

# AIM INHERITANCE TAX PORTFOLIO Anniversary 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.

## ANNUAL COMMENTARY May 2016—May 2020

Four years... gone in a blink of an eye. It's four years since we have been managing our AIM portfolio. Set up three weeks prior to the Brexit vote it seemed like terrible timing as markets fell sharply on the unexpected result. But by the end of 2016 we had seen significant returns. The following year turned out well too. Almost too well underlining that to get these returns we are taking risks. Those risks were seen in 2018 as all markets tumbled sharply and the AIM index fell over 20%. However, our approach fared significantly better than the market although we still came in with negative returns. Onto 2019, and markets roared. However, some of our holdings were in stocks associated with the demise of Woodford Investments. That some was enough to leave us well behind the AIM index for the first time. Not happy then going into 2020. Then COVID hit. But big falls in March have been more than matched by rises in April and May. This means our AIM portfolios are in positive territory so far this year!!

Over the periods we have had winners and losers. We have also benefitted from our discipline of profit taking where things get carried away. Gaer4Music and Burford Capital fall firmly into this count. While GB Group has just been a steady plodder. Avacta, which we have held for years has been a loser but is up 1,000% in the last 8 weeks! We try to hold onto positions as long as the management are delivering on promises. Thank you, Avacta. Looking forward we are convinced on holdings such as Ceres Power, Creo Medical and Mirriad Advertising will disrupt the industries they are competing in. Companies serving the needs of world as it will be tomorrow not as it is today.

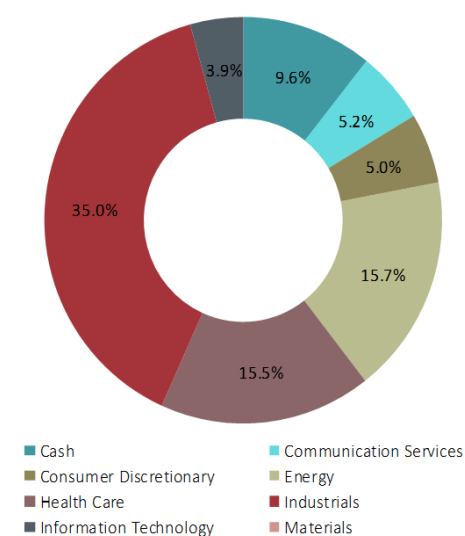
Bottomline the approach has done well. It has been a success. Both in absolute and relative terms. So, if you are interested in investing in a high-risk approach with IHT benefits, we may be worth a call. We look forward to the next four years of managing this approach... just not so fast please.

### Top Ten Holdings

Name	Portfolio
Ceres Power Holdings	8.8%
Proactis Holdings	8.4%
Blackbird Plc	5.5%
Tekmar Group Plc	5.0%
Mirriad Advertising	4.9%
Creo Medical Group	4.8%
Team17 Group Plc	4.7%
Diurnal Group Plc	4.4%
Zoo Digital Group	4.2%
Kromek Group Plc	4.1%

**Top Ten Holdings 54.8%**

### 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
12.47%	15.56%	7.92%	1.01%	67.02%

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%								3.97%

## Key Facts

Inception Date:	01-Jun-16
Annualised Rate of Return:	1.54%
Best Month:	24.56% Apr-20
Worst Month:	-17.51% Mar-20
No of Holdings:	21
Risk Grade:	High
Std Dev:	1.34%

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 1.25% + 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)

TIME TO LOOK AT THE BIG PICTURE?