<u>0.38</u>
Total collective investment schemes		<u>15,280,054</u>	<u>3.51</u>

Portfolio statement (continued)

as at 31 March 2020

Investment	Nominal value or holding	Market value £	% of total net assets
Structured Products 3.73% (3.75%)			
Barclays Bank QIS2 S&P 500 Dynamic Vix Tracker 30/03/2022	500,000	248,232	0.06
Goldman Sachs 5Y GBP Capped Floored Floater Note 07/06/2023**	5,000,000	5,083,745	1.17
JP Morgan Structured Products 1.2% 18/02/2026	5,000,000	5,078,025	1.17
Royal Bank of Canada CMS Linked Reverse Convertible Notes 09/04/2020**	5,000,000	5,005,940	1.15
Royal Bank of Canada FTSE 100 & S&P 500 Index Linked Preference Share 13/12/2021**	650,000	790,581	0.18
Total structured products		16,206,523	3.73
Portfolio of investments		402,507,198	92.62
Other net assets		32,067,616	7.38
Total net assets		434,574,814	100.00

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 2019.

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

** Variable interest security.

^ Prime Infrastructure shares are included in the portfolio of investments with no value as the security is not tradable.

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

^^^ Terra Catalyst Fund is a delisted security and is valued by the fair value pricing committee.

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) and managed by the Investment Manager, Church House Investments Limited.

United Kingdom equities are grouped in accordance with Global Industry Classification Standard (GICS).

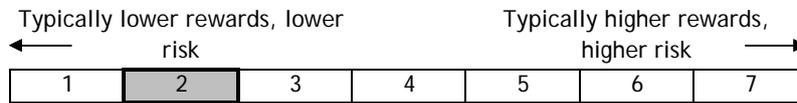
The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Smith & Williamson Services Ltd. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified the possibility of such damages.

Total purchases in the period:	£127,258,912
Total sales in the period:	£99,297,832

Risk and reward profile

The risk and reward profile relates to all share classes in the sub-fund.

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.



The sub-fund is in the lower category because the price of its investments have been relatively stable. 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.

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 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	31.03.20	30.09.19	30.09.18	30.09.17
A Accumulation	15,941,894	15,596,045	16,979,377	16,057,620
B Accumulation	18,852,478	21,300,277	25,396,082	28,639,715
C Accumulation	199,785,107	172,121,838	74,114,023	27,133,500
A Income	7,622,242	6,936,012	5,644,774	4,867,776
B Income	12,717,463	13,732,369	19,162,697	17,241,637
C Income	28,157,743	26,237,070	15,514,724	3,310,930
Net Asset Value (NAV)	£	£	£	£
Total NAV of the sub-fund	434,574,814	409,456,111	246,095,170	151,669,626
NAV attributable to A Accumulation shareholders	23,705,065	24,220,457	26,072,893	24,619,202
NAV attributable to B Accumulation shareholders	29,143,690	34,337,870	40,363,474	45,317,761
NAV attributable to C Accumulation shareholders	310,776,807	279,076,991	118,333,896	43,077,696
NAV attributable to A Income shareholders	10,963,716	10,439,241	8,437,102	7,281,851
NAV attributable to B Income shareholders	18,663,825	21,089,192	29,226,976	26,319,264
NAV attributable to C Income shareholders	41,321,711	40,292,360	23,660,829	5,053,852
Net asset value per share (based on bid value)^	p	p	p	p
A Accumulation	148.7	155.3	153.6	153.3
B Accumulation	154.6	161.2	158.9	158.2
C Accumulation	155.6	162.1	159.7	158.8
A Income	143.8	150.5	149.5	149.6
B Income	146.8	153.6	152.5	152.6
C Income	146.8	153.6	152.5	152.6

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

Performance information (continued)

Highest and lowest prices and distributions

Financial year to 30 September		Distribution per share p	Highest price p	Lowest price p
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
2018	A Accumulation	0.367	154.6	152.0
2018	B Accumulation	0.835	159.7	157.1
2018	C Accumulation	1.034	160.4	157.7
2018	A Income	0.367	150.9	148.3
2018	B Income	0.809	154.1	151.5
2018	C Income	1.018	154.2	151.4
2019	A Accumulation	0.672	156.1	151.7
2019	B Accumulation	1.158	161.9	157.1
2019	C Accumulation	1.353	162.8	157.9
2019	A Income	0.669	151.6	147.6
2019	B Income	1.093	154.8	150.8
2019	C Income	1.274	154.9	150.8
Financial period to 31 March 2020	A Accumulation	0.282	153.0	142.4
Financial period to 31 March 2020	B Accumulation	0.530	157.8	146.9
Financial period to 31 March 2020	C Accumulation	0.616	165.0	153.7
Financial period to 31 March 2020	A Income	0.278	157.8	146.9
Financial period to 31 March 2020	B Income	0.497	164.0	152.7
Financial period to 31 March 2020	C Income	0.577	156.3	145.6

* 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
31.05.20	0.282	31.05.19	0.290
		30.11.19	0.382
B Accumulation			
Allocation date	p	Allocation date	p
31.05.20	0.530	31.05.19	0.527
		30.11.19	0.631
C Accumulation			
Allocation date	p	Allocation date	p
31.05.20	0.616	31.05.19	0.629
		30.11.19	0.724
A Income			
Payment date	p	Payment date	p
31.05.20	0.278	31.05.19	0.290
		30.11.19	0.379
B Income			
Payment date	p	Payment date	p
31.05.20	0.497	31.05.19	0.488
		30.11.19	0.605
C Income			
Payment date	p	Payment date	p
31.05.20	0.577	31.05.19	0.584
		30.11.19	0.690

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 OCF 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 Investment Manager's fee excludes any holdings within the portfolio of investments that are managed by the Investment Manager, Church House Investments Limited.

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	31.03.20 [^]	30.09.19
Annual management charge	1.21%	1.20%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>1.25%</u>	<u>1.25%</u>
B Accumulation	31.03.20 [^]	30.09.19
Annual management charge	0.85%	0.84%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>0.89%</u>	<u>0.89%</u>
C Accumulation	31.03.20 [^]	30.09.19
Annual management charge	0.73%	0.72%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>0.77%</u>	<u>0.77%</u>
A Income	31.03.20 [^]	30.09.19
Annual management charge	1.21%	1.20%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>1.25%</u>	<u>1.25%</u>
B Income	31.03.20 [^]	30.09.19
Annual management charge	0.85%	0.84%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>0.89%</u>	<u>0.89%</u>
C Income	31.03.20 [^]	30.09.19
Annual management charge	0.73%	0.72%
Other expenses	0.04%	0.05%
Ongoing charges figure	<u>0.77%</u>	<u>0.77%</u>

[^] Annualised based on the expenses incurred during the period 1 October 2019 to 31 March 2020.

Please note the OCF 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 2020

	1 October 2019 to 31 March 2020		1 October 2018 to 31 March 2019	
	£	£	£	£
Income:				
Net capital (losses) / gains		(20,309,753)		416,273
Revenue	3,540,088		2,310,572	
Expenses	<u>(1,764,149)</u>		<u>(1,163,870)</u>	
Net revenue before taxation	1,775,939		1,146,702	
Taxation	<u>(254,457)</u>		<u>(163,268)</u>	
Net revenue after taxation		<u>1,521,482</u>		<u>983,434</u>
Total return before distributions		(18,788,271)		1,399,707
Distributions		(1,521,239)		(982,979)
Change in net assets attributable to shareholders from investment activities		<u><u>(20,309,510)</u></u>		<u><u>416,728</u></u>

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

for the six months ended 31 March 2020

	1 October 2019 to 31 March 2020		1 October 2018 to 31 March 2019	
	£	£	£	£
Opening net assets attributable to shareholders		409,456,111 *		246,095,170
Amounts receivable on issue of shares	101,313,451		108,572,213	
Amounts payable on cancellation of shares	<u>(57,260,789)</u>		<u>(21,948,580)</u>	
		44,052,662		86,623,633
Change in net assets attributable to shareholders from investment activities		(20,309,510)		416,728
Retained distributions on accumulation shares		1,375,551		992,802
Closing net assets attributable to shareholders		<u><u>434,574,814</u></u>		<u><u>334,128,333</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 2020

	31 March 2020 £	30 September 2019 £
Assets:		
Fixed assets:		
Investments	402,507,198	395,288,153
Current assets:		
Debtors	2,481,038	19,543,184
Cash and bank balances	35,018,843	5,007,273
Total assets	<u>440,007,079</u>	<u>419,838,610</u>
Liabilities:		
Creditors:		
Distribution payable	(246,866)	(290,404)
Other creditors	(5,185,399)	(10,092,095)
Total liabilities	<u>(5,432,265)</u>	<u>(10,382,499)</u>
Net assets attributable to shareholders	<u><u>434,574,814</u></u>	<u><u>409,456,111</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 Alternative Investment Market, 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:	31.03.20	30.09.19	Change
SVS Church House Deep Value Investment Fund A Accumulation	108.0p	140.3p	-23.0%

* Source: Bloomberg and Smith & Williamson Fund Administration Limited. Based on mid prices at 12pm.

Investment activities

As shareholders are aware from Smith & Williamson Fund Administration Limited's letter of 5 March 2020, the sub-fund was 'soft closed' at that date while discussions took place as to the future investment objectives and policy for the sub-fund. Performance over 2019 was volatile and disappointing, value as an asset class struggled to participate in the general market uptrend. Following a difficult period for smaller companies (particularly for 'value' investments) and poor performance from the sub-fund, proposals have now been put in place to shift the emphasis of the sub-fund to more liquid investments (greater market capitalisation) with a broader value remit. Accordingly, we are reporting principally on the period to the soft closure and a few subsequent actions.

October was quiet for company updates with only BP Marsh & Partners and Record reporting. Both updates were positively received, particularly Record's, which reported further client wins and mandate inflows. Gattaca's share price softened on worries over the outlook for the UK recruitment industry in general. The continued uncertainty around Brexit created a negative backdrop for news in this sector. This spilled over into our other recruitment holding, Hydrogen Group, in November, which also suffered from the temporary closure of their Hong Kong office due to the continuing political unrest. The other stock to suffer in November was Plexus Holdings. Although this company has recently released a string of positive updates, waiting for a major contract award has caused frustration. However, Plexus Holdings currently has a number of tenders outstanding, each of which is capable of being 'game changers'. We opened a small position in Hunting, a long-established oil services company, trading on multi-year lows. We did also add to the positions in Gattaca and Plexus Holdings during November.

Investment Manager's report (continued)

Investment activities* (continued)

The post-Election bounce helped the overall portfolio, notably the big property companies, while our largest holding, Cenkos Securities, gained 30% during December. The announcement that a previous board member and founder of the company had taken a 7% stake was enough to push the shares higher. Post year-end, we made a small reduction in Cenkos Securities following the good performance while adding to Xaar and to Plexus Holdings. We also reduced the position in Land Securities Group after its good performance. February saw the sale of the remaining holding in Land Securities Group and further reductions in the Walker Crips Group holding.

Following the break in the markets in mid February, our greatest concern was to maintain the high liquidity level in the sub-fund's portfolio and take more risk out. We sold the other two major property company holdings: Great Portland Estates and British Land along with reductions in the less-liquid holdings where it was possible to transact. We managed to sell-out of Richardson Electronic entirely, though this took seven days of transactions to sell a holding worth just over £200,000 at the end of January. There was a welcome bid for IndigoVision Group from Motorola in March, this was agreed so we sold the sub-fund's holding. We did take advantage of the severely depressed pricing in mid-March to acquire some larger companies that had sunk into deep value territory such as Bellway and Brewin Dolphin Holdings.

Investment strategy and outlook*

Clearly the discussions that are taking place as to the future investment objective and policy for the sub-fund will decide on the overall approach that we take, these comments are focused on the economic and market background as we write.

The confidence with which the year started, a new Government with a working majority and a Brexit strategy in place, all seems like a distant memory. Everything changed over the last two weeks of February, as the realisation dawned that Covid-19 had got out of China and quite how virulent it was. By 16 March 2020, the FTSE 100 Index had fallen 35% over 18 days, a move that was starkly reminiscent of October to November 1987, when the Index fell 34%. Then, much of the volatility was blamed on 'programme trading', this time we suspect that index funds and ETFs may well prove to have been a major contributor. In particular, the third week of March saw genuine panic of a type that we haven't seen for a while, with indiscriminate selling and violent price swings. From the low on 16 March 2020 a rally set in such that the FTSE 100 Index has recovered 50% of the fall. This collapse-then-rally pattern has been repeated in all the major markets, led by the American markets.

The credit markets reopened for business in the latter part of March, encouraged by the strenuous efforts of the US Federal Reserve in particular along with the Bank of England, European Central Bank and other central banks. Credit spreads found support around the same time and corporates are able to raise funds, a significant comfort for equity markets.

Stock markets appear to be settling into a more rational frame of mind in early April, with a rather clearer focus on the long-term winners and losers from the current crisis. Economists are sounding gloomy (as is the BBC!), the International Monetary Fund declared that the Great Lockdown Recession will likely be worse than the Great Depression; in reality they are as much in the dark as the rest of us. Clearly, we are heading into a sharp recession and considerable short-term damage has been done to economies around the world. As yet, we have no clear idea how long this will last. The good news is that central banks have acted swiftly and decisively to prevent this becoming another financial crisis, the speed with which they acted (much more quickly than during 2008/9) is commendable and on, effectively, an unlimited scale.

After a shaky start, many governments have also rowed-in with appropriate direct measures. We have been impressed with our new Chancellor, Rishi Sunak, who appears to have a good grasp of what is required. President Trump's administration appeared to be in denial for several weeks, which will have only made the American epidemic worse. Overall, the support packages from governments worldwide really are on an unprecedented (much overworked word at the moment) scale. This will require government borrowing on an equally grand scale but, for the moment, it is the correct thing to do.

* Source: Bloomberg.

Investment Manager's report (continued)

Investment strategy and outlook* (continued)

Our view is that many of the trends that were in place (such as the demise of high street retailing and rise of internet shopping), have been sped up by the outbreak, what happens next is the really interesting thing. As one of Berenberg's economists, Holger Schmieding, stated in an interesting piece recently:

"Extraordinary circumstances elicit extraordinary results. A crisis can be the mother of invention. We expect the corona shock to spur and spread innovations in many fields ranging from a more efficient use of labour and communications technology to increased use of 3D printing and advanced robotics, to name a few obvious candidates. With luck, this could show up in a measurable improvement in productivity growth in a while."

* Source: www.theglobalist.com 3 April 2020.

Church House Investment Management
30 April 2020

Portfolio changes

for the six months ended 31 March 2020

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

	Cost
Purchases:	£
Aberforth Smaller Companies Trust	408,582
Hunting	259,806
Brewin Dolphin Holdings	252,009
Bellway	206,177
Judges Scientific	183,218
Xaar	168,782
Tritax EuroBox	130,136
Plexus Holdings	129,878
Gattaca	109,252
Somero Enterprises	109,200
	<u>1,957,040</u>
	Proceeds
Sales:	£
UK Treasury Gilt 2% 22/07/2020	2,415,336
Land Securities Group	677,740
Great Portland Estates	225,504
British Land	197,912
Richardson Electronics	141,658
Walker Crips Group	131,595
Cenkos Securities	82,697
H&T Group	27,999
IndigoVision Group	26,998
Stanley Gibbons Group	22,499
Lamprell	18,499
Redt Energy	13,647
Thalassa Holdings	13,200
BP Marsh & Partners	12,899
Xaar	4,300
Enteq Upstream	1,050
	<u>4,013,533</u>

Portfolio statement

as at 31 March 2020

	Nominal value or holding	Market value £	% of total net assets
Investment			
Debt securities 0.00% (20.40%)		-	-
Equities 73.31% (74.23%)			
Equities - United Kingdom 69.85% (70.61%)			
Equities - incorporated in the United Kingdom 65.38% (64.13%)			
Energy 12.13% (13.06%)			
Enteq Upstream	2,375,000	356,250	4.21
Gulf Marine Services	500,000	16,000	0.19
Hargreaves Services	150,000	294,000	3.48
Hunting	75,000	131,175	1.55
Plexus Holdings	2,175,000	228,375	2.70
		<u>1,025,800</u>	<u>12.13</u>
Industrials 9.40% (10.03%)			
Gattaca	375,000	133,875	1.58
Havelock Europa^	1,125,000	-	-
Hydrogen Group	1,445,000	476,850	5.64
Judges Scientific	4,500	184,500	2.18
		<u>795,225</u>	<u>9.40</u>
Consumer Discretionary 2.55% (0.00%)			
Bellway	10,000	215,300	2.55
Financials 26.10% (22.90%)			
BP Marsh & Partners	220,000	363,000	4.29
Brewin Dolphin Holdings	100,000	219,000	2.59
Cenkos Securities	1,795,000	700,050	8.28
H&T Group	100,000	266,000	3.14
Record	2,073,392	520,421	6.15
Tritax EuroBox	150,000	139,500	1.65
		<u>2,207,971</u>	<u>26.10</u>
Information Technology 15.20% (9.59%)			
IndigoVision Group	270,000	999,000	11.81
Smartspace Software	191,605	32,573	0.39
Xaar	1,240,000	254,200	3.00
		<u>1,285,773</u>	<u>15.20</u>
Real Estate 0.00% (8.55%)			
		-	-
Total equities - incorporated in the United Kingdom		<u>5,530,069</u>	<u>65.38</u>
Equities - incorporated outwith the United Kingdom 4.47% (6.48%)			
Energy 4.47% (6.06%)			
Lamprell	490,000	63,700	0.75
Thalassa Holdings	650,000	314,600	3.72
		<u>378,300</u>	<u>4.47</u>
Industrials 0.00% (0.17%)			
Redt Energy subscription rights^^	732,307	-	-

Portfolio statement (continued)

as at 31 March 2020

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities - incorporated outwith the United Kingdom (continued)			
Consumer Discretionary 0.00% (0.25%)		-	-
Total equities - incorporated outwith the United Kingdom		<u>378,300</u>	<u>4.47</u>
Total equities - United Kingdom		<u>5,908,369</u>	<u>69.85</u>
Equities - Israel 2.46% (2.04%)			
MTI Wireless Edge	800,000	<u>208,000</u>	<u>2.46</u>
Equities - United States 1.00% (1.58%)			
Somero Enterprises	50,000	<u>85,000</u>	<u>1.00</u>
Total equities		<u>6,201,369</u>	<u>73.31</u>
Closed-Ended Funds 3.40% (0.00%)			
Aberforth Smaller Companies Trust	35,000	<u>287,700</u>	<u>3.40</u>
Portfolio of investments		6,489,069	76.71
Other net assets		1,970,203	23.29
Total net assets		<u>8,459,272</u>	<u>100.00</u>

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 2019.

^ Havelock Europa - The fair value pricing committee determined that it is appropriate to include the security in the portfolio of investments with no value, as the security is in administration.

^^ Redt Energy subscription rights are included in the portfolio of investments with no value as the exercise price is greater than the ordinary security price.

United Kingdom equities are grouped in accordance with Global Industry Classification Standard (GICS).

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Smith & Williamson Services Ltd. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Risk and reward profile

The risk and reward profile relates to both share classes in the sub-fund.

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.



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.

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.

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.

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 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.

Where the sub-fund invests in less liquid investments, which may at times be hard to sell, there is a risk that there may be a delay in the investments being sold or the price at which they are sold may adversely affect the value of the sub-fund. In the event that there was insufficient liquidity in the sub-fund to meet requested redemption it may be necessary to suspend dealings in shares in the sub-fund. Investors may experience a delay or receive less than expected when selling their investment.

For further information please refer to the 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	31.03.20	30.09.19	30.09.18	30.09.17
A Accumulation	3,653,191	4,796,294	4,975,771	5,424,247
B Accumulation	4,311,719	3,752,679	3,185,863	2,156,578
Net Asset Value (NAV)	£	£	£	£
Total NAV of the sub-fund	8,459,272	11,904,070	12,473,331	11,097,845
NAV attributable to A Accumulation shareholders	3,835,852	6,622,873	7,559,321	7,915,224
NAV attributable to B Accumulation shareholders	4,623,420	5,281,197	4,914,010	3,182,621
Net asset value per share (based on bid value) ^	p	p	p	p
A Accumulation	105.0	138.1	151.9	145.9
B Accumulation	107.2	140.7	154.2	147.6

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

Highest and lowest prices and distributions

Financial year to 30 September		Distribution per share p	Highest price p	Lowest price p
2017	A Accumulation	1.160	148.6	115.2
2017	B Accumulation	1.743	150.3	116.0
2018	A Accumulation	0.608	156.1	141.1
2018	B Accumulation	1.208	158.4	142.8
2019	A Accumulation	0.529	154.2	134.6
2019	B Accumulation	1.106	156.5	137.2
Financial period to 31 March 2020	A Accumulation	0.187	143.0	102.0
Financial period to 31 March 2020	B Accumulation	0.457	145.7	104.2

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

A Accumulation			
Allocation date	p	Allocation date	p
31.05.20	0.187	31.05.19	0.057
		30.11.19	0.472
B Accumulation			
Allocation date	p	Allocation date	p
31.05.20	0.457	31.05.19	0.347
		30.11.19	0.759

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 OCF 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	31.03.20 [^]	30.09.19
Annual management charge	1.25%	1.25%
Other expenses	0.18%	0.17%
Ongoing charges figure	<u>1.43%</u>	<u>1.42%</u>
B Accumulation	31.03.20 [^]	30.09.19
Annual management charge	0.88%	0.88%
Other expenses	0.18%	0.17%
Ongoing charges figure	<u>1.06%</u>	<u>1.05%</u>

[^] Annualised based on the expenses incurred during the period 1 October 2019 to 31 March 2020.

Please note the OCF 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 2020

	1 October 2019 to 31 March 2020		1 October 2018 to 31 March 2019	
	£	£	£	£
Income:				
Net capital losses		(2,708,531)		(931,719)
Revenue	104,210		90,794	
Expenses	<u>(72,236)</u>		<u>(73,710)</u>	
Net revenue before taxation	31,974		17,084	
Taxation	<u>(3,132)</u>		<u>(1,916)</u>	
Net revenue after taxation		<u>28,842</u>		<u>15,168</u>
Total return before distributions		(2,679,689)		(916,551)
Distributions		(28,827)		(15,195)
Change in net assets attributable to shareholders from investment activities		<u><u>(2,708,516)</u></u>		<u><u>(931,746)</u></u>

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

for the six months ended 31 March 2020

	1 October 2019 to 31 March 2020		1 October 2018 to 31 March 2019	
	£	£	£	£
Opening net assets attributable to shareholders		11,904,070 *		12,473,331
Amounts receivable on issue of shares	137,488		921,444	
Amounts payable on cancellation of shares	<u>(900,306)</u>		<u>(424,647)</u>	
		(762,818)		496,797
Change in net assets attributable to shareholders from investment activities		(2,708,516)		(931,746)
Retained distributions on accumulation shares		26,536		15,450
Closing net assets attributable to shareholders		<u><u>8,459,272</u></u>		<u><u>12,053,832</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 2020

	31 March 2020	30 September 2019
	£	£
Assets:		
Fixed assets:		
Investments	6,489,069	11,264,544
Current assets:		
Debtors	9,593	42,100
Cash and bank balances	2,024,350	703,419
Total assets	<u>8,523,012</u>	<u>12,010,063</u>
Liabilities:		
Creditors:		
Other creditors	(63,740)	(105,993)
Total liabilities	<u>(63,740)</u>	<u>(105,993)</u>
Net assets attributable to shareholders	<u><u>8,459,272</u></u>	<u><u>11,904,070</u></u>

Further information

Distributions and reporting dates

Where net revenue is available it will be 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 each 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 are published on the following website: www.fundlistings.com or may be obtained by calling 0141 222 1151.

Benchmark

SVS Church House Tenax Absolute Return Strategies Fund:

Shareholders may compare the performance of the sub-fund against 3 month GBP LIBOR and FTSE 100 TR.

The ACD has selected LIBOR as a comparator benchmark as the ACD believes it best reflects the bond focused asset allocation of the sub-fund.

The ACD has selected FTSE 100 TR as a comparator benchmark as the ACD believes it best reflects the asset allocation of the sub-fund.

Comparison of the sub-fund's performance against these benchmarks will give sub-fund holders an indication of how the sub-fund is performing.

The benchmarks are not targets for the sub-fund, nor is the sub-fund constrained by the benchmarks.

SVS Church House Deep Value Investment Fund:

Shareholders may compare the performance of the sub-fund against the FTSE All-Share Index and the FTSE Small Cap ex Investment Trusts Index.

The ACD has selected these comparator benchmarks as the ACD believes they best reflect the asset allocation of the sub-fund.

Comparison of the sub-fund's performance against these comparator benchmarks will give sub-fund holders an indication of how the sub-fund is performing.

The benchmarks are not targets for the sub-fund, nor is the sub-fund constrained by the benchmarks.

Further information (continued)

Benchmark (continued)

The benchmarks produced the following performance[^] over the period from 1 October 2019 to 31 March 2020:

SVS Church House Tenax Absolute Return Strategies Fund:

FTSE 100 TR	-21.28%
3 month GBP LIBOR	0.36%

SVS Church House Deep Value Investment Fund:

FTSE All-Share Index	-21.57%
FTSE Small Cap ex Investment Trusts Index	-24.15%

The sub-funds produced the following performance[^] per accumulation share class over the year from 1 October 2019 to 31 March 2020, based on Cumulative Returns:

SVS Church House Tenax Absolute Return Strategies Fund:

A Accumulation shares	-4.18%
B Accumulation shares	-4.03%
C Accumulation shares	-4.06%

SVS Church House Deep Value Investment Fund:

A Accumulation shares	-23.19%
B Accumulation shares	-23.03%

[^]Source: Morningstar

Appointments

ACD and Registered office

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

Smith & Williamson Fund Administration Limited
206 St. Vincent Street
Glasgow G2 5SG
Telephone: 0141 222 1151 (Registration)
0141 222 1150 (Dealing)
Authorised and regulated by the Financial Conduct Authority

Directors of the ACD

Brian McLean
David Cobb
James Gordon
Kevin Stopps
Paul Wyse - resigned 8 December 2019

Independent Non-Executive Directors of the ACD

Dean Buckley
Linda Robinson
Victoria Muir

Non-Executive Directors of the ACD
Paul Wyse - appointed 9 December 2019

Investment Manager

Church House Investments Limited
York House
6 Coldharbour
Sherborne
Dorset DT9 4JW
Authorised and regulated by the Financial Conduct Authority

Depositary

NatWest Trustee & Depositary Services Limited
2nd Floor
Drummond House
1 Redheughs Avenue
Edinburgh EH12 9RH
Authorised and regulated by the Financial Conduct Authority

Auditor

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EG