

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

Interim Report and Financial Statements (unaudited)
for the 6 months ended 30 June 2017

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COMPANY OVERVIEW

Type of Company

VT ThistleDown Smartfund ICVC (the 'Company') is an investment company with variable capital under the Open Ended Investment Company Regulations 2001 ((SI2001/1228)). The Company is an umbrella company with 1 sub-fund, which is a UCITS scheme. Shareholders are not liable for the debts of the Company.

The Company was incorporated and authorised by the Financial Conduct Authority on 13 June 2014 under registered number IC001011, and commenced trading with six sub-funds on 14 July 2014, which included Smartfund ThistleDown Income Fund ('ThistleDown') sub-fund whose assets were taken into the Company on 14 July 2014. The ThistleDown sub-fund itself had commenced trading on 3 December 2010. Other than ThistleDown, the assets of the other five sub-funds, comprising Smartfund Aggressive Growth, Smartfund Balanced, Smartfund Cautious, Smartfund Defensive and Smartfund Growth were transferred out during the year ended 31 December 2016 to FundLogic Alternatives plc and these five sub-funds are currently in the process of being wound up.

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

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

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

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

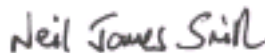
DIRECTOR'S STATEMENT

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

Anne A. Laing CA



Neil J. Smith MA BA CA



Valu-Trac Investment Management Limited
Authorised Corporate Director

Date

23rd August 2017

ACCOUNTING POLICIES

For the 6 months ended 30 June 2017

The accounting policies applied are consistent with those of the annual financial statements for the period ended 31 December 2016 and are described in those annual financial statements.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Thistle-down Income Fund
Size of Sub-fund	£12,851,517
Launch date	14 July 2014
Investment objective and policy	<p>To provide income while investing to provide some capital growth over the medium to long term.</p> <p>The Fund will seek to achieve its investment objective by investing principally in equities. The Fund may also invest in exchange traded funds ("ETFs"), fixed income securities and other collective investment schemes.</p> <p>The ACD will apply a 'value' based policy when selecting equities for the Fund's portfolio. This means that an asset will be included in the portfolio when the Investment Adviser's analysis and expertise suggests it will provide a total return over the full investment cycle or longer that is higher than the total return that could be expected from UK equity investments over the same period (i.e. between 5 and 10 year horizons). Achieving these target returns for each equity investment or for the Fund's portfolio as a whole is highly uncertain as equities are volatile assets and are expected to be the principal portfolio investment.</p> <p>The ACD will hold ETFs, fixed income securities, collective investment schemes and cash and near cash when it cannot identify enough opportunities to achieve a suitable spread of equity investments with the appropriate 'value' characteristics. The ACD will also seek to reduce investment risk by diversifying the Fund's investments across industries and countries. It will not consider the size of company or market important to its investment decision provided the ACD and the Investment Adviser believe the relevant investment will diversify risk in the portfolio. Investments in assets denominated in foreign currencies may be hedged into sterling.</p> <p>The ACD must ensure that the Fund maintains sufficient cash for the purposes of maintaining liquidity. This portion of the sub-fund's assets must be represented by cash or similarly liquid assets (which may include money market instruments, deposits or units in collective investment schemes) at all times.</p> <p>The Fund's portfolio and mix of asset classes will be rebalanced from time to time at the absolute discretion of the ACD.</p>
Annual accounting date	31 December
Interim accounting dates	30 June
Annual income allocation date	31 December
Interim income allocation dates	31 March, 30 June, 30 September
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.
Minimum investment	
Lump sum subscription:	Z Class Income/Accumulation = £3,000 F Class Income/Accumulation = £10,000,000 C Class Income/ Accumulation = £3,000
Top up:	Z Class Income/Accumulation= £500 (£100 for regular contributions) F Class Income/Accumulation = £1,000,000 C Class Income/Accumulation =£500 (£100 for regular contributions)
Holding:	Z Class Income/Accumulation = £3,000 F Class Income/Accumulation = £10,000,000 C Class Income/ Accumulation = £3,000

SUB-FUND OVERVIEW (Continued)

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

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

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

ACD charges

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

The fixed element, which is equal to £20,000 per annum, is taken from Z Class, F Class Shares and C Class Shares pro-rata to their Net Asset Value.

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

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

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

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

INVESTMENT MANAGER'S REVIEW

PERFORMANCE

The fund returned 5% over the six months. This was in line with the UK market and respectable given the levels of cash and bonds held.

ADMINISTRATION

It is difficult to summon up enthusiasm for administration, and the fund administration has not changed since I discussed it in May. So why bring it up? Because I think it will change substantially before the year end as result of MIFID2 and the recent FCA consultation on investment management.

What follows is a list of changes brought about by MIFID2 and suggested in the recent FCA review.

Research, reporting, fees and independent directors.

Research. Research produced by stockbrokers is currently provided to fund managers 'free' because its cost is bundled in commission charged by stockbrokers when dealing in investments. (By the way the term stockbroker barely exists anymore, but it will do for this purpose) MIFID 2 will force this to be 'unbundled', with firms paying for research and paying for dealing. This has forced fund managers to acknowledge the benefit that they receive and to work out how to pay for this in future. This is a fundamental change and has the potential to increase the costs of fund management firms. I do not foresee any change for ThistleDown. The firm has always been too small to interest stockbrokers and I have done my own research for the last 7 years. Dealing for the fund has been done at low rates and has not 'bought' research.

Transaction reporting. MIFID2 requires ThistleDown to report transactions to the authorities. This requires new software and training all of which are costly and time consuming.

Fees. It is likely that an all-in fee will be mandated for the management of funds. Currently parts of the fee vary with the level of transactions and depending on the investment held, whilst others are fixed. The suggestion is that the investor will pay a flat fee and the fund manager will see their costs vary.

Directors. It is probable that there will be a requirement to employ independent directors to oversee a fund. This is work in progress but might require the appointment of at least two independent directors to oversee the management of the fund. They will expect to be paid.

I calculate that these changes threaten the viability of both my firm and the fund. It is for this reason that over the next few months ThistleDown is likely to partner with a larger firm. I doubt it is the intention of regulation to squash small firms but that is its effect. But every cloud has a silver lining. The new structure should allow me to spend less time on regulation and have more time to spend on investment. The longer term effects are not yet clear but seem likely to increase costs considerably. A larger firm can spread these costs more widely making them less of a burden on a single fund. I remain the single largest investor in the fund and believe these changes are the best way to ensure the fund continues to provide a good home for my savings, and I hope yours.

INVESTMENT MANAGER'S REVIEW (Continued)

OBJECTIVE

The objective of the fund is “To provide income while investing to provide some capital growth over the medium to long term”.

This is clear but I realised, while discussing the fund with a potential investor, that it does not tell the whole story. I have the bulk of my savings in the fund hence the need to provide an income, but I cannot afford to lose my savings. (It is unlikely at my age I could make them back.) Most of the time there is no tension between these two aims; in fact perversely most of the time aiming for a higher income has actually helped to produce capital growth. But sometimes there is a tension and I think that today is one of those times. The reason for this is the low interest rate policy of the last 9 years. Savers are being forced to take more risk to create an income, inflating the value of these risky investments. A current example: high yield bond investments in Europe (these used to be called junk) pay less than US 10 year government bonds, so desperate are Europeans to buy anything that pays an income.

Incidentally, if you are looking for investment advice make sure to keep up with Vince Cable who noted in the Mail on Sunday on August 6th. *‘Pensioners have suffered relatively little from the aftermath of the financial crisis – unless they were slow to shift savings from banks to shares or property.’* Difficult to imagine why pensioners would be slow to move their savings from bank deposits to shares – maybe they thought it was risky?

I believe this will not end well and have over 30% of the fund invested in low risk, but very low yielding assets. The remainder is invested in equities that I believe are diversified and provide some income. This allocation will not stop the fund falling in value if the market tumbles as I expect, but it should reduce the potential loss and provide an opportunity to invest fully at much better levels.

Thistledown Investment Management Limited
Investment Manager to the Fund

PORTFOLIO STATEMENT

As at 30 June 2017

Holding	Investment	Value £	% of net assets
	Europe excluding UK 8.21% (31 December 2016 :8.37%)		
70,236	Distribuidora Internacional De Alimentacion	336,563	2.62
33,807	Fondul P (REGS)	271,336	2.11
22,971	Svenska Handelsbanken	252,460	1.97
1,561	Total Gabon S.A.	194,246	1.51
		<u>1,054,605</u>	<u>8.21</u>
	Global Emerging Markets 9.85% (31 December 2016 :7.31%)		
12,408	iShares Emerging Markets Local Government Bond UCITS ETF	631,071	4.91
27,595	SPDR S&P Emerging Markets Dividends ETF	634,373	4.94
		<u>1,265,444</u>	<u>9.85</u>
	Asia ex Japan Equity 4.23% (31 December 2016 :2.16%)		
431	Samsung Electronics	343,765	2.67
300,000	Emperor Entertainment Hotel Ltd	56,066	0.44
225,000	Lion Rock Group Ltd	37,501	0.29
15,000	Pasona Group Inc	106,708	0.83
		<u>544,040</u>	<u>4.23</u>
	Japan 8.42% (31 December 2016 :8.33%)		
95,229	CF Morant Wright Nippon Yield	1,082,578	8.42
	North America 8.32% (31 December 2016 :6.51%)		
8,155	AT&T	235,910	1.84
20,334	HP Inc	273,724	2.13
19,893	Kulicke and Soffa Industries	289,305	2.24
200,000	Sprott Inc	270,738	2.11
		<u>1,069,677</u>	<u>8.32</u>
	UK Equity 29.38% (31 December: 2016 :30.97%)		
113,039	Alumasc Group	210,253	1.64
91,672	Ashmore Group Plc	324,427	2.52
52,534	Aviva	277,511	2.16
127,130	Brown (N) Group Ord	393,944	3.07
55,147	BP	245,156	1.91
107,917	Carillion Plc	201,157	1.57
21,618	Hargreaves Services Plc	72,853	0.57
670,000	Lloyds Banking Group Plc	444,177	3.45
13,064	Persimmon	293,875	2.29
800,308	Phaunos Timber Fund	274,184	2.13
211,540	Punch Taverns	378,128	2.94
17,731	Scottish and Southern Energy	258,429	2.01
72,667	SCS Group	112,815	0.88
132,498	Vodafone Group Plc	288,216	2.24
		<u>3,775,125</u>	<u>29.38</u>

PORTFOLIO STATEMENT (Continued)

	UK Gilts 18.57% (31 December 2016 :15.72%)		
7,720	iShares FTSE UK Gilts 0-5 years	1,030,195	8.02
16,703	SPDR Barclays 1-5 Year Gilt UCITS ETF	856,446	6.66
500,000	UK Treasury Bill 25.09.2017	499,815	3.89
		<u>2,386,456</u>	<u>18.57</u>
	Corporate Bonds 4.43% (31 December 2016 :4.98%)		
7,400	iShares \$ Ultrashort Bond UCITS ETF	569,911	4.43
		<u>569,911</u>	<u>4.43</u>
	Investment assets 84.35% (31 December 2016: 84.35%)	11,747,836	91.41
	Net other assets 16.24% (31 December 2016:16.24%)	1,125,640	8.76
	Adjustment to revalue assets from Mid to Bid prices (0.59%) (31 December 2016: (0.59%))	(21,959)	(0.17)
		<u>12,851,517</u>	<u>100.00</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the period ended 30 June 2017	1,501,839
Emperor Entertaining Hotel Ltd	51,755
iShares Emerging Markets Local Government Bond UCITS ETF	495,196
Lion Rock Group Ltd	38,180
Pasona Group	100,035
Persimmon	67,886
Sprott Inc	248,835
UK Treasury Bill 25.09.17	499,952

SUMMARY OF MATERIAL PORTFOLIO CHANGES (Continued)

	£
Total sales for the period ended 30 June 2017	689,986
Caledonia Mining	179,687
iShares Emerging Markets Local Government Bond UCITS ETF	248,142
TP Icap	262,157

The above transactions represent all of the sales and purchases during the period.

STATEMENT OF TOTAL RETURN

For the period ended 30 June 2017 (unaudited)

	30.06.17		03.11.15 to 03.05.16	
	£	£	£	£
Income				
Net capital gains/(losses)		589,495		144,004
Revenue	180,544		81,759	
Expenses	(65,658)		(40,329)	
Interest payable and similar charges	(148)		(5)	
Net revenue/expense before taxation	<u>114,738</u>		<u>41,425</u>	
Taxation	<u>-</u>		<u>(2,427)</u>	
Net revenue/expense after taxation		<u>114,738</u>		<u>57,381</u>
Total return before distributions		704,233		183,002
Finance costs: distributions		<u>(93,959)</u>		<u>(20,241)</u>
Change in net assets attributable to shareholders from investment activities		<u><u>610,274</u></u>		<u><u>162,761</u></u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 30 June 2017 (unaudited)

	30.06.17	03.11.15 to 03.05.16
	£	£
Opening net assets attributable to shareholders	12,072,877	7,340,551
Amounts receivable on creation of shares	202,411	2,445,969
Amounts payable on cancellation of shares	(63,982)	(7,351)
Dilution Levy	-	5,980
Dividend reinvested	29,937	-
Change in net assets attributable to shareholders from investment activities (see above)	<u>610,274</u>	<u>162,761</u>
Closing net assets attributable to shareholders	<u><u>12,851,517</u></u>	<u><u>9,947,910</u></u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The company net asset value as at 31 December 2016 was £12,072,877.

BALANCE SHEET

As at 30 June 2017 (unaudited)

	30.06.17		31.12.16	
	£	£	£	£
ASSETS				
Investment assets		11,725,877		10,112,166
Current Assets				
Debtors	67,352		19,362	
Cash and bank balances	<u>1,131,570</u>		<u>1,983,641</u>	
Total other assets		<u>1,198,922</u>		<u>2,003,003</u>
Total assets		12,924,799		12,115,169
LIABILITIES				
Creditors				
Distribution payable	(57,096)		(22,300)	
Creditors	<u>(16,186)</u>		<u>(19,992)</u>	
Total liabilities		<u>(73,282)</u>		<u>(42,292)</u>
Net assets attributable to shareholders		<u><u>12,851,517</u></u>		<u><u>12,072,877</u></u>

PERFORMANCE RECORD

Class Z Net Income GBP		Period ended 30 June 2017	Period ended 31 December 2016	Year to 03 November 2015
Changes in net assets per unit		GBP	GBP	GBP
	Opening net asset value per unit	123.2763	99.6002	100.9000
	Return before operating charges	8.3146	26.8033	0.2581
	Operating charges (note 1)	(1.7655)	(1.5378)	(1.5439)
	Return after operating charges*	6.5491	25.2655	1.2858
	Distribution on income units	(0.8862)	(1.5894)	(0.0140)
		<u>128.9392</u>	<u>123.2763</u>	<u>99.6002</u>
	*after direct transaction costs of:	0.0378	0.1114	0.1003
Performance	Return after charges	5.31%	25.37%	1.27%
Other information	Closing net asset value	£5,439,533	£5,217,713	£201,297
	Closing number of units	4,218,680	4,232,536	202,105
	Operating charges (note 2)	1.40%	1.38%	1.54%
	Direct transaction costs	0.03%	0.10%	0.10%
Prices	Highest unit price	132.00	124.04	106.10
	Lowest unit price	124.47	100.41	95.60

Class Z Net Accumulation GBP		Period ending 30 June 2017	Period from 04 April 2016 to 31 December 2016
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	122.9237	100.0000
	Return before operating charges	8.4503	24.4619
	Operating charges (note 1)	(1.7677)	(1.5382)
	Return after operating charges*	6.6826	22.9237
		<u>129.6063</u>	<u>122.9237</u>
	Retained distributions on accumulated units	0.8851	1.7132
	*after direct transaction costs of:	0.0379	0.1115
Performance	Return after charges	5.44%	22.92%
Other information	Closing net asset value	£4,388,268	£4,014,101
	Closing number of units	3,385,846	3,265,523
	Operating charges (note 2)	1.40%	1.38%
	Direct transaction costs	0.03%	0.10%
Prices	Highest unit price	131.84	123.39
	Lowest unit price	124.11	98.77

^Share class launched 04 April 2016

PERFORMANCE RECORD (Continued)

Class F Net Income GBP		Period ending 30 June 2017	Period from 19 April 2016 to 31 December 2016[^]
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	119.8491	100.0000
	Return before operating charges	7.8420	22.6945
	Operating charges (note 1)	(1.2260)	(1.0772)
	Return after operating charges*	6.6160	21.6173
	Distribution on income units	(1.1112)	(1.7682)
		125.3539	119.8491
	*after direct transaction costs of:	0.0368	0.1099
Performance	Return after charges	5.52%	21.62%
Other information	Closing net asset value	£3,045,675	£2,911,926
	Closing number of units	2,429,660	2,429,660
	Operating charges (note 2)	1.00%	0.98%
	Direct transaction costs	0.03%	0.10%
Prices	Highest unit price	128.44	120.70
	Lowest unit price	121.01	98.68

[^]Share class launched 19 April 2016

Class AC		Period to 04 November to 17 March 2016[^]	Year to 03 November 2015
Changes in net assets per unit		GBP	GBP
	Opening net asset value per unit	4,192.2400	4,172.1700
	Return before operating charges	128.0987	136.3151
	Operating charges (note 1)	(58.2987)	(55.2051)
	Return after operating charges*	69.8000	81.1100
	Distribution on income units	(5.1900)	(61.0400)
	Closing net asset value per unit	4,256.8500	4,192.2400
	*after direct transaction costs of:	4.2245	4.1822
Performance	Return after charges	1.66%	1.94%
Other information	Closing net asset value	£1,890,763	£7,139,254
	Closing number of units	39	30
	Operating charges (note 2)	1.38%	1.32%
	Direct transaction costs	0.10%	0.10%
Prices	Highest unit price	4,261.72	4,399.41
	Lowest unit price	4,023.76	4,038.00

[^]Share class terminated 17 March 2016 and transferred to Class Z.

+The values for the AC shares are based on a representative unit. Unlike other share classes AC shares in the SA Smartfund Advantage ICVC (of which the Thistle-down Fund was a Sub-Fund are created and priced uniquely for each share holder.)

PERFORMANCE RECORD (Continued)

- 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.

Costs Table	Class Z Net Income	Class Z Net Accumulation	Class F Net Income
Management Charges	1.00	1.00	0.60
Other costs	0.23	0.23	0.23
Costs of investment in funds	0.17	0.17	0.17
Total	1.40	1.40	1.00

Risk Profile

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

DISTRIBUTION TABLES

2017

Interim distributions in pence per share

Group 1: Shares purchased prior to 1 January 2017

Group 2: Shares purchased 1 January 2017 to 31 March 2017.

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
13.04.17	group 1	Z Net Income	0.0652	-	0.0652
13.04.17	group 2	Z Net Income	0.0000	0.0652	0.0652
13.04.17	group 1	F Net Income	0.1867	-	0.1867
13.04.17	group 2	F Net Income	0.1867	-	0.1867
13.04.17	group 1	Z Net Accumulation	0.0653	-	0.0653
13.04.17	group 2	Z Net Accumulation	0.0000	0.0653	0.0653

Interim distributions in pence per share

Group 1: Shares purchased prior to 1 April 2017

Group 2: Shares purchased 1 April 2017 to 30 June 2017.

Payment date	Unit type	Share class	Net revenue 2017	Equalisation 2017	Distribution paid / allocated 2017
14.07.17	group 1	Z Net Income	0.8210	-	0.8210
14.07.17	group 2	Z Net Income	0.4873	0.3337	0.8210
14.07.17	group 1	F Net Income	0.9245	-	0.9245
14.07.17	group 2	F Net Income	0.9245	-	0.9245
14.07.17	group 1	Z Net Accumulation	0.8198	-	0.8198
14.07.17	group 2	Z Net Accumulation	0.4507	0.3691	0.8198

2016

Interim distributions in pence per share

Group 1: Shares purchased prior to 15 May 2016

Group 2: Shares purchased 16 February 2016 to 15 May 2016.

Payment date	Unit type	Share class	Net revenue 2016	Equalisation 2016	Distribution paid / allocated 2016
15.07.16	group 1	Z Net Income	0.1644	-	0.1644
15.07.16	group 2	Z Net Income	0.1379	0.0265	0.1644
15.07.16	group 1	F Net Income	0.1596	-	0.1596
15.07.16	group 2	F Net Income	0.1596	-	0.1596
15.07.16	group 1	Z Net Accumulation	0.2517	-	0.2517
15.07.16	group 2	Z Net Accumulation	0.1569	0.0948	0.2517

Interim distributions in pence per share

Group 1: Shares purchased prior to 15 August 2016

Group 2: Shares purchased 16 May 2016 to 15 August 2016.

Payment date	Unit type	Share class	Net revenue 2016	Equalisation 2016	Distribution paid / allocated 2016
14.10.16	group 1	Z Net Income	1.0201	-	1.0201
14.10.16	group 2	Z Net Income	0.3425	0.6776	1.0201
14.10.16	group 1	F Net Income	1.0960	-	1.0960
14.10.16	group 2	F Net Income	1.0960	-	1.0960
14.10.16	group 1	Z Net Accumulation	1.0034	-	1.0034
14.10.16	group 2	Z Net Accumulation	0.0475	0.9559	1.0034

OTHER SUB-FUNDS

Prior to 18 March 2016, the Company held five other sub-funds within the umbrella, these being:

Smartfund Aggressive Growth

Smartfund Growth

Smartfund Balanced

Smartfund Cautious

Smartfund Defensive

The assets from these funds were transferred to Fundlogic Alternatives plc during the year to 31 December 2016, and the accounts for these funds to transfer can be found in the Company accounts of VT Thistle-down ICVC for the year ended 31 December 2016.

INFORMATION FOR INVESTORS

General Information

Base Currency

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

Share Capital

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

Structure of the Company

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

Classes of Shares

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

Valuation Point

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

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

Buying and Selling of Shares

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

Valu-Trac Investment Management Ltd

Orton, Fochabers, Moray, IV32 7QE

Or by email to:

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

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

Pricing Basis

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

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

Other Information

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

CORPORATE DIRECTORY

Authorised Corporate Director & Registrar

Valu-Trac Investment Management Limited

Orton

Fochabers

Moray

IV32 7QE

Telephone: 01343 880344

Fax: 01343 880267

(Authorised and regulated by the Financial Conduct Authority)

Investment Manager

Thistledown Investment Management Limited

Otham Manor

Otham Street

Maidstone

Kent

ME18 8RW

(Authorised and regulated by the Financial Conduct Authority)

Depository

National Westminster Bank Plc

Younger Building

1st Floor

3 Redheughs Avenue

Edinburgh, EH12 9RH

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

Auditor

FKF Accounting Limited

33 High Street

Inverness

IV1 1HT