

CASTLEFIELD PORTFOLIO FUNDS

Annual Report & Accounts

For the Year from 1 January 2019 to 31 December 2019

A UK Authorised Investment Company with Variable Capital

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THE THOUGHTFUL INVESTOR

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MANAGEMENT & ADMINISTRATION

REGISTERED OFFICE AND DIRECTORS

The Authorised Corporate Director (“ACD”) and registered office of the Castlefield Portfolio 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 - Resigned 28 February 2020) |
| Susan Cohen | (Head of Finance - Resigned 28 February 2020) |
| Kathryn Holland | (Head of Finance - appointed 1 March 2020) |
| Andrew Knox | (Non-Executive Director - appointed 30 September 2020) |
| Timothy Saunt | (Non-Executive Director - appointed 30 September 2020) |

Investment Adviser:

Castlefield Investment Partners LLP
111 Piccadilly,
Manchester, M1 2HY

Depositary:

Société Générale S.A. (London Branch),
One Bank Street, Canary Wharf,
London, E14 4SG

Auditor:

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

Administrator:

Société Générale Securities Services,
One Bank Street, Canary Wharf,
London, E14 4SG

Registrar:

Maitland Institutional Services Limited
Hamilton Centre, Rodney Way,
Chelmsford, Essex, CM1 3BY

COMPANY INFORMATION

Castlefield Portfolio 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 IC001099 and authorised by the Financial Conduct Authority with effect from 23 November 2017. Shareholders are not liable for the debts of the Company. At the year end, the Company contained one sub-fund.

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.

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 year from 1 January 2019 to 31 December 2019.

The Company is a UCITS scheme which complies with the Financial Conduct Authority’s Collective Investment Schemes Sourcebook.

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 Adviser and the Auditor are detailed (see left).

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%.

MANAGEMENT & ADMINISTRATION

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 and subject to the formal Remuneration Policy of that Company. Any and all remuneration policies are subjected to annual review.

The Company avoids basing rewards on excessive variable remuneration but pays what is believed to be fair fixed remuneration. As an employee owned company, equity ownership amongst all colleagues is encouraged which 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 31 August is stated below 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: £80,394

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 year 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 year. 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.

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 it 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 year.

DIRECTORS' STATEMENT

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

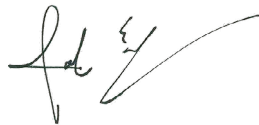
Kathryn Holland

Director (of the ACD)



John Eckersley

Director (of the ACD)



29 April 2020

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Castlefield BEST Sustainable Portfolio Fund ("the Company") for the year 1 January 2019 to 31 December 2019.

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 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 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 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 Sourcebook and, where applicable, the OEIC 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)

31 December 2019

MANAGEMENT & ADMINISTRATION

INDEPENDENT AUDITOR'S REPORT

Report of the Independent Auditor to the Shareholders of Castlefield Portfolio Funds

Year Ended 31 December 2019

Opinion

We have audited the financial statements of the Castlefield Portfolio Funds ("the Company") for the year from 1 January 2019 to 31 December 2019 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 10 to 11 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 31 December 2019 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 Director's 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 Director's responsibilities statement on page 4, 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 BA FCA

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

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

29 April 2020

MANAGEMENT & ADMINISTRATION

ABOUT THE INVESTMENT ADVISER

Castlefield Investment Partners (CIP) acts as the appointed Investment Adviser to the sub-fund as referred to within this document.

CIP is part of the Castlefield family of investment, advisory and operational support businesses. CIP is authorised and regulated by the Financial Conduct Authority and is a member of the London Stock Exchange.

INVESTMENT REVIEW OF CASTLEFIELD PORTFOLIO FUNDS

Performance

During the year, the fund returned -4.0% (General Income Units) against its broadest and most widely recognised peer group, of the Investment Association Mixed Investments 40%-85% Equities sector, which returned -4.9%.

Investment Review

This marks the second annual report for the Castlefield B.E.S.T Sustainable Portfolio Fund ('the Fund') since being launched in February 2018. By way of reminder, the Fund was launched with the intention to allow investors to meet their investment objectives by way of consistent capital and income return relative to its peer group without, importantly, compromising their personal values and beliefs to achieve their financial goals. The Fund invests over a range of asset classes, mainly through the use of collective investment funds managed by Castlefield's own investment management team and by third-party fund providers, as well as through the use of direct, listed or quoted holdings. This offers investors an effective means of accessing actively managed, multi-faceted portfolio management in one place. In effect, beyond a client's initial decision to invest in the Fund, all of the subsequent difficult choices are taken care of. Not only that but, unlike other portfolio funds, the Fund combines both our proprietary 'B.E.S.T' responsible investment approach with a focus on funds and other investments with a 'sustainability' theme. The B.E.S.T process is our proprietary investment selection system that assesses the merits of competing investment choices. It is not a filter or "screen", but a fundamental tool which incorporates four main criteria to assess both financial and non-financial attributes, namely Business; Environmental and Ecological; Social and Transparency.

The Fund has retained a similar number of holdings to the number reported at the time of the last annual report, being 35, albeit with some changes to its constituents. The main change was the revamping of the UK equity exposure, whereby the two third-party funds were exited in order to invest in the Castlefield B.E.S.T

Sustainable UK Opportunities Fund ('UK Opportunities Fund'). This change followed the completion of the latter fund's transition from its previous unconstrained mandate to one that favours investment in companies whose activities have been deemed to be 'sustainable' in accordance with our own internal screening process, supplementing the B.E.S.T investment selection system. This means that the entirety of the Fund's UK equity exposure is now via a trio of Castlefield strategies, encompassing income, smaller companies and growth options. As with the income and smaller companies funds, the UK Opportunities Fund is run with a sufficiently diversified yet concentrated list of holdings that allows us to express conviction in the output of our research process.

We added a new position providing exposure to the listed bond sector via subscription to the issue of a sterling denominated bond by Bruntwood, a family-owned property company (coincidentally the landlord of Castlefield's own office block). Although not explicitly promoted as a green bond or as an ethical issuer, we find the company to be progressing in its approach and particularly so given it is a private company and so not formally bound by the requirement to publish data and/or information on detailed policies to date. The issue itself is attractive, offering a 6% coupon with a 2025 maturity, but we always require more than simply a headline financial rationale for investing. Here, Bruntwood stood out. Its general purpose of renovating properties in northern cities is socially positive, while 10% of profits go to charity. It has made a commitment to being 'Net Zero' by 2030, a pledge which is yet to be adopted by many larger listed companies. There is a zero waste to landfill target for 2023 and a 20% water reduction target, emphasising the thought given to environmental issues. Elsewhere, the gender pay gap is 10% while 40% of the management board is female – both very good in our view. It is also one of the first businesses to sign up to the Greater Manchester Good Employment Charter, which includes a commitment to paying a real living wage. All told, we felt the issue had strong credentials for inclusion in the fund.

The global equity allocation was enhanced by taking an initial position in the Liontrust Sustainable Future Global Growth Fund. Their investment team employs both positive and negative screening, while the fund seeks to invest in companies that will benefit from the key structural growth trends that will shape the global economy of the future. The fund also wants to limit or completely avoid investments in companies exposed to activities that cause damage to society and the environment. Environmental and social credentials are strong, with Liontrust's screening criteria implementing maximum turnover thresholds for fifteen key sustainability issues. Transparency is also good with a full list of holdings published in addition to a significant amount of additional content on the Sustainable Future range and the investment team. The investment philosophy hinges on the belief that the companies that will survive and thrive are those which improve people's

quality of life. The thematic approach looks for those companies that improve people's lives, be it through medical, technological or educational advances; drive improvements in the efficiency with which we use increasingly scarce resources; and help to build a more stable, resilient and prosperous economy. With a good long-term performance track record, it made for a compelling rationale for investment.

Whilst adding to the existing holdings in the infrastructure element of the portfolio, we added one further strategy here during the year under review, in the form of The Renewables Infrastructure Group (TRIG). TRIG is invested in a diversified portfolio of over 70 wind and solar farms across the UK and Europe, with three-quarters of 2020 revenues anticipated to come from UK, French and German government schemes according to the company, with most of these schemes index-linked and providing good revenue stability. We like TRIG's model of diversification across not just geographies but power market, energy source and weather system. As with another fund holding, Greencoat UK Wind, TRIG came to market offering an initial 6% dividend yield on the issue price and with a plan to grow the dividend in line with inflation. Management has delivered on that to date and with the potential for capital growth from the reinvestment of surplus cash into expanding the asset base, there is a solid long-term story here and one that fits perfectly with the aims of the fund.

As a general rule, now the Fund is well-established we expect the majority of activity to relate to increasing positions in existing holdings on the back of inflows, rather than seeing a constant stream of new inclusions. Mindful of costs, direct bond holdings are attractive in that regard and we are alert to parcels of stock with which we can increase our stakes at the margin. Likewise, in infrastructure, the Fund has a good spread of strategies, geographies and managers and further diversification is likely to be limited unless any new propositions are at least as compelling as those invested in to date. We believe our current positioning to be highly scalable and maintaining a concentrated approach is central to our philosophy for the Fund.

Stewardship efforts remain a key element of our approach across all of our work for our investors. Our External Advisory Committee continues to meet twice a year and the members provide oversight and challenge on our single strategy funds, four of which are constituents of the Portfolio Fund. Over the past year, voting policy changes have been discussed and agreed as sensible updates to our approach, while the Screening Policy for the single strategy funds has also been revised to incorporate feedback from the members. Although the Portfolio Fund is not directly covered by that policy, it provides comfort and conviction that the approach of our underlying funds within it are adopting a suitable mandate. In the same vein, regular interaction with external managers serves as a continuous

validation of the investment case for holding them. Where we have direct holdings, we continue to assess and vote appropriately and to engage with management. Collaborative engagement remains an important part of achieving good outcomes for investors and we remain involved with the Workforce Disclosure Initiative, the 30% Club and the Business Benchmark on Farm Animal Welfare, to name but three.

Outlook

At the time of writing, we are experiencing heightened market volatility as a result of the spread of the new coronavirus, something that is causing both supply and demand shocks around the global economy. Growth forecasts have begun to be reined back and a growing number of companies have warned of lowered profit expectations as a consequence of the spread, albeit we expect this has further to run. The near-term view is therefore more cautious, as the spread of outcomes is wide and the likely path more uncertain than investors have faced for a long time. The kind of indiscriminate selling that has been seen will ultimately offer up interesting investment opportunities though, be they individual stocks or collective funds. When precisely those opportunities arise though remains to be seen. The initial panic phase appears to have subsided, meaning correlations between asset classes should continue to fall. Central Bank stimulus is large and widespread which helps, but the scale of the hit to economic output is not yet fully priced in it would seem.

14 April 2020

MANAGEMENT & ADMINISTRATION

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 capital for the year on an accruals basis.

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 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 31 December 2019 being the last business day of the financial year. The fair value of equity and nonequity 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.

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 the prevailing rate of tax, which is 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.

MANAGEMENT & ADMINISTRATION

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.

4. Post Balance Sheet Events

The Board of the ACD recognises the impact that the Coronavirus pandemic has had upon economies and societies globally, which has resulted in initial falls in financial markets after the Company's year end and increased volatility since. Consideration has therefore been given to the impact, if any, upon the portfolio of investments held by the Company at the year end. At the time of writing, the Company has closed its office and all staff are working from home. These contingency plans had been tested and are proving to be robust. Although it remains too early to make definitive judgements as to the long term implications of the pandemic, the Board remains confident in its opinion that the portfolio of investments held remains an appropriate means of meeting its objective over the defined investment time horizon. It will continue to monitor the developing situation closely.

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

FUND INFORMATION

The Comparative Table on pages 13 to 14 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.

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 31 December 2019:

Founder Income Share – Income

| | 31/12/2019 (pence per share) | 31/12/2018 (pence per share) |
|--|---------------------------------|---------------------------------|
| Change in net asset value per share | | |
| Opening net asset per unit | 93.58 | 100.00 |
| Total return before operating charges* | 18.02 | (3.19) |
| Operating charges | (1.44) | (1.19) |
| Total return after operating charges* | 16.58 | (4.38) |
| Distributions on income shares | (2.43) | (2.04) |
| Closing net asset per share | 107.73 | 93.58 |
| After direct transaction costs** (see page 29) of: | 0.08 | 0.19 |
| Performance | | |
| Total return after operating charges | 17.72% | -4.38% |
| Other information | | |
| Closing net assets value (£'000) | 23,145 | 15,287 |
| Closing number of shares | 21,483,902.649 | 16,335,243.114 |
| Operating charges | 1.36% | 1.24% |
| Direct transaction costs** | 0.09% | 0.12% |
| Prices | | |
| Highest share price | 109.12 | 105.55 |
| Lowest share price | 93.84 | 93.58 |

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

General Income Share - Income

| | 31/12/2019 (pence per share) | 31/12/2018 (pence per share) |
|--|---------------------------------|---------------------------------|
| Change in net asset value per share | | |
| Opening net asset per unit | 93.29 | 100.00 |
| Total return before operating charges * | 18.03 | (3.14) |
| Operating charges | (1.76) | (1.50) |
| Total return after operating charges* | 16.27 | (4.64) |
| Distributions on income shares | (2.49) | (2.07) |
| Closing net asset per share | 107.07 | 93.29 |
| After direct transaction costs** (see page 29) of: | 0.09 | 0.01 |
| Performance | | |
| Total return after operating charges | 17.44% | -4.64% |
| Other information | | |
| Closing net assets value (£'000) | 7,635 | 1,184 |
| Closing number of shares | 7,130,745.237 | 1,269,447.389 |
| Operating charges | 1.67% | 1.55% |
| Direct transaction costs** | 0.09% | 0.12% |
| Prices | | |
| Highest share price | 108.47 | 105.33 |
| Lowest share price | 93.55 | 93.29 |

* 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 year'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.

RISK AND REWARD INDICATOR (RRI)

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.



The Fund is ranked as a 4 reflecting observed historical returns and the mixed asset allocation.

Please note that even the lowest ranking does not mean a risk-free investment.

As there is less than five years of available data for this Fund, for illustrative purposes the risk/reward profiles of the targeted investments have been used to calculate the risk/reward profile.

INVESTMENT OBJECTIVE AND POLICY

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

The Fund will invest mainly in collective investment schemes with exposure to both UK and non-UK equities and fixed income securities. The Fund may also invest in transferable securities (both quoted and unquoted), money market instruments, 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 is expected to be limited however it may affect the volatility and risk profile of the Fund although this is not the ACD's intention.

The Top Ten Purchases and Total Sales During the Year Were As Follows:

| Purchases | Costs £'000 | Sales | Proceeds £'000 |
|---|----------------|---|-------------------|
| Castlefield B.E.S.T Sustainable Income Fund | 1,785 | Kames Ethical Equity Fund | 892 |
| Castlefield B.E.S.T Sustainable UK Opportunities Fund | 1,775 | Liontrust UK Ethical Fund | 675 |
| Stewart Investors Worldwide Sustainability Fund | 1,295 | Royal London Ethical Bond Fund | 649 |
| Royal London Ethical Bond Fund | 1,034 | Sarasin Food & Agriculture Opportunities Fund | 147 |
| Sarasin Food & Agriculture Opportunities Fund | 832 | Stewart Investors Worldwide Sustainability Fund | 90 |
| Castlefield B.E.S.T Sustainable UK Smaller Companies Fund | 805 | | |
| Castlefield Real Return Fund | 795 | | |
| First State Sustainable Listed Infrastructure Fund | 530 | | |
| Rathbone Ethical Bond Fund | 510 | | |
| FP WHEB Sustainability Fund | 430 | | |
| Total purchases during the year were | 13,639 | Total sales during the year were | 2,452 |

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

PORTFOLIO OF INVESTMENTS

| Holding | Investment | Market Value £'000 | Total Value of Sub-Fund % |
|--|--|--------------------|---------------------------|
| Real Estate Investment Trusts 3.35% (5.10%) | | | |
| 69,912 | Hammerson Reit | 212 | 0.69 |
| 289,867 | Primary Health Properties Plc Reit | 463 | 1.50 |
| 401,804 | Triple Point Social Housing Reit Plc | 358 | 1.16 |
| | | 1,033 | 3.35 |
| Investment Trusts 7.22% (7.74%) | | | |
| 295,677 | GCP Infrastructure Investments Ltd FCP | 390 | 1.27 |
| 140,000 | Gore Street Energy Storage Fund Plc | 134 | 0.44 |
| 381,796 | Greencoat Renewables Plc | 387 | 1.26 |
| 266,961 | Greencoat UK Wind Plc | 401 | 1.30 |
| 307,273 | Gresham House Energy Storage Fund Plc | 329 | 1.07 |
| 70,765 | Menhaden Plc | 67 | 0.22 |
| 190,657 | NextEnergy Solar Fund Ltd FCP | 239 | 0.78 |
| 196,541 | The Renewables Infrastructure Group Ltd | 271 | 0.88 |
| | | 2,218 | 7.22 |
| Equities 1.35% (1.51%) | | | |
| 920,696 | Capital For Colleagues Plc* | 414 | 1.35 |
| | | 414 | 1.35 |
| Debt Securities 6.46% (4.27%) | | | |
| 288,500 | Places for People Finance 4.25% 15/12/2023 | 300 | 0.97 |
| 187,900 | Retail Charity Bonds 4% 31/10/2027 | 191 | 0.62 |
| 125,000 | Retail Charity Bonds 4.25% 06/07/2026 | 132 | 0.43 |
| 266,300 | Retail Charity Bonds 4.25% 30/03/2026 | 272 | 0.88 |
| 292,700 | Retail Charity Bonds 4.375% 29/07/2021 | 303 | 0.98 |
| 242,300 | Retail Charity Bonds 4.4% 30/04/2025 | 248 | 0.81 |
| 381,700 | Retail Charity Bonds 4.5% 20/06/2026 | 391 | 1.27 |
| 134,900 | Retail Charity Bonds 5% 12/04/2026 | 153 | 0.50 |
| | | 1,990 | 6.46 |

| Holding | Investment | Market Value £'000 | Total Value of Sub-Fund % |
|--|---|--------------------|---------------------------|
| Collective Investment Schemes 80.86% (79.89%) | | | |
| 6,567,500 | Castlefield B.E.S.T Sustainable Income Fund | 5,211 | 16.92 |
| 384,927 | Castlefield B.E.S.T Sustainable UK Smaller Companies Fund | 2,354 | 7.65 |
| 424,536 | Castlefield B.E.S.T Sustainable UK Opportunities Fund | 1,858 | 6.04 |
| 1,968,904 | Castlefield BEST Sustainable European Fund | 2,042 | 6.63 |
| 608,348 | Castlefield Real Return Fund | 1,532 | 4.98 |
| 840,354 | EdenTree Amity Sterling Bond Fund | 987 | 3.21 |
| 74,919 | First State Sustainable Listed Infrastructure Fund | 861 | 2.80 |
| 1,171,270 | FP WHEB Sustainability Fund | 2,017 | 6.55 |
| 191,910 | Liontrust Sustainable Future Global Growth Fund | 381 | 1.24 |
| 1,554,321 | Rathbone Ethical Bond Fund | 1,583 | 5.14 |
| 910,097 | Royal London Ethical Bond Fund | 1,068 | 3.47 |
| 440,371 | Sarasin Food & Agriculture Opportunities Fund | 852 | 2.77 |
| 622,104 | Sarasin Responsible Global Equity Fund | 1,289 | 4.19 |
| 1,394,826 | Stewart Investors Worldwide Sustainability Fund | 2,854 | 9.27 |
| | | 24,889 | 80.86 |
| Total Value of Investments | | 30,544 | 99.24 |
| Net Other Assets | | 235 | 0.76 |
| Total Net Assets | | 30,779 | 100.00 |

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

*Quoted on AQSE Growth Market

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

STATEMENT OF TOTAL RETURN

For the year ended 31 December 2019

| | Note | 31/12/2019 | | 31/12/2018 | |
|---|------|------------|-------|------------|---------|
| | | £'000 | £'000 | £'000 | £'000 |
| Income | | | | | |
| Net capital gains/(losses) | 2 | | 3,127 | | (1,115) |
| Revenue | 3 | 563 | | 359 | |
| Expenses | | | | | |
| | 4 | (97) | | (58) | |
| Net revenue before taxation | | 466 | | 301 | |
| Taxation | 5 | (19) | | (17) | |
| Net revenue after taxation | | | 447 | | 284 |
| Total return before distributions | | | | | |
| | | | 3,574 | | (831) |
| Distributions | 6 | | (544) | | (341) |
| Change in net assets attributable to Shareholders from investment activities | | | | | |
| | | | 3,030 | | (1,172) |

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 December 2019

| | 31/12/2019 | | 31/12/2018 | |
|---|------------|--------|------------|---------|
| | £'000 | £'000 | £'000 | £'000 |
| Opening net assets attributable to Shareholders | | | | |
| | | 16,472 | | - |
| Amounts received on issue of Shares | 12,767 | | 18,497 | |
| Amounts paid on cancellation of Shares | (1,496) | | (853) | |
| | | 11,271 | | 17,644 |
| Dilution Levy | | 6 | | - |
| Change in net assets attributable to Shareholders' from investment activities | | 3,030 | | (1,172) |
| Closing net assets attributable to Shareholders | | | | |
| | | 30,779 | | 16,472 |

BALANCE SHEET

As at 31 December 2019

| | Note | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--|------|---------------------|---------------------|
| Assets | | | |
| Investment assets | | 30,544 | 16,228 |
| Debtors | 7 | 92 | 37 |
| Cash and bank balances | 8 | 363 | 314 |
| Total Assets | | 30,999 | 16,579 |
| Liabilities | | | |
| Creditors | 9 | 89 | 26 |
| Distribution payable on income shares | | 131 | 81 |
| Total liabilities | | 220 | 107 |
| Net assets attributable to Shareholders | | 30,779 | 16,472 |

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 31 December 2019

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|-------------------------|---------------------|---------------------|
| Total Purchases in year | 13,619 | 18,907 |
| Total Sales in year | (2,452) | (1,700) |

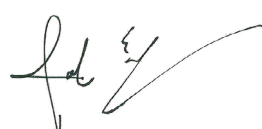
The notes on pages 20 to 32 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Kathryn Holland
Director (of the ACD)



John Eckersley
Director (of the ACD)



29 April 2020

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

The accounting, distribution and risk management policies are provided in the Aggregated Notes to the Financial Statements section on pages 10 to 12.

2. Net Capital Gains/(Losses)

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--|---------------------|---------------------|
| Non-derivative securities | 3,129 | (1,114) |
| Transaction costs & handling charges | (2) | (1) |
| Net capital losses on investments | 3,127 | (1,115) |

3. Revenue

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--------------------------------|---------------------|---------------------|
| UK Dividends taxable | 139 | 93 |
| UK Dividends non taxable | 325 | 201 |
| Overseas Dividends non taxable | 49 | 29 |
| Overseas Dividends taxable | 19 | 14 |
| Gross bond interest | 30 | 21 |
| Bank interest | 1 | 1 |
| Total Revenue | 563 | 359 |
| Total Non Taxable Income | 373 | 230 |
| Total Taxable Income | 190 | 129 |

4. Expenses

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|---|---------------------|---------------------|
| Payable to the manager, associates of the manager and agents of either of them | | |
| ACD Fees | 30 | 21 |
| Investment Adviser fees | 9 | 2 |
| | 39 | 23 |
| Payable to the depositary or associates of the depositary and agents of either of them | | |
| Depositary Fees | 20 | 10 |
| Safe Custody Fees | 7 | 3 |
| | 27 | 13 |
| Other expenses | | |
| Audit Fees | 6 | 4 |
| Financial statement fees | - | 1 |
| Other - misc expenses | 2 | 1 |
| Registration Fees | 23 | 16 |
| | 31 | 22 |
| Total expenses | 97 | 58 |
| Total expenses charged to Capital | (97) | (58) |
| Total expenses charged to Income | - | - |

Irrecoverable VAT is included in the above expenses where relevant.

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

5. Taxation

(a) Analysis of the tax charge in the year

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--|---------------------|---------------------|
| Overseas Tax | 4 | 3 |
| Corporation Tax prior year | (3) | - |
| Corporation Tax | 18 | 14 |
| Total current tax charge (Note 5 (b)) | 19 | 17 |
| Deferred Tax on Corporation Tax (Note 5 (b)) | - | - |
| Total taxation for the year | 19 | 17 |

(b) Factors affecting current tax charge for the year

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|---|---------------------|---------------------|
| Net revenue before taxation | 466 | 301 |
| Net revenue for the year multiplied by the standard rate of corporation tax | 93 | 61 |
| Effects of: | | |
| Overseas tax | 4 | 3 |
| Adjustments in respect of prior years | (3) | - |
| Revenue not subject to corporation tax | (75) | (47) |
| Total tax charge (Note 5 (a)) | 19 | 17 |

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

6. Distributions

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

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|---|---------------------|---------------------|
| Interim Income | | |
| 1 st interim distribution | 105 | 46 |
| 2 nd interim distribution | 122 | 83 |
| 3 rd interim distribution | 223 | 137 |
| Final distribution | 131 | 81 |
| Total Distribution | 581 | 347 |
| Add: Income deducted on cancellation of units | 5 | 3 |
| Deduct: Income received on creation of units | (42) | (9) |
| Net distribution for the year | 544 | 341 |
| Reconciliation of Net Income and Distributions | | |
| Net Income after Taxation | 447 | 283 |
| Undistributed Income brought forward | - | - |
| Charges (refunded to) deducted from Capital | 97 | 58 |
| Net distribution for the year | 544 | 341 |

7. Debtors

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|---|---------------------|---------------------|
| Accrued Dividend Income | 46 | 35 |
| Accrued Bond Interest | 16 | 2 |
| Amounts receivable for creation of shares | 30 | - |
| Debtors | 92 | 37 |

8. Cash And Bank Balances

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|-------------------------------|---------------------|---------------------|
| Cash - Sterling | 356 | 307 |
| Cash - Euro | 7 | 7 |
| Cash and bank balances | 363 | 314 |

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

9. Creditors

| | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--|---------------------|---------------------|
| Amounts payable for cancellation of shares | 48 | - |
| Corporation Tax Provision | 19 | - |
| | 67 | - |
| Accrued expenses | | |
| Manager and Agents | | |
| Accrued ACD's Fee | 1 | - |
| | 1 | - |
| Depositary and Agents | | |
| Accrued Depositary Fee | 3 | 4 |
| Accrued Safe Custody Fees | 1 | 1 |
| | 4 | 5 |
| Other expenses | | |
| Accrued Audit Fees | 1 | 4 |
| Accrued Financial statement fees | 3 | 1 |
| Accrued Registration fees | 4 | 2 |
| Accrued Transaction fees | 1 | - |
| Corporation Tax Provision | - | 14 |
| Other creditors | 8 | - |
| | 17 | 21 |
| Total creditors | 89 | 26 |

10. 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 LLP, is part of the same 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 LLP in respect of the Investment Adviser Fee are disclosed within Note 4. Amounts due at the year end are disclosed within accrued expenses on the balance sheet where applicable.

Castlefield Funds OEIC

The Company has invested within sub-funds of the Castlefield Funds OEIC, an entity to which Castlefield Investment Partners LLP and Castlefield fund Partners Limited act as the appointed Investment Adviser and Authorised Corporate Director (“ACD”) respectively. The investments in other related party entities are individually identified within the Portfolio of Investments.

A sub-fund of the Company may invest within other Collective Investment Schemes (“CIS”) which are managed by the ACD or an associate of the ACD. No ACD fee or Investment Adviser fee shall be charged to a Fund, for the value of any investment that Fund has made within a CIS that is managed or operated by the ACD or an associate of the ACD. The expenses payable to the ACD, associates and the Investment Adviser are included within Note 4.

Details of shares created and cancelled by the ACD are shown in the Statement of Change in Net Assets Attributable to Shareholders.

The revenue derived from these investments are included within Note 3.

All related party transaction were carried out at arm’s length in the ordinary course of business. The terms and returns recieved by the related parties in making the investments were no more favourable than those recieved by other investors investing into the same share class.

11. Contingent Liabilities And Commitments

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

CASTLEFIELD B.E.S.T SUSTAINABLE PORTFOLIO FUND

12. 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 11 to 12.

At 31 December 2019, 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 £1,527,000 (2018: £811,839).

Currency Exposure

There was no material direct foreign currency exposure within the sub-fund at the balance sheet date.

Currency exposure as at 31/12/2019

| Currency | Portfolio of Investments £'000 | Forward currency contracts £'000 | Net other assets £'000 | Total £'000 | Total Exposure % |
|-------------------------|-----------------------------------|-------------------------------------|---------------------------|----------------|---------------------|
| Assets | | | | | |
| Euro | 387 | - | 7 | 394 | 1.28 |
| | 387 | - | 7 | 394 | 1.28 |
| Sterling | 30,157 | - | 228 | 30,385 | 98.72 |
| Total Net Assets | 30,544 | - | 235 | 30,779 | 100.00 |

Currency exposure as at 31/12/2018

| Currency | Portfolio of Investments £'000 | Forward currency contracts £'000 | Net other assets £'000 | Total £'000 | Total Exposure % |
|-------------------------|-----------------------------------|-------------------------------------|---------------------------|----------------|---------------------|
| Assets | | | | | |
| Euro | 276 | - | 7 | 283 | - |
| | 276 | - | 7 | 283 | - |
| Sterling | 15,952 | - | 237 | 16,189 | 100.00 |
| Total Net Assets | 16,228 | - | 244 | 16,472 | 100.00 |

At 31 December 2019, 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 £3,951 (2018: £2,830).

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 11 to 12.

Counterparty Risk

Risk management policies surrounding this risk are discussed in note 3 on pages 11 to 12.

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.

Valuation Technique

| as at 31/12/2019 | Assets £'000 | Liabilities £'000 | as at 31/12/2018 | Assets £'000 | Liabilities £'000 |
|------------------|-----------------|----------------------|------------------|-----------------|----------------------|
| Level 1 | 4,455 | - | Level 1 | 2,498 | - |
| Level 2 | 26,089 | - | Level 2 | 13,730 | - |
| Level 3 | - | - | Level 3 | - | - |
| Total | 30,544 | - | Total | 16,228 | - |

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 PORTFOLIO FUND

13. Share Classes

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

| | |
|------------------------|-------|
| Founder Shares | 0.00% |
| General Shares: | 0.50% |

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

| FOUNDER INCOME SHARE | Income |
|-----------------------------|-----------------------|
| Opening Shares | 16,335,243.114 |
| Shares Created | 6,217,254.906 |
| Shares Liquidated | (1,068,595.371) |
| Shares Converted | - |
| Closing Shares | 21,483,902.649 |

| GENERAL INCOME SHARE | Income |
|-----------------------------|----------------------|
| Opening Shares | 1,269,447.389 |
| Shares Created | 6,254,360.253 |
| Shares Liquidated | (393,062.405) |
| Shares Converted | - |
| Closing Shares | 7,130,745.237 |

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 14. 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 pages 31-32.

14. 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 pages 13-14.

| PORTFOLIO TRANSACTION COSTS | 31/12/2019 £'000 | 31/12/2018 £'000 |
|--|---------------------|---------------------|
| Analysis of total purchase costs: | | |
| Purchases in year before transaction costs | 13,619 | 18,888 |
| Commissions: | | |
| Equities total value paid | - | 1 |
| Bonds total value paid | 1 | - |
| Funds total value paid | 18 | 13 |
| Taxes: | | |
| Equities total value paid | 1 | 5 |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Total Purchase costs | 20 | 19 |
| Gross Purchase total | 13,639 | 18,907 |
| Analysis of total sale costs: | | |
| Gross sales in year before transaction costs | 2,452 | 1,700 |
| Commissions: | | |
| Equities total value paid | - | - |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Taxes: | | |
| Equities total value paid | - | - |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Total sale costs | - | - |
| Total sales net of transaction costs | 2,452 | 1,700 |

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| PORTFOLIO TRANSACTION COSTS % | 31/12/2019 % | 31/12/2018 % |
|--|-----------------|-----------------|
| Analysis of total purchase costs: | | |
| Commissions: | | |
| Equities total value paid | 0.06 | 0.06 |
| Bonds total value paid | 0.06 | 0.04 |
| Funds total value paid | 0.15 | 0.08 |
| Taxes: | | |
| Equities total value paid | 0.19 | 0.28 |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Analysis of total sale costs: | | |
| Commissions: | | |
| Equities total value paid | - | - |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Taxes: | | |
| Equities total value paid | - | - |
| Bonds total value paid | - | - |
| Funds total value paid | - | - |
| Transaction costs as percentage of average net asset values | | |
| Commissions | 0.08 | 0.09 |
| Taxes | - | 0.03 |

As at the balance sheet date, the average portfolio dealing spread was 0.58% 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**First Interim Dividend Distribution In Pence Per Share****FOUNDER INCOME SHARE - F**

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 31/3/2019 | 31/3/2018 |
| Group 1 | 0.5333 | - | 0.5333 | 0.2952 |
| Group 2 | 0.2452 | 0.2881 | 0.5333 | 0.2952 |

GENERAL INCOME SHARE - G

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 31/3/2019 | 31/3/2018 |
| Group 1 | 0.5464 | - | 0.5464 | 0.3018 |
| Group 2 | 0.2777 | 0.2687 | 0.5464 | 0.3018 |

Second Interim Dividend Distribution In Pence Per Share**FOUNDER INCOME SHARE - F**

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 30/6/2019 | 30/6/2018 |
| Group 1 | 0.5419 | - | 0.5419 | 0.4933 |
| Group 2 | 0.1301 | 0.4118 | 0.5419 | 0.4933 |

GENERAL INCOME SHARE - G

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 30/6/2019 | 30/6/2018 |
| Group 1 | 0.5581 | - | 0.5581 | 0.4958 |
| Group 2 | 0.4256 | 0.1325 | 0.5581 | 0.4958 |

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Third Interim Dividend Distribution In Pence Per Share

FOUNDER INCOME SHARE - F

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 30/9/2019 | 30/9/2018 |
| Group 1 | 0.9046 | - | 0.9046 | 0.7942 |
| Group 2 | 0.7833 | 0.1213 | 0.9046 | 0.7942 |

GENERAL INCOME SHARE - G

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|-----------|
| | | | 30/9/2019 | 30/9/2018 |
| Group 1 | 0.9169 | - | 0.9169 | 0.7947 |
| Group 2 | 0.2465 | 0.6704 | 0.9169 | 0.7947 |

Final Dividend Distribution In Pence Per Share

FOUNDER INCOME SHARE - F

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|------------|
| | | | 31/12/2019 | 31/12/2018 |
| Group 1 | 0.4528 | - | 0.4528 | 0.4572 |
| Group 2 | 0.1896 | 0.2632 | 0.4528 | 0.4572 |

GENERAL INCOME SHARE - G

| | Net income | Equalisation | Distribution Paid | |
|---------|------------|--------------|-------------------|------------|
| | | | 31/12/2019 | 31/12/2018 |
| Group 1 | 0.4658 | - | 0.4658 | 0.4730 |
| Group 2 | 0.0937 | 0.3721 | 0.4658 | 0.4730 |



THE THOUGHTFUL INVESTOR

8th floor,
111 Piccadilly
Manchester M1 2HY
0161 233 4551
castlefield.com

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