



Castlefield B.E.S.T Sustainable European Fund

Castlefield B.E.S.T Sustainable Income Fund

Castlefield B.E.S.T Sustainable UK Smaller Companies Fund

Castlefield B.E.S.T UK Opportunities Fund

Castlefield Real Return Fund

ANNUAL REPORT & ACCOUNTS

Sub-Funds of Castlefield Funds OEIC

For the Year Ended 28 February 2018

A UK Authorised Investment Company with Variable Capital

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MANAGEMENT AND ADMINISTRATION

The Authorised Corporate Director (“ACD”) and registered office of the Castlefield Funds (“the Company”):

CASTLEFIELD FUND PARTNERS LIMITED

111 Piccadilly,
Manchester, M1 2HY

Castlefield Fund Partners Limited is authorised and regulated by the Financial Conduct Authority (“FCA”) and is a member of The Investment Association (“IA”).

DIRECTORS OF THE ACD:

John Eckersley (Managing Director)
Summayya Mosam (Head of Service Delivery)
Susan Cohen (Head of Finance)

INVESTMENT ADVISER:

Castlefield Investment Partners LLP is the Investment Adviser to the Castlefield Funds.

DEPOSITARY:

Société Générale S.A. (London Branch),
SG House, 41 Tower Hill,
London, EC3N 4SG

AUDITOR:

Beever and Struthers
St George’s House
215-219 Chester Road,
Manchester, M15 4JE

ADMINISTRATOR

Société Générale Securities Services,
SG House, 41 Tower Hill,
London, EC3N 4SG

REGISTRAR

Maitland Institutional Service Limited
Springfield Lodge, Colchester Road,
Chelmsford, Essex CM2 5PW

COMPANY INFORMATION

The Castlefield Funds is an Investment Company with Variable Capital under regulation 12 of the Open-Ended Investment Company Regulations and incorporated in England and Wales under registered number IC000234 and authorised by the Financial Conduct Authority with effect from 14 May 2003. Shareholders are not liable for the debts of the Company. At the period end, the Company contained seven sub-Funds. The report and accounts contained within the below statements refer specifically to Castlefield B.E.S.T Sustainable European, Castlefield B.E.S.T Sustainable Income, Castlefield B.E.S.T Sustainable UK Smaller Companies, Castlefield B.E.S.T UK Opportunities and Castlefield Real Return sub-Funds of the Company.

The Company is a UCITS scheme which complies with the Financial Conduct Authority Collective Investment Schemes sourcebook and is structured as an umbrella Company so that different sub-Funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority and the agreement of the Depositary.

The Umbrella Company annual report and accounts is available on request from the ACD.

IMPORTANT NOTES

Renaming of the sub-Funds

On 1st February 2018, the names of the below sub-Funds were changed accordingly to more accurately reflect the Investment process adopted by the sub-Funds in achieving their stated objective:

New sub-Fund name:

Castlefield B.E.S.T Sustainable Income Fund (previously Castlefield B.E.S.T Income Fund)
Castlefield B.E.S.T Sustainable UK Smaller Companies Fund (previously Castlefield UK Smaller Companies Fund)
Castlefield B.E.S.T UK Opportunities Fund (previously Castlefield UK Opportunities Fund)
Castlefield Real Return Fund (previously Castlefield Managed Multi-Asset Fund)

Sub-Fund Launch:

On the 1 November 2017, Castlefield Investment Partners launched the Castlefield B.E.S.T Sustainable European Fund.

MANAGEMENT AND ADMINISTRATION

REPORT OF THE ACD TO THE SHAREHOLDERS OF THE COMPANY

The ACD, as sole director, presents its report and the audited Financial Statements of the Company for the period from 1 March 2017 to 28 February 2018.

The Company is a UCITS scheme which complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook. The shareholders are not liable for the debts of the Company.

The Investment Objectives and Policies of each sub-Fund of the Company are covered in the section for each sub-Fund. The sub-Funds of an umbrella Company should be invested as if they were a single Company. The names and addresses of the ACD, the Depositary, the Registrar, the Investment Advisor and the Auditor are detailed on page 2.

In the future there may be other sub-Funds of the Company.

Where a sub-Fund invests in other Collective Investment Schemes, the maximum annual management fee that may be charged to that Collective Investment Scheme is 5% of the net asset value of such a scheme, however, it is expected that the actual annual management fee will not exceed 2%.

REMUNERATION DISCLOSURE

The provisions of the Undertakings in Collective Investment Schemes Directive ("UCITS V") took effect on 18 March 2016. The legislation made requirement for the Authorised Corporate Director (ACD) to establish and maintain remuneration policies for its staff, the purpose of which is consistent with and to promote sound and effective risk management.

The ACD is part of a larger group of companies within which remuneration policies are the responsibility of the Remuneration Committee that is comprised of two Non-Executive Directors that sit on the Group Board. All remuneration policies are subjected to annual review.

The Company avoids basing rewards on variable remuneration but pays what is believed to be fair fixed remuneration. As an Employee Owned Company, equity ownership amongst all colleagues is encouraged that creates a bias for reward based upon long term shareholder value creation.

The total remuneration of those individuals who are fully or partly involved in the activities of the UCITS scheme for the financial year ending 28 February 2018 is stated below, as disclosed within the audited Financial Statements of the management company, and includes all members of staff that are considered to be senior management or others whose actions may have a material impact on the risk profile of the Fund.

Within the Group, all staff are employed by the parent company with none employed directly by the UCITS scheme. The costs included within the below, part of which is attributable to Directors of the management company, is allocated between the entities within the group.

Fixed Remuneration £135,080

Number of Full Time Employees 6

Management has reviewed the general principles of the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy. The policy pertaining to the UCITS Management Company is disclosed within the Group website.

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations 2001 (SI 2001/1228) ("the OEIC 's Regulations") and the rules of the FCA contained in the COLL Sourcebook require the ACD to prepare Financial Statements for each accounting period which give a true and fair view of the financial position of the Company and of its net revenue and the net gains on the property of the Company for the period. The ACD is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the Auditor is unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise themselves with any relevant audit information and to establish that the Auditor is aware of that information.

In preparing the Financial Statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice – Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014;
- follow generally accepted accounting practice and applicable accounting standards;
- keep proper accounting records which enable it to demonstrate that the Financial Statements as prepared comply with the above requirements;
- take such steps as are reasonably open to it to prevent and detect fraud and other irregularities;
- make judgements and estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

MANAGEMENT AND ADMINISTRATION

STATEMENT OF DISCLOSURE TO THE AUDITORS

So far as the ACD is aware, there is no relevant audit information of which the Funds' Auditors are unaware. Additionally, the ACD has taken all the necessary steps that they ought to have taken as ACD in order to make themselves aware of all relevant audit information to establish that the Funds' Auditors are aware of the information.

SUB-FUND CROSS-HOLDINGS

No sub-Fund held shares in any other sub-Fund within the Investment Company with Variable Capital during the current or prior year.

DIRECTORS' STATEMENT

In accordance with the Regulations, we hereby certify the report on behalf of the directors of Castlefield Fund Partners Limited.

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)



6 July 2018

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES IN RESPECT OF THE SCHEME AND REPORT OF THE DEPOSITARY TO THE CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND, CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND, CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND, CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND, CASTLEFIELD REAL RETURN FUND AS SUB-FUNDS OF CASTLEFIELD FUNDS ("THE COMPANY") FOR THE YEAR ENDED 28 FEBRUARY 2018

The Depositary is responsible for the safekeeping of all of the property of the Company (other than tangible moveable property) which is entrusted to it and for the collection of income that arises from that property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed by the ACD in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC's Regulations), the Company's Instrument of Incorporation and Prospectus, in relation to the pricing of, and dealings in, shares in the Company; the application of income of the Company; and the investment and borrowing powers and restrictions 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 Authorised Corporate Director:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the COLL Sourcebook and, where applicable, the OEIC's Regulations, the Instrument of Incorporation and Prospectus of the Company, and;

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

Société Générale S.A. London Branch

29 June 2018

MANAGEMENT AND ADMINISTRATION

INDEPENDENT AUDITOR'S REPORT

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF CASTLEFIELD FUNDS

Year Ended 28 February 2018

Opinion

We have audited the financial statements of Castlefield Funds ("the Company") for the year ended 28 February 2018 which comprise the statements of total return and statements of changes in net assets attributable to shareholders together with the balance sheet for each of the Company's sub-funds, the accounting policies of the Company set out on pages 7 to 9 and the related notes and the distribution tables for each of the Company's sub-funds. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice issued by the Investment Management Association (IMA) in May 2014 "Financial Statements of UK Authorised Firms".

In our opinion the Financial Statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 28 February 2018 and of the net revenue/deficit of revenue and the net capital gains/net capital losses on the property of the company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Instrument of Incorporation, the Statement of Recommended Practice issued by the IMA relating to UK Authorised Funds and the Collective Investment Scheme's Sourcebook rules.

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 further described in the auditor's responsibilities for the audit of financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 Authorised Corporate Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Corporate Director 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard

Responsibilities of the Authorised Corporate Director for the Financial Statements

As explained more fully in the Authorised Corporate Directors' responsibilities statement on page 3, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view, and for such internal control and the Authorised Corporate Director 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 Authorised Corporate Director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- the information given in the Authorised Corporate Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- proper accounting records have not been kept or that the financial statements are not in accordance with those records.

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 to be material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Scheme's Sourcebook 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 any 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.



Caroline Monk

For and on behalf of Beaver and Struthers, Chartered Accountant and Statutory Auditor

St George's House
215 – 219 Chester Road
Manchester
M15 4JE

11 July 2018

ABOUT THE INVESTMENT ADVISER

CIP is part of the Castlefield family of investment, advisory and operational support businesses. The group adopts a unique approach to looking after money, reflecting the individual objectives of all kinds of clients – from private individuals and the businesses they own and work for, to the not-for-profit organisations they help to run. CIP is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange.

INVESTMENT REVIEW OF CASTLEFIELD FUNDS

MARKET REVIEW

The period from March 2017 to the end of the year saw the continuation of the bull market for equities, with global markets ending on record highs after adding \$9tn (£6.7tn) over the course of the year. Reasons for this strength in equities included a strong worldwide economy, tax cuts introduced by President Trump and the central banks' cautious approach to easing financial support.

One key feature of the markets in 2017 was low volatility. In contrast to recent years: political and economic surprises were not met with an increase in market volatility, and instead the VIX Index (which measures the expected volatility of US equities) reached its lowest level since 1993. This may mean that investors are more focused on underlying economic growth data than the short-term impact created by specific events. Global equities as a whole gained 13.8% (on a GBP total return basis) over the course of 2017 to an all-time high, not dampened by concerns about conflict with North Korea or the political upheaval in Europe with the Catalan movement in Spain and an inconclusive election in Germany.

The second half of the year also saw sterling strengthen against a weakening dollar – noticeably so after the Bank of England (BoE) indicated that it intended to normalise base rates fairly soon. This strength relative to the dollar negatively impacted the UK market as much of the large-cap segment of the UK market is dominated by overseas-focused companies. The overseas revenues and earnings of these companies are compressed once converted back into our own, now stronger, currency. This resulted in UK equities rising 2.1% on a total return basis over the third quarter, which was relatively poor compared to global returns.

Markets rallied again in Q4 as Trump's tax reform bill was passed in the Senate and the International Monetary Fund (IMF) updated its global growth forecast for 2017 from 3.2% to 3.6%, indicating rising hopes for a sustained synchronised recovery. The Fed raised interest rates a further 0.25% in December, its third hike of the year, and the BoE raised interest rates for the first time since 2007 back up to 0.50%.

The positive momentum of equities continued into January 2018 with encouraging macroeconomic data pushing global equities even higher. However, while other developed markets managed to sustain these gains for the month, the UK started to lose impetus from mid-January onwards, ultimately falling 1.9% over the month. The strength of sterling versus the dollar continued to act as a headwind and this proved to be too much of a hurdle to overcome.

In early February, other global markets followed UK equities lower. US stocks declined sharply following the release of data that showed a rise in US wage inflation. Counter-intuitively, this and other supportive macro-economic data caused markets to fall as investors reassessed the Fed's likely speed of monetary policy tightening. Indeed, this was the first market correction of more than 10% since early 2016, such has been the steady advance of US equities over the past couple of years. European equities followed suit with a sell-off prompted by expectations of an increase in inflation although the European Central Bank (ECB) appears likely to be the laggard when it comes to raising rates. Despite the ensuing increase in market volatility, macro data remained positive and allowed markets to recover from their lows by the end of February, although they remained in negative territory overall for 2018.

On a GBP total return basis for the period 01/03/2017 to 28/02/2018, UK equities gained 3.16%, US equities gained 5.91%, and European equities were up 9.89%.

AGGREGATED NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF COMPLIANCE

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. The principal accounting policies which have been applied consistently are set out below.

Functional and Presentation Currency

The functional and presentation currency of the sub-Fund is Sterling.

Revenue Recognition

Revenue from collective investment schemes, quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend. Overseas revenue received after the deduction of withholding tax is shown gross of taxation, with the taxation consequences shown within the taxation charge. Accumulation of revenue relating to accumulation units or shares held in collective investment schemes is recognised as revenue and included in the amount available for distribution. Bank interest, interest on debt securities, underwriting commission and other revenue are recognised on an accruals basis. In the case of debt securities, the total revenue arising includes the amortisation of any premium or discount at the time of purchase spread over the life of the security, using the effective interest rate method. The gains and losses arising on investments in structured plans are allocated between revenue and capital according to the nature of the structured plan. This is depending on the extent to which the return is capital or revenue based.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the sub-Fund. Any enhancement above the cash dividend is treated as capital.

Special Dividends

Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend.

Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of Investments) are charged against revenue for the year on an accruals basis with the exception of B.E.S.T Sustainable Income Fund where all fees are charged against capital.

Distributions

Amounts distributable are calculated after excluding expenses borne by capital as agreed by the ACD and Depositary. The ACD and Depositary have agreed that 100% of the sub-Fund's expenses are borne by revenue, except for the Castlefield B.E.S.T Sustainable Income Fund where 100% of the sub-Funds expenses are borne by capital. Equalisation received from the underlying investments has been treated as a reduction in the book cost of the investments and not distributed. All distributions unclaimed for a period of six years after having become due for payment shall be forfeited and shall revert to the capital of the Fund.

Valuations

All investments are valued at their fair value at noon on 28 February 2018 being the last business day of the financial year. The fair value of equity and non-equity shares is bid price, excluding any accrued interest. The fair value of dual priced collective investment schemes managed by the ACD is their cancellation price and the fair value of dual priced collective investment schemes which are managed by other management groups is their bid price. The fair value of all single priced collective investment schemes is their single price, taking account of any agreed redemption charges. Delisted and unquoted investments are shown at the ACD's valuation.

Structured plans are valued at the latest price from the product provider.

Foreign Currencies

Assets and liabilities in currencies other than Sterling are translated into Sterling at the exchange rates prevailing at noon on the last working day of the accounting year. Transactions in foreign currencies are translated at the exchange rate prevailing at the transaction date.

Taxation

Corporation tax has been provided for at a rate of 20%. Deferred tax is provided in respect of timing differences that have originated but not been reversed at the balance sheet date. Deferred tax assets are recognised only to the extent that they are more likely than not to be recoverable. Withholding tax on overseas dividends is accounted for when the security is quoted ex dividend.

Dilution Levy

In certain circumstances the ACD may charge a dilution levy, in accordance with the Financial Conduct Authority Regulations, on all subscriptions and redemptions of shares, which is paid into the sub-Funds and included in the Statement of Change in Net Assets Attributable to Shareholders. The levy is intended to cover certain dealing charges not included in the mid-market value of the sub-Fund used in calculating the share price, which could have a diluting effect on the performance of the sub-Fund.

3. RISK MANAGEMENT FRAMEWORKS

The ACD has a documented risk management framework which details the processes and procedures used to identify, measure, manage and monitor appropriately all risks to which the funds are or may be exposed. The risks covered by the framework include market risk, liquidity risk, credit/counterparty risk, operational risk and any other risks that might be material to the funds. The first three risks are primarily focused on the investment itself while operational risk refers to the risk of loss arising from inadequate or failed processes, people or systems including attempted fraud. The risk framework details:

- the techniques, tools and arrangements including systems and processes used;
- the content and frequency of reports; and
- the allocation of responsibilities between key staff and departments.

The main risk management system used by the ACD is fully integrated with the position keeping system for the funds and is used to measure and monitor market risk, credit / counterparty risk and liquidity risk. A separate system is maintained to track instances of operational risk and monitor amendments to controls made seeking to ensure that operational risk errors do not re-occur. The ACD has a formal structure of oversight committees who review the risk profile, including market, credit, operational and liquidity risks, of each fund and the fund's compliance with its published objectives on a regular basis. As part of its governance processes, the ACD reviews the performance of the risk management framework and its associated arrangements, processes, systems and techniques on an annual basis, and the compliance of the funds with the risk management framework. The risk management framework is updated by the ACD following any significant change in the business or in risk exposures and at least annually. It is also reviewed by the Depositary.

Market Risk

Market risk is the risk of loss arising from fluctuations in the market value of investments held by the funds attributable to changes in market variables, such as equity prices, foreign exchange rates, interest rates or the credit worthiness of an issuer. The risk management framework monitors the levels of market risk to which the funds are exposed in relation to the fund investment objective and policy. A series of hard (strictly enforced) and soft (warning) limits are employed to ensure the fund stays within its published mandate. The risk systems provide a range of risk analytical tools, including sensitivities to relevant market risks, Value at Risk stress testing, and incorporates the impact of changes to positions in real time. In addition to risk analytics, the risk system has an integrated risk limit and regulatory compliance function which performs checks on potential trades prior to the fund executing them and on the fund exposures on a daily basis. Market risk is also measured using gross leverage and global exposure (the commitment approach). The commitment approach is suitable for funds investing in traditional asset classes such as equities, fixed income, money market securities and collective investment schemes. It can also be used for funds using derivatives in a simple manner and investing in instruments with embedded derivatives where no additional leverage is created. The commitment approach measures the incremental exposure of each derivative calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the guidelines set by the regulator, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

Liquidity Risk

Liquidity risk is the possibility that the fund will not be able to sell its assets without incurring losses within the timeframe required to meet investor redemptions. The asset liquidity profile of each fund is monitored on a regular basis and compared to both historical investor redemption patterns and potential redemption scenarios, with the aim of ensuring that the fund will be able to meet any actual redemptions in a timely manner. The liquidity risk management process includes an assessment of the market turnover, percentage of an issue held by the fund, credit rating of the issuer and/or the buy-sell spread of the market in the securities held where the information is available and is applicable. Liquidity profile stress tests under both normal and exceptional conditions are conducted on a regular basis. If market liquidity is perceived to be decreasing, the ACD might seek to take any of the following actions to improve the liquidity profile of a fund: maintain higher cash balances; maintain a greater proportion of assets in securities which are traditionally more liquid; diversify the range of issue types and sizes held; hold shorter dated securities; or hold issues with a more diversified investor base.

Credit Risk

Credit risk comprises both credit issuer risk and counterparty risk. Credit issuer risk is the potential for loss arising from the issuer of a security failing to pay interest and principal in a timely manner. Counterparty risk is the potential for loss arising from the failure of a trading counterparty to honour an obligation to the fund. The funds manage credit issuer risk as a component of market risk. Counterparty risk arises primarily with the financial brokers through whom the fund buys and sells securities. The funds may only transact with brokers from an approved broker list maintained by the ACD. All brokers on the ACD approved list are subject to regular credit and general business checks. The funds may also be exposed to counterparty risks arising from the use of forward currency instruments, usually transacted to decrease exposure to foreign currency. These risks are monitored daily and are subject to limits, in practice they are for small amounts typically less than 0.1% of the fund assets.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

FUND INFORMATION

The Comparative Table on page 10 give the performance of each active share class in the sub-Fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-Fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the fund.

Since the 2nd January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of the Fund.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

COMPARATIVE TABLE

For the financial year ended 28 February 2018:

General Shares – Income

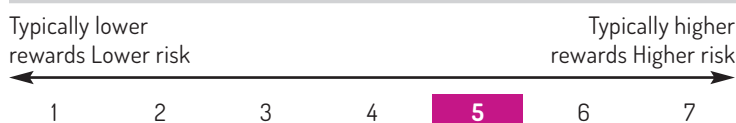
	28 Feb 18 (pence per share)
Change in net assets per share	
Opening net asset value per share	100
Return before operating charges*	(5.59)
Operating charges	(1.38)
Return after operating charges*	(6.97)
Distributions on income shares	-
Closing net asset value per share	93.03
after direct transaction costs of:**	0.23
Performance	
Return after charges	(6.97)%
Other information	
Closing net asset value (£'000)	9,690
Closing number of shares	10,396,137
Operating charges	1.44%
Direct transaction costs	0.23%
Prices	
Highest share price	99.45
Lowest share price	92.47

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

RISK AND REWARD INDICATOR (RRI)



The Fund is ranked as a 5 reflecting that it mainly invests in equities that are in general more volatile than bonds and deposits..

The Risk and Reward Indicator demonstrates where the sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-Fund.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to seek to achieve long term capital growth. Long term means over a minimum investment horizon of five years.

The Fund will invest principally in a concentrated portfolio of the shares of companies incorporated in European countries which the Manager considers to offer opportunities for capital growth. The Fund may also invest in money market instruments, units and/or shares in other collective investment schemes, deposits, warrants, cash and near cash.

In seeking to achieve the stated investment objective, the Investment Adviser uses a responsible investment research process to identify the universe of securities from which the Fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the Fund where “B.E.S.T” indicates Business & financial, Environmental & ecological, Social and Transparency & governance; however equal weighting may not be given to each element of these criteria when screening potential investments. The Investment Adviser then supplements this research process by selecting only those investments which, by their nature, are considered to be sustainable in order to meet the investment objective. Sustainable activities are considered to be those necessary to ensure the long term continuity of an activity, system, society or enterprise. Further information on the “B.E.S.T” criteria and the sustainability element may be obtained from the Investment Adviser upon request.

The Fund may invest in shares or units of collective investment schemes which are managed or operated by the ACD or an associate of the ACD. When investing in collective investment schemes, some of the underlying investments of that collective investment scheme may not meet all four elements of the “B.E.S.T.” criteria.

The Fund may also use derivatives and forward transactions for investment purposes or efficient portfolio management (including hedging). The use of derivatives for these purposes may affect the volatility and risk profile of the Fund although this is not the ACD’s intention.

INVESTMENT REVIEW

PERFORMANCE

The sub-Fund was launched within the reporting period, on 1 November 2017, subsequently there has been insufficient time to provide any meaningful commentary as to the Fund’s performance.

ACTIVITY

The Castlefield B.E.S.T Sustainable European Fund has a long-term investment philosophy and a process driven by identifying valuation anomalies, researching and investing in companies whose future earnings power is not yet understood by the market. Valuation anomalies can be captured through a long-term investment horizon of 3-5 years. Evidence of this is the turnover of portfolios which should typically range between 20-30%.

The portfolio will predominantly display quality aspects, in terms of sustainable cashflows, returns on capital, and balance sheet, as well as management teams with strong track records. We also invest in companies whose business is undergoing a transformation which can act as a catalyst for outperformance. Typically, there needs a trigger for the catalyst, be it a change in management or a major acquisition. There needs to be a clear route map towards the transformation which management can evidence over time.

The high-quality nature of the portfolio should give it a more defensive property, insulating it from excessive share price volatility during market downturns. The fund should be relatively protected during pronounced sell offs in European equities. Equally, with a Beta of <1, any very sharp rally in low quality stocks will mean that the fund will lag the index during such periods. The portfolio is concentrated with 34 holdings. With high conviction characteristics, the top ten names represent over 36% of the fund. Conviction is consistent throughout the portfolio, with a target minimum allocation for the bottom ten names at 20% of the fund.

The fund launched on 1 November with 35 names, and the shape of the portfolio has remained stable in terms of conviction and structure. The best three performing names are Scout24, Ubisoft and Akka Technologies. Scout24 is a German online portal specialising in real estate and cars. Imagine Rightmove and Autotrader as a single company with 2 business divisions. The stock was recently listed and has performed extremely well, dominating its markets, from Germany to Belgium and Holland, with either pole or number two position. The technology draws traffic to the site, with panoramic views and virtual reality tours, and the recurrence of revenue has been underpinned by a clear business model that delivers optimised return on their investment for agencies and dealerships. We have had numerous engagements with the company and each time we are impressed with the clarity of message, and their ability to navigate this extremely fast moving market.

Ubisoft is a French games maker, with household names like Far Cry, Just Dance, Prince of Persia and Assassin’s Creed. Having digitised their back library of publications, Ubisoft is fast catching up with other peers. Its growth is entirely due to its excellent programming ability, and we are also impressed with management’s philosophy and understanding of the need for security online especially in multi user games. Gamers more and more play in communities

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

so the requirement to keep community members safe is of paramount importance. We were also very pleased to see a large shareholder divest of its stake recently which we felt was a block on the five founding brothers Guillemot from remaining independent. Engagement with the company has been very positive and we feel that Ubisoft is well aware of the risks to which that a company in its space is exposed.

Akka Technologies is a company the team at Castlefield has been following since 2012. A French industrial engineering consultant, Akka is specialised in mobility – planes trains and automobiles. As OEM's and large manufacturers outsource R&D to external consultants, Akka is superbly placed to benefit from this trend. In late 2011, Akka shifted from being a tiny French engineering consultant with its acquisition of MBtech, the specialist engineering division of Daimler in Germany. This gave it access to all the IP of Mercedes as well as a bigger footprint in aerospace with Airbus. These days the work is all on lowering energy consumption via concept logistics, and Akka is deeply involved in autonomous driving technology, which is still in its infancy. Over the years the company has demonstrated a curiosity of how to better its ESG responsibilities, asking for advice on how to start, and where to focus. We are impressed with the progress made, and the desire to continuously improve. Akka's extremely low staff turnover rates are a good indication of the company culture. The company has grown from a €250m market cap to €1.2bn in a very few years, testament to founder Maurice Ricci's dedication, vision, and old fashioned very hard work.

The detractors from performance are still interesting companies and although going through a period of poor performance, we understand what is driving investor sentiment and remain convinced that the longer term outlook remains bright.

Durr is a German mechanical and plant engineering firm, with exposure to the auto and wood working industries. In the auto business, prices have been very affected by a competitor which is trying to build its order book in order that the family who own the firm can sell. This is an unsustainable business practice and although damaging short term prospects, is a risk that is now priced in. More importantly, the new restructuring plan is not believed by the market, which has seen previous plans fail at Durr. What gives us more confidence is the management team in charge of the plan. They have experience in this area and are more realistic in their approach. As with many of Germany's small and mid-cap engineers, the problem lies with putting the right people in place to manage these companies, which have excellent products and technologies, not mirrored by top drawer management teams. Durr is transitioning through this change with a new team in place since last year. Rome wasn't built in one week. Durr is full of trapped value. We look forward to its liberation over the next two to three years.

Ion Beam Applications is a Belgian healthcare company involved in proton therapy radiation used in cancers in delicate areas such as the brain or close to vital organs. Proton therapy only releases its energy once at the target area which means the radiation doesn't damage surrounding tissue. This in turn lowers the total cost of care for a patient. In 2014 a young boy was removed from a hospital in Britain to get him to a Czech unit for proton therapy treatment. His parents were arrested in Spain causing public outrage. The young boy was treated and has been cancer free for three years. These machines are expensive costing either €100m or €30m depending on the set up. The sales of units are therefore lumpy, and analysts find it very difficult to forecast a trajectory, hence the rather volatile share price performance. We try to look past these short-term issues and feel that IBA's technology is a world class solution to a very complex and increasingly prevalent problem.

Spun out from its parent company last year, Philips Lighting is by far the biggest player in the global general lighting market. With leading positions in different regions and segments this should in theory lead to scale effects and a competitive cost structure. Philips Lighting aims to generate 80% of its total revenue from sustainable products, systems and services by 2020. In 2017, the company achieved 77.3% sustainable revenues. The market is finding it hard to keep up with the fast-changing nature of lighting and consumer demand, which was extraordinarily high last year with demand from the likes of Philips Hue, fell short of expectations in the first quarter of this year. Pricing is the main risk in this business. Competition is high, but Philips has an advantage with its distribution and safety record.

Since launch, we have only divested of one position, which at 2% was a low conviction holding. Gedeon Richter is a pharmaceutical company with an excellent reputation in steroid chemistry and has a world class generics business. We sold the stock immediately after the news that one of its drugs was causing serious complications for some patients.

OUTLOOK

The global backdrop is more nuanced than it has been for several years, with monetary policy arguably now consistently tighter for the major Central Banks of America, the UK and the Eurozone – a far cry from the period of quantitative easing and when the prospect of interest rate hikes was over the horizon. This may pose a test to the market's bull run that began nine years ago; will access to and the cost of finance start to impinge on business operations or consumer balance sheets? More domestically, in the UK we grind closer to the anticipated departure date from the European Union. With all scenario analysis indicating a weaker economy as a result, this risk factor seems increasingly likely to crystallise more in investors' minds when differentiating between investment opportunities. The fund will continue to focus on its belief that companies exhibiting sustainable business practices are more likely to deliver positive long-term returns.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

The top ten purchases and total sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Amundi	396	Richter Gedeon	124
Kerry Group	364		
Kingspan Group	355		
Teleperformance	351		
Kone	351		
Symrise	351		
Dürr	350		
Ingenio Group	345		
Vestas Wind Systems	338		
Sap	333		
Total purchases during the year were	9,876	Total sales during the year were	124

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
EQUITIES 95.73%			
Belgium 3.90%			
8,905	Ion Beam Applications	161	1.66
2,713	Melexis	217	2.24
		378	3.90
Denmark 5.38%			
3,312	Coloplast	203	2.09
6,010	Vestas Wind Systems	318	3.29
		521	5.38
Finland 3.40%			
8,746	Kone	329	3.40
		329	3.40
France 24.60%			
6,825	Akka Technologies	342	3.53
6,106	Amundi	359	3.70
4,633	Ingenico Group	288	2.97
3,313	Orpea	288	2.97
3,859	Schneider Electric	242	2.50
3,245	Teleperformance	330	3.41
4,558	Ubisoft Entertainment	270	2.79
5,660	Valeo	265	2.73
		2,384	24.60
Germany 18.06%			
3,592	Dürr	315	3.25
8,287	GEA Group	283	2.92
434	Rational	203	2.09
3,889	SAP	293	3.02
9,848	Scout24	315	3.25
5,804	Symrise	341	3.53
		1,750	18.06
Ireland 7.04%			
4,678	Kerry Group	338	3.49
11,203	Kingspan Group	344	3.55
		682	7.04
Italy 5.71%			
8,219	Banca IFIS	255	2.63
19,390	UniCredit	298	3.08
		553	5.71
Netherlands 8.17%			
13,746	Accell Group	255	2.63
10,554	Philips Lighting	301	3.10
6,199	Unilever	236	2.44
		792	8.17

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	Spain 5.58%		
63,775	Banco Santander	320	3.30
4,753	Viscofan	221	2.28
		541	5.58
	Switzerland 13.89%		
60	Belimo Holding	190	1.96
7,178	Logitech International	206	2.13
598	Partners Group Holding	313	3.22
1,916	Sonova Holding	216	2.23
372	Straumann Holding	182	1.88
1,577	Tecan Group	239	2.47
		1,346	13.89
	Total Value of Investments	9,276	95.73
	Net Other Assets	414	4.27
	Total Net Assets	9,690	100.00

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28 Feb 2018	
		£'000	£'000
Income			
Net capital losses	4		(507)
Revenue	5	23	
Expenses	6	<u>(36)</u>	
Net expense before taxation		(13)	
Taxation	7	<u>(6)</u>	
Net expense after Taxation			<u>(19)</u>
Total return before distributions			(526)
Distributions	8		<u>-</u>
Change in net assets attributable to Shareholders from investment activities			<u>(526)</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	28 Feb 2018	
	£'000	£'000
Opening net assets attributable to Shareholders		-
Amounts receivable on issue of Shares	10,874	
Less: Amounts paid on cancellation of Shares	<u>(662)</u>	
		10,212
Dilution Levy		4
Change in net assets attributable to Shareholders from investment activities		<u>(526)</u>
Closing net assets attributable to Shareholders		<u>9,690</u>

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

BALANCE SHEET

As at 28 February 2018

	Notes	28 Feb 2018 £'000
ASSETS		
Fixed assets:		
Investment assets		9,276
Current assets:		
Debtors	9	60
Cash and bank balances	10	362
Total Assets		9,698
LIABILITIES		
Creditors:		
Distribution payable on income shares	8	-
Other creditors	11	(8)
Total liabilities		(8)
Net assets attributable to Shareholders		9,690

The notes on pages 17 to 23 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)



6 July 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 7 to 9.

4. NET CAPITAL LOSSES

	28 Feb 2018 £'000
Non-derivative securities	(476)
Currency losses	(29)
Transaction costs & handling charges	(2)
Net capital losses	(507)

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

5. REVENUE

	28 Feb 2018
	£'000
Overseas Dividends	23
	23

6. EXPENSES

	28 Feb 2018
	£'000
Payable to the ACD, associates of the ACD and agents of either of them	
ACD's Annual Management Charge	8
Investment adviser's fee	19
	27
Payable to the Depositary, associates of the Depositary and agents of either of them	
Depositary's fees	2
	2
Other expenses	
Auditor's remuneration	5
Printing fees	2
	7
Total expenses	36

Irrecoverable VAT is included in the above expenses where relevant.

7. TAXATION

(a) The tax charge comprises

	28 Feb 2018
	£'000
Current tax:	
Overseas tax	6
Corporation tax	-
Total current tax charge (Note 7 (b))	6
Deferred tax (Note 7 (c))	-
Total taxation	6

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

(b) Factors affecting the tax charge for the year

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEIC's). The differences are explained below:

	28 Feb 2018
	£'000
Net expense before taxation	(13)
	(13)
Return on ordinary activities multiplied by the special rate of corporation tax of 20%	(3)
Effects of:	
Overseas dividends and distributions not subject to taxation	(5)
Expense not utilised in the year	8
Tax effect on non-taxable overseas dividends	6
Total tax charge (note 7 (a))	6

(c) Deferred tax:

	28 Feb 2018
	£'000
Deferred tax charge	-
Provision at start of year	-
	-

Authorised OEIC's are exempt from tax on capital gains made within the sub-Fund.

Factors that may affect the future tax charge:

The sub-Fund has not recognised a deferred tax asset of £7,154 arising as a result of having unutilised management expenses. It is unlikely that the sub-Fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. DISTRIBUTIONS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28 Feb 2018
	£'000
Interim distribution	-
Final distribution	-
Net distribution for the year	-

The difference between the net revenue after taxation and the amounts distributed comprises:

	28 Feb 2018
	£'000
Net expense after taxation	-
Net distribution for the year	-

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

9. DEBTORS

	28 Feb 2018
	£'000
Accrued revenue	11
Amounts receivable for issue of shares	49
Total Debtors	60

10. CASH AND BANK BALANCES

	28 Feb 2018
	£'000
Sterling	361
US Dollar	1
Total cash and bank balances	362

11. OTHER CREDITORS

	28 Feb 2018
	£'000
Accrued expenses	8
Total Other Creditors	8

12. RELATED PARTIES

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is 0.20% subject to a minimum of £25,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Investment Adviser

Castlefield Investment Partners, as part of the group of companies to which the ACD belongs, Castlefield Partners Limited. The Investment Adviser fee is charged at share class level as a percentage of funds under management and disclosed with the respective Key Investor Information Documents ("KIIDs") and the Company Prospectus. Amounts paid to Castlefield Investment Partners in respect of the Investment Adviser Fee are disclosed within Note 6. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

13. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date.

14. FINANCIAL INSTRUMENTS

In pursuing the sub-Fund's investment objective, the main risks arising from the sub-Fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

At 28 February 2018, if the price of the investments held by the sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £463,800.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-Fund at the balance sheet date.

Currency	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Euro	7,409	10	7,419	76.56
Swiss Franc	1,346	1	1,347	13.9
Danish Krone	521	-	521	5.38
	9,276	11	9,287	95.84
Sterling	-	403	403	4.16
Total	9,276	414	9,690	100.00%

At 28 February 2018, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £92,869.

Interest Rate Risk

The only interest-bearing financial assets of the sub-Fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the the financial assets and liabilities of the sub-Fund disclosed in the balance sheet where applicable.

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2018		
Level 1	9,276	-
Level 2	-	-
Level 3	-	-
	9,276	-

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks. The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risk.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

15. SHARE CLASSES

The sub-Fund currently has one type of share and the Investment Adviser's Fee on each share class is as follows:

General Shares 0.75%

The following table shows the shares in issue during the year:

General Share	Income
Opening Shares	-
Shares Created	11,100,776
Shares Liquidated	(704,639)
Shares Converted	-
Closing Shares	10,396,137

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on page 10. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution table on page 22.

16. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 10.

	28 Feb 2018
	£'000
Analysis of total purchase costs:	
Purchases in period before transaction costs	9,857
Commissions:	
Equities total value paid	7
Taxes:	
Equities total value paid	12
Total purchase costs	19
Gross purchase costs	9,876
Analysis of total sale costs:	
Gross sales in period before transaction costs	124
Commissions:	
Equities total value paid	-
Taxes:	
Equities total value paid	-
Total sale costs	-
Total sale net of transaction costs	124

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

28 Feb 2018

%

Transaction costs as percentage of principal amounts

Analysis of total purchase costs:

Commissions:

Equities total value paid 0.07

Taxes:

Equities total value paid 0.12

Analysis of total sales costs:

Commissions:

Equities total value paid 0.07

Taxes:

Equities total value paid -

Transaction costs as percentage of average net asset values

Commissions 0.09

Taxes 0.14

As at the balance sheet date, the average portfolio dealing spread was 0.84% based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

DISTRIBUTION TABLES

Expenses exceeded revenue during the period, as a result no distributions were paid.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

FUND INFORMATION

The Comparative Tables on pages 23 to 25 give the performance of each active share class in the sub-Fund.

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In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

COMPARATIVE TABLES

For the financial year ended 28 February 2018:

General Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	78.41	75.66	81.56
Return before operating charges*	(0.37)	7.20	(1.04)
Operating charges	(1.19)	(1.21)	(1.37)
Return after operating charges*	(1.56)	5.99	(2.41)
Distributions on income shares	(2.93)	(3.24)	(3.49)
Closing net asset value per share	73.92	78.41	75.66
after direct transaction costs of:**	0.07	0.07	0.02
Performance			
Return after charges	(1.99)%	7.92%	(2.95)%
Other information			
Closing net asset value (£'000)	332	259	262
Closing number of shares	449,434	330,598	346,908
Operating charges	1.49%	1.50%	1.72%
Direct transaction costs	0.08%	0.09%	0.03%
Prices			
Highest share price	83.83	79.54	85.20
Lowest share price	73.95	69.79	72.59

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Institutional Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	80.53	77.51	83.35
Return before operating charges*	(0.39)	7.37	(1.07)
Operating charges	(1.03)	(1.03)	(1.20)
Return after operating charges*	(1.42)	6.34	(2.27)
Distributions on income shares	(3.01)	(3.32)	(3.57)
Closing net asset value per share	76.10	80.53	77.51
after direct transaction costs of:**	0.07	0.08	0.02
Performance			
Return after charges	(1.76)%	8.18%	(2.72)%
Other information			
Closing net asset value (£'000)	10,658	7,883	5,112
Closing number of shares	14,005,800	9,789,575	6,595,192
Operating charges	1.26%	1.25%	1.47%
Direct transaction costs	0.08%	0.10%	0.03%
Prices			
Highest share price	86.15	81.69	87.12
Lowest share price	76.11	71.55	74.36

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Charity Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	81.53	78.47	84.38
Return before operating charges*	(0.39)	7.46	(1.07)
Operating charges	(1.03)	(1.04)	(1.22)
Return after operating charges*	(1.42)	6.42	(2.29)
Distributions on income shares	(3.05)	(3.36)	(3.62)
Closing net asset value per share	77.06	81.53	78.47
after direct transaction costs of:**	0.07	0.08	0.02
Performance			
Return after charges	(1.74)%	8.18%	(2.71)%
Other information			
Closing net asset value (£'000)	15,076	15,523	11,028
Closing number of shares	19,564,071	19,040,183	14,054,109
Operating charges	1.24%	1.25%	1.47%
Direct transaction costs	0.08%	0.09%	0.03%
Prices			
Highest share price	87.22	82.70	88.20
Lowest share price	77.07	72.44	75.28

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

RISK AND REWARD INDICATOR (RRI)



The sub-Fund is ranked as 4 because it has experienced medium to high rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-Fund.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is predominantly to generate a relatively high level of current income, together with income growth and some capital growth over the long term.

This is to be achieved by investing principally in a portfolio of UK equities, although money market instruments, collective investment schemes, deposits, warrants, derivatives (for hedging purposes) and other permitted investments and transactions may also be invested in.

In seeking to achieve the stated investment objective, the Investment Adviser uses a responsible investment research process to identify the universe of securities from which the Fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the Fund where "B.E.S.T" indicates Business & financial, Environmental & ecological, Social and Transparency & governance; however equal weighting may not be given to each element of these criteria when screening potential investments. The Investment Adviser then supplements this research process by selecting only those investments which, by their nature, are considered to be sustainable in order to meet the investment objective. Sustainable activities are considered to be those necessary to ensure the long term continuity of an activity, system, society or enterprise. Further information on the "B.E.S.T" criteria and the sustainability element may be obtained from the Investment Adviser upon request.

INVESTMENT REVIEW

PERFORMANCE

During the period, the fund returned -1.91% (Institutional Income Units) against its peer group IA UK Equity Income sector, which returned +4.19%.

ACTIVITY

The reporting period was a tale of two halves in terms of portfolio activity, with the first half of the period mainly reflecting the deployment of significant inflows into the fund allowing for purchases of new holdings and additions to existing holdings alike, whilst the second half some more in the way of fine-tuning and the exit from several positions. In this first part, we added to Premier Technical Service Group (PTSG) by taking part in a placing to fund the acquisition of a market leading lightning protection and steeplejack company. August then revealed this incremental top-up to be a timely move as interim results revealed strong performance and boosted the shares by some 30%. Elsewhere, two new holdings were initiated, in the shape of renewable energy infrastructure company, Greencoat Renewables, and in premium building products provider, Alumasc Group. The former manages a portfolio of onshore wind farms in Ireland, whilst Alumasc has built strong positions and leading brands in a number of niche markets, particularly those which add value in conserving and managing the scarce resources of energy and water in the built environment.

Turning to the second half of the period, we trimmed positions in Balfour Beatty – now showing a meaningful gain on book cost having successfully executed its turnaround plan – and Equiniti, where the investment has been working very well but we opted to crystallise a portion of its gains in order to recycle the funds elsewhere, topping up positions in both British Land and Alumasc. Six stocks were sold from the fund in their entirety over the review period and a common theme was the desire to be more ruthless in exiting holdings where the investment thesis no longer stacks up, whether from good or poor performance but particularly with regard to the latter. Intermediate Capital Group was sold following very good performance but where we felt that further valuation upside was limited. BT Group has endured a tougher period of late, with accounting fraud at its Italian subsidiary and operational pressures at its domestic business. Feeling uncomfortable with those pressures plus the argument for the stock offering good 'value' rather than good 'growth', we sold the entire position. Other sales included Idox, which was a relatively small position and which we think we can easily replace in terms of contribution to portfolio dividend growth; and Capita, where having thought that management had avoided the need to raise fresh equity, trading deteriorated anew and we did not see a compelling argument to remain invested throughout the new management's turnaround plan. Finally, we exited the position in Carillion in late November, thereby crystallising some residual value from the position and avoiding being caught as holders when it collapsed into liquidation. This was obviously a very disappointing outcome and we had sought to envisage a recapitalisation plan that might ultimately have seen some recovery in the investment over the long term, as Balfour Beatty has successfully done. However, the reality was evidently far worse than we had imagined in terms of Carillion's precarious finances and once that became evident and the shares accordingly speculative, we exited. The investment proved a chastening experience but one that ultimately was exited in advance of the final collapse.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

OUTLOOK

The global backdrop is more nuanced than it has been for several years, with monetary policy arguably now consistently tighter for the major Central Banks of America, the UK and the Eurozone – a far cry from the period of quantitative easing and when the prospect of interest rate hikes was over the horizon. This may pose a test to the market's bull run that began nine years ago; will access to and the cost of finance start to impinge on business operations or consumer balance sheets? More domestically, in the UK we grind closer to the anticipated departure date from the European Union. With all scenario analysis indicating a weaker economy as a result, this risk factor seems increasingly likely to crystallise more in investors' minds when differentiating between investment opportunities. The fund will continue to focus on its belief that companies exhibiting sustainable business practices are more likely to deliver positive long-term returns.

The top ten purchases and total sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Greencoat Renewables	1,106	Intermediate Capital Group	488
Phoenix Group Holding	659	Equiniti Group	329
British land	388	BT Group	254
Aviva	312	Balfour Beatty	205
Alumasc Group	282	Idox	95
Debenhams	275	Glanbia	91
SSE	274	Capita	81
The Gym Group	229	Carillion	39
Lancashire Holdings	189		
Assura	185		
Total purchases during the year were	5,862	Total sales during the year were	1,582

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
CONSUMER GOODS 2.02% (2.67%)			
Food Producers 0.00% (0.41%)			
Personal Goods 2.02% (2.26%)			
14,046	Unilever	527	2.02
		527	2.02
CONSUMER SERVICES 15.38% (13.68%)			
Food & Drug Retailers 1.80% (1.76%)			
207,478	Wm Morrison Supermarkets	468	1.80
		468	1.80
General Retailers 6.25% (6.23%)			
1,339,689	Debenhams	384	1.47
81,386 *	Joules Group	265	1.02
188,842	Marks & Spencer Group	564	2.16
215,865	N Brown Group	418	1.60
		1,631	6.25
Media 2.59% (2.33%)			
73,617	UBM	675	2.59
		675	2.59
Travel, Leisure & Catering 4.74% (3.36%)			
15,145	Go-Ahead Group	238	0.91
410,881	Gym Group	998	3.83
		1,236	4.74
FINANCIALS 40.88% (32.18%)			
Banks 2.22% (2.19%)			
80,292	HSBC Holdings	579	2.22
		579	2.22
Equity Investment Instruments 18.58% (14.33%)			
299,718	3i Infrastructure	589	2.26
1,206,955	Greencoat Renewables	1,118	4.29
1,038,218	Greencoat UK Wind Funds	1,273	4.88
209,933	HICL Infrastructure Fund	307	1.18
537,161	John Laing Environmental Assets Group	545	2.09
427,500	Menhaden Capital	286	1.10
678,749	Renewables Infrastructure Group	724	2.78
		4,842	18.58
Financial Services 1.21% (2.83%)			
385,000 *	Park Group	316	1.21
		316	1.21

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
Life Insurance 7.01% (5.38%)			
179,285	Aviva	905	3.47
49,976	Prudential	922	3.54
		1,827	7.01
Nonlife Insurance 4.59% (2.09%)			
98,122	Lancashire Holdings	550	2.11
81,896	Phoenix Group Holdings	647	2.48
		1,197	4.59
Real Estate Investment Trusts 7.27% (5.36%)			
1,659,613	Assura	955	3.66
149,200	British Land	940	3.61
		1,895	7.27
HEALTH CARE 6.68% (7.28%)			
Pharmaceuticals & Biotechnology 6.68% (7.28%)			
21,054	AstraZeneca	1,011	3.88
55,629	GlaxoSmithKline	729	2.80
		1,740	6.68
INDUSTRIALS 18.17% (21.18%)			
Construction & Materials 6.19% (7.24%)			
165,000	Alumasc Group	282	1.08
150,870	Balfour Beatty	401	1.54
52,959	Kier Group	547	2.10
439,484 *	Van Elle Holdings	382	1.47
		1,612	6.19
Electronic & Electrical Equipment 1.10% (2.72%)			
367,663	Luceco	288	1.10
		288	1.10
General Industrials 3.52% (1.47%)			
496,007 *	Premier Technical Services Group	918	3.52
		918	3.52
Support Services 7.36% (9.75%)			
12,930	De La Rue	81	0.31
271,341	Equiniti Group	788	3.03
345,976	Lakehouse	138	0.53
285,075	RPS Group	659	2.53
56,253 *	RWS Holdings	251	0.96
		1,917	7.36
TECHNOLOGY 2.60% (2.84%)			
Software & Computer Services 2.60% (2.84%)			
97,432	Sage Group	677	2.60
		677	2.60

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
TELECOMMUNICATIONS 1.77% (3.36%)			
Fixed Line Telecommunications 0.00% (1.45%)			
Mobile Telecommunications 1.77% (1.91%)			
226,153	Vodafone Group	461	1.77
		461	1.77
UTILITIES 7.22% (7.70%)			
Electricity 6.10% (2.94%)			
107,032	National Grid	802	3.07
63,929	SSE	789	3.03
		1,591	6.10
Gas, Water & Multiutilities 1.12% (4.76%)			
47,296	Pennon Group	292	1.12
		292	1.12
Total Value of Investments		24,689	94.72
Net Other Assets		1,377	5.28
Total Net Assets		26,066	100.00

Figures in brackets represent sector distribution at 28 February 2017

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

* AIM Listed Securities

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28 Feb 2018		28 Feb 2017	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	4		(1,207)		1,069
Revenue	5	972		797	
Expenses	6	(301)		(243)	
Net revenue before taxation		671		554	
Taxation	7	-		-	
Net revenue after Taxation			671		554
Total return before distributions			(536)		1,623
Distributions	8		(971)		(797)
Change in net assets attributable to Shareholders from investment activities			(1,507)		826

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	28 Feb 2018		28 Feb 2017	
	£'000	£'000	£'000	£'000
Opening net assets attributable to Shareholders		23,665		16,402
Amounts receivable on issue of Shares	6,482		7,115	
Less: Amounts paid on cancellation of Shares	(2,574)		(678)	
		3,908		6,437
Change in net assets attributable to Shareholders from investment activities		(1,507)		826
Closing net assets attributable to Shareholders		26,066		23,665

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

BALANCE SHEET

As at 28 February 2018

	Notes	28 Feb 2018 £'000	28 Feb 2017 £'000
ASSETS			
Fixed assets:			
Investment assets		24,689	21,511
Current assets:			
Debtors	9	118	94
Cash and bank balances	10	1,498	2,275
Total Assets		26,305	23,880
LIABILITIES			
Creditors:			
Distribution payable on income shares	8	(218)	(186)
Other creditors	11	(21)	(29)
Total liabilities		(239)	(215)
Net assets attributable to Shareholders		26,066	23,665

The notes on pages 33 to 39 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)




6 July 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 7 to 9.

4. NET CAPITAL (LOSSES) / GAINS

	28 Feb 2018 £'000	28 Feb 2017 £'000
Non-derivative securities	(1,200)	1,035
Other Currency (losses)/Gains	(7)	34
Net capital (losses)/gains	(1,207)	1,069

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

5. REVENUE

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Bank interest	1	2
UK dividends	713	539
Overseas Dividends	258	256
	972	797

6. EXPENSES

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them		
ACD's Annual Management Charge	54	40
Investment adviser's fee	204	147
	258	187
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	18	18
Safe custody fees	2	6
Administration fees	-	3
	20	27
Other expenses		
Auditor's remuneration	5	6
Electronic messaging fees	1	1
Registration fees	17	22
	23	29
Total expenses	301	243

Irrecoverable VAT is included in the above expenses where relevant.

7. TAXATION

(a) The tax charge comprises

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Current tax:		
Corporation tax	-	-
Total current tax charge (Note 7 (b))	-	-
Deferred tax (Note 7 (c))	-	-
Total taxation	-	-

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

(b) Factors affecting the tax charge for the year

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEIC's). The differences are explained below:

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Net revenue before taxation	671	554
	671	554
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	134	111
Effects of:		
Franked UK dividends and distributions not subject to taxation	(194)	(108)
Expense not utilised in the year	60	48
Tax effect on non-taxable overseas dividends	-	(5)
Total tax charge (note 7 (a))	-	-

(c) Deferred tax

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Deferred tax charge	-	-
Provision at start of year	-	-
	-	-

Authorised OEIC's are exempt from tax on capital gains made within the sub-Fund.

Factors that may affect the future tax charge:

The sub-Fund has not recognised a deferred tax asset of £359,157 (2017: £299,116) arising as a result of having unutilised management expenses. It is unlikely that the sub-Fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. DISTRIBUTIONS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28 Feb 2018	28 Feb 2017
	£'000	£'000
First Interim distribution	229	182
Second Interim distribution	305	237
Third Interim distribution	234	214
Final distribution	218	186
	986	819
Add: Revenue deducted on cancellation of shares	12	3
Deduct: Revenue received on issue of shares	(27)	(25)
Net distribution for the year	971	797

The difference between the net revenue after taxation and the amounts distributed comprises:

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Net revenue after taxation	670	554
Expenses charged against capital	301	243
Net distribution for the year	971	797

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

9. DEBTORS

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Accrued revenue	116	90
Amounts receivable for issue of shares	2	4
Total Debtors	118	94

10. CASH AND BANK BALANCES

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Sterling	1,498	2,141
US Dollar	-	134
Total cash and bank balances	1,498	2,275

11. OTHER CREDITORS

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Accrued expenses	17	11
Amounts payable for cancellation of shares	4	18
Total Other Creditors	21	29

12. RELATED PARTIES

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is 0.20% subject to a minimum of £45,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Investment Adviser

Castlefield Investment Partners, as part of the group of companies to which the ACD belongs, Castlefield Partners Limited. The Investment Adviser fee is charged at share class level as a percentage of funds under management and disclosed with the respective Key Investor Information Documents ("KIIDs") and the Company Prospectus. Amounts paid to Castlefield Investment Partners in respect of the Investment Adviser Fee are disclosed within Note 6. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

13. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

14. FINANCIAL INSTRUMENTS

In pursuing the sub-Fund's investment objective, the main risks arising from the sub-Fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

At 28 February 2018, if the price of the investments held by the sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £1,234,439 (28 February 2017: £1,075, 530).

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-Fund at the balance sheet date.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Currency exposure as at 28 February 2018

	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Euro	1,118	-	1,118	4.29
US Dollar	-	48	48	0.18
	1,118	48	1,166	4.47
Sterling	23,571	1,329	24,900	95.53
	24,689	1,377	26,066	100.00%

Currency exposure as at 28 February 2017

	Portfolio of investments £'000	Net other assets £'000	Total £'000	Total exposure %
Euro	97	-	97	0.41
US Dollar	-	180	180	0.76
	97	180	277	1.17
Sterling	21,414	1,974	23,388	98.83
Total	21,511	2,154	23,665	100.00%

At 28 February 2018, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £11,660 (28 February 2017: £2,770).

Interest Rate Risk

The only interest-bearing financial assets of the sub-Fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-Fund disclosed in the balance sheet where applicable.

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2018		
Level 1	22,524	-
Level 2	2,165	-
Level 3	-	-
	24,689	-

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2017		
Level 1	21,511	-
Level 2	-	-
Level 3	-	-
	21,511	-

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each Fund and the manner in which the derivatives are being used and has determined that each Fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risk.

15. SHARE CLASSES

The sub-Fund currently has three types of share. The Investment Adviser's Fee on each share class is as follows:

General Shares	1.00%
Institutional Shares	0.75%
Charity Shares	0.75%

The following table shows the shares in issue during the year:

General Shares	Income
Opening Shares	330,598
Shares Created	247,354
Shares Liquidated	(128,518)
Shares Converted	-
Closing Shares	449,434

Institutional Shares	Income
Opening Shares	9,789,575
Shares Created	6,370,084
Shares Liquidated	(2,153,859)
Shares Converted	-
Closing Shares	14,005,800

Charity Shares	Income
Opening Shares	19,040,183
Shares Created	1,524,743
Shares Liquidated	(1,000,855)
Shares Converted	-
Closing Shares	19,564,071

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on pages 23 to 25. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on page 39 to 40.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

	28 Feb 2018	28 Feb 2017
	£'000	£'000
Analysis of total purchase costs:		
Purchases in period before transaction costs	5,841	6,575
Commissions:		
Equities total value paid	1	1
Taxes:		
Equities total value paid	20	21
Total purchase costs	21	22
Gross purchase costs	5,862	6,597
Analysis of total sale costs		
Gross sales in period before transaction costs	1,582	847
Commissions:		
Equities total value paid	-	-
Taxes:		
Equities total value paid	-	-
Total sale costs	-	-
Total sale net of transaction costs	1,582	847

	28 Feb 2018	28 Feb 2017
	%	%
Transaction costs as percentage of principal amounts		
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.02	-
Taxes:		
Equities total value paid	0.34	0.09
Analysis of total sales costs:		
Commissions:		
Equities total value paid	0.01	-
Taxes:		
Equities total value paid	-	-
Transaction costs as percentage of average net asset value		
Commissions	0.01	-
Taxes	0.07	0.09

As at the balance sheet date, the average portfolio dealing spread was 0.80% (2017: 0.51%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

DISTRIBUTION TABLES

For the period from 1st March 2017 to 31st May 2017:

First Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st March 2017

Group 2 Shares purchased between 1st March 2017 to 31st May 2017

General Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	0.6997	-	0.6997	0.8011
Group 2	0.6811	0.0186	0.6997	0.8011

Institutional Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	0.7190	-	0.7190	0.8210
Group 2	0.4339	0.2851	0.7190	0.8210

Charity Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	0.7282	-	0.7282	0.8312
Group 2	0.6545	0.0737	0.7282	0.8312

For the period from 1st June 2017 to 31st August 2017:

Second Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st June 2017

Group 2 Shares purchased between 1st June 2017 to 31st August 2017

General Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	0.9089	-	0.9089	0.9896
Group 2	0.8222	0.0867	0.9089	0.9896

Institutional Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	0.9361	-	0.9361	1.0143
Group 2	0.5060	0.4301	0.9361	1.0143

Charity Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	0.9477	-	0.9477	1.0270
Group 2	0.7551	0.1926	0.9477	1.0270

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

For the period from 1st September 2017 to 30th November 2017:

Third Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st September 2017

Group 2 Shares purchased between 1st September 2017 to 30th November 2017

General Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	0.6984	-	0.6984	0.8334
Group 2	0.3801	0.3183	0.6984	0.8334

Institutional Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	0.7186	-	0.7186	0.8551
Group 2	0.4025	0.3161	0.7186	0.8551

Charity Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	0.7287	-	0.7287	0.8657
Group 2	0.6778	0.0509	0.7287	0.8657

For the period from 1st December 2017 to 28th February 2018:

Final dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st December 2017

Group 2 Shares purchased between 1st December 2017 to 28th February 2018

General Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.6196	-	0.6196	0.6165
Group 2	0.3750	0.2446	0.6196	0.6165

Institutional Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.6374	-	0.6374	0.6335
Group 2	0.2127	0.4247	0.6374	0.6335

Charity Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.6457	-	0.6457	0.6413
Group 2	0.3784	0.2673	0.6457	0.6413

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

FUND INFORMATION

The Comparative Tables on pages 41 to 42 give the performance of each active share class in the sub-Fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-Fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Fund.

Since the 2nd January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of the Fund.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

COMPARATIVE TABLES

For the financial year ended 28 February 2018:

General Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	441.35	353.82	340.03
Return before operating charges*	120.32	97.48	27.10
Operating charges	(15.25)	(9.95)	(13.31)
Return after operating charges*	105.07	87.53	13.79
Distributions on income shares	0.00	-	-
Closing net asset value per share	546.42	441.35	353.82
after direct transaction costs of:**	0.64	0.14	0.21
Performance			
Return after charges	23.81%	24.74%	4.06%
Other information			
Closing net asset value (£'000)	962	848	979
Closing number of shares	179,670	192,162	276,653
Operating charges	2.98%	3.17%	3.58%
Direct transaction costs	0.12%	0.03%	0.06%
Prices			
Highest share price	559.57	456.41	395.20
Lowest share price	447.62	346.26	343.12

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

Institutional Shares - Income

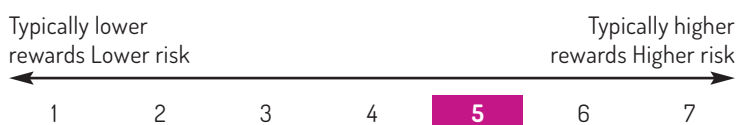
	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	451.41	360.82	345.04
Return before operating charges*	167.45	98.65	27.44
Operating charges	(63.81)	(8.06)	(11.66)
Return after operating charges*	103.64	90.59	15.78
Distributions on income shares	-	-	-
Closing net asset value per share	555.05	451.41	360.82
after direct transaction costs of:**	0.68	0.14	0.22
Performance			
Return after charges	22.96%	25.11%	4.57%
Other information			
Closing net asset value (£'000)	5,825	4,339	3,536
Closing number of shares	1,058,547	961,082	980,160
Operating charges	2.48%	2.67%	3.08%
Direct transaction costs	0.12%	0.03%	0.06%
Prices			
Highest share price	574.51	467.72	402.53
Lowest share price	457.82	353.75	348.19

*Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

**Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

RISK AND REWARD INDICATOR (RRI)



The sub-Fund is ranked as 5 because it has experienced medium to high rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-Fund.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to achieve long term capital growth. The investment policy is to invest predominantly in the shares of quoted smaller UK companies, including those listed on the Alternative Investment Market.

In seeking to achieve the stated investment objective, the Investment Adviser uses a responsible investment research process to identify the universe of securities from which the Fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the Fund where "B.E.S.T" indicates Business & financial, Environmental & ecological, Social and Transparency & governance; however equal weighting may not be given to each element of these criteria when screening potential investments. The Investment Adviser then supplements this research process by selecting only those investments which, by their nature, are considered to be sustainable in order to meet the investment objective. Sustainable activities are considered to be those necessary to ensure the long term continuity of an activity, system, society or enterprise. Further information on the "B.E.S.T" criteria and the sustainability element may be obtained from the Investment Adviser upon request.

INVESTMENT REVIEW

PERFORMANCE

During the period, the fund returned +22.12% (Institutional Income Units) against its peer group IA UK Smaller Companies sector, which returned +18.74%.

PORTFOLIO ACTIVITY

Since the interim report, activity within the Fund has been plentiful. Alongside more regular transactions, such as taking gains from some of the larger and strongest performing holdings, and adding to holdings where we believe price declines were without great merit, there were two other drivers behind the elevated level of activity. Firstly, the Fund saw material inflows in February which were deployed across a number of core holdings, whilst we also continued the reorganisation of the portfolio in line with its updated mandate. Part of this involved introducing four new companies and exiting several in full.

Regarding the specifics of new holdings, the first was in newly floated housebuilder Springfield Properties. Springfield is focused on developing a mix of private and affordable housing in Scotland. The latter activity is of particular interest given the Scottish Government has set a target to build 50,000 affordable homes between 2016 and 2021, and we therefore believe the company to be well placed to benefit from this. The Private Housing division meanwhile has historically developed smaller to medium-sized developments in Scotland, as well as a small number of larger sites – but is now focused on developing a higher proportion of larger village sites. The division's model primarily focuses on sourcing land in areas with high growth potential and, subsequently, to progress developments through the planning process.

Leading waste management business Augean was our second new purchase. The company provides sustainable, compliance-led solutions for Britain's more complex waste streams. With the shares having recently been weighed down by an unexpected potential tax liability, we took the opportunity to take a position in the company as we are of the view this weakness has been overdone and there is value to be realised. Next was veterinary services provider CVS Group. CVS is the largest integrated veterinary services provider in the UK encompassing four main business areas; veterinary practices, diagnostic laboratories, pet crematoria and e-commerce division. We initiated our position in the company by participating in a placing of shares in February. The funds were raised to pay down debt and to create headroom to fund future acquisitions. With the placing price at a discount to the prevailing share price it represented an attractive entry point.

Finally, we invested in Anpario, an international producer and distributor of high performance natural feed additives such as probiotics for animal health, hygiene and nutrition. Anpario's expertise is focused on intestinal health and nutrition, and utilizing this understanding to improve animal performance and producer profitability. In recent years the company has have been investing in its distribution network and we believe they will continue to reap the rewards of this, as well as benefitting from long-term global trends of increasing demand for animal protein and tightening regulations around antibiotic use.

Turning to the exits, four of these were due to the size of the company. These were shipbroker Clarkson, baker Greggs, reinsurer Lancashire Holdings, and provider of premium mixer drinks Fevertree. Whilst these had all performed well for the Fund, with Fevertree in particular having performed exceptionally since purchase in 2015, they had all grown to such a level of market capitalisation, and maturity, that we felt they could no longer be qualified as "smaller companies". We were therefore happy to crystallise profits and recycle the proceeds back into the Fund. Regarding the remaining sales, we took the decision

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

to sell the entire holding of recruitment company Interquest following a number of disappointing decisions made by Executive Directors of the company that have eroded investors' trust. In addition, we exited a long-held position in support services group Costain as this failed to fully meet the enhanced investment process, as well as the Fund being well exposed to infrastructure elsewhere. Lastly, we sold a small holding in Flying Brands.

OUTLOOK

As ever, the performance of UK smaller companies will continue to be heavily influenced by the direction of the UK economy. However, despite the continuing uncertainty and perceived related risks, as we move closer to the anticipated departure date from the European Union, the majority of recent news flow from companies held in the portfolio has been reassuring. We therefore remain confident for the future, a stance strengthened following the recent enhancements to the investment process of the Fund. This focuses on companies exhibiting sustainable business practices, which we believe will support the delivery of positive long-term returns.

The top ten purchases and total sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Alumasc Group	254	IQE	430
Iomart Group	214	Fevertree Drink	368
Good Energy Group	177	Avon Rubber	245
The Gym Group	177	AB Dynamics	220
Premier Technical Services Group	138	Clarkson	202
Strix Group	137	Sound Energy	138
Gateley	135	Lancashire Holdings	136
Springfield Properties	131	Costain Group	114
Work Group	122	Faroe Petroleum	103
Keywords Studios	120	Waterman Group	98
Total purchases during the year were	2,745	Total sales during the year were	2,474

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
CONSUMER GOODS 7.79% (11.41%)			
Automobiles & Parts 1.84% (2.04%)			
116,000 *	Autins Group	124	1.83
1,000,000 **	Torotrak	1	0.01
		125	1.84
Beverages 1.49% (5.40%)			
4,000 *	Fevertree Drinks	101	1.49
		101	1.49
Household Goods & Home Construction 4.46% (3.97%)			
29,000	Headlam Group	163	2.40
120,000 *	Springfield Properties	140	2.06
		303	4.46
CONSUMER SERVICES 7.00% (3.45%)			
Food & Drug Retailers 0.00% (1.33%)			
General Retailers 1.58% (0.06%)			
10,000 *	CVS Group	107	1.58
		107	1.58
Media 2.00% (2.06%)			
115,000 *	Cello Group	136	2.00
		136	2.00
Travel, Leisure & Catering 3.42% (0.00%)			
95,500	Gym Group	232	3.42
		232	3.42
FINANCIALS 22.32% (26.14%)			
Equity Investment Instruments 3.55% (3.47%)			
54,000	City of London Investment Group	241	3.55
		241	3.55
Financial Services 15.72% (17.23%)			
425,000 *	Arden Partners	204	3.01
313,730 ***	Capital for Colleagues	116	1.71
610,000 *	First Property Group	280	4.12
37,500 *	Mattioli Woods	276	4.07
233,000 *	Park Group	191	2.81
		1,067	15.72
Nonlife Insurance 3.05% (5.44%)			
49,000 *	Personal Group Holdings	207	3.05
		207	3.05

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
HEALTH CARE 1.55% (0.00%)			
Pharmaceuticals & Biotechnology 1.55% (0.00%)			
25,000 *	Anpario	105	1.55
		105	1.55
INDUSTRIALS 39.35% (30.66%)			
Aerospace & Defense 0.00% (4.70%)			
Construction & Materials 3.70% (1.95%)			
147,000	Alumasc Group	251	3.70
		251	3.70
Electronic & Electrical Equipment 3.57% (0.00%)			
185,000 *	Strix Group	242	3.57
		242	3.57
General Industrials 7.57% (3.18%)			
400,000 *	Augean	100	1.47
215,000	Macfarlane Group	178	2.62
127,154 *	Premier Technical Services Group	236	3.48
		514	7.57
Industrial Engineering 9.14% (7.83%)			
41,500 *	AB Dynamics	361	5.32
52,000	Porvair	259	3.82
		620	9.14
Industrial Transportation 0.00% (3.32%)			
Support Services 15.37% (9.68%)			
103,846 *	Driver Group	71	1.05
90,000 *	Gateley Holdings	153	2.25
100,000 *	Gordon Dadds Group	164	2.42
825,000 *	Inspired Energy	169	2.49
13,500 *	Keywords Studios	211	3.10
213,000 *	Lakehouse	85	1.25
22,500	Vp	191	2.81
		1,044	15.37
OIL & GAS 0.15% (12.34%)			
Alternative Energy 0.00% (4.76%)			
Oil & Gas Producers 0.15% (7.58%)			
593,879 *	Hydrodec Group	10	0.15
		10	0.15
TECHNOLOGY 16.74% (15.58%)			
Software & Computer Services 10.42% (7.91%)			
6,000 *	Accesso Technology Group	136	2.00
50,000 *	GB Group	211	3.11
290,000 *	IDOX	101	1.49
69,000 *	Iomart Group	259	3.82
		707	10.42

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
Technology Hardware & Equipment 6.32% (7.67%)			
70,000 *	Amino Technologies	137	2.02
225,000 *	IQE	292	4.30
		429	6.32
UTILITIES 2.05% (0.00%)			
Electricity 2.05% (0.00%)			
105,000 *	Good Energy Group	139	2.05
		139	2.05
Total Value of Investments		6,580	96.95
Net Other Assets		207	3.05
Total Net Assets		6,787	100.00

Figures in brackets represent sector distribution at 28 February 2017

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

* AIM Listed Securities

*** Nex Exchange

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28 Feb 18		28 Feb 17	
		£'000	£'000	£'000	£'000
Income:					
Net capital gains	4		1,142		1,109
Revenue	5	114		116	
Expenses:					
	6	(149)		(140)	
Net expense before taxation		(35)		(24)	
Taxation	7	-		-	
Net expense after Taxation			(35)		(24)
Total return before distributions			1,107		1,085
Distributions	8		-		-
Change in net assets attributable to Shareholders from investment activities			1,107		1,085

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	28 Feb 18		28 Feb 17	
	£'000	£'000	£'000	£'000
Opening net assets attributable to Shareholders		5,187		4,515
Amounts receivable on issue of Shares	1,751		262	
Less: Amounts paid on cancellation of Shares	(1,268)		(675)	
		483		(413)
Dilution Levy		10		
Change in net assets attributable to Shareholders from investment activities		1,107		1,085
Closing net assets attributable to Shareholders		6,787		5,187

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

BALANCE SHEET

As at 28 February 2018

	Notes	28 Feb 18 £'000	28 Feb 17 £'000
ASSETS			
Fixed assets:			
Investment assets		6,580	5,165
Current assets:			
Debtors	9	7	30
Cash and bank balances	10	325	44
Total Assets		6,912	5,239
LIABILITIES			
Creditors:			
Other creditors	11	(125)	(52)
Total liabilities		(125)	(52)
Net assets attributable to Shareholders		6,787	5,187

The notes on pages 50 to 56 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)




6 July 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 7 to 9.

4. NET CAPITAL GAINS

	28 Feb 18 £'000	28 Feb 17 £'000
Non-derivative securities	1,143	1,110
Transaction charges	(1)	(1)
Net capital gains	1,142	1,109

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

5. REVENUE

	28 Feb 18	28 Feb 17
	£'000	£'000
UK dividends	104	77
Overseas Dividends	10	39
	114	116

6. EXPENSES

	28 Feb 18	28 Feb 17
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them		
ACD's Annual Management Charge	45	39
Investment adviser's fee	65	58
	110	97
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	18	18
Safe custody fees	-	5
	18	23
Other expenses		
Auditor's remuneration	5	6
Electronic messaging fees	1	2
Registration fees	15	12
	21	20
Total expenses	149	140

Irrecoverable VAT is included in the above expenses where relevant.

7. TAXATION

(a) The tax charge comprises

	28 Feb 18	28 Feb 17
	£'000	£'000
Current tax:		
Corporation tax	-	-
Total current tax charge (Note 7 (b))	-	-
Deferred tax (Note 7 (c))	-	-
Total taxation	-	-

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

(b) Factors affecting the tax charge for the year

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEIC's). The differences are explained below:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net expense before taxation	(35)	(24)
	(35)	(24)
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	(7)	(5)
Effects of:		
Franked UK dividends and distributions not subject to taxation	(23)	(15)
Expense not utilised in the year	30	27
Tax effect on non-taxable overseas dividends	-	(7)
Total tax charge (note 7 (a))	-	-

(c) Deferred tax:

	28 Feb 18	28 Feb 17
	£'000	£'000
Deferred tax charge	-	-
Provision at start of year	-	-
	-	-

Authorised OEIC's are exempt from tax on capital gains made within the sub-Fund.

Factors that may affect the future tax charge:

The sub-Fund has not recognised a deferred tax asset of £296,019 (2017: £266,298) arising as a result of having unutilised management expenses. It is unlikely that the sub-Fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. DISTRIBUTIONS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28 Feb 18	28 Feb 17
	£'000	£'000
Interim distribution	-	-
Final distribution	-	-
	-	-
Add: Revenue deducted on cancellation of shares	-	-
Deduct: Revenue received on issue of shares	-	-
Net distribution for the year	-	-

The difference between the net revenue after taxation and the amounts distributed comprises:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net revenue after taxation	(35)	(24)
Expenses charged against capital	35	24
Net distribution for the year	-	-

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

9. DEBTORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued revenue	7	5
Amounts receivable for issue of shares	-	25
Total Debtors	7	30

10. CASH AND BANK BALANCES

	28 Feb 18	28 Feb 17
	£'000	£'000
Sterling	325	44
Total cash and bank balances	325	44

11. OTHER CREDITORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued expenses	18	35
Amounts payable for cancellation of shares	1	17
Stock purchase awaiting settlement	106	-
Total Other Creditors	125	52

12. RELATED PARTIES

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is 0.20% subject to a minimum of £45,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Investment Adviser

Castlefield Investment Partners, as part of the group of companies to which the ACD belongs, Castlefield Partners Limited. The Investment Adviser fee is charged at share class level as a percentage of funds under management and disclosed with the respective Key Investor Information Documents ("KIIDs") and the Company Prospectus. Amounts paid to Castlefield Investment Partners in respect of the Investment Adviser Fee are disclosed within Note 6. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

13. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

14. FINANCIAL INSTRUMENTS

In pursuing the sub-Fund's investment objective, the main risks arising from the sub-Fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

At 28 February 2018, if the price of the investments held by the sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £328,994 (28 February 2017: £258,267).

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-Fund at the balance sheet date.

Interest Rate Risk

The only interest-bearing financial assets of the sub-Fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the the financial assets and liabilities of the sub-Fund disclosed in the balance sheet where applicable.

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2018		
Level 1	6,580	-
Level 2	-	-
Level 3	-	-
	6,580	

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2017		
Level 1	5,165	-
Level 2	-	-
Level 3	-	-
	5,165	-

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks. The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

15. SHARE CLASSES

The sub-Fund currently has two types of share. The Investment Adviser's Fee on each share class is as follows:

General Shares	1.50%
Institutional Shares	1.00%

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

The following table shows the shares in issue during the year:

General Shares	Income
Opening Shares	192,162
Shares Created	35,910
Shares Liquidated	(48,402)
Shares Converted	-
Closing Shares	179,670

Institutional Shares	Income
Opening Shares	961,082
Shares Created	290,270
Shares Liquidated	(192,805)
Shares Converted	-
Closing Shares	1,058,547

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on pages 41 to 42. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution table on page 55.

16. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 41 to 42.

	28 Feb 18	28 Feb 17
	£'000	£'000
Analysis of total purchase costs:		
Purchases in period before transaction costs	2,739	299
Commissions:		
Equities total value paid	3	1
Taxes:		
Equities total value paid	3	1
Total purchase costs	6	2
Gross purchase costs	2,745	301
Analysis of total sale costs		
Gross sales in period before transaction costs	2,476	757
Commissions:		
Equities total value paid	(2)	(1)
Taxes:		
Equities total value paid	-	-
Total sale costs	(2)	(1)
Total sale net of transaction costs	2,474	756

CASTLEFIELD B.E.S.T SUSTAINABLE UK SMALLER COMPANIES FUND

	28 Feb 18	28 Feb 17
	%	%
Transaction costs as percentage of principal amounts		
Analysis of total purchase costs		
Commissions:		
Equities total value paid	0.10	0.01
Taxes:		
Equities total value paid	0.10	0.01
Analysis of total sales costs:		
Commissions:		
Equities total value paid	0.07	0.01
Taxes:		
Equities total value paid	-	-
Transaction costs as percentage of average net asset value		
Commissions	0.08	0.02
Taxes	0.05	0.01

As at the balance sheet date, the average portfolio dealing spread was 3.01% (2017: 2.74%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

DISTRIBUTION TABLES

Expenses exceeded revenue during the period, as a result no distributions were paid (2017:same).

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

FUND INFORMATION

The Comparative Tables on pages 56 to 58 give the performance of each active share class in the sub-Fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-Fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Fund.

Since the 2nd January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of the Fund.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

COMPARATIVE TABLES

For the financial year ended 28 February 2018

General Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	369.71	337.86	365.50
Return before operating charges*	17.35	42.81	(16.22)
Operating charges	(7.14)	(5.95)	(6.83)
Return after operating charges*	10.21	36.86	(23.05)
Distributions on income shares	(4.39)	(5.01)	(4.59)
Closing net asset value per share	375.53	369.71	337.86
after direct transaction costs of:**	0.09	0.09	-
Performance			
Return after charges	2.76%	10.91%	(6.31)%
Other information			
Closing net asset value (£'000)	969	1005	1,158
Closing number of shares	257,959	271,977	342,882
Operating charges	1.87%	1.85%	1.93%
Direct transaction costs	0.02%	0.02%	-
Prices			
Highest share price	397.74	370.97	377.83
Lowest share price	365.25	322.64	313.11

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Institutional Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	375.36	343.01	371.08
Return before operating charges*	17.62	43.49	(16.48)
Operating charges	(5.28)	(4.25)	(5.13)
Return after operating charges*	12.34	39.24	(21.61)
Distributions on income shares	(6.42)	(6.89)	(6.46)
Closing net asset value per share	381.27	375.36	343.01
after direct transaction costs of:**	0.09	0.09	-
Performance			
Return after charges	3.29%	11.44%	(5.82)%
Other information			
Closing net asset value (£'000)	20,784	21,670	19,766
Closing number of shares	5,451,124	5,772,970	5,762,299
Operating charges	1.36%	1.35%	1.43%
Direct transaction costs	0.02%	0.03%	-
Prices			
Highest share price	404.09	377.09	384.07
Lowest share price	371.20	327.68	318.20

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Charity Shares - Income

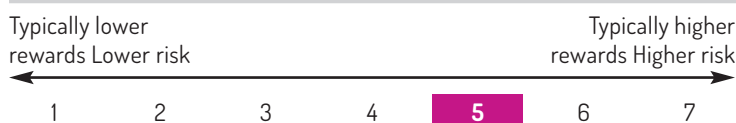
	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	379.35	346.08	374.39
Return before operating charges*	1716	44.50	(16.61)
Operating charges	(4.34)	(3.38)	(4.28)
Return after operating charges*	12.82	41.12	(20.89)
Distributions on income shares	(7.48)	(7.85)	(7.42)
Closing net asset value per share	384.69	379.35	346.08
after direct transaction costs of:**	0.08	0.09	-
Performance			
Return after charges	3.38%	11.70%	(5.58)%
Other information			
Closing net asset value (£'000)	7,120	9,376	8,867
Closing number of shares	1,850,866	2,475,716	2,562,074
Operating charges	1.11%	1.10%	1.18%
Direct transaction costs	0.02%	0.03%	-
Prices			
Highest share price	407.84	380.69	387.74
Lowest share price	374.72	330.67	321.20

* Operating charges, otherwise known as OCF is the ratio of the Sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

RISK AND REWARD INDICATOR (RRI)



The sub-Fund is ranked as 5 because it has experienced relatively high rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-Fund.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the Fund is to invest primarily for long term capital growth from a portfolio of investments. The ACD's investment policy is actively to invest in those companies, primarily within the UK, where the manager believes there are above average opportunities for growth.

In seeking to achieve the stated investment objective, the Investment Adviser uses a responsible investment research process to identify the universe of securities from which the Fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the Fund where "B.E.S.T" indicates Business & financial, Environmental & ecological, Social and Transparency & governance; however equal weighting may not be given to each element of these criteria when screening potential investments.

INVESTMENT REVIEW

PERFORMANCE

During the twelve-month period under review, the fund returned +3.25% (as measured by the Institutional Income Share class). This compares to a return of +6.5% for the peer group of funds in the IA UK All Companies sector.

ACTIVITY

2017 was characterised by relatively benign markets for much of the year, ending in a rally that was driven by large cap stocks, especially those perceived to benefit from the tax cuts announced in the US. That quickly reversed in the early part of 2018 as concerns that geopolitical risks could precipitate a trade war and the continued deterioration in the dollar saw those positions unwind, eliminating much of the gains generated before the year-end. Whilst we lagged the sharp market rally towards the end of 2017, we have been substantially narrowing that gap in January and February as the reporting period drew to a close. We have maintained our underweight stance on many of the large dollar earning segments in the market as well as the so called "bond-proxy" sectors, those stocks that were expected to struggle should yields begin to materially increase. These sectors, including utilities, tobacco, large cap pharmaceuticals and consumer goods all underperformed towards the end of the period, aligning with our fund positioning. At the same time, the fund benefited from a flurry of M&A activity that saw some out of favour stocks as well as some of our stronger performing holdings bid for. Media and events business UBM announced an agreed bid from fellow UK events business Informa and February saw the acquisition by Cineworld (held within the portfolio) of US-peer Regal cinemas close after initially being announced in late 2017. In terms of new additions to the portfolio, right at the start of the period we added financial and business services group K3 Capital to the fund. Launching on the AIM market with an initial public offering (IPO) in April 2017, the company acts as a business broker, advertising businesses for sale and effecting transactions in smaller and mid sized companies alike. Rapid growth over the past few years has seen the group extend its offering, now also providing more in-depth Corporate Finance services. K3 has been able to extend the scale of companies that it is able to act for with this greater capability, now working on deals up to £50m. A very robust cash flow model underpins the business with an initial retainer covering the costs of producing marketing material plus the potential to earn a success fee on a completed sale. Despite a very strong start to listed company status, we topped up again in September through a placing as we felt that the groups growth and prospects were still under appreciated. Shortly after we also added to our holding in share registrar and financial services business Equiniti. The group announced a rights issue in order to fund the acquisition of a business unit from US bank Wells Fargo that had a similar focus. The deal would extend Equiniti's geographic footprint whilst remaining within its core area of expertise. In order to avoid becoming too exposed to financial services firms we sold out of our stake in debt and fund management group Intermediate Capital. We still like the company and transitioning to a greater proportion of revenues from fund management is proving successful however after a very strong 2017 and with several years of growth preceding that, we felt the shares fully reflected these prospects.

OUTLOOK

We have already seen post the period end a further increase in risk aversion with investors shunning equities only for a sharp rebound in markets to take place. The moves of central banks, with the US leading the current wave of rate tightening and the UK following at a slower rate are likely to influence returns for the coming year. A gradual return to more normal levels of interest rates is largely desirable but after such an extended upwards run of markets, when concerns do emerge then a spike in volatility is more likely as we have recently seen. Nevertheless, we continue to see these turning points in markets as opportunities and continue to position the portfolio accordingly.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

The top ten purchases and total sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Devro	786	RWS Holdings	941
K3 Capital Group	677	Intermediate Capital Group	940
		UBM	769
		Park Plaza Hotels	645
		Prudential	580
		Meggitt	563
		Diageo	316
		IG Group Holdings	271
		Aveva Group	229
		Croda International	223
Total purchases during the year were	1,463	Total sales during the year were	6,225

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
BASIC MATERIALS 8.55% (7.01%)			
Chemicals 3.38% (3.04%)			
16,380	Croda International	750	2.60
79,520	Elementis	226	0.78
		976	3.38
Mining 5.17% (3.97%)			
43,132	BHP Billiton	642	2.22
21,591	Rio Tinto	850	2.95
		1,492	5.17
CONSUMER GOODS 12.96% (11.62%)			
Beverages 5.11% (5.14%)			
92,177	Britvic	625	2.16
34,291	Diageo	848	2.95
		1,473	5.11
Food Producers 4.71% (3.33%)			
325,832	Devro	641	2.22
56,471	Glanbia	719	2.49
		1,360	4.71
Household Goods & Home Construction 1.19% (1.36%)			
5,949	Reckitt Benckiser Group	344	1.19
		344	1.19
Personal Goods 1.95% (1.79%)			
15,038	Unilever	564	1.95
		564	1.95
CONSUMER SERVICES 15.85% (14.79%)			
General Retailers 2.41% (2.90%)			
833,399	Debenhams	239	0.83
235,394	N Brown Group	456	1.58
		695	2.41
Media 0.00% (2.04%)			
Travel, Leisure & Catering 13.44% (9.85%)			
752,160	Cineworld Group	1,787	6.18
102,544	PPHE Hotel Group	1,148	3.98
24,165	Whitbread	947	3.28
		3,882	13.44
FINANCIALS 20.43% (21.21%)			
Banks 5.44% (5.04%)			
383,422	Barclays	821	2.84
61,773 **	Irish Bank Resolution Corp	-	-
1,086,740	Lloyds Banking Group	751	2.60
		1,572	5.44

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
Financial Services 7.50% (7.56%)			
125,000 **	Finance Ireland	13	0.05
207,442 *	H&T Group	706	2.45
177,995	IG Group Holdings	1,444	5.00
283,500 **	Tersus Energy	-	-
		2,163	7.50
Life Insurance 3.98% (4.74%)			
62,361	Prudential	1,150	3.98
		1,150	3.98
Nonlife Insurance 1.16% (1.30%)			
59,878	Lancashire holding	336	1.16
		336	1.16
Real Estate Investment Trusts 2.35% (2.57%)			
1,181,290	Assura	679	2.35
		679	2.35
HEALTH CARE 8.35% (12.46%)			
Health Care Equipment & Services 2.99% (2.89%)			
67,340	Smith & Nephew	862	2.99
		862	2.99
Pharmaceuticals & Biotechnology 5.36% (9.57%)			
78,996	Hikma Pharmaceuticals	691	2.39
27,882	Shire	860	2.97
		1,551	5.36
INDUSTRIALS 24.99% (21.30%)			
Aerospace & Defense 2.34% (3.95%)			
56,535	Chemring Group	108	0.37
125,901	Meggitt	568	1.97
		676	2.34
Industrial Engineering 2.41% (1.28%)			
146,923	Fenner	695	2.41
		695	2.41
Support Services 20.24% (16.07%)			
33,157	Aggreko	251	0.87
108,527	Babcock International Group	705	2.44
694,992 *	Begbies Traynor Group	502	1.74
417,352	Equiniti Group	1,212	4.21
474,388	K3 Capital Group	1,053	3.65
415,734	RPS Group	960	3.32
259,888 *	RWS Holdings	1,159	4.01
		5,842	20.24

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
OIL & GAS 3.36% (4.11%)			
Oil Equipment, Services & Distribution 3.36% (4.11%)			
125,246	John Wood Group	776	2.69
42,329	Petrofac	194	0.67
		970	3.36
TECHNOLOGY 0.00% (0.69%)			
Software Computer Services 0.00% (0.69%)			
TELECOMMUNICATIONS 4.94% (6.34%)			
Fixed Line Telecommunications 2.92% (3.56%)			
347,490	BT Group	844	2.92
		844	2.92
Mobile Telecommunications 2.02% (2.78%)			
124,284	Inmarsat	582	2.02
		582	2.02
Total Value of Investments		28,708	99.43
Net Other Assets		165	0.57
Total Net Assets		28,873	100.00

Figures in brackets represent sector distribution at 28 February 2017

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

* AIM Listed Securities

** Delisted Securities

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018

	Notes	28 Feb 18 £'000	£'000	28 Feb 17 £'000	£'000
Income:					
Net capital gains	4		457		2,790
Revenue	5	977		1,015	
Expenses:					
Interest payable and similar charges	6	(420)		(404)	
		<u>-</u>		<u>(1)</u>	
Net revenue before taxation		557		610	
Taxation	7	<u>(2)</u>		<u>-</u>	
Net revenue after Taxation			<u>555</u>		<u>610</u>
Total return before distributions			1,012		3,400
Distributions	8		<u>(555)</u>		<u>(610)</u>
Change in net assets attributable to Shareholders from investment activities			457		2,790

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018

	28 Feb 18 £'000	£'000	28 Feb 17 £'000	£'000
Opening net assets attributable to Shareholders		32,051		29,791
Amounts receivable on issue of Shares	1,066		946	
Less: Amounts paid on cancellation of Shares	<u>(4,708)</u>		<u>(1,476)</u>	
		(3,642)		(530)
Dilution Levy		7		
Change in net assets attributable to Shareholders from investment activities		<u>457</u>		<u>2,790</u>
Closing net assets attributable to Shareholders		28,873		32,051

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

BALANCE SHEET

As at 28 February 2018

	Notes	28 Feb 18 £'000	28 Feb 17 £'000
ASSETS			
Fixed assets:			
Investment assets		28,708	31,899
Current assets:			
Debtors	9	43	65
Cash and bank balances	10	194	323
Total Assets		28,945	32,287
LIABILITIES			
Creditors:			
Bank overdrafts	11	-	(87)
Distribution payable on income shares	8	(53)	(85)
Other creditors	12	(19)	(64)
Total liabilities		(72)	(236)
Net assets attributable to Shareholders		28,873	32,051

The notes on pages 66 to 72 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)




6 July 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 7 to 9.

4. NET CAPITAL GAINS

	28 Feb 18 £'000	28 Feb 17 £'000
Non-derivative securities	466	2,711
Other Currency (losses)/Gains	(9)	79
Net capital gains	457	2,790

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

5. REVENUE

	28 Feb 18	28 Feb 17
	£'000	£'000
Bank interest	-	2
UK dividends	827	633
Overseas Dividends	150	380
	977	1,015

6. EXPENSES

	28 Feb 18	28 Feb 17
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them		
ACD's Annual Management Charge	65	54
Investment adviser's fee	306	297
	371	351
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	19	19
Safe custody fees	3	6
	22	25
Other expenses		
Auditor's remuneration	5	6
Printing fees	1	5
Registration fees	21	17
	27	28
Total expenses	420	404

Irrecoverable VAT is included in the above expenses where relevant.

7. TAXATION

(a) The tax charge comprises

	28 Feb 18	28 Feb 17
	£'000	£'000
Current tax:		
Overseas tax	2	-
Corporation tax	-	-
Total current tax charge (Note 7 (b))	2	-
Deferred tax (Note 7 (c))	-	-
Total taxation	2	-

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

(b) Factors affecting the tax charge for the year

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEIC's). The differences are explained below:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net revenue before taxation	557	610
	557	610
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	111	122
Effects of:		
Franked UK dividends and distributions not subject to taxation	(195)	81
Expense not utilised in the year	84	(127)
Tax effect on non-taxable overseas dividends	2	(76)
Total tax charge (note 7 (a))	2	-

(c) Deferred tax

	28 Feb 18	28 Feb 17
	£'000	£'000
Deferred tax charge	-	-
Provision at start of year	-	-
	-	-

Authorised OEIC's are exempt from tax on capital gains made within the sub-Fund.

Factors that may affect the future tax charge:

The sub-Fund has not recognised a deferred tax asset of £589,590 (28 February 2017: £505,703) arising as a result of having unutilised management expenses. It is unlikely that the sub-Fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. DISTRIBUTIONS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28 Feb 18	28 Feb 17
	£'000	£'000
First Interim distribution	254	226
Second Interim distribution	136	165
Third Interim distribution	105	132
Final distribution	53	85
	548	608
Add: Revenue deducted on cancellation of shares	9	4
Deduct: Revenue received on issue of shares	(2)	(2)
Net distribution for the year	555	610

The difference between the net revenue after taxation and the amounts distributed comprises:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net revenue after taxation	555	610
Distributions	555	610

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

9. DEBTORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued revenue	42	64
Amounts receivable for issue of shares	1	1
	43	65

10. CASH AND BANK BALANCES

	28 Feb 18	28 Feb 17
	£'000	£'000
Euro	1	1
Sterling	193	-
US Dollar	-	322
Total cash and bank balances	194	323

11. BANK OVERDRAFTS

	28 Feb 18	28 Feb 17
	£'000	£'000
Sterling	-	87
	-	87

12. OTHER CREDITORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued expenses	19	11
Amounts payable for cancellation of shares	-	53
	19	64

13. RELATED PARTIES

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is 0.20% subject to a minimum of £45,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Investment Adviser

Castlefield Investment Partners, as part of the group of companies to which the ACD belongs, Castlefield Partners Limited. The Investment Adviser fee is charged at share class level as a percentage of funds under management and disclosed with the respective Key Investor Information Documents ("KIIDs") and the Company Prospectus. Amounts paid to Castlefield Investment Partners in respect of the Investment Adviser Fee are disclosed within Note 6. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

14. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

15. FINANCIAL INSTRUMENTS

In pursuing the sub-Fund's investment objective, the main risks arising from the sub-Fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

At 28 February 2018, if the price of the investments held by the sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £1,435,352 (28 February 2017: £1,594,948).

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-Fund at the balance sheet date. However, there was foreign currency exposure within the sub-Fund's holdings since some of their assets are denominated in currencies other than Sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuation.

Currency exposure as at 28 February 2018

	Portfolio of investments	Net other assets	Total	Total exposure
	£'000	£'000	£'000	%
Euro	719	1	720	2.49
US Dollar	-	5	5	0.02
	719	6	725	2.51
Sterling	27,989	159	28,148	97.49
	28,708	165	28,873	100.00%

Currency exposure as at 28 February 2017

	Portfolio of investments	Net other assets	Total	Total exposure
	£'000	£'000	£'000	%
Euro	1,067	1	1,068	3.33
US Dollar	-	326	326	1.02
	1,067	327	1,394	4.35
Sterling	30,832	(175)	30,657	95.35
Total	31,899	152	32,051	100.00%

At 28 February 2018, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £7,250 (28 February 2017: £13,940).

Interest Rate Risk

The majority of the sub-Fund's assets comprise equity shares which do not pay interest (2017: same).

The only interest-bearing financial assets of the sub-Fund are bank balances, on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-Fund disclosed in the balance sheet where applicable.

	Assets	Liabilities
	£'000	£'000
Valuation technique as at 28 February 2018		
Level 1	28,708	-
Level 2	-	-
Level 3	-	-
	28,708	-

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2017		
Level 1	31,899	-
Level 2	-	-
Level 3	-	-
	31,899	-

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

16. SHARE CLASSES

The sub-Fund currently has three types of share. The Investment Adviser's Fee on each share class is as follows:

General Shares	1.50%
Institutional Shares	1.00%
Charity Shares	0.75%

The following table shows the shares in issue during the year:

General Shares	Income
Opening Shares	271,977
Shares Created	14,386
Shares Liquidated	(28,404)
Shares Converted	-
Closing Shares	257,959

Institutional Shares	Income
Opening Shares	5,772,970
Shares Created	259,399
Shares Liquidated	(581,245)
Shares Converted	-
Closing Shares	5,451,124

Charity Shares	Income
Opening Shares	2,475,717
Shares Created	5,080
Shares Liquidated	(629,931)
Shares Converted	-
Closing Shares	1,850,866

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on pages 56 to 58. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution tables on page 72 to 73.

17. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 56 to 58.

	28 Feb 18	28 Feb 17
	£'000	£'000
Analysis of total purchase costs		
Purchases in period before transaction costs	1,458	3,704
Commissions:		
Equities total value paid	1	7
Taxes:		
Equities total value paid	4	-
Total purchase costs	5	7
Gross purchase costs	1,463	3,711
Analysis of total sale costs		
Gross sales in period before transaction costs	6,227	1,905
Commissions:		
Equities total value paid	(2)	-
Taxes:		
Equities total value paid	-	-
Total sale costs	(2)	-
Total sale net of transaction costs	6,225	1,905

¹Excluding corporate actions

	28 Feb 18	28 Feb 17
	%	%
Transaction costs as percentage of principal amounts		
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.06	-
Taxes:		
Equities total value paid	0.27	0.03
Analysis of total sales costs:		
Commissions:		
Equities total value paid	0.04	-
Taxes:		
Equities total value paid	-	-
Transaction costs as percentage of average net asset value		
Commissions	0.01	-
Taxes	0.01	0.03

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

As at the balance sheet date, the average portfolio dealing spread was 0.58% (2016: 0.39%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

DISTRIBUTION TABLES

For the period from 1st March 2017 to 31st May 2017

First Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st March 2017

Group 2 Shares purchased between 1st March 2017 to 31st May 2017

General Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	2.4247	-	2.4247	2.1030
Group 2	0.5040	1.9207	2.4247	2.1030

Institutional Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	2.9713	-	2.9713	2.5864
Group 2	1.5272	1.4441	2.9713	2.5864

Charity Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/08/17	27/08/16
Group 1	3.2539	-	3.2539	2.8344
Group 2	2.0150	1.2389	3.2539	2.8344

For the period from 1st June 2017 to 31st August 2017

Second Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st June 2017

Group 2 Shares purchased between 1st June 2017 to 31st August 2017

General Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	1.0771	-	1.0771	1.8801
Group 2	0.3437	0.7334	1.0771	1.8801

Institutional Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	1.5829	-	1.5829	1.4071
Group 2	1.0298	0.5531	1.5829	1.4071

Charity Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	1.8441	-	1.8441	2.1240
Group 2	0.8674	0.9767	1.8441	2.1240

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

For the period from 1st September 2017 to 30th November 2017

Third Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st September 2017

Group 2 Shares purchased between 1st September 2017 to 30th November 2017

General Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	0.7128	-	0.7128	1.0089
Group 2	-	0.7128	0.7128	1.0089

Institutional Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	1.2173	-	1.2173	1.4747
Group 2	-	1.2173	1.2173	1.4747

Charity Shares - Income

	Net income	Equalisation	27/02/18	Distribution Paid 27/02/17
Group 1	1.4773	-	1.4773	1.7156
Group 2	-	1.4773	1.4773	1.7156

For the period from 1st December 2017 to 28th February 2018

Final dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st December 2017

Group 2 Shares purchased between 1st December 2017 to 28th February 2018

General Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.1746	-	0.1746	0.6165
Group 2	-	0.1746	0.1746	0.6165

Institutional Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.6543	-	0.6543	0.6335
Group 2	0.1914	0.4629	0.6543	0.6335

Charity Shares - Income

	Net income	Equalisation	Distribution Payable 30/04/18	Distribution Paid 27/05/17
Group 1	0.9005	-	0.9005	0.6413
Group 2	0.9001	0.0004	0.9005	0.6413

CASTLEFIELD REAL RETURN FUND

FUND INFORMATION

The Comparative Tables on pages 74 to 75 give the performance of each active share class in the sub-Fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the sub-Fund's performance disclosed in the Manager's report which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the fund.

Since the 2nd January 2018, the Castlefield Funds have not borne any research costs and any broker commission fees incurred are done so explicitly for the execution of transactions on behalf of the Fund.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the fund on each transaction, other types of investments (such as collective investment schemes, bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

COMPARATIVE TABLES

For the financial year ended 28 February 2018:

General Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	221.14	203.33	211.60
Return before operating charges*	1.79	21.99	(3.83)
Operating charges	(4.56)	(4.18)	(4.44)
Return after operating charges*	(2.77)	17.81	(8.27)
Distributions on income shares	(0.51)	-	-
Closing net asset value per share	217.86	221.14	203.33
after direct transaction costs of:**	-	0.01	0.01
Performance			
Return after charges	(1.25)%	8.76%	(3.91)%
Other information			
Closing net asset value (£'000)	103	13	11
Closing number of shares	47,232	5,708	5,708
Operating charges	2.04%	1.90%	2.12%
Direct transaction costs	0.01%	0.01%	-
Prices			
Highest share price	227.43	221.78	214.15
Lowest share price	218.28	204.93	201.42

* Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD REAL RETURN FUND

Institutional Shares - Income

	28 Feb 18 (pence per share)	28 Feb 17 (pence per share)	28 Feb 16 (pence per share)
Change in net assets per share			
Opening net asset value per share	233.66	214.81	222.44
Return before operating charges*	2.30	22.89	(4.07)
Operating charges	(3.69)	(3.30)	(3.57)
Return after operating charges*	(1.39)	19.59	(7.64)
Distributions on income shares	(1.44)	(0.74)	-
Closing net asset value per share	230.83	233.66	214.81
after direct transaction costs of:**	-	0.01	0.01
Performance			
Return after charges	(0.59)%	9.13%	(3.43)%
Other information			
Closing net asset value (£'000)	29,949	26,230	17,582
Closing number of shares	12,974,245	11,225,745	8,184,982
Operating charges	1.55%	1.40%	1.62%
Direct transaction costs	0.01%	0.01%	-
Prices			
Highest share price	241.15	234.99	225.26
Lowest share price	231.69	216.52	212.76

*Operating charges, otherwise known as OCF is the ratio of the sub-Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the sub-Fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-Fund and is calculated based on the last period's figures.

**Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

CASTLEFIELD REAL RETURN FUND

RISK AND REWARD INDICATOR (RRI)



The sub-Fund is ranked as 3 because the sub-Fund and Portfolios holding similar assets have experienced low to medium rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment.

The Risk and Reward Indicator demonstrates where the sub-Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-Fund.

INVESTMENT OBJECTIVE AND POLICY

The Fund aims to generate a positive annualised real return over a rolling 3 year basis. However, there is no guarantee that this objective will be achieved over that specific, or any, time period and there is always a risk of loss to your original capital. Real return means a return over UK CPI over a rolling 3 year time horizon.

The Fund will invest in transferable securities (both quoted and unquoted), units and/or Shares in other collective investment schemes, structured products, deposits, warrants, fixed interest securities, money market instruments, and cash and near cash. The Fund may also invest in derivatives and forward transactions for investment purposes as well as for efficient portfolio management (including hedging), and may also borrow and enter into stocklending and underwriting arrangements in accordance with COLL.

INVESTMENT REVIEW

PERFORMANCE

During the twelve-month period under review, the fund returned -0.56% (as measured by the Institutional Income Share class). This compares to a return of +2.25% for the peer group of funds in the IA Targeted Absolute Return sector.

ACTIVITY

The fund performed largely in line with the peer group until late 2017 when a number of factors resulted in the fund dipping to a small loss for the 12-month period. The Governor of the Bank of England, Mark Carney, had been increasingly hinting that interest rates would rise as we approached the year end. Consequently, bonds had already begun selling off in advance of the announcement of a 0.25% increase in base rates in early November. Despite this rate hike merely reversing the emergency 0.25% cut enacted shortly after the Brexit referendum in August 2016, the market factored in a steeper path of increases from this point forward. Whilst the bond positions in the portfolio held up comparatively well, the other notable impact of this shift in yields was the continued recovery of sterling. Against the dollar in particular, sterling moved higher, back up through the \$1.40 level approaching the value at which it traded prior to the Brexit referendum. This move had a negative impact on some of the structured products in the portfolio that are denominated in US dollars as well as the listed alternative funds also listed in dollars.

Equity markets (in GBP terms) were becalmed for much of 2017, rising at the end of the year to close on a high. This had the benefit of coinciding with the observation dates for some of the structured products. As a result, several redeemed earlier than expected, along with their respective performance coupons. We therefore set about reinvesting within the portfolio as we replaced these holdings with similar structures. Shortly after the start of the New Year, a sharp increase in volatility prompted investors to reassess prospects for risk assets and saw equity indices tumble. This resulted in the newer structured products declining in value as they referenced these equity indices and likewise moved lower on a "mark-to-market" effect which is greater than that exhibited by the older notes held in the fund. Positive contributors included our Zero Dividend Preference share (ZDP) holdings which, as expected, generally held up well despite increases in yields that have adversely affected bonds. Within the portfolio, the infrastructure holdings were given a boost by the announcement from the 3i Infrastructure fund that they had received bids for their investment in the Elenia Nordic energy distribution business. The agreed sale to a consortium including the Finnish state Pension fund, the German insurer Allianz and Australian infrastructure investor Macquarie saw an end to an investment held by 3i since 2012. The sale was agreed for a value of £725m, a 45% premium to the carrying value in the fund and allowed for a special dividend to be paid to shareholders as a result.

CASTLEFIELD REAL RETURN FUND

OUTLOOK

Escalating political risk on the introduction of tit for tat trade tariffs between the US and China means that there is a chance global growth could be affected if a full-blown trade war emerges. Whilst the recent thawing of relations between North and South Korea is a positive to sentiment, rising inflation and interest rates both present headwinds for investors. We have recently seen an increase in the level of market volatility and whilst this is subsiding, the extended run of equity markets means that concerns over valuations may see spikes in volatility reoccur. By focusing on long term real assets or vehicles with an attractive defined return we should be able to ride out the swings in underlying markets.

The top ten purchases and total sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
SG Issuer 14/07/2023	1,605	SG USD Inverse Reverse CV 10% vxx 13/02/18	993
BNP Paribas Issuance BV 20/07/2022	1,443	BBVA Global Markets BV 28/09/2022	806
Morgan Stanley BV 15/02/2019	1,280	JP Morgan Structured Product 09/11/2022	803
BBVA Global Markets BV 19/10/2023	1,250	SG Issuer SA 03/08/2020	697
JP Morgan Structured Products BV 14/12/ 2023	1,250	Royal Bank of Scotland Cert 29/03/2017	692
BBVA Global Markets BV 30/11/2023	1,250	Morgan Stanley BV25/09/2020	650
EJF Investment PLC	1,000	Natixis Structured Issuance SA 31/12/2018	593
Goldman Sachs International 12/05/2023	1,000	Canadian Imperial Bank of Commerce 08/07/2021	580
Exane Finance 05/01/2024	750	Ignis Global Funds Sicav Absolute Return Govt Bond I2 Cap	565
Greencoat Renewables PLC	745	Natixis Structured Issuance SA 10/12/2021	535
Total purchases during the year were	15,609	Total sales during the year were	8,430

CASTLEFIELD REAL RETURN FUND

PORTFOLIO OF INVESTMENTS

As at 28 February 2018

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
EQUITIES 4.23% (4.74%)			
Ireland 2.51% (0.00%)			
813,040	Greencoat Renewables	753	2.51
		753	2.51
United Kingdom 1.72% (4.74%)			
421,390	Greencoat UK Wind Funds	517	1.72
		517	1.72
WARRANTS 0.00% (4.18%)			
Curacao 0.00% (1.55%)			
United Kingdom 0.00% (2.63%)			
STRUCTURED PLANS 39.36% (34.20%)			
France 0.00% (2.15%)			
Luxembourg 5.18% (10.51%)			
1,600,000	SG Issuer 0% 14/07/2023	1,558	5.18
		1,558	5.18
Netherlands 28.47% (18.83%)			
1,250,000	Banco Bilbao Vizcaya Argentaria 0% 30/11/2023	1,213	4.04
1,250,000	BBVA Global Markets BV 0% 19/10/2023	1,223	4.07
1,900,000	BNP Paribas 0% 20/07/2022	870	2.89
1,000,000	BNP Paribas 0% 25/02/2022	667	2.22
500,000	BNP Paribas 0% 25/09/2020	476	1.58
750,000	JP Morgan Structured products 0% 06/06/2022	847	2.82
1,250,000	JP Morgan Structured Products B V 14/12/ 2023 0% 14/12/2023	1,148	3.82
1,850,000	Morgan Stanley 0% 15/02/2019	1,226	4.09
750,000	Morgan Stanley 0% 16/06/2022	885	2.94
		8,555	28.47
United Kingdom 5.70% (2.71%)			
750,000	Exane Finance 05/01/2024 0% 05/01/2024	696	2.32
1,000,000	Goldman Sachs Group 0% 12/05/2023	1,016	3.38
		1,712	5.70
DEBT SECURITIES 12.67% (11.33%)			
United Kingdom 12.67% (11.33%)			
150,000	Alpha Plus Holdings 5.75% 18/12/2019	155	0.52
550,000	Burford Capital 6.125% 26/10/2024	594	1.97
300,000	Intermediate Capital Group 5% 24/03/2023	324	1.08
150,000	International Personal Finance 6.125% 08/05/2020	144	0.48
200,000	National Grid Floating 06/10/2021	248	0.83
500,000	Places for People Finance 4.25% 15/12/2023	511	1.69
600,000	Retail Charity Bonds 4% 31/10/2027	599	1.98
167,200	Retail Charity Bonds 4.25% 06/07/2026	170	0.57
327,900	Retail Charity Bonds 4.25% 30/03/2026	327	1.09
117,700	Retail Charity Bonds 4.375% 29/07/2021	125	0.42

CASTLEFIELD REAL RETURN FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
153,500	Retail Charity Bonds 4.4% 30/04/2025	159	0.53
83,900	Retail Charity Bonds 5% 12/04/2026	93	0.31
307,000	Tesco Personal Finance Floating 16/12/2019	360	1.20
		3,809	12.67
EXCHANGE TRADED FUNDS 1.24% (2.81%)			
Ireland 1.24% (1.56%)			
1,085	iShares Global High Yield Corp	109	0.36
3,300	iShares J.P. Morgan USD EM Bond UCITS ETF - D	263	0.88
		372	1.24
Jersey 0.00% (1.25%)			
INVESTMENT TRUSTS 32.94% (22.58%)			
Bermuda 6.97% (5.79%)			
203,239	Acorn Income Fund	309	1.03
416,100	UIL Finance ZDP 2020	587	1.95
1,136,400	UIL Finance ZDP 2024	1,199	3.99
		2,095	6.97
Guernsey 4.14% (3.92%)			
108,537	Apax Global Alpha	150	0.50
211,000	F&C Commercial Property Trust	301	1.00
125,215	International Public Partnerships	189	0.63
262,584	JPEL Private Equity	274	0.91
50,000	NB Private Equity Partners	56	0.19
434,782	Schroder Real Estate Investment Trust	274	0.91
		1,244	4.14
Jersey 4.82% (1.65%)			
222,750	3i Infrastructure	438	1.46
1,000,000	EJV Investments	1,010	3.36
		1,448	4.82
United Kingdom 17.01% (11.22%)			
550,000	AEW UK Long Lease REIT	535	1.78
940,701	Assura	541	1.80
250,000	Conygar Investment	318	1.06
560,000	Ediston Property Investment Company	624	2.08
160,000	Inland ZDP	235	0.78
300,000	Menhaden Capital	201	0.67
29,152	P2P Global Investments Fund	231	0.77
635,000	Pacific Industrial & Logistics REIT	736	2.44
33,890	Ranger Direct Lending Fund	253	0.84
512,000	Ranger Direct Lending ZDP	538	1.79
500,000	Schroder European Real Estate	543	1.81
413,949	UK Commercial Property Trust	357	1.19
		5,112	17.01

CASTLEFIELD REAL RETURN FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
COLLECTIVE INVESTMENT SCHEMES 8.24% (10.97%)			
Guernsey 4.14% (4.39%)			
550,000	Axiom European Financial Debt	582	1.93
350,000	TwentyFour Income Fund	411	1.37
250,000	TwentyFour Select Monthly Income Fund	251	0.84
		1,244	4.14
Ireland 4.10% (4.41%)			
3,612	Lazard Global Investment Funds	411	1.37
469,836	Lazard Global Listed Infrastructure	821	2.73
		1,232	4.10
Luxembourg 0.00% (2.17%)			
Total Value of Investments		29,651	98.67
Net Other Assets		401	1.33
Total Net Assets		30,052	100.00

Figures in brackets represent sector distribution at 28 February 2017

Securities are admitted to an official stock exchange listing or traded on another regulated market unless otherwise stated.

CASTLEFIELD REAL RETURN FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2018	Note	28 Feb 18		28 Feb 17	
		£'000	£'000	£'000	£'000
Income:					
Net capital (losses) / gains	4		(462)		1,733
Revenue	5	590		384	
Expenses:					
Interest payable and similar charges	6	(401)		(310)	
		<u>-</u>		<u>(1)</u>	
Net revenue before taxation		189		73	
Taxation	7	<u>(8)</u>		<u>(4)</u>	
Net revenue after Taxation			<u>181</u>		<u>69</u>
Total return before distributions			(281)		1,802
Distributions	8		<u>(181)</u>		<u>(69)</u>
Change in net assets attributable to Shareholders from investment activities			(462)		1,733

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2018	28 Feb 18		28 Feb 17	
	£'000	£'000	£'000	£'000
Opening net assets attributable to Shareholders		26,243		17,593
Amounts receivable on issue of Shares	7,777		7,988	
Less: Amounts paid on cancellation of Shares	<u>(3,506)</u>		<u>(1,071)</u>	
		4,271		6,917
Change in net assets attributable to Shareholders from investment activities		<u>(462)</u>		<u>1,733</u>
Closing net assets attributable to Shareholders		30,052		26,243

CASTLEFIELD REAL RETURN FUND

BALANCE SHEET

As at 28 February 2018	Note	28 Feb 18 £'000	28 Feb 17 £'000
ASSETS			
Fixed assets:			
Investment assets		29,651	23,820
Current assets:			
Debtors	9	739	69
Cash and bank balances	10	1,414	2,425
Total Assets		31,804	26,314
LIABILITIES			
Creditors:			
Distribution payable on income shares	8	(123)	(28)
Bank overdraft	11	(991)	-
Other creditors	12	(638)	(43)
Total liabilities		(1,752)	(71)
Net assets attributable to Shareholders		30,052	26,243

The notes on pages 83 to 90 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Managing Director (of the ACD)

Summaya Mosam
Director (of the ACD)




6 July 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The accounting, distribution and risk management policies for Notes 1 to 3 are provided in the Aggregated Notes to the Financial Statements section on pages 7 to 9.

4. NET CAPITAL (LOSSES) / GAINS

	28 Feb 18 £'000	28 Feb 17 £'000
Non-derivative securities	(438)	1,702
Other Currency (losses) / gains	(24)	31
Net capital (losses) / gains	(462)	1,733

CASTLEFIELD REAL RETURN FUND

5. REVENUE

	28 Feb 18	28 Feb 17
	£'000	£'000
Bank interest	2	-
UK dividends	147	67
Interest on debt securities	253	143
Overseas Dividends	188	174
	590	384

6. EXPENSES

	28 Feb 18	28 Feb 17
	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them		
ACD's Annual Management Charge	59	41
Investment adviser's fee	297	223
	356	264
Payable to the Depositary, associates of the Depositary and agents of either of them		
Depositary's fees	18	18
Safe custody fees	3	6
	21	24
Other expenses		
Auditor's remuneration	5	6
Printing fees	1	3
Registration fees	18	13
	24	22
Total expenses	401	310

Irrecoverable VAT is included in the above expenses where relevant.

7. TAXATION

(a) The tax charge comprises

	28 Feb 18	28 Feb 17
	£'000	£'000
Current tax:		
Irrecoverable foreign tax	8	4
Total current tax charge (Note 7 (b))	8	4
Deferred tax (Note 7 (c))	-	-
Total taxation	8	4

CASTLEFIELD REAL RETURN FUND

(b) Factors affecting the tax charge for the year

The tax charge for the year differs from the special 20% rate of corporation tax applicable to Open-Ended Investment Companies (OEIC's). The differences are explained below:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net revenue before taxation	189	73
	189	73
Return on ordinary activities multiplied by the special rate of corporation tax of 20% (2017: 20%)	38	15
Effects of:		
Franked UK dividends and distributions not subject to taxation	-	(13)
Expense not utilised in the year	26	33
Tax effect on non-taxable overseas dividends	(64)	(35)
Overseas withholding tax	8	4
Total tax charge (note 7 (a))	8	4

(c) Deferred tax

	28 Feb 18	28 Feb 17
	£'000	£'000
Deferred tax charge	-	-
Provision at start of year	-	-
Total Deferred tax	-	-

Authorised OEIC's are exempt from tax on capital gains made within the sub-Fund.

Factors that may affect the future tax charge:

The sub-Fund has not recognised a deferred tax asset of £258,391 (28 February 2017: £232,080) arising as a result of having unutilised management expenses. It is unlikely that the sub-Fund will obtain relief for these in the future so no deferred tax asset has been recognised.

8. DISTRIBUTIONS

The distributions take into account revenue received on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	28 Feb 18	28 Feb 17
	£'000	£'000
Interim distribution	61	47
Final distribution	123	28
	184	75
Add: Revenue deducted on cancellation of shares	3	1
Deduct: Revenue received on issue of shares	(6)	(7)
Net distribution for the year	181	69

The difference between the net expense after taxation and the amounts distributed comprises:

	28 Feb 18	28 Feb 17
	£'000	£'000
Net revenue after taxation	181	69
Expenses charged against capital	-	-
Net distribution for the year	181	69

CASTLEFIELD REAL RETURN FUND

9. DEBTORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued revenue	62	55
Amounts receivable for issue of shares	70	14
Amounts sales awaiting settlement	607	-
Total Debtors	739	69

10. CASH AND BANK BALANCES

	28 Feb 18	28 Feb 17
	£'000	£'000
Euro	23	23
Sterling	1,391	2,402
Total cash and bank balances	1,414	2,425

11. BANK OVERDRAFTS

	28 Feb 18	28 Feb 17
	£'000	£'000
US Dollar	991	-
Total Bank Overdrafts	991	-

12. OTHER CREDITORS

	28 Feb 18	28 Feb 17
	£'000	£'000
Accrued expenses	20	10
Amounts payable for cancellation of shares	19	33
Amounts purchases awaiting settlement	599	-
Total Other Creditors	638	43

13. RELATED PARTIES

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is 0.20% subject to a minimum of £45,000 per annum and is payable monthly. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Investment Adviser

Castlefield Investment Partners, as part of the group of companies to which the ACD belongs, Castlefield Partners Limited. The Investment Adviser fee is charged at share class level as a percentage of funds under management and disclosed with the respective Key Investor Information Documents ("KIIDs") and the Company Prospectus. Amounts paid to Castlefield Investment Partners in respect of the Investment Adviser Fee are disclosed within Note 6. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

14. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities or outstanding commitments at the balance sheet date (2017: £nil).

15. FINANCIAL INSTRUMENTS

In pursuing the sub-Fund's investment objective, the main risks arising from the sub-Fund's financial instruments are market price, currency, interest rate, liquidity and counterparty risk.

CASTLEFIELD REAL RETURN FUND

Market Price Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

The Investment Adviser does not use derivative instruments to hedge the investment portfolio against risks as, in their opinion, the cost of such a process would result in an unacceptable reduction in the potential capital growth.

At 28 February 2018, if the price of the investments held by the sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders would increase or decrease by approximately £1,482,540 (28 February 2017: £1,191,113).

Currency Risk

Other than cash and bank balances and bank overdrafts, there was no material direct foreign currency exposure within the sub-Fund at the balance sheet date. However, there was foreign currency exposure within the sub-Fund's holdings of collective investment schemes since some of their assets are denominated in currencies other than Sterling, with the effect that their balance sheet and total returns can be affected by exchange rate fluctuations.

Currency exposure as at 28 February 2018

	Portfolio of investments	Net other assets	Total	Total exposure
	£'000	£'000	£'000	%
Euro	753	23	776	2.59
US Dollar	3,038	(991)	2,047	6.81
	3,791	(968)	2,823	9.40
Sterling	25,860	1,369	27,229	90.60
	29,651	401	30,052	100.00

Currency exposure as at 28 February 2017

	Portfolio of investments	Net other assets	Total	Total exposure
	£'000	£'000	£'000	%
Euro	-	23	23	0.09
US Dollar	2,363	1	2,364	9.01
	2,363	24	2,387	9.10
Sterling	21,457	2,399	23,856	90.90
	23,820	2,423	26,243	100.00

At 28 February 2018, if the value of Sterling increased or decreased by 1% against all currencies, with all other variables remaining constant, then the net assets attributable to unitholders would increase or decrease by approximately £28,230 (28 February 2017: £23,870).

Interest Rate Risk

The sub-Fund will be exposed to interest rate risk on its financial assets, which include zero dividend preference shares and fixed interest securities as disclosed in the portfolio of investments. At year-end, 12.67% (28 February 2017: 7.14%) is attributable to debt securities.

Other than these, the only interest-bearing financial assets of the sub-Fund are bank balances on which interest is calculated at a variable rate by reference to Sterling bank deposit rates or the international equivalent.

Liquidity Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 8 to 9.

Fair Value of Financial Assets and Financial Liabilities

There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the sub-Fund disclosed in the balance sheet where applicable.

	Assets	Liabilities
	£'000	£'000
Valuation technique as at 28 February 2018		
Level 1*	12,085	-
Level 2	17,566	-
Level 3	-	-
	29,651	-

CASTLEFIELD REAL RETURN FUND

	Assets £'000	Liabilities £'000
Valuation technique as at 28 February 2017		
Level 1*	13,752	-
Level 2	10,068	-
Level 3	-	-
	23,820	-

* Level 1 includes £3,809,000 (2017: 1,873,000) in respect of bond securities.

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable for the asset or liability).

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each Fund, the ACD is required to calculate the global exposure for each Fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has reviewed the type of derivatives used by each fund and the manner in which the derivatives are being used and has determined that each fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The Fund's Depositary has reviewed this decision and is in agreement. The commitment approach follows guidelines laid down originally by the Committee of European Securities Regulators 'CESR' and referenced by the Financial Conduct Authority Handbook in COLL 5.3.9. It measures the incremental exposure generated by the use of derivatives and forward transactions and then ensures that it does not exceed 100% of the net value of the Scheme Property. The incremental exposure of each derivative or forward is calculated by converting it into the market value of an equivalent position in the underlying asset of that derivative or forward transaction. The ACD may in some instances, and always following the CESR guidelines, take account of legally enforceable netting and hedging arrangements when calculating global exposure where these arrangements do not disregard any obvious or material risks.

The sub-Fund does not hold any derivatives or forward transactions that could materially impact the value of the sub-Fund.

16. SHARE CLASSES

The sub-Fund currently has two types of share. The Investment Adviser's Fee on each share class is as follows:

General Shares	1.50%
Institutional Shares	1.00%

The following table shows the shares in issue during the year:

General Shares	Income
Opening Shares	5,708
Shares Created	41,524
Shares Liquidated	-
Shares Converted	-
Closing Shares	47,232

Institutional Shares	Income
Opening Shares	11,225,745
Shares Created	3,235,816
Shares Liquidated	(1,487,316)
Shares Converted	-
Closing Shares	12,974,245

The net asset value, the net asset value per share and the number of shares in issue are given in the fund information on pages 74 to 75. All share classes have the same rights on winding up. The taxation and income are apportioned equally based on the weighted proportion of each share class.

The distribution per share class is given in the distribution table on page 89.

CASTLEFIELD REAL RETURN FUND

17. PORTFOLIO TRANSACTION COSTS

The following tables show portfolio transactions and their associated transaction costs. For more information about the nature of these costs please refer to the additional portfolio transaction cost information on page 74 to 75.

	28 Feb 18	28 Feb 17
	£'000	£'000
Analysis of total purchase costs:		
Purchases in period before transaction costs	15,608	7,474
Commissions:		
Equities total value paid	-	-
CIS total value paid	-	-
Bonds total value paid	1	-
Taxes:		
Equities total value paid	-	1
CIS total value paid	-	-
Bonds total value paid	-	-
Total purchase costs	1	1
Gross purchase costs	15,609	7,475

Analysis of total sale costs		
Gross sales in period before transaction costs	8,430	2,040
Commissions:		
Equities total value paid	-	-
CIS total value paid	-	-
Bonds total value paid	-	-
Taxes:		
Equities total value paid	-	-
CIS total value paid	-	-
Bonds total value paid	-	-
Total sale costs	-	-
Total sale net of transaction costs	8,430	2,040

	28 Feb 18	28 Feb 17
	%	%
Analysis of total purchase costs:		
Commissions:		
Bonds total value paid	0.01	-
Taxes:		
Equities total value paid	-	0.01
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	-	-
Taxes:		
Equities total value paid	-	-
Transaction costs as percentage of average net asset value		
Commissions	0.01	-
Taxes	-	0.01

CASTLEFIELD REAL RETURN FUND

As at the balance sheet date, the average portfolio dealing spread was 1.43% (2017: 1.10%) based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

DISTRIBUTION TABLES

For the period from 1st March 2017 to 31st August 2017

Interim dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st March 2017

Group 2 Shares purchased between 1st March 2017 to 31st August 2017

Institutional Shares - Income

	Net income	Equalisation	Distribution Paid	
			27/11/17	27/11/16
Group 1	0.4984	-	0.4984	0.4904
Group 2	0.2884	0.2100	0.4984	0.4904

For the period from 1st September 2017 to 28th February 2018

Final dividend distribution in pence per share.

Group 1 Shares purchased prior to 1st September 2017

Group 2 Shares purchased between 1st September 2017 to 28th February 2018

General Shares - Income

	Net income	Equalisation	Distribution Payable	Distribution Paid
			30/04/18	27/05/17
Group 1	0.5110	-	0.5110	-
Group 2	0.5110	-	0.5110	-

Institutional Shares - Income

	Net income	Equalisation	Distribution Payable	Distribution Paid
			30/04/18	27/05/17
Group 1	0.9461	-	0.9461	0.2484
Group 2	0.7930	0.1531	0.9461	0.2484