

VT GRAVIS FUNDS ICVC
(Sub-Funds VT Gravis UK Infrastructure Income
Fund and VT Gravis Clean Energy Income Fund)

Report and Financial Statements
for the year ended 31 December 2017

Contents	Page
Company Overview	1
Statement of the Authorised Corporate Director's (ACD's) Responsibilities	2
Statement of the Depositary's Responsibilities and Report of the Depositary	3
Independent Auditor's Report to the Shareholders of VT Gravis Funds ICVC (Sub-funds VT Gravis UK Infrastructure Income Fund and VT Gravis Clean Energy Income Fund)	4
VT Gravis UK Infrastructure Income Fund	
Sub-Fund Overview	6
Investment Manager's Review	7
Performance Record	8
Portfolio Statement	12
Summary of Material Portfolio Changes	13
Statement of Total Return	14
Statement of Changes in Net Assets Attributable to Shareholders	14
Balance Sheet	15
Notes to the Financial Statements	16
Distribution Tables	25
VT Gravis Clean Energy Income Fund	
Sub-Fund Overview	28
Investment Manager's Review	29
Performance Record	30
Portfolio Statement	32
Summary of Material Portfolio Changes	33
Statement of Total Return	34
Statement of Changes in Net Assets Attributable to Shareholders	34
Balance Sheet	35
Notes to the Financial Statements	36
Distribution Tables	43
Information for Investors	44
Corporate Directory	45

COMPANY OVERVIEW

Type of Company VT Gravis Funds ICVC (the Company) is an open-ended investment company with variable capital incorporated in England and Wales under regulation 12 (Authorisation) of the Open Ended Investment Companies (OEIC) Regulations 2001 further to a Financial Conduct Authority (“FCA”) authorisation order dated 21 December 2015. The Company is incorporated under registration number IC001055. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook (“COLL”) issued by the FCA. Each sub-fund would be a UCITS scheme if they had separate authorisation orders.

The Company has been set up as an umbrella company. The Company has currently two sub-funds available for investment, the VT Gravis UK Infrastructure Income Fund and the VT Gravis Clean Energy Income Fund.

Shareholders are not liable for the debts of the Fund.

A shareholder is not liable to make any further payment to the company after they have paid the price on the purchase of the shares.

Changes to the Company On 04 September 2017 the Company name changed to VT Gravis Funds ICVC from VT GCP Funds ICVC.

On 04 September 2017 the following sub-fund changed their name:
VT UK Infrastructure Income Fund became VT Gravis UK Infrastructure Income Fund.

On 18 December 2017, a new sub-fund, VT Gravis Clean Energy Income Fund was launched.

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

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the end of the financial period and its net revenues and net capital losses for the period. In preparing these financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements.
- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Corporate Director is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Corporate Director is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR'S STATEMENT

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

Anne A. Laing CA



Neil J. Smith MA BA CA



Valu-Trac Investment Management Limited
Authorised Corporate Director

Date 27 April 2018

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), and the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

National Westminster Bank Plc
1 January 2018

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT GRAVIS FUNDS (SUB FUNDS VT GRAVIS UK INFRASTRUCTURE INCOME FUND AND VT GRAVIS CLEAN ENERGY INCOME FUND)

We have audited the financial statements of VT Gravis Funds ICVC ("the Company") for the year ended 31 December 2017 which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Shareholders, Balance Sheet, the related Notes to the Financial Statements and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ("the COLL Rules") issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company at 31 December 2017 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are described further in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the ACD's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the ACD has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The ACD is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT GRAVIS FUNDS (SUB FUNDS VT GRAVIS UK INFRASTRUCTURE INCOME FUND AND VT GRAVIS CLEAN ENERGY INCOME FUND) (Continued)

Opinions on other matters prescribed by the COLL Regulations

In our opinion, based on the work undertaken in the course of the audit:

- Proper accounting records for the Company have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the report of the ACD and in the report of the authorised fund manager for the year is consistent with the financial statements.

Responsibilities of the Authorised Corporate Director

As explained more fully in the Authorised Corporate Director's Responsibilities Statement set out on page 2, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal controls as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the ACD either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the ACD.
- Conclude on the appropriateness of the ACD'S use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Johnston Carmichael LLP

30/4/18

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

SUB-FUND OVERVIEW

Size of Sub-Fund	£247,933,969
Launch date	25 January 2016
Company objective and policy	<p>The investment objective of the VT Gravis UK Infrastructure Income Fund is to generate income and preserve capital with potential for capital growth.</p> <p>The Sub-Fund will aim to meet its objectives by investing primarily in equities (which are mainly listed in the United Kingdom and whose primary activity is in the wider infrastructure sector of the United Kingdom). In addition to investing in equities, the Sub-Fund may also invest in other transferable securities, bonds, collective investment schemes, money market instruments, deposits, cash and near cash.</p> <p>The Fund will have a specific focus on investments denominated in Sterling, which are themselves invested in Sterling assets and which have most or all of their activities within the UK. Other than as noted in the policy there is no emphasis on any geographical area or industry or economic sector.</p>
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March, 30 June, 30 September, 31 December
Distribution dates	30 April, 31 July, 31 October, 31 January
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.
Minimum investment	
Lump sum subscription:	Class C = £1,000 Class I = £5,000,000
Top-up:	Class C = £500 Class I = £10,000
Holding:	Class C = £1,000 Class I = £5,000,000
Redemption:	N/A (provided minimum holding is maintained)
Switching	N/A (provided minimum holding is maintained)
Initial charges	4 %
Redemption and switching charges	Nil

The ACD may waive the minimum levels (and initial charge) at its discretion.

ACD charges

The annual management charge is as follows:

In respect of the Class C shares, it is equal to 0.75% per annum of the net asset value of the Class C shares.

In respect of the Class I shares it is equal to 0.65% per annum of the net asset value of the Class I shares.

The investment manager shall reimburse the Fund for an amount which, when deducted from the operating costs incurred by the Fund during the relevant accounting period, would result in the Fund having a total OCF equal to the stated AMC for each share class e.g. 0.75% in the case of Class C shares and 0.65% in the case of Class I shares in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

This report is a review of the performance of the VT UK Infrastructure Income Fund (the "Fund") during the year ending 31 December 2017.

The performance objectives of the Fund are:

- a. to deliver a 5% income, via quarterly dividend payments;
- b. to preserve investors' capital throughout market cycles; and
- c. to offer the potential for capital growth and protection from inflation.

The Fund seeks to achieve these objectives by investing in a portfolio of securities providing exposure to the UK listed infrastructure sector. The Fund invests in a range of security types, namely Closed End Investment Companies (exposed to both infrastructure and renewable energy assets), REITs, bonds and public equities. In the latter case, the companies owned by the Fund are typically utilities or enterprises that provide similarly highly regulated services.

The Fund aims to achieve its objectives by investing in a diversified portfolio of holdings with a minimum of 22 underlying positions. At the end of December 2017, the Fund comprised of 26 holdings and this number ranged between 26 and 29 during the review period. Many of these holdings represent companies, which in turn are exposed to a diverse spread of infrastructure assets. This provides even greater portfolio diversification at a disaggregated level.

The Fund will typically seek to maintain a stable and consistent approach to portfolio construction. The investment manager believes that a properly constructed portfolio will perform throughout market cycles and that excessive levels of portfolio turnover will detract from performance. Portfolio turnover remained modest during 2017 at an annual rate of 12.59%.

The Fund's performance during the year was satisfactory and consistent with the Fund's objectives.

The C net accumulation GBP shares were priced at 116.23p on 29th December 2017, which represents a positive total return of 4.22% over the year. Dividends, announced in March, June, September and December totalled 5.4474p per share for the class I net income GBP shares and 5.2578p per share for the class C net income GBP shares. This represents a trailing 12-month yield of 5.14% and 4.95% for the I class and C class, respectively.

It should be noted that dividends and coupons received from the Fund's underlying holdings do not occur in a uniform manner. Rather, payments are received in varying amounts and at varying frequencies throughout the course of the year. We anticipate higher total dividend and coupon receipts during 2018, underpinning our confidence that the Fund will achieve its stated objective of delivering a 5% income yield for unit holders.

The asset values of portfolio companies typically appreciated during the year, assisted in many cases by further reductions in the discount rates applied to future cash flows. This dynamic of steady incremental valuation uplifts is reflected in the relative price stability of the investment vehicles owned by the Fund. In turn, this supports the Fund in delivering on its objective to preserve and grow investors' capital.

The government's commitment to increasing infrastructure spend as part of a £500bn National Infrastructure and Construction Pipeline highlights the importance of the asset class to the UK economy and should support a continued supply of investment opportunities within social and economic infrastructure. Meanwhile, the returns generated by existing assets remain attractive and the investment manager continues to perceive the market environment as being supportive of its objectives and strategy.

Gravis Advisory Limited

Investment Manager to the Fund.

PERFORMANCE RECORD

Financial Highlights

Class C Net Income GBP		Year ended 31 December 2017	Period from 25 January 2016 to 31 December 2016[^]
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	106.9661	100.0000
	Return before operating charges	5.3002	12.5307
	Operating charges (note 1)	(0.7901)	(0.9706)
	Return after operating charges*	4.5101	11.5601
	Distribution on income units	(5.2578)	(4.5940)
	Closing net asset value per unit	106.2184	106.9661
	*after direct transaction costs of:	0.1705	0.2277
Performance			
	Return after charges	4.22%	11.56%
Other information			
	Closing net asset value	£43,273,839	£14,764,967
	Closing number of units	40,470,423	13,803,403
	Operating charges (note 2)	0.73%	0.93%
	Direct transaction costs	0.16%	0.22%
Prices			
	Highest unit price	113.00	109.52
	Lowest unit price	103.82	98.21

[^]Sub-Fund launched 25 January 2016

Class C Net Accumulation GBP		Year ended 31 December 2017	Period from 25 January 2016 to 31 December 2016[^]
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	111.5216	100.0000
	Return before operating charges	5.5455	12.5052
	Operating charges (note 1)	(0.8386)	(0.9836)
	Return after operating charges*	4.7069	11.5216
	Closing net asset value per unit	116.2285	111.5216
	Retained distributions on accumulated units	5.5938	4.8066
	*after direct transaction costs of:	0.1822	0.2327
Performance			
	Return after charges	4.22%	11.52%
Other information			
	Closing net asset value	£71,885,744	£35,139,221
	Closing number of units	61,848,631	31,508,886
	Operating charges (note 2)	0.73%	0.93%
	Direct transaction costs	0.16%	0.22%
Prices			
	Highest unit price	118.85	111.62
	Lowest unit price	111.34	98.02

[^]Sub-Fund launched 25 January 2016

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

Class C Net Income EUR		Period from 21 June 2017 to 31 December 2017[^]
Changes in net assets per unit		EURc
	Opening net asset value per unit	100.0000
	Return before operating charges	(2.1236)
	Operating charges (note 1)	(0.7152)
	Return after operating charges*	(2.8388)
	Distribution on income units	(2.0963)
	Closing net asset value per unit	95.0649
	*after direct transaction costs of:	0.1561
Performance	Return after charges	(2.84%)
Other information	Closing net asset value	€40,212
	Closing number of units	42,300
	Operating charges (note 2)	0.73%
	Direct transaction costs	0.16%
Prices	Highest unit price	100.00
	Lowest unit price	93.01

[^]Share class launched 21 June 2017

Class C Net Accumulation EUR		Period from 18 May 2017 to 31 December 2017[^]
Changes in net assets per unit		EURc
	Opening net asset value per unit	100.0000
	Return before operating charges	(1.4841)
	Operating charges (note 1)	(0.7191)
	Return after operating charges*	(2.2032)
	Closing net asset value per unit	97.7968
	Retained distributions on accumulated units	2.9338
	*after direct transaction costs of:	0.1582
Performance	Return after charges	(2.20%)
Other information	Closing net asset value	€68,318
	Closing number of units	69,857
	Operating charges (note 2)	0.73%
	Direct transaction costs	0.16%
Prices	Highest unit price	100.56
	Lowest unit price	94.69

[^]Share class launched 18 May 2017

PERFORMANCE RECORD (Continued)

Financial Highlights (continued)

Class I Net Income GBP		Year ended 31 December 2017	Period from 25 January 2016 to 31 December 2016[^]
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	106.6558	100.0000
	Return before operating charges	5.6006	12.4020
	Operating charges (note 1)	(0.8959)	(0.8640)
	Return after operating charges*	4.7047	11.5380
	Distribution on income units	(5.4474)	(4.8822)
	Closing net asset value per unit	105.9131	106.6558
	*after direct transaction costs of:	0.1701	0.2273
Performance			
	Return after charges	4.41%	11.54%
Other information			
	Closing net asset value	£62,921,177	£32,096,687
	Closing number of units	59,408,278	30,093,907
	Operating charges (note 2)	0.83%	0.83%
	Direct transaction costs	0.16%	0.22%
Prices			
	Highest unit price	112.70	108.72
	Lowest unit price	103.55	98.02

[^]Sub-Fund launched 25 January 2016

Class I Net Income USD		Year ended 31 December 2017	Period from 25 January 2016 to 31 December 2016[^]
Changes in net assets per unit		USDc	USDc
	Opening net asset value per unit	108.1357	100.0000
	Return before operating charges	5.3633	12.7049
	Operating charges (note 1)	(0.9121)	(0.8722)
	Return after operating charges*	4.4512	11.8327
	Distribution on income units	(4.2944)	(3.6970)
	Closing net asset value per unit	108.2925	108.1357
	*after direct transaction costs of:	0.1731	0.2289
Performance			
	Return after charges	4.12%	11.83%
Other information			
	Closing net asset value	\$324,877	\$324,407
	Closing number of units	300,000	300,000
	Operating charges (note 2)	0.83%	0.83%
	Direct transaction costs	0.16%	0.22%
Prices			
	Highest unit price	114.65	109.94
	Lowest unit price	105.85	98.62

[^]Sub-Fund launched 25 January 2016

PERFORMANCE RECORD (Continued)

Financial Highlights (continued)

Class I Net Accumulation GBP		Year ended 31 December 2017	Period from 25 January 2016 to 31 December 2016 [^]
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	111.6067	100.0000
	Return before operating charges	5.9032	12.4846
	Operating charges (note 1)	(0.9551)	(0.8779)
	Return after operating charges*	4.9481	11.6067
	Closing net asset value per unit	116.5548	111.6067
	Retained distributions on accumulated units	5.7860	4.7885
	*after direct transaction costs of:	0.1825	0.2328
Performance			
	Return after charges	4.12%	11.61%
Other information			
	Closing net asset value	£70,196,391	£25,438,934
	Closing number of units	60,226,094	22,793,378
	Operating charges (note 2)	0.83%	0.83%
	Direct transaction costs	0.16%	0.22%
Prices			
	Highest unit price	119.03	111.66
	Lowest unit price	111.45	97.92

[^]Sub-Fund launched 25 January 2016

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

Risk Profile

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

PORTFOLIO STATEMENT

As at 31 December 2017

Holding		Value £	% of net assets
	EQUITIES (2016:92.90%)		
1,179,644	3i Infrastructure Plc	2,446,582	0.99
19,948,017	Bluefield Solar Income Fund	23,438,920	9.46
10,938,541	Foresight Solar Fund Limited	11,786,278	4.75
9,022,569	GCP Asset Backed Income Fund Limited	9,338,359	3.77
1,125,597	GCP Asset Backed Income Fund Limited (C Shares)	1,146,702	0.46
18,380,683	GCP Infrastructure Investments	23,655,939	9.54
4,556,875	GCP Student Living Plc	6,527,723	2.63
9,028,352	Greencoat UK Wind Plc	11,131,958	4.49
6,930,111	HICL Infrastructure Fund Limited	10,939,180	4.41
7,992,452	Impact Healthcare REIT Plc	8,182,273	3.30
11,096,633	John Laing Environmental Assets Group Limited	12,109,201	4.88
5,959,719	John Laing Infrastructure Fund	7,315,555	2.95
26,634,916	Medicx Fund Ltd	22,140,274	8.94
660,346	National Grid Plc	5,752,274	2.32
10,787,101	NextEnergy Solar Fund Limited	12,229,876	4.94
1,849,574	Primary Health Properties Plc	2,164,001	0.87
21,578,589	Renewables Infrastructure Group Limited	23,380,401	9.43
3,800,000	Residential Secure Income Plc	3,828,500	1.54
836,383	Royal Mail Plc	3,803,870	1.53
9,976,354	Sequoia Economic Infrastructure Income Fund Ltd	11,263,304	4.54
3,300,652	Stobart Group Ltd	9,268,231	3.74
9,393,014	Target Healthcare REIT Limited	10,508,434	4.24
4,399,234	Vodafone	10,298,607	4.15
	TOTAL EQUITIES	242,656,442	97.87
	CORPORATE BONDS (2016:2.41%)		
919,000	Heathrow Airport 5.75% 2025	1,047,297	0.42
500,000	Peterbrough Progress Health Plc 5.581% 02/10/2042	517,441	0.21
1,028,000	Thames Water 5.875% 2022	1,146,117	0.46
		2,710,855	1.09
	Currency Hedge (2016:0.00%)	(1,291)	(0.00%)
	Portfolio of investments (2016:95.31%)	245,366,006	98.96%
	Net other assets (2016:5.05%)	3,248,067	1.31%
	Adjustment to revalue assets from mid to bid prices (2016:(0.36%))	(680,104)	(0.27%)
		247,933,969	100.00%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the year (note 14)	31,290,827
Carillion Plc	2,543,687
Centrica Plc	2,586,899
SSE Plc	10,879,680
Stagecoach Group Plc	2,755,511
SQN Asset Finance Income Fund Limited	5,702,763
SQN Asset Finance Income Fund Ltd C Share – B	2,480,208
National Grid Plc	1,796,498
NextEnergy Solar Fund Limited	349,647
Royal Mail Plc	1,470,333
Vodafone	725,601
Total purchases for the year (note 14)	178,032,310
3i Infrastructure Plc	2,404,501
Bluefield Solar Income Fund	12,995,437
Carillion Plc	3,001,866
Centrica Plc	1,638,093
Foresight Solar Fund Limited	6,949,429
GCP Asset Backed Income Fund Ltd (C Shares)	1,349,594
GCP Asset Backed Income Fund Limited	5,373,175
GCP Infrastructure Investments	12,680,851
GCP Student Living Plc	3,662,707
Greencoat UK Wind Plc	4,604,218
HICL Infrastructure Fund Limited	7,225,331
Impact Healthcare REIT PLC	8,048,300
John Laing Environmental Assets Group Limited	7,593,256
John Laing Infrastructure Fund	3,769,106
Medicx Fund Ltd	18,838,814
National Grid Plc	8,136,380
NextEnergy Solar Fund Limited	7,596,265
Primary Health Properties Plc	176,971
Renewables Infrastructure Group Limited	15,032,258
Residential Secure Income Plc	3,820,537
Royal Mail Plc	3,955,208
Sequois Economic Infrastructure Income Fund Ltd	8,416,882
SQN Asset Finance Income Fund Limited	3,103,871
SSE Plc	7,618,672
Stagecoach Group Plc	2,199,943
Stobart Group Ltd	1,821,879
Target Healthcare REIT Limited	5,999,475
Vodafone	10,019,291

The above purchases and sales represent all of the purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 31 December 2017

	Notes	31.12.17		From 21.01.16 to 31.12.16	
		£	£	£	£
Income					
Net capital(losses)/gains	2		(3,726,885)		2,774,741
Revenue	3	11,366,176		2,167,626	
Expenses	4	(1,518,965)		(341,312)	
Interest payable and similar charges	6	(308)		-	
Net revenue before taxation		<u>9,846,903</u>		<u>1,826,314</u>	
Taxation	5	<u>-</u>		<u>(5,622)</u>	
Net revenue after taxation			<u>9,846,903</u>		<u>1,820,692</u>
Total return before distributions			6,120,018		4,595,433
Finance costs: distributions	6		<u>(9,846,903)</u>		<u>(1,820,692)</u>
Change in net assets attributable to shareholders from investment activities			<u><u>(3,726,885)</u></u>		<u><u>2,774,741</u></u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

F

For the year ended 31 December 2017

	31.12.17	From 21.01.16 to 31.12.2016
	£	£
Opening net assets attributable to shareholders	107,319,371	-
Amounts receivable on creation of shares	171,223,745	107,557,303
Amounts payable on cancellation of shares	(33,015,524)	(4,448,927)
Dilution levy	35,816	
Dividend reinvested	6,087,446	80,401
Change in net assets attributable to shareholders from investment activities (see above)	<u>(3,726,885)</u>	<u>2,774,741</u>
Closing net assets attributable to shareholders	<u><u>247,933,969</u></u>	<u><u>107,319,371</u></u>

BALANCE SHEET

As at 31 December 2017

	Notes	31.12.17		31.12.16	
		£	£	£	£
FIXED ASSETS					
Investment assets			244,685,902		101,899,738
Current assets					
Debtors	7	2,178,256		4,949,611	
Cash and bank balances	8	<u>2,381,903</u>		<u>1,427,586</u>	
Total current assets			<u>4,560,159</u>		<u>6,377,197</u>
Total assets			249,246,061		108,276,935
LIABILITIES					
Creditors					
Distribution payable on income shares		(1,136,067)		(581,674)	
Other creditors	9	<u>(176,025)</u>		<u>(375,890)</u>	
Total liabilities			<u>(1,312,092)</u>		<u>(957,564)</u>
Net assets attributable to shareholders			<u><u>247,933,969</u></u>		<u><u>107,319,371</u></u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. Accounting policies

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

Equalisation received by the way of distributions from OEICs/unit trust investment is not included in revenue but is reflected as a reduction in the book cost of that investment.

(c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, other than those relating to the buying and selling of investments which are charged to capital, all expenses are charged to the revenue of the Fund.

(f) Where the revenue from investments exceeds the expenses of the Fund, quarterly distributions are allocated to all holders of income and accumulation shares.

(g) The listed investments of the Fund have been valued at bid market prices at the closing valuation point on 29 December 2017.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 29 December 2017.

(i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In certain circumstances the ACD may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Fund, is intended to cover certain charges not included in the bid market value of the Fund, used in calculating the share price, which could have a diluting effect on the performance of the Fund.

(k) Equalisation will be applied to the Company. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		From 25.01.16 to 31.12.16
2 Net capital (losses)/ gains	31.12.17	31.12.16
The net capital (losses)/gains comprise:	£	£
Non-derivative securities (losses)/gains	(3,698,320)	2,751,776
Currency (losses)/gains	(21,692)	6,361
Currency hedge gains	649	30,014
Transaction charges	<u>(7,522)</u>	<u>(13,410)</u>
Total net capital (losses)/gains	<u><u>(3,726,885)</u></u>	<u><u>2,774,741</u></u>
 3 Revenue		
	£	£
UK dividends	10,425,895	2,015,726
Taxable dividends	656,935	-
Bond interest	147,984	76,981
Investment manager's rebate	135,362	74,919
Total revenue	<u><u>11,366,176</u></u>	<u><u>2,167,626</u></u>
 4 Expenses		
	£	£
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD fee	<u>1,349,172</u>	<u>277,902</u>
 Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	79,775	23,889
Safe custody fee	<u>17,277</u>	<u>4,006</u>
	<u>97,052</u>	<u>27,895</u>
 Other expenses:		
Audit fee	8,081	8,053
FCA fee	115	161
Legal fee	840	3,600
Other fees and subscriptions	<u>63,705</u>	<u>23,701</u>
	<u>72,741</u>	<u>35,515</u>
Total expenses	<u><u>1,518,965</u></u>	<u><u>341,312</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	31.12.17 £	From 25.01.16 to 31.12.16 £
5. Taxation		
(a) Analysis of charge in the year		
Irrecoverable income tax	-	5,622
Total tax charge for the year (note 5b)	<u>-</u>	<u>5,622</u>
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 19.25% (2016:20%). The differences are explained below:		
Net revenue before taxation	9,846,903	1,826,314
Corporation tax at 19.25% (2016:20%)	1,895,529	365,263
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(2,006,985)	(403,146)
Current year expenses not utilised	111,456	37,883
Irrecoverable income tax	-	5,622
Total tax charge for year (note 5a)	<u>-</u>	<u>5,622</u>
(c) Provision for deferred taxation		
At 31 December 2017 there is a potential deferred tax asset of £130,629 at 17% corporation tax rate (31 December 2016: £37,883 at 20% corporation tax) in relation to surplus management expenses. It is unlikely the Company will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.		
6. Finance costs		
	£	£
Interim dividend distributions	8,007,268	1,265,554
Final dividend distribution	<u>2,626,812</u>	<u>1,312,518</u>
	10,634,080	2,578,072
Add: Revenue deducted on cancellation of shares	221,691	9,142
Deduct: Revenue received on issue of shares	(1,008,868)	(766,522)
Net distribution for the year	9,846,903	1,820,692
Interest payable and similar charges	<u>308</u>	<u>-</u>
Total finance costs	<u>9,847,211</u>	<u>1,820,692</u>
Reconciliation of distributions		
Net revenue after taxation	9,846,903	1,820,692
Net distribution for the year	<u>9,846,903</u>	<u>1,820,692</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7	Debtors	31.12.17	31.12.16
		£	£
	Amounts receivable for issue of shares	1,517,167	4,719,737
	Management fee rebate receivable	15,594	74,918
	Accrued revenue	<u>645,495</u>	<u>154,956</u>
	Total debtors	<u><u>2,178,256</u></u>	<u><u>4,949,611</u></u>
8	Cash and bank balances	31.12.17	31.12.16
		£	£
	Cash and bank balances	<u>2,381,903</u>	<u>1,427,586</u>
9	Creditors	31.12.17	31.12.16
		£	£
	Accrued expenses	176,025	124,111
	Outstanding settlement	<u>-</u>	<u>251,779</u>
	Total creditors	<u><u>176,025</u></u>	<u><u>375,890</u></u>
10.	Units held		
	Units Held – C Net Income GBP		
	Opening units at 01.01.17	13,803,403	
	Units issued during the year	43,434,460	
	Units cancelled during the year	(16,497,440)	
	Units converted during the year	-	
	Closing units at 31.12.17	40,740,423	
	Units Held – C Net Income EUR		
	Opening units at 21.06.17	-	
	Units issued during the period	42,300	
	Units cancelled during the period	-	
	Units converted during the period	-	
	Closing units at 31.12.17	42,300	
	Units Held – C Net Accumulation GBP		
	Opening units at 01.01.17	31,508,886	
	Units issued during the year	83,934,924	
	Units cancelled during the year	(53,595,179)	
	Units converted during the year	-	
	Closing units at 31.12.17	61,848,631	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Units Held – C Net Accumulation EUR	
Opening units at 18.05.17	-
Units issued during the period	122,070
Units cancelled during the period	(52,213)
Units converted during the period	-
Closing units at 31.12.17	69,857

Units Held – I Net Income GBP	
Opening units at 01.01.17	30,093,907
Units issued during the year	49,148,567
Units cancelled during the year	(19,834,196)
Units converted during the year	-
Closing units at 31.12.17	59,408,278

Units Held – I Net Income USD	
Opening units at 01.01.17	300,000
Units issued during the year	-
Units cancelled during the year	-
Units converted during the year	-
Closing units at 31.12.17	300,000

Units Held – I Net Accumulation GBP	
Opening units at 01.01.17	22,793,378
Units issued during the year	58,776,435
Units cancelled during the year	(21,343,719)
Units converted during the year	-
Closing units at 31.12.17	60,226,094

11. Financial instruments

In pursuing its investment objective as stated on page 6, the Company holds a number of financial instruments. The Company's financial instruments comprise securities and other investments, currency hedge, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Company's financial instruments, those of its underlying holdings and the ACD's policies for managing these risks are summarised below. These policies have been applied throughout the year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Market price risk

Market price risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Company holds. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.12.17 would have increased/decreased by £24,468,590 (2016: £10,189,974).

Foreign currency risk

Foreign currency risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

Net currency monetary assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	31.12.17	31.12.16	31.12.17	31.12.16	31.12.17	31.12.16
Sterling	3,248,067	5,419,633	244,685,902	101,899,738	247,933,969	107,319,371
Total	3,248,067	5,419,633	244,685,902	101,899,738	247,933,969	107,319,371

Interest rate risk

The table below details the interest rate risk profile at the balance sheet date.

31.12.17			
Currency	Floating rate financial assets	Financial assets not carrying interest	Total
	£	£	£
Sterling	2,381,903	246,864,158	249,246,061
Total	2,381,903	246,864,158	249,246,061
	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
	£	£	£
Sterling	-	(1,312,092)	(1,312,092)
Total	-	(1,312,092)	(1,312,092)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

31.12.16			
Currency	Floating rate financial assets	Financial assets not carrying interest	Total
	£	£	£
Sterling	1,427,586	106,849,349	108,276,935
Total	1,427,586	106,849,349	108,276,935
	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
	£	£	£
Sterling	-	(957,564)	(957,564)
Total	-	(957,564)	(957,564)

Interest rate risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in interest rates.

Maturity of financial liabilities

The financial liabilities of the company as at 31 December 2017 are payable either within one year or on demand.

Liquidity risk

The Company's assets comprise mainly of readily realisable securities. The main liability of the Company is the redemption of any shares that the investors wish to sell. Assets of the Company may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities and bonds that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the ACD as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

A Fair value based on a quoted price for an identical instrument in an active market.

B Fair value based on the price of a recent transaction for an identical instrument.

C1 Fair value based on a valuation technique using observable market data.

C2 Fair value based on a valuation technique that relies significantly on non-observable market data.

Valuation Technique	Assets (£'000)	Liabilities (£'000)
A Quoted prices for identical instruments in active markets	244,686	-
Total	244,686	-

12. Contingent assets and liabilities

At 31 December 2017, the Fund had no contingent liabilities or commitments. (2016: £nil)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 29 December 2017. Since that date, the Fund's quoted mid price has moved as follows for each share class:

Share class	Price (GBP) at 29 December 2017	Price (GBP) at 10 April 2018
Class C Net Income GBP	106.2184	100.6113
Class C Net Income EUR (EURc)	95.0649	89.7474
Class I Net Income GBP	105.9131	100.3273
Class I Net Income USD (USc)	108.2925	102.9225
C Net Accumulation GBP	116.2285	111.8220
C Net Accumulation EUR (EURc)	97.7968	93.7903
I Net Accumulation GBP	116.5548	112.1986

14. Portfolio transaction costs

	31.12.17		31.12.16	
	£	£	£	£
Analysis of total purchase costs				
Purchases in the year before transaction costs		177,679,876		100,210,678
Commissions	128,896	0.07%	85,287	0.08%
Taxes	223,307	0.13%	106,433	0.11%
Interest	-	0.00%	31,600	0.03%
Levies	231	0.00%	640	0.00%
Total purchase costs	352,434	0.20%	223,960	0.22%
Total purchases including transaction costs		<u>178,032,310</u>		<u>100,434,638</u>
Analysis of total sale costs				
Sales in year before transaction costs		31,322,039		1,525,889
Commissions	(31,180)	0.10%	(325)	0.02%
Levies	(32)	0.00%	(2)	0.00%
Total sale costs	(31,212)	0.10%	(327)	0.02%
Total sales net of transaction costs		<u>31,290,827</u>		<u>1,525,562</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the year:

	2017 £	% of average net asset value	2016 £	% of average net asset value
Commissions	160,076	0.06%	85,612	0.08%
Taxes	223,307	0.09%	106,433	0.10%
Interest	-	0.00%	31,600	0.03%
Levies	263	0.00%	642	0.00%
	<u>383,646</u>	<u>0.15%</u>	<u>224,287</u>	<u>0.21%</u>

DISTRIBUTION TABLES

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 January 2017

Group 2: Shares purchased 01 January 2017 to 31 March 2017

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
28.04.17	group 1	C Net Income GBP	0.9549	-	0.9549
28.04.17	group 2	C Net Income GBP	0.3867	0.5682	0.9549
28.04.17	group 1	I Net Income GBP	1.0052	-	1.0052
28.04.17	group 2	I Net Income GBP	0.5019	0.5033	1.0052
28.04.17	group 1	I Net Income USD	0.8196	-	0.8196
28.04.17	group 2	I Net Income USD	0.8196	-	0.8196
28.04.17	group 1	C Net Acc GBP	0.9957	-	0.9957
28.04.17	group 2	C Net Acc GBP	0.5033	0.4924	0.9957
28.04.17	group 1	I Net Acc GBP	1.0527	-	1.0527
28.04.17	group 2	I Net Acc GBP	0.4194	0.6333	1.0527

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 April 2017

Group 2: Shares purchased 01 April 2017 to 30 June 2017

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
31.07.17	group 1	C Net Income GBP	1.7345	-	1.7345
31.07.17	group 2	C Net Income GBP	1.0220	0.7125	1.7345
31.07.17	group 1	C Net Income EUR	0.0445	-	0.0445
31.07.17	group 2	C Net Income EUR	0.0445	-	0.0445
31.07.17	group 1	I Net Income GBP	1.7848	-	1.7848
31.07.17	group 2	I Net Income GBP	0.9777	0.8071	1.7848
31.07.17	group 1	I Net Income USD	1.4068	-	1.4068
31.07.17	group 2	I Net Income USD	1.4068	-	1.4068
31.07.17	group 1	C Net Acc GBP	1.8237	-	1.8237
31.07.17	group 2	C Net Acc GBP	0.6476	1.1761	1.8237
31.07.17	group 1	C Net Acc EUR	0.8518	-	0.8518
31.07.17	group 2	C Net Acc EUR	0.8518	-	0.8518
31.07.17	group 1	I Net Acc GBP	1.8849	-	1.8849
31.07.17	group 2	I Net Acc GBP	0.8845	1.0004	1.8849

DISTRIBUTION TABLES (Continued)

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 July 2017

Group 2: Shares purchased 01 July 2017 to 30 September 2017

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
31.10.17	group 1	C Net Income GBP	1.4603	-	1.4603
31.10.17	group 2	C Net Income GBP	0.7998	0.6605	1.4603
31.10.17	group 1	C Net Income EUR	1.1718	-	1.1718
31.10.17	group 2	C Net Income EUR	0.8887	0.2831	1.1718
31.10.17	group 1	I Net Income GBP	1.5101	-	1.5101
31.10.17	group 2	I Net Income GBP	0.8472	0.6629	1.5101
31.10.17	group 1	I Net Income USD	1.1794	-	1.1794
31.10.17	group 2	I Net Income USD	1.1794	-	1.1794
31.10.17	group 1	C Net Acc GBP	1.5599	-	1.5599
31.10.17	group 2	C Net Acc GBP	0.8957	0.6642	1.5599
31.10.17	group 1	C Net Acc EUR	1.1861	-	1.1861
31.10.17	group 2	C Net Acc EUR	1.1861	-	1.1861
31.10.17	group 1	I Net Acc GBP	1.6214	-	1.6214
31.10.17	group 2	I Net Acc GBP	0.8993	0.7221	1.6214

Final distributions in pence per share

Group 1: Shares purchased prior to 01 October 2017

Group 2: Shares purchased 01 October 2017 to 31 December 2017

Payment date	Unit type	Share class	Net revenue 2018	Equalisation 2018	Distribution paid / allocated 2018
31.01.18	group 1	C Net Income GBP	1.1081	-	1.1081
31.01.18	group 2	C Net Income GBP	0.5047	0.6034	1.1081
31.01.18	group 1	C Net Income EUR	0.8800	-	0.8800
31.01.18	group 2	C Net Income EUR	0.8800	-	0.8800
31.01.18	group 1	I Net Income GBP	1.1473	-	1.1473
31.01.18	group 2	I Net Income GBP	0.6056	0.5417	1.1473
31.01.18	group 1	I Net Income USD	0.8886	-	0.8886
31.01.18	group 2	I Net Income USD	0.8886	-	0.8886
31.01.18	group 1	C Net Acc GBP	1.2145	-	1.2145
31.01.18	group 2	C Net Acc GBP	0.4953	0.7192	1.2145
31.01.18	group 1	C Net Acc EUR	0.8959	-	0.8959
31.01.18	group 2	C Net Acc EUR	0.8959	-	0.8959
31.01.18	group 1	I Net Acc GBP	1.2270	-	1.2270
31.01.18	group 2	I Net Acc GBP	0.9804	0.2466	1.2270

DISTRIBUTION TABLES (Continued)

EQUALISATION

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

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 96.33% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 3.67% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Size of Sub-Fund	£3,034,906
Launch date	18 December 2017
Company objective and policy	<p>The investment objective of the VT Gravis Clean Energy Income Fund is to generate income and preserve capital with potential for capital growth.</p> <p>The Sub-Fund will aim to meet its objectives by investing primarily in listed equities whose primary activity or exposure is within the clean energy sector. In addition to investing in equities, the Sub-Fund may also invest in other transferable securities, bonds, collective investment schemes, money market instruments, deposits, cash and near cash.</p> <p>Other than as noted in the policy there is no particular emphasis on any geographical area or industry or economic sector.</p>
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March, 30 June, 30 September, 31 December
Distribution dates	30 April, 31 July, 31 October, 31 January
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.
Minimum investment	
Lump sum subscription:	Class C = £100 Class I = £10,000,000
Top-up:	Class C = £100 Class I = £10,000
Holding:	Class C = £100 Class I = £10,000,000
Redemption:	N/A (provided minimum holding is maintained)
Switching	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges	Nil

The ACD may waive the minimum levels (and initial charge) at its discretion.

ACD charges

The annual management charge is as follows:

In respect of the Class C shares, it is equal to 0.80% per annum of the net asset value of the Class C shares.

In respect of the Class I shares it is equal to 0.70% per annum of the net asset value of the Class I shares.

The investment manager shall reimburse the Fund for an amount which, when deducted from the operating costs incurred by the Fund during the relevant accounting period, would result in the Fund having a total OCF equal to the stated AMC for each share class e.g. 0.80% in the case of Class C shares and 0.70% in the case of Class I shares in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

This report is a review of the performance of the VT Gravis Clean Energy Income Fund (the "Fund") during the period ending 31 December 2017. The Fund launched on 18 December 2017.

The performance objectives of the Fund are:

- a. to deliver a 4.5% income, via quarterly dividend payments;
- b. to preserve investors' capital throughout market cycles with the potential for capital growth and protection from inflation; and
- c. to exhibit lower volatility compared to broader global equity markets.

The Fund seeks to achieve these objectives by investing in a portfolio of securities providing exposure to the global clean energy sector including companies involved in the operation, funding, construction, storage and supply of renewable energy and those engaged in energy efficiency, and the reduction of pollutants arising from energy generation and usage. The Fund may invest in a range of security types, namely Closed End Investment Companies, bonds and publicly listed equities.

The Fund aims to achieve its objectives by investing in a diversified portfolio of holdings with a minimum of 22 underlying positions. At the end of December 2017, the Fund comprised of 31 holdings. Many of these holdings represent companies, which in turn are exposed to diversified portfolios of renewable energy projects thereby providing greater portfolio diversification at a disaggregated level.

The Fund will typically seek to maintain a stable and consistent approach to portfolio construction. The investment manager believes that a properly constructed portfolio will perform throughout market cycles and that excessive levels of portfolio turnover will detract from performance. During the review period the Fund was investing the initial cash raised at launch and there was no portfolio turnover.

The Fund's performance during the short review period was satisfactory and consistent with the Fund's objectives. Underlying company performance varied within a tight range.

The Class C net accumulation GBP shares were priced at 99.9600p on 29th December 2017, which represents a total return since launch of -0.04%. The Class C net income GBP shares were priced at 99.6377p on 29th December 2017, which represents a total return since launch of -0.04%.

The Fund declared its maiden dividend on 31st December 2017.

The investment manager believes the Fund's underlying holdings offer a compelling value proposition that the market environment is supportive of the Fund's objectives and strategy.

Gravis Advisory Limited

Investment Manager to the Fund

PERFORMANCE RECORD

		Period from 18 December 2017 to 31 December 2017[^]
Class C Net Income GBP		
Changes in net assets per unit		GBP
	Opening net asset value per unit	<u>100.0000</u>
	Return before operating charges	0.0010
	Operating charges (note 1)	<u>(0.0394)</u>
	Return after operating charges*	(0.0384)
	Distributions on income units	<u>(0.3239)</u>
	Closing net asset value per unit	<u>99.6377</u>
	*after direct transaction costs of:	0.1098
Performance		
	Return after charges	(0.04%)
Other information		
	Closing net asset value	£1,137,073
	Closing number of units	1,141,207
	Operating charges (note 2)	0.80%
	Direct transaction costs	0.11%
Prices		
	Highest unit price	100.00
	Lowest unit price	99.09

[^]Sub-fund launched 18 December 2017

		Period from 18 December 2017 to 31 December 2017[^]
Class C Net Accumulation GBP		
Changes in net assets per unit		GBP
	Opening net asset value per unit	<u>100.0000</u>
	Return before operating charges	(0.0006)
	Operating charges (note 1)	<u>(0.0394)</u>
	Return after operating charges*	(0.0400)
	Closing net asset value per unit	<u>99.9600</u>
	Retained distributions on accumulated units	0.3220
	*after direct transaction costs of:	0.1100
Performance		
	Return after charges	(0.04%)
Other information		
	Closing net asset value	£910,419
	Closing number of units	910,784
	Operating charges (note 2)	0.80%
	Direct transaction costs	0.11%
Prices		
	Highest unit price	100.00
	Lowest unit price	99.09

[^]Sub-fund launched 18 December 2017

PERFORMANCE RECORD

Class I Net Income GBP		Period from 18 December 2017 to 31 December 2017[^]
Changes in net assets per unit		GBP
	Opening net asset value per unit	<u>100.0000</u>
	Return before operating charges	0.0735
	Operating charges (note 1)	<u>(0.0394)</u>
	Return after operating charges*	(0.0341)
	Distributions on income units	<u>(0.3280)</u>
	Closing net asset value per unit	<u>99.6379</u>
	*after direct transaction costs of:	0.1098
Performance		
	Return after charges	(0.03%)
Other information		
	Closing net asset value	£996,379
	Closing number of units	1,000,000
	Operating charges (note 2)	0.70%
	Direct transaction costs	0.11%
Prices		
	Highest unit price	100.00
	Lowest unit price	99.09

[^]Sub-fund launched 18 December 2017

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

Risk Profile

Based on past data, the Fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Fund is ranked 5 because simulated monthly historical performance data indicates that it has experienced relatively high rises and falls in market prices historically.

PORTFOLIO STATEMENT

As at 31 December 2017

Holding		Value £	% of net assets
	EQUITIES		
16,000	8Point3 Energy Partners LP	181,247	5.98
7,800	Atlantica Yield Plc	121,315	4.00
104,549	Bluefield Solar Income Fund Ltd	122,845	4.05
21,600	Capital Stage AG	123,122	4.06
3,820	Endesa SA	60,643	2.00
530	First Solar Inc	26,836	0.88
104,918	Foresight Solar Fund Ltd	113,049	3.72
74,112	Greencoat Renewables Plc	71,109	2.34
130,894	Greencoat UK Wind Plc	161,392	5.32
8,000	Hannon Armstrong Sustainable Infrastructure Capital Inc	143,120	4.72
9,500	Iberdrola SA	54,754	1.80
10,700	Innergex Renewable Energy Inc	92,102	3.03
1,950	Innogy SE	56,623	1.87
750	JinkoSolar Holding Co Ltd	13,729	0.45
106,790	John Laing Environmental Assets Group Ltd	116,535	3.84
920	Johnson Matthey Plc	28,336	0.93
81,400	Meridian Energy Ltd	125,614	4.14
109,977	NextEnergy Solar Fund Ltd	124,686	4.11
3,850	Nextera Energy Partners LP	121,057	3.99
2,000	Nibe Industrier AB	14,338	0.47
6,650	Northland Power Inc	92,057	3.03
8,700	NRG Yield Inc	121,621	4.01
1,190	Oersted A/S	47,995	1.58
7,900	Prysmian SpA	126,235	4.16
1,170	Pattern Energy Group Inc	28,370	0.93
113,197	Renewables Infrastructure Group Ltd	122,649	4.05
17,900	Saeta Yield SA	155,505	5.13
4,000	Siemens Gamesa Renewable Energy SA	40,749	1.34
16,000	TransAlta Renewables Inc	126,242	4.16
260	Universal Display Corp	33,660	1.11
540	Vestas Wind Systems A/S	27,333	0.90
	TOTAL EQUITIES	2,794,868	92.09
	Portfolio of investments	2,794,868	92.09%
	Net other assets	245,938	8.10%
	Adjustment to revalue assets from mid to bid prices	(5,900)	(0.19%)
		3,034,906	100.00%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the period (note 14)	-
Total purchases for the period (note 14)	2,800,199
8Point3 Energy Partners LP	182,499
Atlantica Yield PLC	124,854
Bluefield Solar Income Fund Ltd	122,078
Capital Stage AG	123,850
Endesa SA	63,118
First Solar Inc	28,007
Foresight Solar Fund Ltd	111,982
Greencoat Renewables Plc	70,236
Greencoat UK Wind Plc	161,835
Hannon Armstrong Sustainable Infrastructure Capital Inc	144,867
Iberdrola SA	56,008
Innergex Renewable Energy Inc	90,511
Innogy SE	56,840
JinkoSolar Holding Co Ltd	13,835
John Laing Environmental Assets Group Ltd	114,915
Johnson Matthey PLC	28,184
Meridian Energy Ltd	125,283
NextEnergy Solar Fund Ltd	121,922
Nextera Energy Partners LP	123,932
Nibe Industrier AB	14,166
Northland Power Inc	90,066
NRG Yield Inc	122,205
Oersted A/S	49,203
Pattern Energy Group Inc	128,154
Prysmian SpA	28,045
Renewables Infrastructure Group Ltd	122,082
Saeta Yield SA	156,170
Siemens Gamesa Renewable Energy SA	42,218
TransAlta Renewables Inc	121,608
Universal Display Corp	33,557
Vestas Wind Systems A/S	27,969

The above transactions represent all of the purchases during the period. There were no sales during the period.

STATEMENT OF TOTAL RETURN

For the period from 18 December 2017 to 31 December 2017

		31.12.17	
	Notes	£	£
Income			
Net capital losses	2		(16,277)
Revenue	3	12,583	
Expenses	4	(5,770)	
Finance costs: interest	6	-	
Net revenue before taxation		<u>6,813</u>	
Taxation	5	<u>-</u>	
Net revenue after taxation			<u>6,813</u>
Total return before distributions			(9,464)
Finance costs: distributions	6		(9,878)
Change in net assets attributable to shareholders from investment activities			<u><u>(19,342)</u></u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period from 18 December 2017 to 31 December 2017

	31.12.17
	£
Opening net assets attributable to shareholders	-
Amounts receivable on creation of shares	3,051,315
Amounts payable on cancellation of shares	-
Dividends reinvested	2,933
Change in net assets attributable to shareholders from investment activities (see above)	(19,342)
Closing net assets attributable to shareholders	<u><u>3,034,906</u></u>

The Sub-Fund launched 18 December 2017 and therefore there are no comparative figures.

BALANCE SHEET

As at 31 December 2017

	Notes	31.12.17	
		£	£
ASSETS			
Investment assets			2,788,968
Current assets			
Debtors	7	62,966	
Cash and bank balances	8	<u>196,180</u>	
Total current assets			<u>259,146</u>
Total assets			3,048,114
LIABILITIES			
Bank overdraft	8	(1,257)	
Distribution payable on income shares		(6,976)	
Creditors	9	(4,975)	
Total liabilities			<u>(13,208)</u>
Net assets attributable to shareholders			<u><u>3,034,906</u></u>

The Sub-Fund launched 18 December 2017 and therefore there are no comparative figures.

NOTES TO THE FINANCIAL STATEMENTS

For the period from 18 December 2017 to 31 December 2017

1 Accounting policies

(b) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

Equalisation received by the way of distributions from OEICs/unit trust investment is not included in revenue but is reflected as a reduction in the book cost of that investment.

(c) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, other than those relating to the buying and selling of investments which are charged to capital, all expenses are charged to the revenue of the Fund.

(f) Where the revenue from investments exceeds the expenses of the Fund, quarterly distributions are allocated to all holders of income and accumulation shares.

(g) The listed investments of the Fund have been valued at bid market prices at the closing valuation point on 29 December 2017.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 29 December 2017.

(i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In certain circumstances the ACD may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Fund, is intended to cover certain charges not included in the bid market value of the Fund, used in calculating the share price, which could have a diluting effect on the performance of the Fund.

(k) Equalisation will be applied to the Company. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	From 18.12.17 to 31.12.17
2 Net capital (losses)	
The net capital losses comprise:	£
Non-derivative securities losses	(11,231)
Currency (losses)	(4,581)
Transaction charges	(465)
	<hr/>
Total net capital (losses)	<u><u>(16,277)</u></u>
3 Revenue	
	£
Overseas dividends	10,564
Investment manager's rebate	2,019
	<hr/>
Total revenue	<u><u>12,583</u></u>
4 Expenses	
	£
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:	
Annual management charge	1,289
Payable to the depositary, associates of the depositary, and agents of either of them:	
Depositary fee	542
Safe custody fee	16
	<hr/>
	<u>558</u>
Other expenses:	
Audit fee	3,300
FCA fee	5
Other expenses	618
	<hr/>
	<u>3,923</u>
	<hr/>
Total expenses	<u><u>5,770</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	From 18.12.17 to 31.12.17
5. Taxation	
	£
(a) Analysis of charge in the period	
Irrecoverable income tax	-
	<hr/>
Total current tax charge for the period (note 5b)	<hr/> <hr/> -
(b) Factors affecting current tax charge for the period	
The tax assessed for the period is lower than the standard rate of corporation tax in the UK for an open-ended investment company (19.00%). The differences are explained below:	
Net revenue before taxation	6,813
Corporation tax at 19.00%	1,295
<u>Effects of:</u>	
Revenue not subject to UK corporation tax	(2,007)
Current period expenses not utilised	712
Irrecoverable income tax	-
Current tax charge for period (note 5a)	<hr/> <hr/> -
(c) Provision for deferred taxation	
At 31 December 2017 there is a potential deferred tax asset of £637 (at 17% corporation tax rate) in relation to surplus management expenses. It is unlikely the Company will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.	
6. Finance costs	
	£
Interim distributions	-
Final distribution	9,909
	<hr/>
	9,909
Add: Revenue deducted on cancellation of shares	-
Deduct: Revenue received on issue of shares	(31)
	<hr/>
Net distribution for the period	9,878
Interest	-
Total finance costs	<hr/> <hr/> 9,878
Reconciliation of distributions	
Net revenue after taxation	6,813
Expenses paid from capital	3,065
	<hr/>
Net distribution for the period	<hr/> <hr/> 9,878

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7	Debtors		31.12.17		£
	Amounts receivable for issue of shares				50,375
	Management fee rebate receivable				2,019
	Accrued revenue				10,572
					<u>62,966</u>
	Total debtors				<u>62,966</u>
8	Cash and bank balances		31.12.17		£
	Cash and bank balances				<u>196,180</u>
	Bank overdrafts				<u>(1,257)</u>
9	Creditors		31.12.17		£
	Accrued expenses				4,975
					<u>4,975</u>
	Total creditors				<u>4,975</u>
10	Units held				
	Units Held – C Net Income GBP				
	Opening units at 18.12.17	-			
	Units issued during the period	1,141,207			
	Units cancelled during the period	-			
	Units converted during the period	-			
	Closing units at 31.12.17	1,141,207			
	Units Held – C Net Accumulation GBP				
	Opening units at 18.12.17	-			
	Units issued during the period	910,784			
	Units cancelled during the period	-			
	Units converted during the period	-			
	Closing units at 31.12.17	910,784			
	Units Held – I Net Income GBP				
	Opening units at 18.12.17	-			
	Units issued during the period	1,000,000			
	Units cancelled during the period	-			
	Units converted during the period	-			
	Closing units at 31.12.17	1,000,000			

11. Financial instruments

In pursuing its investment objective as stated on page 28, the Company holds a number of financial instruments. The Company's financial instruments comprise securities and other investments, currency hedge, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Company's financial instruments, those of its underlying holdings and the ACD's policies for managing these risks are summarised below. These policies have been applied throughout the period.

Market price risk

Market price risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Company holds. It represents the potential loss the Company might suffer through holding market positions in the face of price movements.

The Company's investment portfolio is exposed to market price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the period ended 31.12.17 would have increased/decreased by £278,897.

Foreign currency risk

Foreign currency risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

Net currency monetary assets and liabilities consist of:

	Net monetary assets and liabilities	Non-monetary assets	Total net assets
	£	£	£
	31.12.17	31.12.17	31.12.17
Sterling	235,370	783,592	1,018,962
US Dollars	6,583	888,820	895,403
Euro	2,136	590,874	593,010
Canadian Dollars	1,849	310,402	312,251
Swedish Krona	-	14,338	14,338
Danish Krone	-	75,328	75,328
New Zealand Dollar	-	125,614	125,614
Total	245,938	2,788,968	3,034,906

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Interest rate risk

The table below details the interest rate risk profile at the balance sheet date.

31.12.17			
Currency	Floating rate financial assets	Financial assets not carrying interest	Total
	£	£	£
Sterling	196,180	835,990	1,032,170
US Dollars	-	895,403	895,403
Euro	-	593,010	593,010
Canadian Dollars	-	312,251	312,251
Swedish Krona	-	14,338	14,338
Danish Krone	-	75,328	75,328
New Zealand Dollar	-	125,614	125,614
Total	196,180	2,851,934	3,048,114
	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
	£	£	£
Sterling	(1,257)	(11,951)	(13,208)
Total	(1,257)	(11,951)	(13,208)

Interest rate risk is the risk that the value of the Company's investment holdings will fluctuate as a result of changes in interest rates.

Maturity of financial liabilities

The financial liabilities of the company as at 31 December 2017 are payable either within one year or on demand.

Liquidity risk

The Company's assets comprise mainly of readily realisable securities. The main liability of the Company is the redemption of any shares that the investors wish to sell. Assets of the Company may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company only buys and sells investments through brokers which have been approved by the ACD as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

A Fair value based on a quoted price for an identical instrument in an active market.

B Fair value based on the price of a recent transaction for an identical instrument.

C1 Fair value based on a valuation technique using observable market data.

C2 Fair value based on a valuation technique that relies significantly on non-observable market data.

Valuation Technique	Assets (£'000)	Liabilities (£'000)
A Quoted prices for identical instruments in active markets	2,789	-
Total	2,789	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. Contingent assets and liabilities

At 31 December 2017, the Fund had no contingent liabilities or commitments.

13. Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 29 December 2017. Since that date, the Fund's quoted mid price has moved as follows for each share class:

Share class	Price (GBP) at 29 December 2017	Price (GBP) at 10 April 2018
Class C Net Income GBP	99.6377	92.5919
Class I Net Income GBP	99.6379	92.6057
Class C Net Accumulation GBP	99.9600	93.6621

14. Portfolio transaction costs

	31.12.17	
Analysis of total purchase costs	£	% of total purchases
Purchases in the period before transaction costs	2,797,395	
Commissions	1,824	0.06%
Taxes	972	0.03%
Levies	8	0.00%
Total purchase costs	2,804	0.09%
Total purchases including transaction costs	2,800,199	
Analysis of total sale costs	£	% of total sales
Sales in the period before transaction costs	-	
Commissions	-	0.00%
Levies	-	0.00%
Total sale costs	-	0.00%
Total sales net of transaction costs	-	

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the period:

	2017 £	% of average net asset value
Commissions	1,824	0.06%
Taxes	972	0.03%
Levies	8	0.00%
	2,804	0.09%

DISTRIBUTION TABLES

Final distributions in pence per share

Group 1: Shares purchased prior to 18 December 2017

Group 2: Shares purchased 18 December to 31 December 2017

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
31.01.18	group 1	C Net Income GBP	0.3239	-	0.3239
31.01.18	group 2	C Net Income GBP	0.3057	0.0182	0.3239
31.01.18	group 1	I Net Income GBP	0.3280	-	0.3280
31.01.18	group 2	I Net Income GBP	0.3280	-	0.3280
31.01.18	group 1	C Net Acc GBP	0.3220	-	0.3220
31.01.18	group 2	C Net Acc GBP	0.3112	0.0108	0.3220

EQUALISATION

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

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- iii) 100.00% of the total dividend allocation together with the tax credit is received as franked investment income.
- iv) 0.00% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

INFORMATION FOR INVESTORS

Distribution

Distributions of the revenue of the Company will be made to shareholders on or before 31 January each year and interim allocations of revenue on or before 30 April, 31 July and 31 October.

Individual shareholders

HM Revenue and Customs changed the taxation of dividends on 6 April 2016. Dividend tax credits were abolished and replaced by a tax-free annual dividend allowance currently standing at £2,000. UK resident shareholders are now subject to new higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

Capital gains tax: Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £11,300 of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

Taxation

The company will pay no corporation tax on its profits for the period to 31 December 2017 and capital gains within the Company will not be taxed.

Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at prevailing rates and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the ACD and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 8.30am and 5.30pm. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar.

For VT Gravis UK Infrastructure Income Fund: UKinfrastructure@valu-trac.com

For VT Gravis Clean Energy Income Fund: cleanenergy@valu-trac.com

The price of shares will be determined by reference to a valuation of the Company's net assets at 10:00am on each dealing day.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the ACD may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. Settlement is due on receipt by the purchaser of the contract note and should be made to the Authorised Corporate Director's dealing account.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the ACD of a request for redemption.

The most recent issue and redemption prices are available from the ACD.

CORPORATE DIRECTORY

Authorised Corporate Director & Registrar	<p>Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE</p> <p>Telephone: 01343 880344 Fax: 01343 880267 E-mail: ukinfrastructure@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648</p>
Investment Manager	<p>Gravis Advisory Limited 53-4 Grosvenor Street London W1K 3HU</p>
Depository	<p>National Westminster Bank Plc Trustee & Depository Services Drummond House, 2nd Floor 1 Redheughs Avenue Edinburgh EH12 9RH</p> <p>Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority</p>
Auditor	<p>Johnston Carmichael LLP Chartered Accountants Commerce House Elgin IV30 1JE</p>