

# AIM INHERITANCE TAX PORTFOLIO

## Quarterly Factsheet

### INVESTMENT OBJECTIVE

Mole Valley Asset Management’s AIM Inheritance Tax (IHT) Portfolio aims to provide clients with long term capital appreciation whilst sheltering their investments from Inheritance Tax by investing in AIM listed companies that qualify for business relief. Risk is diversified by investing in a broad range of companies that have very different business exposures.

### QUARTERLY COMMENTARY January—March 2020

Whilst the portfolio started 2020 with continued strong performance in January, the impact of the global Covid-19 pandemic hit hard in February and March.

As the spread of the disease accelerated, government interventions and the resulting threat to economic growth caused increasing uncertainty in financial markets and a sudden and ferocious unwinding of leverage throughout the system. All asset classes fell hard and fast as investors looked to raise cash. Small UK companies were not immune.

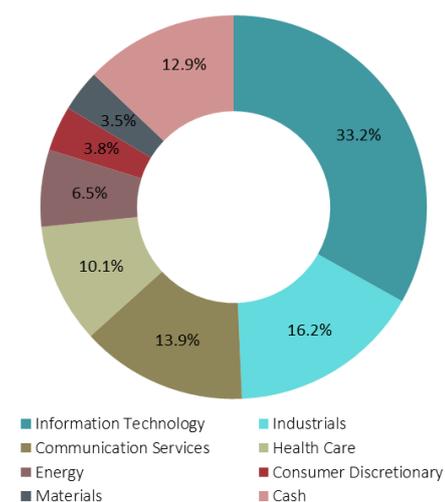
Whilst the aim of this portfolio is to invest in long term value creation by growth companies that may have no immediate exposure to short term economic cycles, we acknowledged the fact that those companies with consumer facing businesses would suffer materially in the near term. In addition, companies that relied on capital markets for funding might struggle to raise capital in such an uncertain environment.

We therefore acted quickly to exit those companies that we saw as particularly exposed to these risks including Actual Experience, Angling Direct, Everyman and Johnson Services.

It was not all bad news however. Whilst there were few companies that gained in the quarter, we would highlight Team 17 which continues to deliver growth ahead of demanding market forecasts, Ceres Power for attracting further investment from its industrial partners and Creo Medical for achieving approval from US regulators for the second device on its cutting edge endoscopy platform. We may be in the eye of the storm, but there is still plenty to be optimistic about as we look to the future.

#### Top Ten Holdings

Name	Portfolio
Team17 Group Plc	10.9%
Ceres Power Hold	8.4%
Tekmar Group Plc	6.5%
Essensys Plc	5.4%
Zoo Digital Group	5.2%
Creo Medical Gro	5.0%
Blackbird PLC	5.0%
Oxford Metrics PLC	4.7%
GB Group Plc	4.5%
Alumasc Group	4.5%
<b>Top Ten Holdings</b>	<b>60.1%</b>



The value of your investments and the income from them may go down as well as up. Existing IHT tax legislation may change to the detriment of your investment. There is no guarantee that individual companies on AIM will continue to qualify for Business Relief and thereby exemption for IHT. Eligibility is determined by HMRC at the point it is claimed.

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# PERFORMANCE

1m	3m	6m	1y	Inception
-17.52%	-25.78%	-18.17%	-24.74%	19.22%

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2016						-8.60%	13.05%	7.63%	6.84%	1.84%	4.97%	3.81%	31.85%
2017	6.93%	3.37%	1.35%	6.80%	9.93%	-0.63%	4.78%	1.11%	-0.85%	0.28%	-6.06%	4.34%	34.92%
2018	-0.45%	-2.43%	5.30%	1.85%	4.75%	-0.21%	2.28%	0.87%	-1.51%	-9.79%	-5.32%	-2.91%	-8.25%
2019	0.13%	-2.57%	-0.51%	5.45%	-1.52%	-1.29%	-1.46%	-10.03%	1.21%	3.14%	3.00%	3.80%	-1.58%
2020	4.80%	-14.14%	-17.51%										-25.78%

## Key Facts

Inception Date:	01-Jun-16
Annualised Rate of Return:	-24.75%
Best Month:	13.05% Jul-16
Worst Month:	-17.51% Mar-20
No of Holdings:	20
Risk Grade:	High
Std Dev:	1.19%

Performance is a composite made from grouping together each individual client IHT portfolio. All client portfolios hold identical stocks but weightings will differ depending on the start date. On the start date each client has their own individual portfolio which will begin with an approximate 5% weighting in each of the twenty MVAM IHT portfolio stocks. Occasionally the portfolios may hold some cash when we are between investments.

## BENEFITS

- Inheritance Tax planning
- Clear reporting
- Easy access to your money

## RISKS

- Tax rules may change. Inheritance Tax exemption is not guaranteed
- Focussed portfolio
- Money invested in small companies

## FEES

- No entry or exit fees
- Fees 1% + VAT
- Dealing fees of 0.3% fee plus £10 admin fee

## ABOUT MVAM

Mole Valley Asset Management offer innovative and bespoke investment services to private clients and intermediaries. A highly experienced team, investing client savings directly into the markets, aided by proprietary screening and original research. We always remember that it's your money.

## PORTFOLIO MANAGEMENT TEAM

CRAIG HARPER



ANDREW HOLDER



DUNCAN SANFORD



[www.mvam.com](http://www.mvam.com)

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