



CONSISTENT OPPORTUNITIES UNIT TRUST

INTERIM
REPORT
31 JANUARY 2019

CONSISTENT UNIT TRUST
MANAGEMENT COMPANY LIMITED

CONSISTENT OPPORTUNITIES UNIT TRUST

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CONSISTENT OPPORTUNITIES UNIT TRUST

Managers and Advisers

Managers

Consistent Unit Trust Management Company Limited

Registered Office and Main Office:

Fair Lorna House, Buckingham Road, Singleborough, Milton Keynes MK17 0RB

Telephone: 01296 711598

Website: www.consistentunittrust.co.uk

(Authorised and regulated by the Financial Conduct Authority)

Directors of the Manager

S. P. Ashfield (Chairman)

C. J. Lloyd

Ms. J. M. Sculley

Secretary

Ms. J. M. Sculley

Trustee

NatWest Trustee and Depositary Services Limited

Registered and Head office:

250 Bishopsgate, London EC2M 4AA

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority)

Administrators & Registrars

Yealand Administration Limited

Stuart House, St. John's Street, Peterborough PE1 5DD

Tel: 0345 850 8818

Fax: 01733 286870

email: consistent@yealand.com

Website: www.yealand.com

Auditor

Shipleys LLP

Chartered Accountants & Statutory Auditors

10 Orange Street, Haymarket, London WC2H 7DQ

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

for the six months ended 31 January 2019

Portfolio repositioning

The Unit Trust in April 2018 was repositioned from a concentrated portfolio of 23 high yielding large capitalisation investments solely listed in the UK to 47 companies offering a more diverse global exposure. The Trust will invest in no more than 55 companies, primarily across UK listed equities in order to maintain close dialogue with company management teams. However up to 25% of the portfolio can be listed overseas as we believe some of the best opportunities can surface globally at different times and in different industries. Currently the portfolio has 9.5% invested overseas. We look to invest in companies for the long-term meaning the portfolio will have a low turnover. We are bottom up investors believing some of the best opportunities lie in under-covered companies and so we will invest right across the market capitalisation spectrum currently with an emphasis on small capitalisation companies.

We aim to find high quality companies trading at appealing valuations. Intrinsicly we have a value bias often looking for opportunistic and contrarian investments but also strive to find growth at a reasonable price.

We employ a concise, simple and transparent strategy that we believe can outperform over the long term; seeking to find companies with strong balance sheets, with little to no debt, consistent, defensive earnings streams, healthy cash generation, growing dividends and stable market positions. We maintain close dialogue with company management teams and where possible will often spend time at their facilities, meeting employees and continuing to develop our understanding of each business.

The portfolio over the six months period to the end of January 2019 suffered some volatility with some stock specific disappointments along with a sell off across small and mid-capitalisation companies. Outright sales were made across The Gym Group, JTC Group and US listed Corning and Waters on valuation grounds whilst new investments were made in Codemasters Group and Superdry whilst topping up existing investments where we believed the fall to be overdone. This year the portfolio has started the year positively with the market rerating the unloved mid-capitalisation stocks which had drifted lower in the fourth Quarter. The forecast EPS and DPS Growth across the portfolio is over 10% for 2019 and many of the underlying companies hold net cash positions with no debt.

We remain comfortable in the positioning of the portfolio for the long term and continue to invest personally in the Trust.

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

continued

Significant Portfolio Changes

for the period from 1 August 2018 to 31 January 2019

	Cost
	£
Top 10 purchases during the period 1 August 2018 to 31 January 2019	
Superdry	256,302
Codemaster Group	213,490
Victoria	99,388
Bodycote	66,780
RPS Group	63,047
Focusrite	56,890
Quiz	55,218
Xpediator	54,948
Hill & Smith	46,736
Discoverie Group	43,220
	<hr/> £956,019 <hr/>

	Proceeds
	£
Top 10 sales during the period 1 August 2018 to 31 January 2019	
The Gym Group	232,341
Corning	198,259
JTC	173,082
Waters	167,510
Zotefoams	70,972
Avon Rubber	62,086
Focusrite	56,116
Cisco Systems	39,346
Greggs	35,006
Paypal Holdings	32,878
	<hr/> £1,067,596 <hr/>

Investment Objective and Policy

The objective of the investment fund is to provide consistent long term capital and income growth. The investment policy for achieving the objective is for the Managers to invest primarily in equity securities. There is no restriction to economic securities or geographical areas, but the Managers consider the objective can be achieved from investing predominantly in UK equities whilst also seeking undervalued overseas opportunities.

The Managers consider that income and capital growth over the long term is best achieved by investment in equity securities. However equities are subject to short term fluctuations and there is a risk that their value can decrease as well as increase. Currencies are also subject to the same risk. The Managers will attempt to minimise these risks by pursuing a policy of diversification.

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

continued

Normally the Trust will be fully invested save for an amount of cash to enable ready settlement of liabilities (including redemption of units) and the efficient management of the Trust both generally and in relation to its strategic objective. This amount of cash will vary depending upon prevailing circumstances and although it would normally not exceed 5% of the total value of the Fund, there may be times when the Manager consider stock markets around the world to be overpriced or that a period of instability exists which presents unusual risks. In such cases or during such periods, a higher level of liquidity may be maintained up to 10%.

Individual Savings Accounts and Personal Equity Plans

Consistent Opportunities Unit Trust has been managed throughout the period so that it is a qualifying investment for ISA and PEP purposes. It is the Manager's intention that the Trust will be managed so that it continues to qualify as an investment in ISAs as well as an existing PEP. For details, please contact the Managers.

Share Exchange Scheme

The Managers operate a share exchange scheme service which provides investors with an easy and cost-effective method of selling their existing shareholdings and reinvesting the proceeds in Consistent Opportunities Unit Trust units. For details, please contact the Managers.

Accumulation Units – Re-investment of Income

In order that Unitholders can (if required) benefit from the automatic re-investment of their net income, the Trust has two types of units: Accumulation Units and Income Units.

Accumulation Units automatically retain the net income entitlement and this retention is progressively reflected in the price of the Accumulation units relative to Income Units.

Existing Income Unitholders can convert their units into Accumulation Units, free of charge and without liability to Capital Gains Tax. The facility to convert from one type of unit to the other (and back again) is available to all Unitholders at any time, free of charge. For details, please contact the Managers.

Price Information

The buying and selling price of the two classes of units is published daily in the Financial Times and Daily Telegraph.

Website

The Trust's website can be found at www.consistentunittrust.co.uk and copies of the latest reports and factsheets can be downloaded.

Consistent Unit Trust Management Company Ltd.

March 2019

CONSISTENT OPPORTUNITIES UNIT TRUST

Portfolio Statement

as at 31 January 2019

Holding	Security	Market value £	% of total net assets
	Equities - 99.51% (99.15%)		
	Chemicals - 6.60% (6.85%)		
6,500	Evonik Industries	135,336	1.48
49,500	Synthomer	177,408	1.94
47,000	Zotefoams	290,460	3.18
		<u>603,204</u>	<u>6.60</u>
	Construction & Materials - 11.44% (11.40%)		
145,000	Alumasc Group	163,850	1.79
67,500	Balfour Beatty	184,950	2.02
22,500	Kier Group	115,875	1.27
57,000	Polypipe Group	224,808	2.46
280,000	Van Elle Holdings	182,000	1.99
111,500	Volution Group	174,497	1.91
		<u>1,045,980</u>	<u>11.44</u>
	Financial Service - 7.28% (8.89%)		
92,000	Arrow Group	177,560	1.94
4,275	BB&T	159,197	1.74
12,000	Close Brothers Group	178,200	1.95
10,500	TBC Bank Group	151,200	1.65
		<u>666,157</u>	<u>7.28</u>
	Health Care - 4.55% (5.85%)		
28,250	Clinigen Group	224,729	2.46
5,325	Novo Nordisk A/S-B	190,741	2.09
		<u>415,470</u>	<u>4.55</u>
	Industrial Goods & Services - 40.44% (36.97%)		
257,500	Anexo Group	303,850	3.32
13,000	Avon Rubber	156,650	1.71
31,000	Bodycote	235,755	2.58
60,250	Clipper Logistics	145,203	1.59
280,000	Coats Group	245,280	2.68
71,300	Discoverie Group	298,747	3.27
38,600	Electrocomponents	209,521	2.29
180,000	Flowtech Fluidpower	208,800	2.28
20,000	Hill & Smith	220,800	2.42
4,900	Kion Group	215,942	2.36
308,500	Macfarlane Group	274,565	3.00
2,500	Paypal Holdings	169,312	1.85
23,300	Ricardo	140,732	1.54
33,100	RPC Group	263,079	2.88
123,500	RPS Group	165,490	1.81
262,500	Kin & Carta	259,875	2.84
90,300	TT Electronics	184,663	2.02
		<u>3,698,264</u>	<u>40.44</u>

CONSISTENT OPPORTUNITIES UNIT TRUST

Portfolio Statement

as at 31 January 2019

continued

Holding	Security	Market value £	% of total net assets
	Logistics Services - 2.14% (1.92%)		
391,500	Xpediator	195,750	2.14
	Media - 1.77% (1.92%)		
125,000	ITV	161,625	1.77
	Personal & Household Goods - 9.08% (9.02%)		
65,200	Focusrite	323,392	3.54
45,000	Headlam Group	175,500	1.92
53,000	Victoria	222,600	2.44
135,000	Warpaint London	108,000	1.18
		<u>829,492</u>	<u>9.08</u>
	Retail - 8.66% (7.50%)		
24,250	CVS Group	97,243	1.06
17,650	Greggs	273,575	2.99
118,000	Pets At Home Group	155,288	1.70
182,000	Quiz	49,322	0.54
41,900	Superdry	216,204	2.37
		<u>791,632</u>	<u>8.66</u>
	Technology - 6.00% (5.17%)		
4,175	Cisco Systems	150,663	1.65
123,750	Codemaster Group	212,850	2.33
200,832	Sanderson Group	184,765	2.02
		<u>548,278</u>	<u>6.00</u>
	Telecommunications - 1.53% (1.75%)		
101,000	Vodafone Group	139,865	1.53
	Travel & Leisure - 0.00% (1.92%)		
	Investment assets	9,095,717	99.51
	Net other assets	45,114	0.49
	Net assets	<u>9,140,831</u>	<u>100.00</u>

All holdings are ordinary shares or stock units on a regulated securities market unless otherwise stated.

The percentages in brackets show the equivalent % holdings as at 31 July 2018.

CONSISTENT OPPORTUNITIES UNIT TRUST

Comparative Tables

Change in net assets per unit

	Income Units			Accumulation Units		
	Six months 31 January 2019 p	Year ended 31 July 2018 p	Year ended 31 July 2017 p	Six months 31 January 2019 p	Year ended 31 July 2018 p	Year ended 31 July 2017 p
Opening net asset value per unit	53.63	55.35	55.49	139.93	140.60	134.97
Return before operating charges†	(7.99)	0.41	2.93	(21.38)	(0.02)	6.28
Operating charges	(0.31)	(0.66)	0.65	(0.31)	(0.65)	(0.65)
Return after operating charges†	(8.30)	(0.25)	2.28	(21.69)	(0.67)	5.63
Distributions on income units	(0.27)	(1.47)	(2.42)	n/a	n/a	n/a
Closing net asset value per unit	45.06	53.63	55.35	118.24	139.93	140.60
Retained distributions on accumulation units †after direct transaction charges of	n/a	n/a	n/a	0.70	3.76	5.93
	0.06	0.66	0.27	0.06	0.66	0.27
Performance						
Return after operating charges	(15.5)%	(0.5)%	4.1%	(15.5)%	(0.5)%	4.2%
Other information						
Closing net asset value (NAV)	£6,217,862	£7,549,285	£6,854,355	£2,922,969	£3,160,755	£537,813
Closing number of units	13,800,422	14,076,470	12,383,612	2,472,118	2,258,844	382,506
Operating charges total	1.26%	1.31%	1.14%	1.26%	1.31%	1.14%
Direct transaction charges	0.15%	1.24%	0.48%	0.15%	1.24%	0.48%
Prices (p)						
Highest	53.29	56.39	59.92	139.00	143.20	145.70
Lowest	42.88	49.49	54.16	111.80	127.60	131.70

Operating charges include indirect costs incurred in the maintenance and running of the Trust, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated against the average Net Asset Value for the accounting period.

The return after charges is calculated as the closing net asset value per share plus the distributions on income shares minus the open net asset value per share as a % of the opening net asset value per share.

Direct transaction costs include fees, commissions, transfer taxes and duties in the purchasing and selling of investments, which are offset (where applicable) against any dilution levies charged within the accounting period. The figures used within the table have been calculated against the average Net Asset Value for the accounting period.

CONSISTENT OPPORTUNITIES UNIT TRUST

Comparative Tables

continued

Risk & Reward profile

The Risk and Reward Indicator table demonstrates where the Trust 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 Trust. The shaded area in the table below shows the Fund's ranking on the Risk and Reward indicator.



The Trust is ranked at 5 because trusts of this type have experienced above average rises and falls historically. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

For further risk information please refer to the prospectus.

Risk warning

An investment in a Unit Trust should be regarded as a medium to long-term investment. Investors should be aware that the price of units and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

CONSISTENT OPPORTUNITIES UNIT TRUST

Statement of Total Return (unaudited)

for the six months ended 31 January 2019

	31 January 2019		31 January 2018	
	£	£	£	£
Income				
Net capital losses		(1,738,743)		(195,637)
Revenue	117,246		157,121	
Expenses	(61,600)		(44,682)	
Interest payable and similar charges	-		-	
Net revenue before taxation	55,646		112,439	
Taxation	(1,450)		-	
Net revenue after taxation		<u>54,196</u>		<u>112,439</u>
Total return before distributions		(1,684,547)		(83,198)
Distributions		<u>(54,362)</u>		<u>(111,117)</u>
Change in net assets attributable to unitholders from investment activities		<u>(1,738,909)</u>		<u>(194,315)</u>

Statement of Change in Net Assets Attributable to Unitholders (unaudited)

for the six months ended 31 January 2019

	31 January 2019		31 January 2018	
	£	£	£	£
Opening net assets attributable to unitholders		10,710,040		7,392,168
Amounts receivable on issue of units	341,914		6,638	
Amounts payable on cancellation of units	(189,625)		(729,090)	
		<u>152,289</u>		<u>(772,452)</u>
Change in net assets attributable to unitholders from investment activities (see above)		(1,738,909)		(194,315)
Retained distributions on accumulation units		<u>17,411</u>		<u>7,608</u>
Closing net assets attributable to unitholders		<u>9,140,831</u>		<u>6,483,009</u>

CONSISTENT OPPORTUNITIES UNIT TRUST

Balance Sheet (unaudited)

as at 31 January 2019

	31 January 2019		31 July 2018	
	£	£	£	£
ASSETS				
Fixed assets				
Investments		9,095,717		10,619,454
Current assets				
Debtors		12,663		84,194
Cash and bank balances		83,584		154,912
		<u>96,247</u>		<u>239,106</u>
Total assets		<u>9,191,964</u>		<u>10,858,560</u>
LIABILITIES				
Provision for liabilities				
Net distributions payable on income units		(37,261)		(87,274)
Creditors		(13,872)		(61,246)
		<u>(51,133)</u>		<u>(148,520)</u>
Total liabilities		<u>(51,133)</u>		<u>(148,520)</u>
Net assets attributable to unitholders		<u>9,140,831</u>		<u>10,710,040</u>

CONSISTENT OPPORTUNITIES UNIT TRUST

Notes to the Financial Statements (unaudited)

for the six months ended 31 January 2019

Accounting Policies

The interim financial statements have been prepared under the historical cost basis, as modified by revaluation of investments and in accordance with the Statement of Recommended Practice (SORP) for the Financial Statements of Authorised Funds issued by the Investment Association (IA) in May 2014.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 July 2018.

The financial statements have been prepared on the going concern basis.

Certification of Interim Report by Directors of the Manager

This report is signed in accordance with the requirements of the COLL Sourcebook.

S. P. Ashfield

Director

Ms. J. M. Sculley

Director

**For Consistent Unit Trust Management Ltd
Manager of the Consistent Unit Trust**

29 March 2019

CONSISTENT OPPORTUNITIES UNIT TRUST

Distribution Tables

for the six months ended 31 January 2019

in pence per unit

Income Distribution

Class	Distribution	Units	Net revenue	Equalisation	Distribution payable 2019	Distribution paid 2018
Income	Interim	Group 1	0.2700	-	0.2700	0.8500
		Group 2	0.1027	0.1673	0.2700	0.8500

Accumulation Distribution

Class	Distribution	Units	Net revenue	Equalisation	Amount reinvested 2019	Amount reinvested 2018
Accumulation	Interim	Group 1	0.7043	-	0.7043	2.1586
		Group 2	0.2680	0.4363	0.7043	2.1586

Interim period: 1 August 2018 - 31 January 2019

Group 1: Units purchased prior to a distribution period

Group 2: Units purchased during a distribution period

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It represents accrued revenue included in the purchase price of the units. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the units for capital gains tax purposes.

CONSISTENT OPPORTUNITIES UNIT TRUST

General Information

Authorised Status

Consistent Opportunities Unit Trust (the 'Trust') is an authorised unit trust scheme and UCITS scheme operating under chapter 5 of COLL. The Trust was established on 22 January 1988.

The Trust does not intend to have an interest in immovable property.

Unitholders are not liable for the debts of the Trust.

Head Office of the Manager

Fair Lorna House, Buckingham Road, Singleborough, Milton Keynes MK17 ORD.

Address for Service

The head office is the address in the United Kingdom for service on the Trust of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Trust is pounds sterling.

Units

The Trust Deed allows the Trust to issue different classes of units in respect of the Trust. The Trust currently has the following units available for investment:

- Income units
- Accumulation units

Holders of Income units are entitled to be paid the revenue attributable to such units in respect of each annual accounting period in the currency of the relevant units.

Holders of Accumulation units are not entitled to be paid the revenue attributable to such units, but that revenue is retained and accumulated for the benefit of Unitholders and is reflected in the price of units.

Valuation Point

The scheme property of the Trust will normally be valued at 12.00 on each dealing day for the purpose of calculating the price at which units in the Trust may be issued, sold, repurchased or redeemed.

For the purpose of the pricing of units, a business day is defined as a day on which the dealing office of the Manager is open for the buying and selling of units. The Manager may at any time during a business day carry out an additional valuation of the property of the Trust if the Manager considers it desirable to do so, with the Trustee's approval.

CONSISTENT OPPORTUNITIES UNIT TRUST

General Information

continued

Buying and Selling of Units

The Manager will accept orders for the purchase and sale of units on normal business days between 9.00am and 5.00pm. Instructions to buy or sell units may either be in writing to:

Stuart House, St. John's Street, Peterborough PE1 5DD

Or by telephone on:

0345 850 8818

The Manager has the right to establish facilities for recording telephone calls made or received on this telephone line.

A contract note giving details of the units purchased will be issued no later than the next business day after the business day on which an application to purchase units is received and instrumented by the Manager. Certificates will not be issued in respect of units. Ownership of units will be evidenced by an entry on the register of Unitholders.

Pricing Basis

The prices of units are published daily on the Investment Association website at www.theinvestmentassociation.org and in the Financial Times at www.ft.com. Neither the Manager nor the Trust can be held responsible for any errors in the publication of the prices. The units in the Trust will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Trust Deed, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the Manager which is also the Head Office of the Trust, of which copies may be obtained free of charge upon application. They are also available from the website of the Manager, the details given in the directory of this report.

Unitholders who have complaints about the operation of the Trust should in the first instance contact the Manager, or, following that, may make their complaint direct to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Risk Warning

An investment in a Unit Trust should be regarded as a medium to long-term investment. Investors should be aware that the price of units and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

