

# 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 April—June 2020

Well on a returns basis that was probably the best quarter we will ever have....

Avacta, a long term holding, started moving from 20p at the end of March to at one point over 200p! Its hope for 3-minute DIY Covid test making the waves for a company whose technology has always held promise but has taken more time and more money to deliver than initially hoped for. Still patience is the winning game when it comes to the stock market, or at least that was the case here. We sold small amounts on the way up and then divested most of the position at 188p. By the end of June, we were buying again in the 130p area to get back to the target weight of 5% of the portfolio we have for each stock in this investment strategy.

During the quarter we did make a complete divestment by selling our holding in Essensys. This software company may benefit from the working at home trend but currently tends to sell to serviced offices. We expect to see a large drop in demand from this sector for the rest of the year at least.

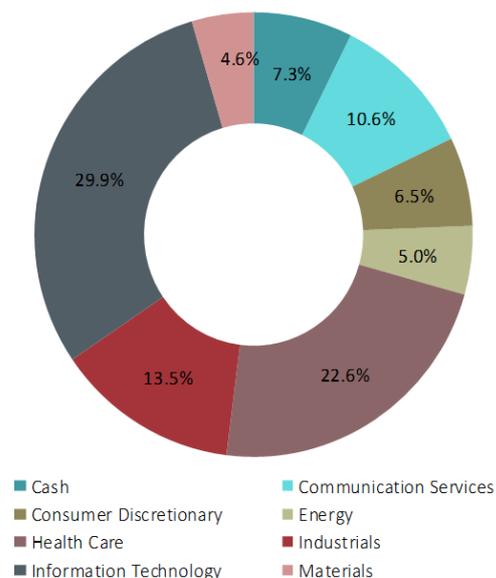
Two positions were added, Inspiration Healthcare and Victoria Carpets. That does leave holdings in this strategy one above the targeted 20 stocks. We have a stock earmarked for divestment at the appropriate time.

Funds raised by the Avacta sale also helped performance as we added to our holding in Proactis. We saw this as unfairly hit by the turmoil in March. The stock had nearly doubled from the purchase price by the end of the quarter.

#### Top Ten Holdings

Name	Portfolio
Ceres Power Holdings	7.9%
Proactis Holding	7.7%
Blackbird PLC	6.5%
Creo Medical Group	6.5%
Mirriad Advertising	6.1%
Tekmar Group Plc	5.0%
Zoo Digital Group	4.6%
Sigmaroc Plc	4.6%
Team17 Group Plc	4.5%
Inspiration Healthcare	4.4%
<b>Top Ten Holdings</b>	<b>57.6%</b>

#### Sector Weights



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
2.13%	43.07%	6.18%	5.05%	70.57%

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%	24.56%	12.47%	2.13%							6.18%

## Key Facts

Inception Date:	01-Jun-16
Annualised Rate of Return:	5.04%
Best Month:	24.56% Apr-20
Worst Month:	-17.51% Mar-20
No of Holdings:	21
Risk Grade:	High
Std Dev:	1.35%

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



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TIME TO LOOK AT THE BIG PICTURE?