CASTLEFIELD FUNDS

Annual Report & Accounts

Sub-funds of Castlefield Funds OEIC

For the Year Ended 28 February 2019

A UK Authorised Investment Company with Variable Capital

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

CASTLEFIELD

THE THOUGHTFUL INVESTOR

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REGISTERED OFFICE AND DIRECTORS

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

111 Piccadilly,
Manchester, M1 2HY

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 Services Limited

Hamilton Centre, Rodney Way,
Chelmsford, Essex, CM1 3BY

COMPANY INFORMATION

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 the 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's 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.

IMPORTANT NOTES

As of 1 September 2018 the ACD lowered the minimum fee and introduced a tiered fee structure based upon AUM levied per sub-fund for its services to the sub-funds.

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 March 2018 to 28 February 2019.

The Investment Objectives and Policies of each sub-fund of the Company are covered in the section for each sub-fund. 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 2018 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: £121,977

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 on 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.

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.

FUND CROSS-HOLDINGS

No sub-fund held shares in any other sub-fund within the Investment Company with Variable Capital during the period.

DIRECTORS' STATEMENT

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

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Castlefield Funds ("the Company") for the year 1 March 2018 to 28 February 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)

28 February 2019

MANAGEMENT & ADMINISTRATION

INDEPENDENT AUDITOR'S REPORT

Report of the Independent Auditor to the Shareholders of Castlefield Funds

Year Ended 28 February 2019

Opinion

We have audited the financial statements of the Castlefield Funds ("the Company") for the year from 1 March 2018 to 28 February 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 28 February 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 period 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 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 period 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

27 June 2019

MANAGEMENT & ADMINISTRATION

ABOUT THE INVESTMENT ADVISER

Castlefield Investment Partners LLP (CIP) act as the appointed Investment Adviser to the sub-funds as referred to within this document. Sanford DeLand Asset Management (SDL) act as an Appointed Representative of CIP. In respect of two of the sub-funds, the Directors of SDL, noted within this document, act as Approved Persons of CIP for the purposes of acting as the lead day-to-day managers to the respective sub-funds.

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

INVESTMENT REVIEW OF CASTLEFIELD FUNDS

The reporting period between March 2018 through to February 2019 has seen strong bouts of volatility. Starting with the European markets, March saw the inconclusive Italian elections, which despite having little impact on equities initially, resulted in markets becoming uneasy shortly after as fraught political tensions continued. Fears of a second snap election, however, were put to rest at the beginning of June after three months of negotiations as a coalition was formed between populist parties, Five Star and the League. Supposed threats to Italy's future membership of the European Union loomed, as anti-establishment party Five Star gained traction, whilst doubts over a commitment to the reduction of the country's budget deficit exacerbated the problem. The Italian government later proposed plans of a budget deficit target of 2.4% of GDP for 2019 through to 2021; whilst this is below the European Commission's 3% mandate, the Italian economy remains heavily indebted and the proposed plans came in above market expectations of a target below 2%. The proposal was met with heavy criticism and was ultimately rejected by the European Commission in November, stoking fears that Italy would be fined for non-compliance and causing concerns of a spill over to its European neighbours. This saw the spread between 10-year Italian BTPs (government bonds) and German Bunds widen to levels not seen since the beginning of 2013 and also led to credit rating agency Moody downgrading Italian debt from Ba2 to Ba3, just one grade above a junk rating. However, in a major U-turn at the eleventh hour on Saturday, 29 December, the Italian populist party declared defeat and had its contentious but revised budget passed by the Italian Parliament, providing some much-welcome relief for Italian risk assets into the new year.

Notwithstanding the Italian turmoil, the Eurozone's frenzied period saw increased volatility within the currency markets and was characterised by the Turkish Lira's decline spilling over into equity markets. With specific concerns about banks exposed to the Turkish Lira, a sell-off in European banks ensued over August. The Lira's significant depreciation against major global currencies was catalysed by US sanctions following Turkey's detention of an American pastor on conspiracy to commit terrorism. Such sanctions compounded the already pressurised currency as the Turkish Central Bank had previously refrained from increasing interest rates despite mounting inflationary pressures and further exacerbated by the country's large current account deficit and dollar-denominated debt. However, the Turkish Central Bank was forced to increase interest rates 625 basis points to 24% in the middle of September in a move to defend its currency and price stability, calming fears of global contagion somewhat. On the European Central Bank (ECB) front, interest rates were, unsurprisingly, unchanged at all Monetary Policy meetings. During the June meeting, the ECB also announced that the Governing Council expect interest rates to remain at current levels until the summer of 2019, beyond the horizon of the net asset purchase programme which was expected to conclude towards the end of 2018. However, into 2019 the ECB changed its tone, responding to increased recessionary fears with a promise to keep interest rates at historically low levels for at least the rest of the year. The ECB also announced the reintroduction of its asset purchase programme, which is designed to provide cheap loans and liquidity to the troubled European banking sector.

Across the pond, while other major equity markets experienced a sell off over much of 2018, US equities continued to defy gravity, hitting fresh all-time highs to become the longest-ever US equity bull market. This had been supported by strong overall economic growth and labour data as well as robust earnings growth, as the Trump tax cuts implemented at the end of 2017 start to feed into the numbers. This continued to grow the disparity between US returns and wider global equities. However, having previously warned of the possibility of an impending correction like that seen in February 2018 given the continued withdrawal of the Fed's supportive monetary policy combined with a growing fiscal deficit and the ongoing trade war rhetoric, this came to fruition in the final months of 2018. The decline was led by the richly-valued tech sector on fears of economic slowdown and a fall in the valuations which investors were prepared to pay for their investments, ultimately taking US returns into negative territory for the calendar year. Any hopes of a 'Powell Put' (the idea that the Fed will hold back on monetary tightening if equity and credit markets face a spell of turmoil) were quickly crushed as Chairman of the Fed, Jeremy Powell, suggested that rates were "nowhere near neutrality" in October, causing a spike in 10-year US Treasury yields to above 3.2%. However, whilst the Federal Reserve kept rates unchanged in November, his hawkish tone a month prior became more dovish, commenting that rates were now "just below" neutrality. As expected, rates were increased by a further 0.25% in December, taking interest rates to 2.5%. However, this time 10-year Treasury yields barely moved and ultimately continued to fall back as they had in November (meaning that their prices went up). Into

2019, despite noting "strong" ongoing growth in the labour market, the Fed unanimously left monetary policy unchanged in January with the Fed funds target range maintained at 2.25-2.50%. The Fed pointed to "muted inflation" and suggested they will be "patient" with regard to future moves in interest rates as well as hinting at retreatment of unwinding its balance sheet, leading to a recovery in US equities.

US-China trade tensions weighed on markets throughout much of 2018, which, combined with the ongoing deleveraging efforts, began to filter through to Chinese economic data, which showed weak manufacturing output and retail sales growth for November into December and led to a wider global sell off. The vulnerabilities of countries laden with dollar-denominated corporate debt, as is the case in China and in many developing economies, began to emerge as the Fed continued to tighten monetary policy. This move is, in part, caused by the strengthened dollar, which makes foreign-held dollar-denominated debt more expensive to repay. However, this worked in reverse in 2019 as the Fed changed its stance and a weaker US dollar saw sentiment towards emerging markets improve. In February, US President Donald Trump suspended a scheduled increase in tariffs on Chinese goods "until further notice" amid progress in their trade talks. Negotiators from both sides remain locked in talks as they inch towards an agreement that would avoid any escalation of the dispute which has seen them impose duties on $360bn of each other's imports.

Closer to home and despite markets pricing in a 90% probability of an interest rate hike for the Bank of England's (BoE) May meeting, rates remained unchanged as softer GDP data revealed a weakening in growth for the opening months of the year and a faster than expected deceleration in inflation. In June, although the Committee voted to keep rates unchanged once again, there appeared to be a clear change in consensus as three Committee members voted for an interest rate rise. This rise duly materialised in August, as the BoE unanimously agreed to increase rates to 0.75%. Against economic theory that a strengthened currency follows an increase in rates, sterling continued to depreciate following Mark Carney's comments of an "uncomfortably high" chance of a 'no-deal' Brexit. Even with the decline in sterling, which is usually to the benefit of multi-national blue-chips as their foreign earnings become more valuable when repatriated to sterling, UK equities ebbed on Brexit fears and escalated trade tensions. While UK Gilt yields moved higher at the end of July into August on the expected rate hike, they fell back thereafter following dovish comments of a likely "gradual" path of future rate rises from the BoE. However, yields moved higher again towards the end of August as rumours circulated of an extended term for Governor Mark Carney to ensure continuity as the UK leaves the EU and ended broadly flat over the final quarter as policy rates unanimously remained unchanged at 0.75% during both November and December meetings. The Brexit conundrum posed more problems as Brexit Secretary, David Davis, announced his surprise resignation at the beginning of July, shortly followed by Foreign Secretary, Boris Johnson, both citing disagreement with the Chequers plan leaving a divided cabinet and Theresa May's leadership hanging in the balance. Despite the government finally reaching a withdrawal agreement with the EU in November this led to further resignations including that of Brexit Secretary Dominic Raab, who had only taken office following David Davis' departure in July, and sparked fears of a no-confidence vote. Predictably, domestically-focused equities were hit hardest by the widespread uncertainty as the Parliamentary vote on the Bill to enable the agreement was postponed from December to January 2019, just two months before the impending deadline. Amid the chaos of the vote being delayed due to insufficient support for the Prime Minister, she faced and won a leadership challenge from her own party. Positive equity market sentiment spread to the UK where the broadly-based index returned 9.4% despite ongoing turmoil in Parliament. Theresa May brought her Brexit deal back to the House on a further two occasions and had it resoundingly rejected in each instance. At the time of writing, we are now past the touted Brexit deadline of the 29th March and are no closer to a resolution nor are we any clearer to an outcome on the China-US trade war nor have they been indicative of an expectant timeframe. For the future, we maintain a vigilant eye and continue to prefer a cautious approach.

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 each 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 the 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 with the exception of the B.E.S.T Sustainable Income Fund where all fees are charged against 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 2019 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 the prevailing tax rate. 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 Board of the ACD formally reviews the risk profile, including market, credit, operational and liquidity risks, of each sub-fund and the 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 each sub-fund 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 a sub-fund 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 sub-funds are exposed in relation to each sub-fund's 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. 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 sub-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 sub-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 sub-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 sub-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 sub-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 sub-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 sub-fund. The sub-funds manage credit issuer risk as a component of market risk. Counterparty risk arises primarily with the financial brokers through whom the sub-fund buys and sells securities. The sub-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 sub-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 a sub-fund's assets.

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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 sub-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 sub-fund.

Since 1 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 sub-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 sub-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 2019:

General Income Share - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)
Change in net asset value per share		
Opening net asset per share	93.03	100
Total return before operating charges *	(4.50)	(5.59)
Operating charges	(1.27)	(1.38)
Total return after operating charges*	(5.77)	(6.97)
Distributions on income shares	(0.46)	-
Closing net asset per share	86.80	93.03
After transaction costs (see pages 29-30) of:**	0.04	0.23
Performance		
Total return after operating charges	(6.20)%	(6.97)%
Other information		
Closing net assets value (£'000)	11,324	9,690
Closing number of shares	13,046,778	10,396,137
Operating charges	1.38%	1.44%
Direct transaction costs**	0.05%	0.23%

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	28/02/2019 (pence per share)	28/02/2018 (pence per share)
Prices		
Highest share price	103.17	99.45
Lowest share price	80.71	92.47

* Operating charges, otherwise known as the Ongoing Charge Figure or "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.

RISK AND REWARD INDICATOR (RRI)

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

Typically lower rewards
Lower risk

Typically higher rewards
Higher risk

1	2	3	4	5	6	7

The sub-fund is ranked as a 6 reflecting that it mainly invests in equities that are in general more volatile than bonds and deposits.

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 sub-fund, for illustrative purposes a portfolio with a comparable asset allocation has been used to calculate the risk/reward profile.

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities. Consequently, the value of Shares in all sub-funds and the income derived from them can go down as well as up and as a result an investor may not get back the amount originally invested. The sub-fund will invest in assets denominated in currencies other than GBP, subsequently fluctuations in exchange rates may effect the value of investments.

Concentration Risk; the sub-fund will invest principally in a concentrated portfolio of shares which may enhance the risks associated with investing in shares.

There is also the risk that inflation will devalue the return for investors.

The sub-fund may use derivatives for investment purposes or efficient portfolio management. Using derivatives can involve a higher level of risk.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the `Risk Factors' section of the Prospectus.

INVESTMENT OBJECTIVE AND POLICY

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

The sub-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 sub-fund may also invest in money market instruments, units and/or shares in other collective 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 sub-fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the sub-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 sub-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 sub-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 sub-fund although this is not the ACD's intention.

INVESTMENT REVIEW

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 by captured through a longer-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 who 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

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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 sub-fund should be relatively protected during a pronounced sell-offs in European equities. Equally, with a Beta of <1, any very sharp rally in low quality stocks will mean that the sub-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 37% of the sub-fund. Conviction is consistent throughout the portfolio, with a target allocation for the bottom ten names at 20% of the sub-fund.

During the course of the year, after a short decline during March, European bourses recovered into the spring and summer, remaining range bound until the end of September, which spelt a sharp reverse in sentiment. Our quality bias, which had proved a positive driver to performance reversed quickly leaving the stock exposed to some swift downward pricing during the final quarter of the year. Worries over the direction of US interest rates and global trade saw severe falls in various sectors. 2019 has started on a different track. There are fewer concerns with a much more dovish makeup at the Fed. Whilst trade is still a concern, markets are handicapping the Trump rhetoric as just that.

During the year, the shape of the portfolio has remained stable in terms of conviction and structure. Trading was kept to a minimum, with one new purchase in August.

The best three performing names are Teleperformance, Scout24, and Vestas Wind Systems. Founded in 1978, Teleperformance is the global leader in offshore and nearshore call centres with a 64% market share. It provides telemarketing, answering services, CRM, marketing and communication services. The firm's products include digital solutions, analytics, technical assistance, debt recovery, BPO, and other information services. The firm has operations in 74 countries, operates 340 customer service centres with 217,000 speaking 265 languages. Our investment case is predicated on sustainable growth in specialised services, currently misunderstood by the market as to the potential to improve margin mix – which in turn should lead to a rerating to a higher multiple. Further consolidation in the industry is also accretive to returns. Currently the top ten players only control 30% of the market, which we see as a huge opportunity set for Teleperformance.

Scout24 ("Scout") is a German online portal specialising in real estate and cars. Imagine Rightmove and Autotrader as a single company with two business divisions. Recently listed, the share price has done well as Scout continued to dominate its markets, from Germany to Belgium and Holland. 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. The company has been subject to a bid by two private capital firms who want to take a majority stake in the business. Our initial feeling is that this will help to sub-fund some quite ambitious acquisition plans which if permitted at antitrust level would be very accretive to shareholder return.

Vestas Wind Systems ("Vestas") is the world's largest producer of wind turbines with a market share of around 16% and the only player with true global presence. The company began its production of wind turbines in 1979, and was listed on the stock exchange in 1998. Vestas produces wind turbine sizes from 1.8 MW to 3.45 MW. Vestas has more than 37,500 installed turbines with a total capacity of 68 GW. The service business accounts for an increasing share of revenue, and is a stable, highly profitable business. The company's vision is to turn wind into an energy source equal to oil and gas.

Dedicated to wind turbines and their servicing, Vestas very nearly went bankrupt in 2012. It is now the largest turbine manufacturer in the world, with 16.5% share of the new build market, and a massive 43% share of turbines in the USA. Vestas has installed capacity in 76 countries and is the most international of the four large players. An early mover in the business, with good IP and excellent production quality, the company has leveraged its position in the product division. Given its advantage with a huge installed base, Vestas has started to focus more and more on after sales and servicing of its farms, with innovations such as real-time data provision for energy management efficiency. Innovation is key, which is why Vestas is co-operating with Tesla. Once of the largest problems plaguing the wind industry is storage. Wind farms are often in remote locations, so connection and storage are challenges. There are symbiotic advantages for co-operation.

The three largest detractors from performance were GEA, DIA and Valeo. We believe two of the three are still interesting companies and despite experiencing recent poor performance, we remain confident in the ability of the companies to retain their market leadership and overcome the short-term headwinds.

GEA is one of the largest suppliers of process technology for the food and beverage industry, as well as other industries including pharmaceutical, chemical, and O&G. Dairy represents one third of the business, split into Dairy Farming (milking and other equipment to farmers) and Dairy Processing, which is twice the size of Dairy Farming. Food and beverage represent 75% of sales. Globally GEA is ranked first or second in 95% of its activities (number one in separation, HP homogenisation, freeze dried coffee tech and milk formula spray drying). GEA is a defensive business with long term structural tailwinds. It has grown by acquisition over the past two decades. GEA's gross margin of 30% is only a shade lower than Alfa Laval, its closest listed peer. The difference is due to elevated selling, general and administrative ("SG&A") costs, partly due to geographic mismatch and partly due to an over enthusiastic production capacity. The company's "Fit for 2020" program has a 13-16% EBIT margin. The reason for the underperformance is very clear. It needs to be simplified. The purchasing management systems are not centralised. The management teams of each business do not collaborate. Our investment case is one of transitional value accretion. The entrance of activist shareholders recently has helped bring pressure on the supervisory board to make long needed management changes. We have had five conference call meetings with the company to keep abreast of changes as they happen. This is corporate Germany in its most iconic state, slow moving and often frustrating. We are not happy about the progress of the share price but do see significant changes underway which give us confidence that the winds of change are building in strength.

The second worst detractor was Spanish, and we sold it as soon as we realised we had miscalculated the inputs to our investment case. DIA is a food supermarket business based in Iberia and Latin America. Specialising in proximity stores our investment case was predicated on the ability to win over market share as the convenience food business should pay dividends after a period of high capex and store remodelling. We failed to understand quite how extremely aggressive the investments were from privately owned Mercadona which dominates the Spanish market, and how it bought market share from the discounters, further squeezing the ability for DIA to offer exceptional offering breadth and competitive pricing. The company issued a profit warning and we immediately sold. Since we sold the shares, the stock halved in value again before recovering moderately as private capital investors Letter One raised their stake. DIA was the largest detractor of value during the calendar year.

Valeo is a company that we know extremely well having followed the stock for nearly a decade. Founded in 1923 in Paris, Valeo designs, manufactures and sells components and integrated systems for the auto industry in various specialised niches. Involved in four main divisions the ethos and values of the company are to create safety and efficiency in motoring to lower carbon emissions, whether through its iconic "Stop start" technology to adaptive beam technology which dynamically adjusts headlight angles to avoid dazzling oncoming traffic whilst optimising the driver's night time vision. Valeo is well known for its world class reporting in ESG. It is one of very few companies which have a very strong gender diversity history and it has a well above average female management ratio in emerging markets, sponsored and driven by the culture emanating from HQ. The company is currently stuck between two investment cycles and being impacted by concerns over global trade. It has gone through a significant de-rating as earnings estimates have declined over concerns with trade and short-term earnings. We are most enthused by the potential for growth from the joint venture with Siemens on wiring harnesses for electric automobiles. This is a loss-making venture currently but given the past success of new platforms and the highly prized reputation Valeo retains with its relationships with original equipment manufacturers ("OEM's") globally, we see that the short term underperformance is a seasonal fallow period, not a structural issue. We have full confidence in management's vision, discipline and drive to break through to the next profit spur. We are gratified to see the company has been recovering strongly into the first few months of 2019.

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 sub-fund will continue to focus on its belief that companies exhibiting sustainable business practices are more likely to deliver positive long-term returns.

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

Purchases	Costs £'000	Sales	Proceeds £'000
BANCA IFIS SPA	346	DIA SA	107
UNICREDIT SPA	336		
DIA SA	243		
VISCOFAN	110		
KERRY GROUP A	94		
STRAUMANN HOLDING (NAMEN)	89		
AKKA TECHNOLOGIES	70		
PARTNERS GROUP HOLDING N	70		
TELEPERFORMANCE SE	63		
KINGSPAN GROUP PLC	62		
Total purchases during the year were	**2,676**	**Total sales during the year were**	**107**

PORTFOLIO OF INVESTMENTS

as at 28 February 2019

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	EQUITIES 93.17% (95.73%)		
	Belgium 2.53% (3.90%)		
8,905	IBA Ion Beam Applications	122	1.08
2,713	Melexis	164	1.45
		286	**2.53**
	Denmark 6.55% (5.38%)		
3,312	Coloplast B	290	2.56
6,010	Vestas Wind Systems	451	3.99
		741	**6.55**
	Finland 3.37% (3.40%)		
8,746	Kone	380	3.37
		380	**3.37**
	France 23.01% (24.60%)		
6,825	Akka Technologies	394	3.49
6,106	Amundi	352	3.12
4,633	Ingenico Group	274	2.43
3,313	Orpea	348	3.09
3,859	Schneider Electric	266	2.36
3,245	Teleperformance	510	4.52
4,558	Ubisoft Entertainment	296	2.62
5,660	Valeo	156	1.38
		2,596	**23.01**
	Germany 17.20% (18.06%)		
3,592	Dürr	250	2.22
8,287	GEA Group	162	1.44
434	Rationa	261	2.31
3,889	SAP	368	3.26
9,848	Scout 24	442	3.91
5,804	Symrise	458	4.06
		1,941	**17.20**
	Ireland 8.10% (7.04%)		
4,678	Kerry Group	461	4.08
11,203	Kingspan Group	453	4.02
		914	**8.10**

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Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	Italy 3.39% (5.71%)		
8,219	Banca IFIS	149	1.32
19,390	Unicredit	234	2.07
		383	**3.39**
	Netherlands 7.27% (8.17%)		
13,746	Accell Group	273	2.42
10,554	Signify	253	2.24
6,199	Unilever	295	2.61
		821	**7.27**
	Spain 5.18% (5.58%)		
63,775	Banco Santander	277	2.45
4,753	Viscofan	308	2.73
		585	**5.18**
	Switzerland 16.57% (13.89%)		
60	Belimo Holding	258	2.29
7,178	Logitech International	240	2.13
598	Partners Group Holding	397	3.52
1,916	Sonova Holding	318	2.81
372	Straumann Holding	331	2.93
1,577	Tecan Group	326	2.89
		1,870	**16.57**
	Total Value of Investments	**10,517**	**93.17**
	Net Other Assets	807	6.83
	Total Net Assets	**11,324**	**100.00**

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

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2019

		28/02/2019		28/02/2018	
	Note	£'000	£'000	£'000	£'000
Income					
Net capital losses	4		(744)		(507)
Revenue	5	218		23	
Expenses	6	(155)		(36)	
Net revenue/ (expense) before taxation		63		(13)	
Taxation	7	(51)		(6)	
Net revenue/ (expense) after taxation			12		(19)
Total return before distributions			**(732)**		**(526)**
Distributions	8		(55)		-
Change in net assets attributable to shareholders			**(787)**		**(526)**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2019

	28/02/2019		28/02/2018	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		9,690		-
Amounts received on creation of shares	2,946		10,874	
Amounts paid on cancellation of shares	(528)		(662)	
		2,418		10,212
Dilution Levy		3		4
Change in net assets attributable to shareholders' from investment activities		(787)		(526)
Closing net assets attributable to shareholders		**11,324**		**9,690**

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BALANCE SHEET

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		10,517	9,276
Debtors	9	54	60
Cash and bank balances	10	766	362
Total Assets		**11,337**	**9,698**
Liabilities			
Creditors	11	(13)	(8)
Total liabilities		**(13)**	**(8)**
Net assets attributable to Shareholders		**11,324**	**9,690**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	2,676
Total Sales in period	(107)

The notes on pages 23 to 30 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

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 10 to 12.

4. Net Capital Losses

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	(733)	(476)
Currency losses	(10)	(29)
Transaction costs & handling charges	(1)	(2)
Net losses on investments	**(744)**	**(507)**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
Overseas Dividends	217	23
Bank interest	1	-
Total Revenue	**218**	**23**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	25	8
Investment Advisor fees	84	19
	109	**27**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	15	2
Safe Custody fees	4	-
	19	**2**
Other expenses		
Audit fees	6	5
Printing fees	2	2
Registration fees	19	-
	27	**7**
Total expenses	**155**	**36**

Irrecoverable VAT is included in the above expenses where relevant.

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7. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Overseas tax	51	6
Corporation tax	-	-
Total current tax charge	**51**	**6**
Deferred tax on Corporation tax (Note 7 (c))	-	-
Total taxation for the year	**51**	**6**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	63	(13)
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	13	(3)
Effects of:		
Movement in excess management expenses	31	8
Overseas tax	50	6
Revenue not subject to corporation tax	(43)	(5)
Total tax charge (Note 7 (a))	**51**	**6**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'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.

The sub-fund has not recognised a deferred tax asset of £38,000 (2018: £7,000) 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:

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
Interim distribution	57	-
Total Distribution	57	-
Add: Income deducted on cancellation of shares	1	-
Deduct: Income received on creation of shares	(3)	-
Net distribution for the period	**55**	**-**
Reconciliation of Net Income and Distributions		
Net Income after Taxation	13	-
Deficit transferred to capital	42	-
Net distribution for the period	**55**	**-**

9. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Amounts receivable for creation of shares	42	49
Accrued revenue	12	11
Debtors	**54**	**60**

10. Cash and Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	661	361
US Dollar	-	1
Euro	105	-
Cash and bank balances	**766**	**362**

11. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	10	8
Amounts payable for cancellation of shares	3	-
Creditors	**13**	**8**

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12. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management 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.

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

Investment Adviser

Castlefield Investment Partners LLP, is part of the same group of companies to which the ACD belongs. 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 6. Amounts due at period 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 11 to 12.

At 28 February 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 £525,900 (28 February 2018: £463,800).

Currency Exposure

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

As at 28 February 2019	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
Danish Krone	740	-	-	740	6.53
Euro	7,907	-	105	8,012	70.75
Swiss Franc	1,870	-	-	1,870	16.51
	10,517	**-**	**105**	**10,622**	**93.79**
Sterling	-	-	702	702	6.21
Total Net Assets	**10,517**	-	**807**	**11,324**	**100.00**

As at 28 February 2018	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
Danish Krone	521	-	-	521	5.38
Euro	7,409	-	10	7,419	76.56
Swiss Franc	1,346	-	1	1,347	13.90
	9,276	**-**	**11**	**9,287**	**95.84**
Sterling	-	-	403	403	4.16
Total Net Assets	**9,276**	-	**414**	**9,690**	**100.00**

At 28 February 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 shareholders would increase or decrease by approximately £106,220 (28 February 2018: £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 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 financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	10,517	-
Level 2	-	-
Level 3	-	-
Total	**10,517**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	9,276	-
Level 2	-	-
Level 3	-	-
Total	**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 sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-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 one type of share and the Investment Adviser's fee on the share class is as follows:

General Shares: 0.75%

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

GENERAL INCOME SHARE	Income
Opening Shares	10,396,137
Shares Created	3,225,506
Shares Liquidated	(574,865)
Shares Converted	-
Closing Shares	**13,046,778**

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 13. 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 30.

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 13.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	2,670	9,857
Commissions:		
Equities total value paid	3	7
Taxes:		
Equities total value paid	3	12
Total Purchase costs	**6**	**19**
Gross Purchase total	**2,676**	**9,876**
Analysis of total sale costs:		
Gross sales in year before transaction costs	107	124
Commissions:	-	-
Taxes:	-	-
Total sale costs	**-**	**-**
Total sales net of transaction costs	**107**	**124**

CASTLEFIELD B.E.S.T SUSTAINABLE EUROPEAN FUND

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.12	0.07
Taxes:		
Equities total value paid	0.10	0.12
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.05	0.07
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.03	0.09
Taxes:	0.02	0.14

As at the balance sheet date, the average portfolio dealing spread was 0.48% (2018: 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

First Interim Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.4616	-	0.4616	-
Group 2	0.3256	0.1360	0.4616	-

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

FUND INFORMATION

The Comparative Table on pages 31 to 33 gives 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 sub-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 sub-fund.

Since 1 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 sub-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 sub-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 2019:

Charity Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	77.06	81.53	78.47
Total return before operating charges*	(0.24)	(0.39)	7.46
Operating charges	(0.94)	(1.03)	(1.04)
Total return after operating charges*	(1.18)	(1.42)	6.42
Distributions on income shares	(3.24)	(3.05)	(3.36)
Closing net asset per share	72.64	77.06	81.53
*After transaction costs (see pages 48 to 49) of:	0.02	0.07	0.08
Performance			
Total return after operating charges	(1.53)%	(1.74)%	8.18%
Other information			
Closing net assets value (£'000)	14,137	15,076	15,523
Closing number of shares	19,461,700	19,564,071	19,040,183
Operating charges	1.25%	1.24%	1.25%
Direct transaction costs**	0.03%	0.08%	0.09%
Prices			
Highest share price	81.39	87.22	82.70
Lowest share price	68.19	77.07	72.44

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

General Class – Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	73.92	78.41	75.66
Total return before operating charges *	(0.76)	(0.37)	7.20
Operating charges	(1.08)	(1.19)	(1.21)
Total return after operating charges	(1.84)	(1.56)	5.99
Distributions on income shares	(3.11)	(2.93)	(3.24)
Closing net asset per share	68.97	73.92	78.41
*After transaction costs (see pages 48 to 49) of:	0.02	0.07	0.07
Performance			
Total return after operating charges	(2.49)%	(1.99)%	7.92%
Other information			
Closing net assets value (£'000)	382	332	259
Closing number of shares	553,669	449,434	330,598
Operating charges	1.50%	1.49%	1.50%
Direct transaction costs	0.03%	0.08%	0.09%
Prices			
Highest share price	78.04	83.83	79.54
Lowest share price	65.29	73.95	69.79

Institutional Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	76.10	80.53	77.51
Total return before operating charges*	(0.79)	(0.39)	7.37
Operating charges	(0.93)	(1.03)	(1.03)
Total return after operating charges	(1.72)	(1.42)	6.34
Distributions on income shares	(3.20)	(3.01)	(3.32)
Closing net asset per share	71.18	76.10	80.53
*After transaction costs (see pages 48 to 49) of:	0.02	0.07	0.08
Performance			
Total return after operating charges	(2.26)%	(1.76)%	8.18%
Other information			
Closing net assets value (£'000)	10,024	10,658	7,883
Closing number of shares	14,083,295	14,005,800	9,789,575
Operating charges	1.25%	1.26%	1.25%
Direct transaction costs	0.03%	0.08%	0.10%
Prices			
Highest share price	80.38	86.15	81.69
Lowest share price	67.35	76.11	71.55

* Operating charges, otherwise known as the Ongoing Charge Figure or "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 Risk and Reward Indicator table demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund. The coloured area in the table below shows the sub-fund's ranking on the Risk and Reward Indicator.

Typically lower rewards
Lower risk

Typically higher rewards
Higher risk

1	2	3	**4**	5	6	7

The sub-fund is ranked as a 4 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 indicator may not take fully into account the following risks of investing in this sub-fund:

- The sub-fund holds equities concentrated by location in the UK. Equities, as an asset class, tend to experience higher volatility than many other asset types such as bonds or money market instruments. Sub-funds concentrated in one geographic location are more vulnerable to market sentiment in that specific location and can carry a higher risk than sub-funds holding more diversified assets.
- The level of targeted income is not guaranteed and may not be achieved.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the 'Risk Factors' section of the Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the sub-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 sub-fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the sub-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 sustainability element may be obtained from the Investment Adviser upon request.

PERFORMANCE

During the period, the sub-fund returned -1.94% (Institutional Income Units) against its peer group IA UK Equity Income sector, which returned -0.68%.

INVESTMENT REVIEW

The top contributors for the sub-fund came from AstraZeneca and Greencoat UK Wind. Pharmaceutical company, AstraZeneca, benefited from encouraging news flow over the reporting period, one such being the positive opinion by the European Medicines Agency and approval within Japan on the health care company's small-cell lung cancer treatment, Imfinzi. With first mover advantage in this area being "the only immunotherapy approved for patients with unresectable Stage III non-small cell lung cancer", this presents positive growth opportunities for the company. Over the reporting period, we had the opportunity to meet with AstraZeneca where we were able to discuss its drugs pipeline; the Group's strategy is moving towards healthcare with higher margins for specialty drugs compared to its prior focus on mainstream consumer healthcare, all of which, if delivered, provide further headroom for growth. Listed renewable infrastructure sub-fund, Greencoat UK Wind, which represents the largest holding within the sub-fund, has seen positive momentum in its share price over the reporting period reflecting the sub-fund's encouraging business performance and growth in assets. We also had the opportunity to meet with management on two occasions, with one including a site visit to their Clyde Wind Farm. The sub-fund exercised its option to increase its shareholding in the Clyde wind farm back in May, sub-funded through a placing, which we took part in. This took its stake back to 28.2% as it was at first investment in 2016, which had been diluted through an extension of the wind farm. You can read our latest site visit through our blog found here http://www.castlefield.com/news-media/blog/visit-to-clyde-wind-farm-lanarkshire/.

The biggest detractors for the sub-fund came from Premier Technical Services Group (PTSG) and Equiniti Group. With regards to the former, its shares began retreating towards the end of 2018. The shares continued to trade downward into 2019 despite the Group's upbeat trading updates and continuing strategic and disciplined acquisitions, adding to the group's regional, divisional and customer diversification. The most notable decline came towards the beginning of February, once again in spite of no specific negative news, prompting management to release a statement confirming it was not aware of any reason for such movement in the shares and reaffirming full year profit to be in line with management expectations. Whilst we maintain a vigilant eye, we do not feel the recent decline is warranted. We have reviewed our financial forecasts and valuation and maintain confidence in our position. Furthermore, we continue to be impressed with management's communication with investors. Following the Group's results and acquisition announcement, the Castlefield Investment team was contacted by Chief Executive, Paul Teasdale, offering Castlefield the opportunity to discuss the most recent acquisition of Trinity Fire & Security Systems, its strategic fit within its Fire Solutions division, as well as plans for margin evolution. Equiniti Group has also suffered a downdraft in its share price following the acquisition of Wells Fargo Shareowner Services business ("WFSS"), despite the market's initial positive reaction to the news.

With regards to portfolio activity, we took the decision to exit De La Rue in April. We held a very small position in the sub-fund and we felt that we either needed the conviction to back a meaningful holding in it, or to exit and recycle the proceeds elsewhere. With a mixed picture for operational trends and no major sustainability positives to build an argument around, we had no conviction in adding further cash to the position and so we sold. We recycled the proceeds to add a new holding in Shire, where the shares had traded at a meaningful discount to the implied value of the bid by Takeda. Assessing a solid valuation case on a standalone basis, we initiated a new position on the grounds that either the bid would succeed, and we would capture the bid premium, or it would fail, and we would happily own a position in the company in its own right. With the former coming to fruition and the deal approved by shareholders, we later exited in December ahead of the completion of its takeover. Not wanting to own the Takeda stock we were due to receive, we elected to sell our holding in the market, providing a pleasing c.14% return over the holding period.

In June, former holding UBM officially became Informa after the Competition and Markets Authority (the UK's competition watchdog) announced that the merger, which would create the world's largest publicly-listed event and conference organiser, would not be subject to an investigation at the end of May. UBM's shares therefore stopped trading on Thursday 14th June and in accordance with the mandate we received a mix of cash and new Informa shares as UBM became the junior partner in the combined group. Later in August, we also added a new holding in Strix Group, a world leader in kettle safety controls and other components involving water controls. The Group has continued to post progressive results in maturing markets such as the UK, whilst also tackling high growth geographies such as the US where penetration of kettles is as low as 13% compared to 120% in the UK. The Group also scores well on ethical grounds as it continues to focus on lean manufacturing and continuous improvement initiatives as a key focus leading to better production efficiency.

Another name which we exited over the reporting period was Debenhams, following an analysis of what could trigger a positive re-appraisal of the company's prospects. This ultimately concluded that the bullish case for the shares was too uncertain and further risks remained. As a consequence, our conviction was in exiting the holding rather than in an upturn in fortunes. We also exited John Laing Environmental Group and HICL Infrastructure. These are two names we had been gradually selling down, given a preference for other names within renewable energy infrastructure and the greater political risk we perceive at HICL given its PFI exposure. With the market volatility seen over 2018, a time where infrastructure sub-funds typically prove more resilient, both shares were at a premium to their Net Asset Values and we took this as an opportune time to exit and realise gains. We also participated in the initial public offering of Gresham House Energy Storage sub-fund, which will invest in utility scale energy storage systems. As a shift to cleaner energy, catalysed by carbon reduction targets, continues to spur renewables share of the energy mix, energy storage systems such as battery storage are becoming increasingly necessary and provide a solution to the challenge of intermittency. We also later exited language support services group, RWS Holdings. We first invested at the end of 2016 with an entry point of £3.01 and closed this position at c.£4.58. We decided to exit, capitalising on its strong performance and crystallising the gains with a view to recycling the proceeds into a higher yielding stock. We also marginally reduced our holdings in British Land, The Renewables Infrastructure Group (TRIG) and Greencoat UK Wind. We used these proceeds to sub-fund a new purchase in asset management company, City of London Investment Group, which specialises in investment strategies focused on closed-end sub-funds (CEF) and has current assets under management of £4.6bn. High profitability with returns on equity in excess of 50% and a commitment to pay out a significant proportion of earnings as dividends means that the group enjoys a high and sustainable dividend yield.

OUTLOOK

One of the striking features of the current stock market cycle has been the marked outperformance of "growth" strategies over "value", something which is evidenced by the equity income sector compared to growth-focused parts of the market. The sub-fund naturally has a bias towards "value" which has proven a meaningful

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headwind at times. Although such trends have historically mean-reverted, it remains for us to plot a course through markets whether aided by a tailwind or buffeted by the reverse. Of key focus for the coming months is the balance of exposure within the sub-fund between domestic and overseas exposure at our investee companies, not least in light of the continuing uncertainty relating to the now-delayed exit from the European Union. Underpinning all of our research is the sub-fundamental belief that companies with more sustainable business practices will prove more durable and therefore deliver better long-term returns. A long-term perspective has perhaps never been more of use than at the present time of uncertainty as triggered by the indecisiveness of Parliament.

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

Purchases	Costs £'000	Sales	Proceeds £'000
SHIRE	659	SHIRE	742
CITY OF LONDON INV	567	JOHN LAING ENVIRONMENTAL ASSETS GROUP LTD SICAV GBP	565
EQUINITI GROUP PLC	375		
STRIX GROUP PLC	271	HICL INFRASTRUCTURE COMPANY LTD FCP	337
GRESHAM HOUSE ENERGY STORAGE FUND PLC	251	RWS HOLDINGS PLC	260
GREENCOAT UK WIND PLACING	216	THE GYM GROUP PLC	206
GORE STREET ENERGY STORAGE FUND PLC	135	DEBENHAMS	117
PREMIER TECH SER GR	126	DE LA RUE	61
PREMIER TECHNICAL SERVICES GROUP PLC	121		
ALUMASC GROUP PLC	51		
Total purchases during the year were	**2,772**	**Total sales during the year were**	**2,288**

PORTFOLIO OF INVESTMENTS

as at 28 February 2019

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	CONSUMER GOODS 2.26% (2.02%)		
	Personal Goods 2.26% (2.02%)		
14,046	Unilever	560	2.26
		560	**2.26**
	CONSUMER SERVICES 12.00% (15.38%)		
	Food & Drug Retailers 1.94% (1.80%)		
207,478	Morrison (Wm) Supermarkets	480	1.94
		480	**1.94**
	General Retailers 3.87% (6.25%)		
215,865	Brown (N) Group	220	0.89
81,386	Joules Group	233	0.96
188,842	Marks And Spencer Group	501	2.02
		954	**3.87**
	Media 2.26% (2.59%)		
79,727	Informa	560	2.26
		560	**2.26**
	Travel, Leisure & Catering 3.93% (4.74%)		
15,145	Go-Ahead Group	305	1.23
346,881	The Gym Group	668	2.70
		973	**3.93**
	FINANCIALS 45.11% (40.88%)		
	Banks 1.99% (2.22%)		
80,292	HSBC Holdings	493	1.99
		493	**1.99**
	Equity Investment Instruments 22.39% (18.58%)		
678,749	Renewables Infrastructure Group	802	3.24
135,000	Gore Street Energy Storage Fund	129	0.52
427,500	Menhaden	299	1.24
148,439	City Of London Inv	600	2.46
236,619	3I Infrastructure	639	2.58
1,206,955	Greencoat Renewables	1,119	4.54

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Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
1,222,834		Greencoat UK Wind	1,674	6.76
251,159		Gresham House Energy Storage Fund	257	1.05
			5,519	**22.39**
		Financial Services 1.12% (1.21%)		
385,000		Park Group	271	1.12
			271	**1.12**
		Life Insurance 6.24% (7.01%)		
179,285		Aviva	754	3.05
49,976		Prudential	789	3.19
			1,543	**6.24**
		Nonlife Insurance 5.95% (4.59%)		
98,122		Lancashire Holdings	645	2.60
120,114		Phoenix Group Holdings	830	3.35
			1,475	**5.95**
		Real Estate Investment Trusts 7.42% (7.27%)		
149,200		British Land Co Reit	888	3.59
1,659,613		Assura Shs Reit	948	3.83
			1,836	**7.42**
		HEALTH CARE 8.61% (6.68%)		
		Pharmaceuticals & Biotechnology 8.61% (6.68%)		
21,054		Astrazeneca	1,294	5.22
55,629		Glaxosmithkline	840	3.39
			2,134	**8.61**
		INDUSTRIALS 17.11% (18.17%)		
		Construction & Materials 5.70% (6.19%)		
439,484		Van Elle	277	1.15
205,000		Alumasc Group	228	0.93
150,870		Balfour Beatty	433	1.75
87,911		Kier Group	462	1.87
			1,400	**5.7**
		Electronic & Electrical Equipment 1.89% (1.10%)		
367,663		Luceco	213	0.87
160,500	*	Strix Group	251	1.02
			464	**1.89**

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
		Support Services 9.52% (7.36%)		
345,976	*^	Sureserve Group	102	0.43
285,075		Rps Group	533	2.16
643,007	*	Premier Technical Services Group	784	3.22
450,718		Equiniti Group	917	3.71
			2,336	**9.52**
		TECHNOLOGY 2.58% (2.60%)		
		Software & Computer Services 2.58% (2.60%)		
97,432		Sage Grp	640	2.58
			640	**2.58**
		TELECOMMUNICATIONS 1.24% (1.77%)		
		Mobile Telecommunications 1.24% (1.77%)		
226,153		Vodafone Group	307	1.24
			307	**1.24**
		UTILITIES 8.21% (7.22%)		
		Electricity 6.74% (6.10%)		
107,032		National Grid	906	3.66
63,929		SSE	763	3.08
			1,669	**6.74**
		Gas, Water & Multiutilities 1.47% (1.12%)		
47,296		Pennon Group	364	1.47
			364	**1.47**
		Total Value of Investments	**23,978**	**97.12**
		Net Other Assets	565	2.88
		Total Net Assets	**24,543**	**100.00**

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

* AIM Listed Securities.

^ Formally Lakehouse PLC. Name change effective 1 October 2018.

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2019

	Note	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Income					
Net capital losses	4		(1,293)		(1,207)
Revenue	5	1,120		972	
Expenses	6	(301)		(301)	
Net revenue before taxation		819		671	
Taxation	7	(19)		-	
Net revenue after taxation			800		671
Total return before distributions			**(493)**		**(536)**
Distributions	8		(1,101)		(971)
Change in net assets attributable to shareholders			**(1,594)**		**(1,507)**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2019

	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Opening net assets attributable to shareholders		26,066		23,665
Amounts received on creation of shares	2,330		6,482	
Amounts paid on cancellation of shares	(2,259)		(2,574)	
		71		3,908
Change in net assets attributable to shareholders' from investment activities		(1,594)		(1,507)
Closing net assets attributable to shareholders		**24,543**		**26,066**

BALANCE SHEET

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		23,978	24,689
Debtors	9	182	118
Cash and bank balances	10	600	1,498
Total Assets		**24,760**	**26,305**
Liabilities			
Creditors	11	(24)	(21)
Distribution payable on income shares		(193)	(218)
Total liabilities		**(217)**	**(239)**
Net assets attributable to Shareholders		**24,543**	**26,066**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	2,772
Total Sales in period	(2,288)

The notes on pages 42 to 49 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

CASTLEFIELD B.E.S.T SUSTAINABLE INCOME FUND

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 10 to 12.

4. Net Capital Losses

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	(1,293)	(1,200)
Other Currency losses	-	(7)
Net losses on investments	**(1,293)**	**(1,207)**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	829	713
Overseas Dividends	289	258
Bank interest	2	1
Total Revenue	**1,120**	**972**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	52	54
Investment Advisor fees	195	204
	247	**258**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	18	18
Safe Custody fees	7	2
	25	**20**
Other expenses		
Audit fees	5	5
Printing fees	1	1
Electronic Messaging fees	1	-
Registration fees	22	17
	29	**23**
Total expenses	**301**	**301**

Irrecoverable VAT is included in the above expenses where relevant.

7. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Corporation tax	-	-
Overseas tax	19	-
Total current tax charge	**19**	**-**
Deferred tax on Corporation tax (Note 7 (c))	-	-
Total taxation for the year	**19**	**-**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	819	671
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	164	134
Effects of:		
Expense not utilised in the year	49	60
Overseas tax	19	-
Revenue not subject to corporation tax	(213)	(194)
Total tax charge (Note 7 (a))	**19**	**-**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'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.

The sub-fund has not recognised a deferred tax asset of £398,000 (2018: £359,000) 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.

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8. Distributions

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

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
1st interim distribution	330	229
2nd interim distribution	289	305
3rd interim distribution	288	234
Final distribution	193	218
Total distribution	1,100	986
Add: Income deducted on cancellation of shares	13	12
Deduct: Income received on creation of shares	(12)	(27)
Net distribution for the period	**1,101**	**971**
Reconciliation of Net Income and Distributions		
Net income after taxation	800	670
Charges deducted from Capital	301	301
Net distribution for the period	**1,101**	**971**

9. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Amounts receivable for creation of shares	51	2
Accrued revenue	131	116
Debtors	**182**	**118**

10. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	600	1,498
Cash and bank balances	**600**	**1,498**

11. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	11	17
Amounts payable for cancellation of shares	13	4
Creditors	**24**	**21**

12. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management 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.

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

Investment Adviser

Castlefield Investment Partners LLP, is part of the same group of companies to which the ACD belongs. 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 6. Amounts due at period 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 11 to 12.

At 28 February 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 £1,198,900 (28 February 2018: £1,236,439).

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Currency Exposure

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

As at 28 February 2019	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
Euro	1,119	-	11	1,130	4.61
Sterling	22,859	-	554	23,413	95.39
Total Net Assets	**23,978**	**-**	**565**	**24,543**	**100.00**

As at 28 February 2018	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
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
Total Net Assets	**24,689**	**-**	**1,377**	**26,066**	**100.00**

At 28 February 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 shareholders would increase or decrease by approximately £11,310 (28 February 2018: £11,660).

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 financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	22,537	-
Level 2	1,441	-
Level 3	-	-
Total	**23,978**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	22,524	-
Level 2	2,165	-
Level 3	-	-
Total	**24,689**	**-**

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 sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-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 INCOME FUND

15. Share Classes

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

Charity Shares 0.75%

General Shares: 1.00%

Institutional Shares: 0.75%

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

CHARITY CLASS	Income
Opening Shares	19,564,071
Shares Created	510,881
Shares Liquidated	(613,252)
Shares Converted	-
Closing Shares	**19,461,700**

GENERAL CLASS	Income
Opening Shares	449,434
Shares Created	145,408
Shares Liquidated	(41,173)
Shares Converted	-
Closing Shares	**553,669**

INSTITUTIONAL CLASS	Income
Opening Shares	14,005,800
Shares Created	2,418,368
Shares Liquidated	(2,340,873)
Shares Converted	-
Closing Shares	**14,083,295**

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 31 to 33. 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 50 to 51.

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 pages 31 to 33.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	2,766	5,841
Commissions:		
Equities total value paid	1	1
Taxes:		
Equities total value paid	5	20
Total Purchase costs	**6**	**21**
Gross Purchase total	**2,772**	**5,862**
Analysis of total sale costs:		
Gross sales in year before transaction costs	2,290	1,582
Commissions:		
Equities total value paid	(1)	-
Funds total value paid	(1)	-
Taxes:	-	-
Total sale costs	**(2)**	**-**
Total sales net of transaction costs	**2,288**	**1,582**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.05	0.02
Taxes:		
Equities total value paid	0.18	0.34
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.07	0.01
Funds total value paid	0.07	-
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.01	0.01
Taxes:	0.02	0.07

As at the balance sheet date, the average portfolio dealing spread was 0.78% (2018: 0.80%) 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

First Interim Dividend Distribution In Pence Per Share

CHARITY SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/05/2018	Distribution Paid 31/05/2017
Group 1	0.9742	–	0.9742	0.7282
Group 2	0.7242	0.2500	0.9742	0.7282

GENERAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/05/2018	Distribution Paid 31/05/2017
Group 1	0.9343	–	0.9343	0.6997
Group 2	0.4543	0.4800	0.9343	0.6997

INSTITUTIONAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/05/2018	Distribution Paid 31/05/2017
Group 1	0.9620	–	0.9620	0.7190
Group 2	0.4465	0.5155	0.9620	0.7190

Second Interim Dividend Distribution In Pence Per Share

CHARITY SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/08/2018	Distribution Paid 31/08/2017
Group 1	0.8517	–	0.8517	0.9477
Group 2	0.3098	0.5419	0.8517	0.9477

GENERAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/08/2018	Distribution Paid 31/08/2017
Group 1	0.8163	–	0.8163	0.9089
Group 2	0.5718	0.2445	0.8163	0.9089

INSTITUTIONAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 31/08/2018	Distribution Paid 31/08/2017
Group 1	0.8410	–	0.8410	0.9361
Group 2	0.5623	0.2787	0.8410	0.9361

Third Interim Dividend Distribution In Pence Per Share

CHARITY SHARES – INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	0.8475	–	0.8475	0.7287
Group 2	0.3779	0.4696	0.8475	0.7287

GENERAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	0.8112	–	0.8112	0.6984
Group 2	0.5278	0.2834	0.8112	0.6984

INSTITUTIONAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	0.8370	–	0.8370	0.7186
Group 2	0.4690	0.3680	0.8370	0.7186

Final Interim Dividend Distribution In Pence Per Share

CHARITY SHARES – INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.5682	–	0.5682	0.6457
Group 2	0.3482	0.2200	0.5682	0.6457

GENERAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.5438	–	0.5438	0.6196
Group 2	0.4254	0.1184	0.5438	0.6196

INSTITUTIONAL SHARES – INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.5611	–	0.5611	0.6374
Group 2	0.2495	0.3116	0.5611	0.6374

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

FUND INFORMATION

The Comparative Table on pages 52 to 53 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 sub-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 sub-fund.

Since 1 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 sub-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 sub-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 2019:

General Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	546.42	441.35	353.82
Total return before operating charges *	(56.88)	120.32	97.48
Operating charges	(13.86)	(15.25)	(9.95)
Total return after operating charges	(70.74)	105.07	87.53
Distributions on income shares	-	-	-
Closing net asset per share	475.68	546.42	441.35
*After transaction costs (see page 67) of:	0.59	0.64	0.14
Performance			
Total return after operating charges	(12.95)%	23.81%	24.74%
Other information			
Closing net assets value (£'000)	713	962	848
Closing number of shares	149,923	179,670	192,162
Operating charges	2.60%	2.98%	3.17%
Direct transaction costs	0.10%	0.12%	0.03%
Prices			
Highest share price	573.64	559.57	456.41
Lowest share price	470.04	447.62	346.26

Institutional Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	555.05	451.41	360.82
Total return before operating charges *	(51.13)	167.45	98.65
Operating charges	(11.37)	(63.81)	(8.06)
Total return after operating charges	(62.50)	103.64	90.59
Distributions on income shares	(1.68)	-	-
Closing net asset per share	490.87	555.05	451.41
* After transaction costs (see page 67) of:	0.58	0.68	0.14
Performance			
Total return after operating charges	(11.26)%	22.96%	25.11%
Other information			
Closing net assets value (£'000)	6,739	5,825	4,339
Closing number of shares	1,372,847	1,058,547	961,082
Operating charges	2.08%	2.48%	2.67%
Direct transaction costs	0.10%	0.12%	0.03%
Prices			
Highest share price	590.70	574.51	467.72
Lowest share price	484.63	457.82	353.75

* Operating charges, otherwise known as the Ongoing Charge Figure or "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 Risk and Reward Indicator table demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund. The coloured area in the table below shows the sub-fund's ranking on the Risk and Reward Indicator.

Typically lower rewards Lower risk						Typically higher rewards Higher risk
1	2	3	4	**5**	6	7

The sub-fund is ranked as a 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 sub-fund holds assets concentrated in the small capitalisation UK equity markets. Assets may also be concentrated by sector. Equities, as an asset class, tend to experience higher volatility than bond or money market portfolios. Sub-funds concentrated by capitalisation, sector and/or geographic location are more vulnerable to market sentiment in that specific capitalisation, sector or location and can carry a higher risk than sub-funds holding more diversified assets.

The indicator may not take fully into account the following risks of investing in this sub-fund:

Liquidity risk: during difficult market conditions some securities, such as smaller capitalisation equities, may become more difficult to sell at a desired price.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the `Risk Factors' section of the Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The aim of the sub-fund is to achieve long term capital growth. The investment policy is to invest predominantly in the shares of the quoted UK smaller 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 sub-fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the sub-fund where "B.E.S.T" indicates Business & financial, Environment & ecological, Social and Transparency & governance; however equal weighting may not be given to each element 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 and 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

Markets have experienced a significant swing in sentiment since the interim period. In particular, the final quarter of 2018 saw a sharp and seemingly indiscriminate fall. Burdened by global trade, political uncertainty and a tightening economic environment, investors were happy to de-risk slightly and crystallise profits after almost a decade of rising markets. Significantly, smaller companies and those of a higher growth nature, rolled over more abruptly. Following this, markets did recover some of this lost ground although this rebound was greater for larger companies, which decoupled further in performance terms from their smaller peers. So, whilst the broad UK stock market closed the period marginally up, UK smaller companies finished in negative territory.

The sub-fund moved in a similar fashion, both participating in the sell-off and recovering some of this in 2019. This saw the sub-fund give up the absolute gains from the interim period, as well as some relative gains to the IA UK Smaller Companies sector, returning -14.8% (Institutional Income Units) vs. -11.9% since August-end. This took the return for the full period to -10.4% compared to -5.4% for the sector. Despite it being disappointing to trail the sector, the sub-fund was certainly not alone in this and the disparate nature of returns across the wider peer group of sub-funds was notable.

The largest positive contributors to sub-fund performance over the full period were automotive test systems provider AB Dynamics (+79%), waste management company Augean (+217%) and kettle controls business Strix (+23%). Firstly, AB Dynamics announced a record year for revenue and profit. The outlook remains favourable too, as vehicle safety standards evolve and the push towards autonomous vehicles continues, reflected in its strong order book. Augean also had a string of positive news flow during the period, in challenging circumstances. The company announced results showing growth in profit ahead of market expectations as well as a debt-free balance sheet. This set of results brought together the positive changes made by the new management team over the past year to streamline activities and focus on both cash generation and retention. The rerating of Strix's shares continued through to the end of the period and positive news on the stock came with the acquisition of some attractive assets from HaloSource Corp. These assets will "assist in accelerating its strategy to expand and grow its water filtration division" and, despite the small size of the acquisition, we feel it offers some exciting potential for the company. A final notable contributor, which also carried out a transaction in the period, was identity management specialist GB Group (+16%), as the shares responded well to its acquisition of US fraud detection firm IDology.

The top three detractors to performance during the year were the manufacturer of noise and heat management products Autins (-80%), stockbroker Arden Partners (-45%) and niche service provider Premier Technical Services Group ("PTSG") (-34%). Autins has faced major headwinds due to softer demand from a key customer. We continue to hold the shares as we believe the company will, in time, benefit from its recent change in leadership and the concerted effort to accelerate its product rollout to a broader customer base. Arden and PTSG, on the other hand, tailed off through the year on no specific negative news. For Arden, it is not overly surprising given the negative sentiment around the sector from a changing regulatory backdrop, weaker markets and a slowdown in deal making. However, for PTSG, the decline was despite upbeat trading statements and continued strategic acquisitions. Whilst we maintain a vigilant eye on the position, part of which has involved liaising with management on various topics, we do not feel the recent decline is warranted. Another holding which suffered from the market's nervous disposition was veterinary firm CVS Group. Its shares saw weakness (-55%) as the uncertain political backdrop fed through into a decreased availability of vets and nurses. Therefore, whilst revenue growth was broadly as expected, the company indicated margins had come under further pressure due to this higher than expected employment cost. In addition, the company stated that its ability to make acquisitions was becoming challenged as the multiples being sought by vendors were at elevated levels. We reassessed the investment case considering these developments and, whilst cognisant of the risks facing the business, we felt the fall in the share price in response to this had gone too far and added to the holding on this weakness.

Since the interim report, most trades have been at the margin in current holdings, whether adding on weakness or crystallising profits, however we also exited three holdings and introduced two new ones.

The first of these exits was in virtual queuing business Accesso Technologies as we became concerned over its growth prospects. It was pleasing that we were able to exit our holding at a modest profit prior to the aforementioned falls in markets seen in Q4 2018. Our holding in Amino Technologies ("Amino"), a provider of TV set-top box hardware and software, was also sold during the period. Amino has struggled from economic instability in emerging markets and consequently announced a transformation program to re-focus the business. Although this appeared sensible, we exited the position due to our concerns about future growth in its underlying markets.

Of the two new holdings, the first was in the leading provider of temporary event solutions, Arena Events. Arena offers specialist temporary physical structures, seating, furniture and interiors, for sporting, cultural and corporate events. We were attracted to it given the high level of recurring revenues and because it operates in a highly fragmented market, which it was looking to consolidate. We believed its strategy should lead to growth ahead of the market, enhance margins and improve asset utilisation. However, having initiated a position in the company in November, it subsequently announced in January that profit for the year was to be significantly lower than previous expectations. The prime reason for this related to lost profit on two contracts where the company had "overtraded", taking on business in unfamiliar regions. This apparent lack of control and oversight on contracts greatly concerned us and, even though we believe some attractions of the business remain, we decided to exit the position.

The second new holding was in Directa Plus, a producer and supplier of graphene-based products, where we initiated a small position. There are numerous potential markets for its product, but the company is initially focussing on a couple of niches, namely solutions for textiles and treating water contaminated by hydrocarbons.

OUTLOOK

UK small companies' performance will, as ever, continue to be heavily influenced by the domestic economy and direction of the UK stock market and whilst there are reasons one could be circumspect, the UK economy continues to make progress against significant headwinds. Given this more uncertain backdrop and corresponding waxing and waning of the stock market, cash in the sub-fund does remain slightly elevated at 3.6%, as we want to retain the ability to capitalise on falls in shares which we feel are overdone.

Most of the recent news flow from companies held in the portfolio has been reassuring and we remain confident that the companies held in the sub-fund can produce sustained growth in earnings over the next few years which should be reflected in further advances in share prices. Engagement with management teams of companies held also continues to be a key part of our approach as we look to improve operations or governance and during the year we spoke/met with management teams from the vast majority of the sub-fund's holdings.

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

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

Purchases	Costs £'000	Sales	Proceeds £'000
CML MICROSYSTEMS PLC	253	AB DYNAMICS PLC	208
EQUINITI GROUP PLC	196	GATELEY PLC	141
ARENA EVENTS GROUP PLC	157	ACCESSO TECHNOLOGY GROUP PLC	128
PARK GROUP PLC	155	AUGEAN	122
CITY OF LONDON INVESTMENT GROUP	130	FEVERTREE DRINKS	100
ANPARIO PLC	128	ARENA EVENTS GROUP PLC	91
CVS GROUP	114	DRIVER GROUP PLC	83
AUTINS GROUP PLC	112	PERSONAL GROUP HOLDINGS PLC	80
SURESERVE GROUP PLC	104	AMINO TECHNOLOGIES	68
INSPIRED ENERGY PLC	91	GB GROUP PLC	47
Total purchases during the year were	**2,777**	**Total sales during the year were**	**1,290**

PORTFOLIO OF INVESTMENTS

as at 28 February 2019

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
		BASIC MATERIALS 1.19% (0.00%)		
		Chemicals 1.19% (0.00%)		
150,000	*	Directa Plus	87	1.19
			87	**1.19**
		CONSUMER GOODS 6.38% (7.79%)		
		Automobiles & Parts 0.97% (1.84%)		
330,000	*	Autins Group	69	0.96
1,000,000	**	Torotrak	1	0.01
			70	**0.97**
		Beverages 0.00% (5.40%)		
		Household Goods & Home Construction 5.41% (4.46%)		
45,000		Headlam Group	192	2.56
175,000	*	Springfield Properties	210	2.85
			402	**5.41**
		CONSUMER SERVICES 7.47% (7.00%)		
		General Retailers 1.51% (1.795)		
25,000	*	CVS Group	114	1.51
			114	**1.51**
		Media 2.52% (2.00%)		
175,000	*	Cello Health Plc	189	2.52
			189	**2.52**
		Travel, Leisure & Catering 3.44% (3.42%)		
135,000		Gym Group	260	3.44
			260	**3.44**
		FINANCIALS 20.79% (22.32%)		
		Financial Services 18.88% (15.72%)		
583,750	*	Arden Partners P.L.C.	152	2.04
313,730	***	Capital For Colleagues	125	1.86

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

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
80,000	*	City Of London Investment Group	323	4.33
525,000	*	First Property Group	247	3.33
35,000	*	Mattioli Woods	266	3.55
395,000	*	Park Group	278	3.77
			1,391	**18.88**
		Nonlife Insurance 1.91% (3.05%)		
43,000	*	Personal Group Holdings	143	1.91
			143	**1.91**
		HEALTH CARE 2.44% (1.55%)		
		Pharmaceuticals & Biotechnology 2.44% (1.55%)		
56,000	*	Anpario	174	2.44
			174	**2.44**
		INDUSTRIALS 40.39% (39.35%)		
		Construction & Materials 3.13% (3.70%)		
210,000		Alumasc Group	233	3.13
			233	**3.13**
		Electronic & Electronic Equipment 4.41% (3.57%)		
213,000	*	Strix Group	333	4.41
			333	**4.41**
		General Industrials 2.63% (7.57%)		
215,000		Macfarlane Group	197	2.63
			197	**2.63**
		Industrial Engineering 8.89% (9.14%)		
26,000	*	AB Dynamics	396	5.36
50,000		Porvair	251	3.37
97,500	*	Xeros Technology Group	12	0.16
			659	**8.89**
		Support Services 21.33% (15.37%)		
250,000	*	Augean	208	2.77
90,000		Equiniti Group	183	2.42
142,245	*	Gordon Dadds Group Limited	202	2.70
1,331,710	*	Inspired Energy	237	3.17
16,000	*	Keywords Studios	178	2.36
210,000	*	Premier Technical Services Group	256	3.44

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
465,000	*^	Sureserve Group	137	1.89
19,000		Vp	191	2.58
			1,592	**21.33**
		OIL & GAS 0.80% (0.15%)		
		Alternative Energy 0.80% (0.15%)		
88,907	*	Hydrodec Group	60	0.80
			60	**0.80**
		TECHNOLOGY 15.07% (15.58%)		
		Software & Computer Services 10.58% (10.42%)		
60,000	*	GB Group	289	3.82
525,000	*	IDOX	176	2.34
90,000	*	Iomart Group	333	4.42
			798	**10.58**
		Technology Hardware & Equipment 4.49% (6.32%)		
46,000		CML Microsystems	134	1.83
225,000	*	IQE	201	2.66
			335	**4.49**
		UTILITIES 1.87% (2.05%)		
		Electricity 1.87% (2.05%)		
145,000	*	Good Energy Group	135	1.87
			135	**1.87**
		Total Value of Investments	**7,172**	**96.40**
		Net Other Assets	280	3.60
		Total Net Assets	**7,452**	**100.00**

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

* AIM Listed Securities.

** Delisted Securities.

*** NEX Growth Exchange Listed.

^ Formally Lakehouse PLC. Name change effective 1 October 2018.

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

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2019

	Note	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Income					
Net capital (losses)/gains	4		(904)		1,142
Revenue	5	186		114	
Expenses	6	(166)		(149)	
Net revenue/(expense) before taxation		20		(35)	
Taxation	7	-		-	
Net revenue/(expense) after taxation			20		(35)
Total return before distributions			(884)		1,107
Distributions	8		(21)		-
Change in net assets attributable to shareholders			**(905)**		**1,107**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2019

	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Opening net assets attributable to shareholders		**6,787**		**5,187**
Amounts received on creation of shares	2,420		1,751	
Amounts paid on cancellation of shares	(869)		(1,268)	
		1,551		483
Dilution Levy		19		10
Change in net assets attributable to shareholders' from investment activities		(905)		1,107
Closing net assets attributable to Shareholders		**7,452**		**6,787**

BALANCE SHEET

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		7,172	6,580
Debtors	9	57	7
Cash and bank balances	10	249	325
Total Assets		**7,478**	**6,912**
Liabilities			
Creditors	11	(12)	(125)
Distribution payable on income shares		(14)	-
Total liabilities		**(26)**	**(125)**
Net assets attributable to Shareholders		**7,452**	**6,787**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	2,777
Total Sales in period	(1,290)

The notes on pages 62 to 67 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

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

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 10 to 12.

4. Net Capital Gains/(Losses)

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	(903)	1,143
Transaction costs & handling charges	(1)	(1)
Net capital losses on investments	**(904)**	**1,142**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	180	104
Overseas Dividends	6	10
Total Revenue	**186**	**114**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	35	45
Investment Manager fees	83	65
	118	**110**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	18	18
Safe Custody fees	4	-
	22	**18**
Other expenses		
Audit fees	5	5
Printing fees	2	1
Registration fees	19	15
	26	**21**
Total expenses	**166**	**149**

Irrecoverable VAT is included in the above expenses where relevant.

7. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Corporation tax	-	-
Total current tax charge	**-**	**-**
Deferred tax on Corporation tax (Note 7 (c))	-	-
Total taxation for the year	**-**	**-**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	20	(35)
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	4	(7)
Effects of:		
Expense not utilised in the year	33	30
Revenue not subject to corporation tax	(37)	(23)
Total tax charge (Note 7 (a))	**-**	**-**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'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.

The sub-fund has not recognised a deferred tax asset of £329,000 (2018: £296,000) 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:

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
Interim distribution	9	-
Final distribution	13	-
Total Distribution	22	-
Add: Income deducted on cancellation of shares	1	-
Deduct: Income received on creation of shares	(2)	-
Net distribution for the period	**21**	**-**

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

	28/02/2019 £'000	28/02/2018 £'000
Reconciliation of Net Income and Distributions		
Net Income after Taxation	19	(35)
Expenses charged against capital	2	35
Net distribution for the period	**21**	**-**

9. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Amounts receivable for creation of shares	32	-
Accrued revenue	25	7
Debtors	**57**	**7**

10. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	249	325
Cash and bank balances	**249**	**325**

11. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	12	18
Amounts payable for cancellation of shares	-	1
Stock purchase awaiting settlement	-	106
Creditors	**12**	**125**

12. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management 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.

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

Investment Adviser

Castlefield Investment Partners LLP, is part of the same group of companies to which the ACD belongs. 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 6. Amounts due at period 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 11 to 12.

At 28 February 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 £358,600 (28 February 2018: £328,994).

Currency Exposure

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.

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 financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	7,172	-
Level 2	-	-
Level 3	-	-
Total	**7,172**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	6,580	-
Level 2	-	-
Level 3	-	-
Total	**6,580**	**-**

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 UK SMALLER COMPANIES FUND

Derivatives and Forward Transactions

As part of its monitoring of the usage of derivatives by each sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-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.

15. Share Classes

The sub-fund currently has two types of share and 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 CLASS	Income
Opening Shares	179,670
Shares Created	16,271
Shares Liquidated	(46,018)
Closing Shares	**149,923**

INSTITUTIONAL CLASS	Income
Opening Shares	1,058,547
Shares Created	424,166
Shares Liquidated	(109,866)
Closing Shares	**1,372,847**

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 52. 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 68.

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 pages 52 to 53.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	2,770	2,739
Commissions:		
Equities total value paid	3	3
Taxes:		
Equities total value paid	4	3
Total Purchase costs	**7**	**6**
Gross Purchase total	**2,777**	**2,745**
Analysis of total sale costs:		
Gross sales in year before transaction costs	1,291	2,476
Commissions:		
Equities total value paid	1	(2)
Taxes:	-	-
Total sale costs	**(1)**	**(2)**
Total sales net of transaction costs	**1,290**	**2,474**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.10	0.10
Taxes:		
Equities total value paid	0.13	0.10
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.08	0.07
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.05	0.08
Taxes:	0.05	0.05

As at the balance sheet date, the average portfolio dealing spread was 3.70% (2018: 3.01%) 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 UK SMALLER COMPANIES FUND

DISTRIBUTION TABLES

First Interim Dividend Distribution in Pence Per Share

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.6887	-	0.6887	-
Group 2	0.4423	0.2464	0.6887	-

Final Dividend Distribution in Pence Per Share

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	0.9862	-	0.9862	-
Group 2	0.2101	0.7761	0.9862	-

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

FUND INFORMATION

The Comparative Table on pages 70 to 72 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 sub-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 sub-fund.

Since 1 February 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 sub-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 sub-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 2019:

Charity Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	384.69	379.35	346.08
Total return before operating charges*	27.90	17.16	44.50
Operating charges*	(4.61)	(4.34)	(3.38)
Total return after operating charges*	23.29	(12.82)	41.12
Distributions on income shares	(9.11)	(7.48)	(7.85)
Closing net asset per share	398.87	384.69	379.35
*After transaction costs (see page 86) of:	0.07	0.08	0.09
Performance			
Total return after operating charges	6.05%	3.38%	11.70%
Other information			
Closing net assets value (£'000)	6,852	7,120	9,376
Closing number of shares	1,717,973	1,850,866	2,475,716
Operating charges*	1.13%	1.11%	1.10%
Direct transaction costs**	0.02%	0.02%	0.03%
Prices			
Highest share price	433.50	407.84	380.69
Lowest share price	379.14	374.72	330.67

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

General Class – Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	375.53	369.71	337.86
Total return before operating charges*	25.28	17.35	42.81
Operating charges*	(7.48)	(7.14)	(5.95)
Total return after operating charges*	17.80	10.21	36.86
Distributions on income shares	(5.89)	(4.39)	(5.01)
Closing net asset per share	387.44	375.53	369.71
* After transaction costs (see page 86) of:	0.07	0.09	0.09
Performance			
Total return after operating charges*	4.74%	2.76%	10.91%
Other information			
Closing net assets value (£'000)	943	969	1,005
Closing number of shares	243,299	257,959	271,977
Operating charges*	1.88%	1.87%	1.85%
Direct transaction costs**	0.02%	0.02%	0.02%
Prices			
Highest share price	422.94	397.74	370.97
Lowest share price	369.86	365.25	322.64

Institutional Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	381.27	375.36	343.01
Total return before operating charges *	26.19	17.62	43.49
Operating charges	(5.58)	(5.28)	(4.25)
Total return after operating charges	20.61	(12.34)	39.24
Distributions on income shares	(8.01)	(6.42)	(6.89)
Closing net asset per share	393.87	381.27	375.36
* After transaction costs (see page 86) of:	0.07	0.09	0.09
Performance			
Total return after operating charges*	5.41%	3.29%	11.44%
Other information			
Closing net assets value (£'000)	20,555	20,784	21.670
Closing number of shares	5,218,705	5,451,124	5.772.970
Operating charges*	1.38%	1.36%	1.35%
Direct transaction costs**	0.02%	0.02%	0.03%
Prices			
Highest share price	429.56	404.09	377.09
Lowest share price	375.68	371.20	327.68

* Operating charges, otherwise known as the Ongoing Charge Figure or "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 Risk and Reward Indicator table demonstrates where the sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the sub-fund. The coloured area in the table below shows the sub-fund's ranking on the Risk and Reward Indicator.

Typically lower rewards
Lower risk

Typically higher rewards
Higher risk

1	2	3	4	5	6	7

The sub-fund is ranked as a 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 sub-fund holds equities concentrated both in number and in location in the UK. Equities tend to experience higher volatility than many other asset types such as bonds or money market instruments. Sub-funds concentrated in one geographic location are more vulnerable to market sentiment in that specific location and can carry a higher risk than sub-funds holding more diversified assets.

Sub-funds which hold a limited number of holdings are more exposed to an adverse event impacting on one or more of those holdings compared to more diversified sub-funds.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the 'Risk Factors' section of the Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The investment objective of the sub-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 sub-fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the sub-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

The sub-fund returned 5.60% (as measured by the Institutional Income class), compared to an average return for the IA UK All Companies sector of -1.33% for the 12 month period. The outperformance against the sector and equities more broadly was not due to any one individual factor with individual stock selection and sector positioning both playing their part. The sub-fund had held up well during the market sell-off just ahead of the period and the outperformance in the following few months was all the more pleasing as it was not a simple cyclical rebound. The sub-fund held on to this outperformance through the remainder of 2018 and held up better than peers in the sell-offs seen in October and December, although slightly lagging behind during 2019's recovery to the end of the period.

UK equities were more or less flat for the year, masking what has been an eventful period for global markets. The start of the period coincided with an environment of extreme risk-aversion that saw markets fall sharply through January and February 2018. As geo-political tensions eased, notably between the US and north Korea, equities rallied through Q2 2018 to reach record highs. These gains were abruptly ceded during the final quarter of 2018 as politics once again came to the fore. Equity markets globally retreated, pulling most indices into negative territory for the calendar year before a rally during the opening months of 2019 provided some welcome relief, allowing UK equities to recover their losses.

One of the sub-fund's top performers over the year was Park Plaza Hotels Europe, which reported very strong trading during the period, including a positive trading update at the end of December reporting continued growth following a year of significant investment. Increased revenue was helped by the first full year contribution of two London hotels completed in 2017. Also aiding performance was branded and generic drug manufacturer Hikma Pharmaceuticals, which rebounded strongly during the year following a period of market disappointment following delays to the release of a new product. Market expectations had shifted from being overly positive to overly negative and the recovery seen in the first half of the year was maintained through to the end of the period as investors again focused on sub-fundamentals.

A number of top positive contributors for the sub-fund were involved in M&A, with Cineworld closing its acquisition of US cinema chain, Regal Cinemas, as the period commenced. The acquisition has resulted in a substantial increase in scale of the group in what has been a consolidating industry and given the company a large presence in the US market. Results since the acquisition have been positive. In pharmaceuticals, Shire received an unsolicited bid from Japanese pharmaceutical giant Takeda which was ultimately accepted by shareholders. Given the complexity and scale involved, there was an extended period between the offer being made and the deal officially closing at the beginning of 2019. We held the shares over the course of the year as the price converged with the value of the offer, itself a combination of cash in US dollars and Takeda shares. As we did not want to hold either, we sold in the market shortly before the deal deadline. Also involved in M&A was Fenner, the manufacturer of industrial conveyor equipment was acquired by Michelin in May and the leisure group Whitbread, which announced the sale of its Costa chain of coffee shops to Coca-Cola of the US.

Detractors from returns came in the form of share registrar business Equiniti and IG Group, the online contracts for difference (CFD) trading platform. The former saw a pullback in share price after a period of recent highs after the takeover of Wells Fargo's share registration division, which completed in February 2018. The acquisition was seen as a significant growth opportunity, but negative sentiment has weighed on the stock despite broadly positive results during the year. The latter suffered due to a change in regulatory environment following the introduction by ESMA (the EU financial regulator) of guidelines on the sale of CFDs to "Retail clients". This was reflected in the share price when the news was initially announced towards the end of 2016 and the stock did recover strongly over the next year, only to fall again once the new regulations came into force last year. Whilst this is a headwind for the stock, IG is ultimately far better positioned than peers and should be a net beneficiary of these changes as it wins new clients.

Other activity during the period included the exit of the sub-fund's position in Barclays. It had performed similarly to the other domestic banks over recent years, despite being unencumbered by competition constraints as it did not receive a state funded bailout at the time of the financial crisis. It has been unable to translate this relative operational freedom into superior financial returns and has also been subject to a number of unrelated but high-profile investigations. These have involved issues as varied as sales and investment activity extending back to the financial crisis up to more recent whistleblowing allegations concerning current management, which raised serious concerns about governance. We also saw a reduction in exposure to UK banks as a sensible move considering the ongoing political turmoil that is Brexit, and subsequently reinvested the proceeds into internationally focussed asset manager City of London Investment Group. The group specialises in closed-end sub-funds and has assets under management of $4.6bn. Their client list is overwhelmingly US-based institutional investors and the group has built up a successful performance track record, establishing some very long-term client relationships. We saw the recent launch of their new strategies as an appealing entry point as once they have built up a track record, they should be able to drive further inflows with these newer sub-funds already accounting for 18% of group sub-funds under management.

OUTLOOK

Recent market gains have been in stark contrast to the pessimism that greeted the start of 2019. The main change has been the much more conciliatory stance taken by central banks however we are mindful of the wider economic picture. Whilst inflation has eased, economic growth is muted despite record low unemployment. Whilst this has removed any immediate need for central banks to tighten rates it does not paint a picture of robust economic health. We have moved to shift exposure away from domestic UK holdings and towards more defensive stocks. This means that whilst we have not fully participated in the strong upswing since the start of the year, we retain some caution about prospects for the remainder of 2019 and look to opportunities less dependent on central bank policy.

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

Purchases	Costs £'000	Sales	Proceeds £'000
CITY OF LONDON INVESTMENT GROUP	649	SHIRE	1,239
		CINEWORLD GROUP WI	885
		BARCLAYS PLC	609
		DEBENHAMS	73
Total purchases during the year were	**649**	**Total sales during the year were**	**2,805**

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

PORTFOLIO OF INVESTMENTS

as at 28 February 2019

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	BASIC MATERIALS 9.30% (8.55%)		
	Chemicals 2.74% (3.38%)		
16,380	Croda International	781	2.74
99,400	Elementis	182	0.64
		963	**3.38**
	Mining 5.92% (5.175)		
43,132	BHP Billiton	757	2.65
21,591	Rio Tinto	934	3.27
		1,691	**5.92**
	CONSUMER GOODS 14.83% (12.96%)		
	Beverages 6.42% (5.11%)		
92,177	Britvic	838	2.94
34,291	Diageo	994	3.48
		1,832	**6.42**
	Food Producers 5.10% (4.71%)		
325,832	Devro	586	2.06
56,471	Glanbia	866	3.04
		1,452	**5.10**
	Household Goods & Home Construction 1.21% (1.19%)		
5,949	Reckitt Benckiser Group	344	1.21
		344	**1.21**
	Personal Goods 2.10% (1.95%)		
15,038	Unilever	600	2.10
		600	**2.10**
	CONSUMER SERVICES 16.02% (15.85%)		
	General Retailers 0.84% (2.41%)		
235,394	Brown (N) Group	240	0.84
		240	**0.84**
	Travel, Leisure & Catering 15.18% (13.44%)		
468,491	Cineworld Group Wi	1,307	4.58

Holding		Investment	Market Value £'000	Total Value of Sub-Fund %
102,544		PPHE Hotel Group	1,836	6.49
24,165		Whitbread	1,171	4.11
			4,314	**15.18**
		FINANCIALS 21.64% (20.43%)		
		Banks 2.40% (5.44%)		
61,773		Anglo Irish Bank Corp	0	0.00
1,086,740		Lloyds Banking Group	685	2.40
			685	**2.40**
		Financial Services 12.04% (7.50%)		
169,781		City Of London Investment Group	686	2.44
125,000	**	Finance Ireland	13	0.04
207,442	*	H&T Group	581	2.11
177,995		IG Group Holdings	1,009	3.54
474,388	*	K3 Capital Group	1,091	3.91
283,500	**	Tersus Energy	0	0.00
			3,380	**12.04**
		Life Insurance 3.45% (3.98%)		
62,361		Prudential	985	3.45
			985	**3.45**
		Nonlife Insurance 1.38% (1.16%)		
59,878		Lancashire Holdings	393	1.38
			393	**1.38**
		Real Estate Investment Trusts 2.37% (2.35%)		
1,181,290		Assura	675	2.37
			675	**2.37**
		HEALTH CARE 7.96% (8.35%)		
		Health Care Equipment & Services 3.36% (2.99%)		
67,340		Smith & Nephew	958	3.36
			958	**3.36**
		Pharmaceuticals & Biotechnology 4.60% (5.36%)		
78,996		Hikma Pharmaceuticals	1,299	4.60
			1,299	**4.60**

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	INDUSTRIALS 16.93% (24.99%)		
	Aerospace & Defence 2.63% (2.34%)		
56,535	Chemring Group	83	0.29
125,901	Meggitt	666	2.34
		749	**2.63**
	Industrial Engineering 0.00% (2.41%)		
	Support Services 14.30% (20.24%)		
33,157	Aggreko	236	0.83
108,527	Babcock International Group	573	2.01
694,992	Begbies Traynor Group	424	1.51
417,352	Equiniti Group	849	2.98
415,734	RPS Group	777	2.74
259,888	RWS Holdings	1,206	4.23
		4,065	**14.30**
	OIL & GAS 2.95% (3.36%)		
	Oil Equipment, Services & Distribution 2.95% (3.36%)		
125,246	John Wood Group	664	2.33
42,329	Petrofac Limited	177	0.62
		841	**2.95**
	TELECOMMUNICATIONS 4.27% (4.94%)		
	Fixed Line Telecommunications 2.62% (2.92%)		
347,490	BT Group	746	2.62
		746	**2.62**
	Mobile Telecommunications 1.65% (2.02%)		
124,284	Inmarsat	470	1.65
		470	**1.65**
	Total Value of Investments	**26,682**	**93.90**
	Net Other Assets	1,668	6.10
	Total Net Assets	**28,350**	**100.00**

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

* AIM Listed Securities.

** Delisted Securities.

STATEMENT OF TOTAL RETURN

For the year ended 28 February 2019

	Note	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Income					
Net capital gains	4		1,001		457
Revenue	5	1,013		977	
Expenses	6	(400)		(420)	
Net revenue before taxation		613		557	
Taxation	7	(4)		(2)	
Net revenue after taxation			609		555
Total return before distributions			**1,610**		**1,012**
Distributions	8		(609)		(555)
Change in net assets attributable to shareholders			**1,001**		**457**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2019

	28/02/2019 £'000	28/02/2019 £'000	28/02/2018 £'000	28/02/2018 £'000
Opening net assets attributable to shareholders		28,873		32,051
Amounts received on creation of shares	949		1,066	
Amounts paid on cancellation of shares	(2,473)		(4,708)	
		(1,524)		(3,642)
Dilution Levy		-		7
Change in net assets attributable to shareholders' from investment activities		1,001		457
Closing net assets attributable to shareholders		**28,350**		**28,873**

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

BALANCE SHEET

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		26,682	28,708
Debtors	9	19	43
Cash and bank balances	10	1,738	194
Total Assets		**28,439**	**28,945**
Liabilities			
Creditors	11	(17)	(19)
Distribution payable on income shares		(72)	(53)
Total liabilities		**(89)**	**(72)**
Net assets attributable to Shareholders		**28,350**	**28,873**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	649
Total Sales in period	(2,805)

The notes on pages 79 to 85 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

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 10 to 12.

4. Net Capital Gains

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	1,001	466
Other Currency losses	-	(9)
Net gains on investments	**1,001**	**457**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	913	827
Overseas Dividends	98	150
Bank interest	2	-
Total Revenue	**1,013**	**977**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	60	65
Investment Manager fees	287	306
	347	**371**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	18	19
Safe Custody fees	7	3
	25	**22**
Other expenses		
Audit fees	5	5
Printing fees	2	1
Registration fees	21	21
	28	**27**
Total expenses	**400**	**420**

Irrecoverable VAT is included in the above expenses where relevant.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

7. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Overseas tax	4	2
Corporation tax	-	-
Total current tax charge	**4**	**2**
Deferred tax on Corporation tax (Note 7 (c))	-	-
Total taxation for the year	**4**	**2**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	613	557
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	123	111
Effects of:		
Overseas tax	4	2
Movement in excess management expenses	78	84
Revenue not subject to corporation tax	(201)	(195)
Total tax charge (Note 8 (a))	**4**	**2**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'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.

The sub-fund has not recognised a deferred tax asset of £666,000 (2018: £590,000) 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:

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
1st interim distribution	228	254
2nd interim distribution	130	136
3rd interim distribution	174	105
Final distribution	72	53
Total Distribution	604	548
Add: Income deducted on cancellation of shares	9	9
Deduct: Income received on creation of shares	(4)	(2)
Net distribution for the period	**609**	**555**
Reconciliation of Net Income and Distributions		
Net Income after Taxation	609	555
Net distribution for the period	**609**	**555**

9. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Accrued revenue	19	42
Amounts receivable for issue of shares	-	1
Debtors	**19**	**43**

10. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	1,737	193
Euro	1	1
Cash and bank balances	**1,738**	**194**

11. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	9	19
Amounts payable for cancellation of shares	8	-
Creditors	**17**	**19**

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

12. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management 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.

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

Investment Adviser

Castlefield Investment Partners LLP, is part of the same group of companies to which the ACD belongs. 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 6. Amounts due at period 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 11 to 12.

At 28 February 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 £1,334,100 (28 February 2018: £1,435,352).

Currency Exposure

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

As at 28 February 2019	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
Euro	867	-	1	868	3.06
	867	**-**	**1**	**868**	**3.06**
Sterling	25,815	-	1,667	27,482	96.94
Total Net Assets	**26,682**	**-**	**1,668**	**28,350**	**100.00**

As at 28 February 2018	Portfolio of Investments	Forward currency contracts	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**£'000**	**%**
Assets					
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
Total Net Assets	**28,708**	**-**	**165**	**28,873**	**100.00**

At 28 February 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 shareholders would increase or decrease by approximately £8,680 (28 February 2018: £7,250).

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 financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1	26,682	-
Level 2	-	-
Level 3	-	-
Total	**26,682**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	28,708	-
Level 2	-	-
Level 3	-	-
Total	**28,708**	**-**

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 sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-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.

15. Share Classes

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

Charity Shares 0.75%

General Shares: 1.50%

Institutional Shares: 1.00%

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

CHARITY CLASS	Income
Opening Shares	1,850,866
Shares Created	11,005
Shares Liquidated	(143,898)
Shares Converted	-
Closing Shares	**1,717,973**

GENERAL CLASS	Income
Opening Shares	257,959
Shares Created	13,870
Shares Liquidated	(28,530)
Shares Converted	-
Closing Shares	**243,299**

INSTITUTIONAL CLASS	Income
Opening Shares	5,451,124
Shares Created	211,800
Shares Liquidated	(444,219)
Shares Converted	-
Closing Shares	**5,218,705**

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 69. 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 87 to 88.

CASTLEFIELD B.E.S.T UK OPPORTUNITIES FUND

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 pages 69 to 71.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	646	1,458
Commissions:		
Equities total value paid	-	1
Taxes:		
Equities total value paid	3	4
Total Purchase costs	**3**	**5**
Gross Purchase total	**649**	**1,463**
Analysis of total sale costs:		
Gross sales in year before transaction costs	2,807	6,227
Commissions:		
Equities total value paid	(2)	(2)
Taxes:	-	-
Total sale costs	**(2)**	**(2)**
Total sales net of transaction costs	**2,805**	**6,225**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Equities total value paid	0.06	0.06
Taxes:		
Equities total value paid	0.50	0.27
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.05	0.04
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.01	0.01
Taxes:	0.01	0.01

As at the balance sheet date, the average portfolio dealing spread was 0.80% (2018: 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

CHARITY SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/05/2018	31/05/2017
Group 1	3.2842	–	3.2842	3.2539
Group 2	1.8797	1.4045	3.2842	3.2539

GENERAL SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/05/2018	31/05/2017
Group 1	2.4653	–	2.4653	2.4247
Group 2	1.6097	0.8556	2.4653	2.4247

INSTITUTIONAL SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/05/2018	31/05/2017
Group 1	3.0031	–	3.0031	2.9713
Group 2	0.7497	2.2534	3.0031	2.9713

Second Interim Dividend Distribution In Pence Per Share

CHARITY SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	2.0023	–	2.0023	1.8441
Group 2	2.0023	–	2.0023	1.8441

GENERAL SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	1.1694	–	1.1694	1.0771
Group 2	1.0984	0.0710	1.1694	1.0771

INSTITUTIONAL SHARES – INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	1.7203	–	1.7203	1.5829
Group 2	1.2617	0.4586	1.7203	1.5829

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Third Interim Dividend Distribution In Pence Per Share

CHARITY SHARES - INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	2.6108	-	2.6108	1.4773
Group 2	-	2.6108	2.6108	1.4773

GENERAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	1.7911	-	1.7911	0.7128
Group 2	-	1.7911	1.7911	0.7128

INSTITUTIONAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 30/11/2018	Distribution Paid 30/11/2017
Group 1	2.3307	-	2.3307	1.2173
Group 2	-	2.3307	2.3307	1.2173

Final Dividend Distribution In Pence Per Share

CHARITY SHARES - INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	1.2091	-	1.2091	0.9005
Group 2	-	1.2091	1.2091	0.9005

GENERAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.4690	-	0.4690	0.1746
Group 2	0.1397	0.3293	0.4690	0.1746

INSTITUTIONAL SHARES - INCOME

	Net income	Equalisation	Distribution Paid 28/02/2019	Distribution Paid 28/02/2018
Group 1	0.9578	-	0.9578	0.6543
Group 2	0.3777	0.5801	0.9578	0.6543

CASTLEFIELD REAL RETURN FUND

FUND INFORMATION

The Comparative Table on pages 89 to 90 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 sub-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 sub-fund.

Since 1 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 sub-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 sub-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 2019:

General Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	217.86	221.14	203.33
Total return before operating charges *	11.11	1.79	21.99
Operating charges	(4.43)	(4.56)	(4.18)
Total return after operating charges	6.68	(2.77)	17.81
Distributions on income shares	(1.02)	(0.51)	-
Closing net asset per share	223.52	217.86	221.14
*After transaction costs (see pages 104 to 105) of:	-	-	0.01
Performance			
Total return after operating charges	3.07%	(1.25)%	8.76%
Other information			
Closing net assets value (£'000)	105,613	103	13
Closing number of shares	47,250	47,232	5,708
Operating charges	2.00%	2.04%	1.90%
Direct transaction costs	-	0.01%	0.01%
Prices			
Highest share price	226.67	227.43	221.78
Lowest share price	214.33	218.28	204.93

CASTLEFIELD REAL RETURN FUND

Institutional Class - Income

	28/02/2019 (pence per share)	28/02/2018 (pence per share)	28/02/2017 (pence per share)
Change in net asset value per share			
Opening net asset per share	230.83	233.66	214.81
Total return before operating charges *	11.63	2.30	22.89
Operating charges*	(3.52)	(3.69)	(3.30)
Total return after operating charges*	8.11	(1.39)	19.59
Distributions on income shares	(2.27)	(1.44)	(0.74)
Closing net asset per share	236.67	230.83	233.66
*After transaction costs (see pages 104 to 105) of:	-	-	0.01
Performance			
Total return after operating charges*	3.51%	(0.59)%	9.13%
Other information			
Closing net assets value (£'000)	32,153,176	29,949	26,230
Closing number of shares	13,585,486	12,974,245	11,225,745
Operating charges*	1.49%	1.55%	1.40%
Direct transaction costs**	-	0.01%	0.01%
Prices			
Highest share price	240.71	241.15	234.99
Lowest share price	227.49	231.69	216.52

* Operating charges, otherwise known as the Ongoing Charge Figure or "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.

RISK AND REWARD INDICATOR (RRI)

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

Typically lower rewards
Lower risk

Typically higher rewards
Higher risk

1	2	3	4	5	6	7

The sub-fund is ranked as 3 because it has 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 sub-fund has exposure to a wide range of asset classes including equities arising mainly from its structured investments. Equities, as an asset class, tend to experience higher volatility but this is tempered in the sub-fund by diversification across other asset classes such as corporate bonds and government bonds which tend to experience lower volatility.

The indicator may not take fully into account the following risks of investing in this sub-fund:

Liquidity risk: during difficult market conditions some securities, such as structured investments, corporate bonds and positions in emerging markets, may become more difficult to sell at a desired price.

Structured Investments: these investments are usually linked to the performance of an underlying index or group of assets and may, if certain criteria are met, experience a swift change in value.

Counterparty risk: arising from securities which require a specific entity, usually a large bank, to honour its obligations to the sub-fund.

Operational risk: arising from investments in overseas markets, in particular emerging market countries, which may not have the same level of safekeeping and other controls as UK markets.

Legal or tax risk: arising from a change in legal regulations, tax rules or the application of them.

A more detailed description of the risks identified as being applicable to the sub-fund are set out in the 'Risk Factors' section of the Prospectus.

INVESTMENT OBJECTIVE AND POLICY

The sub-fund aims to generate a positive annualised 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.

The sub-fund will invest in a range of investments which could include structured investments, zero dividend preference shares, units in other sub-funds, bonds, equity and other securities invested in the UK or overseas.

The sub-fund is actively managed which means that the sub-fund Manager will choose the investments, currencies and markets held in the sub-fund but always within the boundaries outlined in the sub-fund's objective and policy.

The full investment objective and policy, which outline all the eligible investments, are available in the sub-fund's prospectus.

You can buy, sell and switch shares in the sub-fund on any UK business day. We will need to receive your instruction before 12 noon to buy shares at that day's price.

Terms Explained:

Sub-funds: a general term used to describe collective investment schemes, such as unit trusts, open-ended investment companies and closed-ended investment companies.

Income Shares: any income made by the sub-fund will be paid out to you.

Structured Investments: a group of financial instruments which frequently combine the potential upside of market performance with limited downside. They may also provide a fixed return in exchange for accepting a degree of risk or may generate gains from market falls. They can also be used within a sub-fund to help manage the impact of large stockmarket fluctuations.

Corporate Bonds: Issued by companies and similar to a loan in nature, usually paying a fixed rate of interest.

INVESTMENT REVIEW

During the twelve-month period under review, the sub-fund returned +3.53% (as measured by the Institutional Income Share class). This compares to a loss of -1.45% for the peer group of sub-funds in the IA Targeted Absolute Return sector and an increase in inflation as measured by UK CPI of +1.81%.

ACTIVITY

The sub-fund enjoyed a strong 12-month period of performance, both in absolute terms and relative to its peer-group of sub-funds, although intermittent bouts of volatility bookended the year under review. Whilst these periods of uncertainty originated from political interventions, the impact of financial markets was measurable and continues to be felt in underlying economic activity. Despite swings

CASTLEFIELD REAL RETURN FUND

in equity markets, the middle part of the period saw global shares reach all-time highs and as a consequence, one of the structured products referencing equity indices redeemed early, returning profits to the sub-fund during the summer. We elected to reinvest into a structured product that referenced bond yields instead of a new equity product, taking the view that elevated equity valuations at that time were not a favourable environment to purchase a new equity-linked note. This was borne out as shares and other risk assets faded towards the end of 2018 before staging an equally swift rebound in the New Year. This in turn led us to exit our position in the VXX inverse ETF structured product originally acquired in January 2018. The product was designed to benefit from reducing levels of equity-market volatility over the course of its one-year term. Since purchase, volatility in markets failed to subside in marked contrast to previous periods and we took the decision to de-risk the portfolio and exit the note two weeks earlier than scheduled, locking in the c.13% gain achieved over the average entry price.

Within the Zero Dividend Preference ("ZDP") share holdings, we add two new investments, partly offsetting the redemption later in the year of an existing note issued by a real estate investment trust. The larger of the two new holdings, issued by NBPE, is a listed private equity vehicle and which already has one ZDP in issue (a small amount of which is already held within the Castlefield Real Returns sub-fund). The trust further extended their debt sub-funding profile with this new issue, presenting us with the opportunity for relatively low risk, stable returns over a 6-year maturity profile.

Within the fixed income portion of the portfolio, we added to an existing bond holding issued by Intermediate Capital and subscribed to a placing from care home operator Belong Living ("Belong"). The Belong bond was also issued through the Retail Charity Bond (RCB) platform. Belong run a number of residential care homes and the 4.5% coupon on the 8-year issue is attractive in the current environment but more importantly, the yield represents a compelling margin over the benchmark 10-year gilt.

OUTLOOK

The outstanding matters of the UK's continued membership of the EU and the resolution of the trade relationship between the US and China both firmly remain in the long grass. The abrupt reversal in equity markets, commodities and other risk assets in 2019-to-date have been entirely prompted by the US Federal Reserve. By backing away from further interest rate hikes on the trajectory they had previously outlined investors have rapidly returned to equity markets. The narrative of a more "patient approach" to rate hikes as well as a renewed commitment to rolling forward QE bond-buying has dramatically shifted investor sentiment for the better. Whilst the rate hike stance has grabbed the headlines, rolling forward QE rather than letting the asset-purchase programme naturally taper as underlying bonds redeem may turn out to be equally significant for price levels of all asset classes. The underlying reasons for the Fed's change in stance, namely a reduction in domestic US inflation coupled with a collapse in exports as tariffs bite does not in itself present an overly healthy outlook. Whilst unemployment in developed nations remains historically low, "normal" trade needs to resume before the benefits of this can be felt in corporate earnings and ultimately reinvigorate fading GDP growth. We continue to approach equity markets in a risk adjusted manner, looking to structured products to provide returns less correlated with the underlying indices, supplementing this with infrastructure assets and attractively priced bonds and hybrid instruments such as ZDP's. As such we are cautiously optimistic that the sub-fund can weather any further market volatility and generate useful gains as it did over the preceding 12 months.

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

Purchases	Costs £'000	Sales	Proceeds £'000
DEUTSCHE BANK AG 15/10/2021	959	MORGAN STANLEY BV 15/02/2019	1,434
NB PRIVATE EQUITY PARTNERS LTD SICAV	785	JP MORGAN BV 06/06/2022	866
RM ZDP PUBLIC LIMITED COMPANY	500	LAZARD GLOBAL INV FUNDS PLC EMER MKT TOT RET DEBT GBP INS AC	391
RETAIL CHARITY BONDS PLC 4.50% 20/06/2026	462	REGIONAL REIT ZDP PLC PERP 19	332
INTERMEDIATE CAPITAL GROUP 5% 24/03/2023	316	FCPT LTD (NEW)	293
JPEL PRIVATE EQUITY LTD	117	iSHARES JPM USD EMERGING MARKET BOND	269
Total purchases during the year were	**3,139**	**Total sales during the year were**	**3,585**

PORTFOLIO OF INVESTMENTS

as at 28 February 2019

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
	EQUITY 4.09% (4.23%)		
	Ireland 2.32% (2.51%)		
813,040	Greencoat Renewables	754	2.32
		754	**2.32**
	United Kingdom 1.77% (1.72%)		
421,390	Greencoat Uk Wind	576	1.77
		576	**1.77**
	STRUCTURED PLANS 34.06% (39.36%)		-
	Luxembourg 7.96% (5.18%)		
1,250,000	Deutsche Bank Ag 15/10/2021	942	2.91
1,600,000	SG Issuer 14/07/2023	1,638	5.05
		2,580	**7.96**
	Netherlands 20.83% (28.47%)		
1,250,000	BBVA Global Markets Bv 19/10/2023	1,244	3.84
1,250,000	BBVA Global Markets Bv 30/11/2023	1,236	3.81
1,000,000	BNP Paribas Arbitrage Issuance Bv 25/02/2022	693	2.14
500,000	BNP Paribas Arbitrage Issuance Bv 25/09/2020	483	1.49
1,900,000	BNP Paribas Issuance Bv 20/07/2022	876	2.71
1,250,000	JP Morgan Structured Products B V 14/12/ 2023	1,290	3.98
750,000	Morgan Stanley 0% 16/06/2022	929	2.86
		6,751	**20.83**
	United Kingdom 5.27% (5.70%)		
750,000	Exane Finance 05/01/2024	636	1.96
1,000,000	Goldman Sachs International 12/05/2023	1,074	3.31
		1,710	**5.27**
	DEBT SECURITIES 14.25% (13.40%)		-
	United Kingdom 14.25% (12.67%)		
150,000	Alpha Plus Holdings Plc 5.75% 18/12/2019	153	0.48
600,000	Intermediate Capital Group 5% 24/03/2023	621	1.94
150,000	International Personal Finance 6.125% 08/05/2020	151	0.47
550,000	Burford Capital Plc 6.125% 26/10/2024	588	1.82
200,000	National Grid Floating 06/10/2021	233	0.79

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Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
500,000	Places For People Fin 4.25% 15/12/2023	513	1.60
600,000	Retail Charity Bonds Plc 4% 31/10/2027	597	1.86
167,200	Retail Charity Bonds Plc 4.25% 06/07/2026	172	0.53
327,900	Retail Charity Bonds Plc 4.25% 30/03/2026	328	1.03
117,700	Retail Charity Bonds Plc 4.375% 29/07/2021	123	0.38
153,500	Retail Charity Bonds Plc 4.4% 30/04/2025	157	0.50
462,200	Retail Charity Bonds Plc 4.50% 20/06/2026	461	1.43
83,900	Retail Charity Bonds Plc 5% 12/04/2026	91	0.29
307,000	Tesco Personal Finance Floating 16/12/2019	326	1.13
		4,514	**14.25**
	EXCHANGE TRADED FUNDS 0.33% (1.24%)		-
	Ireland 0.33% (1.24%)		
1,085	iShares VI Global High Yield Corp	106	0.33
		106	**0.33**
	INVESTMENT TRUSTS 31.93% (32.94%)		-
	Bermuda 5.74% (6.97%)		
416,100	UIL Finance ZDP 2020	612	1.90
1,136,400	UIL Finance ZDP 2024	1,238	3.84
		1,850	**5.74**
	Guernsey 6.27% (4.14%)		
125,215	International Public Partnerships	196	0.60
326,714	JPEL Private Equity	354	1.09
50,000	Nb Private Equity Partners Preferred	57	0.17
785,000	Nb Private Equity Partners Ltd	832	2.55
434,782	Schroder Real Estate Investment Trust	250	0.77
413,949	UK Commercial Property Trust	354	1.09
		2,043	**6.27**
	Jersey 4.93% (4.82%)		
175,855	3I Infrastructure	475	1.46
1,000,000	EJF Investments 2022 ZDP	1,130	3.47
		1,605	**4.93**
	United Kingdom 14.99% (17.01%)		
550,000	AEW UK Long Lease REIT	494	1.53
940,701	Assura	537	1.65
560,000	Ediston Property Investment Company Plc Reit	569	1.77
160,000	Inland ZDP	245	0.76
300,000	Menhaden Capital	210	0.66

Holding	Investment	Market Value £'000	Total Value of Sub-Fund %
29,152	P2P Global Investments Fund	235	0.72
33,890	Ranger Direct Lending Fund	176	0.54
512,000	Ranger Direct Lending ZDP	589	1.84
500,000	RM ZDP	505	1.57
500,000	Schroder European Real Estate	518	1.60
635,000	Urban Logistics Reit Plc	749	2.35
		4,827	**14.99**
	COLLECTIVE INVESTMENT SCHEME 7.58% (8.24%)		
	Bermuda 0.94% (0.00%)		
203,239	Acorn Income Fund	307	0.94
		307	**0.94**
	Guernsey 3.92% (4.14%)		
108,537	Apax Global Alpha	156	0.48
550,000	Axiom European Financial Debt	492	1.51
350,000	Twentyfour Income	400	1.23
250,000	Twentyfour Select Monthly Income	228	0.70
		1,276	**3.92**
	Ireland 2.72% (4.41%)		
469,836	Lazard Global Listed Infrastructure	888	2.72
		888	**2.72**
Total Value of Investments		**29,787**	**92.24**
Net Other Assets		2,472	7.76
Total Net Assets		**32,259**	**100.00**

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 2019

		28/02/2019		28/02/2018	
	Note	£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	4		777		(462)
Revenue	5	751		590	
Expenses	6	(431)		(401)	
Finance Costs : Interest	7	(3)		-	
Net revenue before taxation		317		189	
Taxation	8	(12)		(8)	
Net revenue after taxation			305		181
Total return before distributions			**1,082**		**(281)**
Distributions	9		(305)		(181)
Change in net assets attributable to shareholders			**777**		**(462)**

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 28 February 2019

	28/02/2019		28/02/2018	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		**30,052**		**26,243**
Amounts received on creation of shares	4,679		7,777	
Amounts paid on cancellation of shares	(3,249)		(3,506)	
		1,430		4,271
Change in net assets attributable to shareholders' from investment activities		777		(462)
Closing net assets attributable to shareholders		**32,259**		**30,052**

BALANCE SHEET

As at 28 February 2019

	Note	28/02/2019 £'000	28/02/2018 £'000
Assets			
Investment assets		29,787	29,651
Debtors	10	195	739
Cash and bank balances	11	2,482	1,414
Total Assets		**32,464**	**31,804**
Liabilities			
Bank overdraft	12	-	(991)
Creditors	13	(23)	(638)
Distribution payable on income shares		(182)	(123)
Total liabilities		**(205)**	**(1,752)**
Net assets attributable to shareholders		**32,259**	**30,052**

SUMMARY OF MATERIAL PORTFOLIO CHANGES

For the year ended 28 February 2019

	28/02/2019 £'000
Total Purchases in period	3,139
Total Sales in period	(3,585)

The notes on pages 98 to 105 are an integral part of these Financial Statements.

On behalf of Castlefield Fund Partners Limited

Susan Cohen
Director (of the ACD)

John Eckersley
Director (of the ACD)

27 June 2019

CASTLEFIELD REAL RETURN FUND

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 10 to 12.

4. Net Capital Gains/(Losses)

	28/02/2019 £'000	28/02/2018 £'000
Non-derivative securities	759	(438)
Currency gains/(losses)	18	(24)
Net gains/(losses) on investments	**777**	**(462)**

5. Revenue

	28/02/2019 £'000	28/02/2018 £'000
UK Dividends	313	147
Overseas Dividends	196	188
Interest on debt securities	240	253
Bank interest	2	2
Total Revenue	**751**	**590**

6. Expenses

	28/02/2019 £'000	28/02/2018 £'000
Payable to the manager, associates of the manager and agents of either of them		
ACD fees	63	59
Investment Manager fees	315	297
	378	**356**
Payable to the depositary or associates of the depositary and agents of either of them		
Depositary fees	19	18
Safe Custody fees	5	3
	24	**21**
Other expenses		
Audit fees	5	5
Printing fees	2	1
Registration fees	22	18
	29	**24**
Total expenses	**431**	**401**

Irrecoverable VAT is included in the above expenses where relevant.

7. Finance Costs

	28/02/2019 £'000	28/02/2018 £'000
Interest on bank overdraft	3	-
Total interest payable and similar charges	**3**	**-**

8. Taxation

(a) Analysis of the tax charge in the year

	28/02/2019 £'000	28/02/2018 £'000
Corporation tax	-	-
Irrecoverable foreign tax	12	8
Total current tax charge	**12**	**8**
Deferred tax on Corporation tax (Note 8 (b))	-	-
Total taxation for the year	**12**	**8**

(b) Factors affecting current tax charge for the year

	28/02/2019 £'000	28/02/2018 £'000
Net revenue before taxation	317	189
Net revenue for the year multiplied by the standard rate of corporation tax (20%)	63	38
Effects of:		
Overseas withholding tax	12	8
Expense not utilised in the year	(24)	26
Revenue not subject to corporation tax	(39)	(64)
Total tax charge (Note 8 (a))	**12**	**8**

(c) Deferred tax

	28/02/2019 £'000	28/02/2018 £'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.

The sub-fund has not recognised a deferred tax asset of £210,000 (2018: £258,000) 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.

CASTLEFIELD REAL RETURN FUND

9. Distributions

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

	28/02/2019 £'000	28/02/2018 £'000
Interim Income		
Interim distribution	124	61
Final distribution	182	123
Total Distribution	**306**	**184**
Add: Income deducted on cancellation of shares	9	3
Deduct: Income received on creation of shares	(10)	(6)
Net distribution for the period	**305**	**181**
Reconciliation of Net Income and Distributions		
Net Income after Taxation	305	181
Net distribution for the period	**305**	**181**

10. Debtors

	28/02/2019 £'000	28/02/2018 £'000
Accrued revenue	112	62
Amounts Receivable for creation of shares	83	70
Amounts sales awaiting settlement	-	607
Debtors	**195**	**739**

11. Cash And Bank Balances

	28/02/2019 £'000	28/02/2018 £'000
Sterling	2,459	1,391
Euro	23	23
Cash and bank balances	**2,482**	**1,414**

12. Bank Overdraft

	28/02/2019 £'000	28/02/2018 £'000
US Dollar	-	991
Overdraft	**-**	**991**

13. Creditors

	28/02/2019 £'000	28/02/2018 £'000
Accrued expenses	13	20
Amounts payable for cancellation of shares	10	19
Creditors	**23**	**638**

14. Related Parties

Authorised Corporate Director ("ACD")

The annual management charge ("AMC") is a tiered fee based on assets under management 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.

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

Investment Adviser

Castlefield Investment Partners LLP, is part of the same group of companies to which the ACD belongs. 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 6. Amounts due at period end are disclosed within accrued expenses on the balance sheet where applicable. Amounts due at year end are disclosed within accrued expenses on the balance sheet where applicable.

15. Contingent Liabilities And Commitments

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

16. 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 28 February 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 £1,489,350 (28 February 2018: £1,482,540).

CASTLEFIELD REAL RETURN FUND

Currency Exposure

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

As at 28 February 2019	Portfolio of Investments	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**%**
Assets				
Euro	754	31	785	2.43
US Dollar	2,865	-	2,865	8.88
	3,619	**31**	**3,650**	**11.31**
Sterling	26,168	2,441	28,609	88.69
Total Net Assets	**29,787**	**2,472**	**32,259**	**100.00**

As at 28 February 2018	Portfolio of Investments	Net other assets	Total	Total Exposure
Currency	**£'000**	**£'000**	**£'000**	**%**
Assets				
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
Total Net Assets	**29,651**	**401**	**30,052**	**100.00**

At 28 February 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 shareholders would increase or decrease by approximately £36,500 (28 February 2018: £28,230).

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 financial assets and liabilities of the sub-fund disclosed in the balance sheet where applicable.

Valuation Technique

as at 28/02/2019	Assets £'000	Liabilities £'000
Level 1*	12,560	-
Level 2	17,227	-
Level 3	-	-
Total	**29,787**	**-**

as at 28/02/2018	Assets £'000	Liabilities £'000
Level 1	12,085	-
Level 2	17,566	-
Level 3	-	-
Total	**29,651**	**-**

* Level 1 includes £4,514,000 (2018: £3,809,000) 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 sub-fund, the ACD is required to calculate the global exposure for each sub-fund daily and to ensure that it meets the cover for investment in derivatives rules. The ACD has determined that each sub-fund should be classified as non-sophisticated and that the most appropriate methodology for calculating global exposure is the 'commitment approach'. The sub-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 REAL RETURN FUND

17. Share Classes

The sub-fund currently has two types of share and 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 CLASS	Income
Opening Shares	47,232
Shares Created	18
Closing Shares	**47,250**

INSTITUTIONAL CLASS	Income
Opening Shares	12,974,245
Shares Created	1,997,217
Shares Liquidated	(1,385,976)
Closing Shares	**13,585,486**

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 89. 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 106.

18. 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 89 to 90.

PORTFOLIO TRANSACTION COSTS	28/02/2019 £'000	28/02/2018 £'000
Analysis of total purchase costs:		
Purchase in year before transaction costs	3,139	15,608
Commissions:		
Bonds total value paid	-	1
Taxes:	-	-
Total Purchase costs	**-**	**1**
Gross Purchase total	**3,139**	**15,609**
Analysis of total sale costs:		
Gross sales in year before transaction costs	3,585	8,430
Commissions:	-	-
Taxes:	-	-
Total sale costs	**-**	**-**
Total sales net of transaction costs	**3,585**	**8,430**

PORTFOLIO TRANSACTION COSTS %	28/02/2019 %	28/02/2018 %
Analysis of total purchase costs:		
Commissions:		
Bonds total value paid	-	0.01
Taxes:	-	-
Analysis of total sale costs:		
Commissions:		
Equities total value paid	0.02	-
Taxes:	-	-
Analysis of total costs:		
Commissions:	0.02	0.01
Taxes:	-	-

As at the balance sheet date, the average portfolio dealing spread was 0.97% (2018: 1.43%) 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 REAL RETURN FUND

DISTRIBUTION TABLES

First Interim Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.3130	-	0.3130	-
Group 2	0.1391	0.1739	0.3130	-

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	31/08/2018	31/08/2017
Group 1	0.9320	-	0.9320	0.4984
Group 2	0.4553	0.4767	0.9320	0.4984

Final Dividend Distribution In Pence Per Share

GENERAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	0.7090	-	0.7090	0.5110
Group 2	0.7090	-	0.7090	0.5110

INSTITUTIONAL SHARES - INCOME

			Distribution Paid	
	Net income	Equalisation	28/02/2019	28/02/2018
Group 1	1.3372	-	1.3372	0.9461
Group 2	0.7934	0.5438	1.3372	0.9461

CASTLEFIELD

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