



CONSISTENT OPPORTUNITIES UNIT TRUST

INTERIM
REPORT
31 JANUARY 2020

CONSISTENT UNIT TRUST
MANAGEMENT COMPANY LIMITED

CONSISTENT OPPORTUNITIES UNIT TRUST

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CONSISTENT OPPORTUNITIES UNIT TRUST

Managers and Advisers

Manager

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

T. C. Cornick

A. K. Watkins

Secretary

Ms. J. M. Sculley

Trustee

NatWest Trustee and Depositary Services Limited

Registered and Head office:

250 Bishopsgate, London EC2M 4AA

(Authorised and regulated by the Financial Conduct 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 2020

Consistent Opportunities Unit Trust delivered a strong six months period returning 12.6% against a 0.1% rise in the FTSE All Share. The FTSE small cap index delivered a 6.2% capital return in the period with a Conservative majority government propelling UK companies higher. Volatility has returned to markets towards the end of January with fears growing relating to the spread of Coronavirus globally. Whilst we anticipate in the short term there will be some large price swings across the portfolio we remain committed and focused on the longterm growth drivers for each investment.

Turning back to the portfolio, there were falls in the six month period across the shares of Flowtech Fluidpower (-26%), Superdry (-20%) and Portmeirion (-25%). Superdry like many retailers has exposure to China with the majority of their jacket production manufactured in the country. Whilst management has stated they do not anticipate any material impact to the group, the market is expecting disruptions to materialise going into March. Flowtech Fluidpower issued a weak trading update with Q4 softer than expected which resulted in lower revenue and profit than forecast. Net debt remained in line and with the shares trading on a very suppressed multiple relative to industry peers we remain patient with the business.

There were strong performances across the largest holding Augean (+71%), Focusrite (+44%), Renalytix AI (+40%), Volex (+30%) and the recently invested Barkby Group (+20%). Augean PLC has been the stand out performer with a number of upgrades in 2019 and we remain optimistic for continued growth ahead. We had two takeovers in the portfolio in the form of Harwood Group and Sanderson Group and made sales on valuation grounds across Avon Rubber, CVS Group, Pets at Home and Polypipe Group.

New investments were instigated to replace the above across Barkby Group, Codemasters, Euromoney Institutional Investor, Medica Group, Strix Group and Volex. We saw strong growth opportunities across each company and had upbeat meetings with each management team.

Finally, we continue to invest significantly in the Fund on a personal level and remain committed to the longterm investment strategy. The Fund delivered 29.6% Total Return in 2019 and is currently invested across 42 high quality companies. It is our aim to deliver returns ahead of the UK market over the longterm and are enthused for the potential opportunities for each company in the Fund going with valuations across the portfolio continuing to look attractive.

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

for the six months ended 31 January 2020

continued

Significant Portfolio Changes

for the period from 1 August 2019 to 31 January 2020

	Cost
	£
Top 10 purchases during the period	
Strix Group	300,133
Medica Group	247,538
The Barkby Group	220,660
Access Intelligence	212,427
Codemasters Group	209,319
Volex	208,125
Euromoney Institutional Investor	200,590
Centaur Media	182,218
Clipper Logistics	142,665
Augean	131,474
	<hr/> £2,055,149 <hr/>

	Proceeds
	£
Top 10 sales during the period	
Harwood Wealth Management Group	286,914
Avon Rubber	254,992
Sanderson Group	252,000
CVS Group	244,438
Polypipe Group	226,668
Balfour Beatty	214,917
Pets At Home Group	202,166
ITV	170,925
Vodafone	156,281
Kin & Carta	79,406
	<hr/> £2,088,707 <hr/>

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

for the six months ended 31 January 2020

continued

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.

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 Trust, there may be times when the Managers 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 Managers 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.

CONSISTENT OPPORTUNITIES UNIT TRUST

Manager's Report

for the six months ended 31 January 2020

continued

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 can be downloaded.

Consistent Unit Trust Management Company Ltd.

March 2020

CONSISTENT OPPORTUNITIES UNIT TRUST

Portfolio Statement

as at 31 January 2020

Holding	Security	Market value £	% of total net assets
	Equities - 99.44% (99.58%)		
	Chemicals - 6.88% (6.46%)		
6,500	Evonik Industries	134,341	1.24
110,000	Synthomer	371,580	3.43
57,100	Zotefoams	239,820	2.21
		<hr/>	<hr/>
		745,741	6.88
	Construction & Materials - 6.96% (9.57%)		
210,000	Alumasc Group	224,700	2.07
467,500	Van Elle Holdings	261,800	2.42
111,500	Volution Group	267,600	2.47
		<hr/>	<hr/>
		754,100	6.96
	Financial Service - 5.60% (6.03%)		
12,000	Close Brothers Group	169,920	1.57
12,250	TBC Bank Group	150,920	1.39
733,333	The Barkby Group	286,000	2.64
		<hr/>	<hr/>
		606,840	5.60
	Health Care - 7.45% (4.96%)		
32,925	Clinigen Group	318,879	2.94
186,250	Medica Group	277,512	2.56
61,000	Renalytix AI	211,060	1.95
		<hr/>	<hr/>
		807,451	7.45
	Industrial Goods & Services - 50.99% (45.66%)		
278,500	Anexo Group	487,375	4.50
280,000	Augean	532,000	4.91
31,000	Bodycote	265,360	2.45
165,000	Clipper Logistics	425,700	3.93
310,000	Coats Group	234,670	2.16
80,000	Discoverie Group	456,000	4.21
233,800	DWF Group	316,098	2.92
30,400	Electrocomponents	201,491	1.86
200,000	Flowtech Fluidpower	187,200	1.73
20,000	Hill & Smith	284,200	2.62
234,800	Kin & Carta	258,280	2.38
4,900	Kion Group	231,116	2.13
308,500	Macfarlane Group	333,180	3.07
23,300	Ricardo	179,410	1.65
123,500	RPS Group	214,643	1.98

CONSISTENT OPPORTUNITIES UNIT TRUST

Portfolio Statement

as at 31 January 2020

continued

Holding	Security	Market value £	% of total net assets
Industrial Goods & Services - 50.99% (45.66%)			
continued			
155,000	Strix Group	280,860	2.59
157,750	TT Electronics	373,868	3.45
165,000	Volex	265,650	2.45
		5,527,101	50.99
Logistics Services - 1.05% (1.34%)			
391,500	Xpediator	113,535	1.05
Media - 3.36% (1.44%)			
475,000	Centaur Media	171,000	1.58
15,850	Euromoney Institutional Investor	193,370	1.78
		364,370	3.36
Personal & Household Goods - 9.48% (11.02%)			
36,000	Focusrite	262,800	2.42
45,000	Headlam Group	235,350	2.17
27,050	Portmeirion Group	192,055	1.77
53,000	Victoria	233,200	2.15
135,000	Warpaint London	105,300	0.97
		1,028,705	9.48
Retail - 1.88% (6.88%)			
53,000	Superdry	203,414	1.88
Technology - 5.79% (4.65%)			
407,291	Access Intelligence	199,573	1.84
90,000	Codemasters Group	265,500	2.45
84,525	Essensys Group	163,133	1.50
		628,206	5.79
Telecommunications - 0.00% (1.57%)			
	Investment assets	10,779,463	99.44
	Net other assets	61,109	0.56
	Net assets	10,840,572	100.00

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 2019.

CONSISTENT OPPORTUNITIES UNIT TRUST

Comparative Tables

Change in net assets per unit

	Income Units			Accumulation Units		
	Six months 31 January 2020 p	Year ended 31 July 2019 p	Year ended 31 July 2018 p	Six months 31 January 2020 p	Year ended 31 July 2019 p	Year ended 31 July 2018 p
Opening net asset value per unit	47.91	53.63	55.35	127.16	139.93	140.60
Return before operating charges†	6.37	(4.30)	0.41	16.29	(12.17)	(0.02)
Operating charges	(0.31)	(0.60)	(0.66)	(0.31)	(0.60)	(0.65)
Return after operating charges†	6.06	(4.90)	(0.25)	15.98	(12.77)	(0.67)
Distributions on income units	(0.25)	(0.82)	(1.47)	n/a	n/a	n/a
Closing net asset value per unit	53.72	47.91	53.63	143.14	127.16	139.93
Retained distributions on accumulation units †after direct transaction charges of	n/a	n/a	n/a	0.66	2.14	3.76
	0.07	0.15	0.66	0.07	0.15	0.66
Performance						
Return after operating charges	12.6%	(9.1%)	(0.5%)	12.6%	(9.1%)	(0.5%)
Other information						
Closing net asset value (NAV)	£7,259,468	£6,510,779	£7,549,285	£3,581,104	£3,129,519	£3,160,755
Closing number of units	13,513,085	13,589,050	14,076,470	2,501,865	2,461,060	2,258,844
Operating charges total	1.22%	1.28%	1.31%	1.22%	1.28%	1.31%
Direct transaction charges	0.15%	0.32%	1.24%	0.15%	0.32%	1.24%
Prices (p)						
Highest	55.31	53.29	56.39	146.70	139.00	143.20
Lowest	45.01	42.88	49.49	119.40	111.80	127.60

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 2020

	31 January 2020		31 January 2019	
	£	£	£	£
Income				
Net capital gains/(losses)		1,150,679		(1,738,743)
Revenue	113,509		117,246	
Expenses	<u>(61,963)</u>		<u>(61,600)</u>	
Net revenue before taxation	51,546		55,646	
Taxation	<u>-</u>		<u>(1,450)</u>	
Net revenue after taxation		<u>51,546</u>		<u>54,196</u>
Total return before distributions		1,202,225		(1,684,547)
Distributions		<u>(50,062)</u>		<u>(54,362)</u>
Change in net assets attributable to unitholders from investment activities		<u>1,152,163</u>		<u>(1,738,909)</u>

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

for the six months ended 31 January 2020

	31 January 2020		31 January 2019	
	£	£	£	£
Opening net assets attributable to unitholders		9,640,298		10,710,040
Amounts receivable on issue of units	204,885		341,914	
Amounts payable on cancellation of units	<u>(173,369)</u>		<u>(189,625)</u>	
		31,516		152,289
Change in net assets attributable to unitholders from investment activities (see above)		1,152,163		(1,738,909)
Retained distributions on accumulation units		<u>16,595</u>		<u>17,411</u>
Closing net assets attributable to unitholders		<u>10,840,572</u>		<u>9,140,831</u>

CONSISTENT OPPORTUNITIES UNIT TRUST

Balance Sheet (unaudited)

as at 31 January 2020

	31 January 2020		31 July 2019	
	£	£	£	£
ASSETS				
Fixed assets				
Investments	10,779,463		9,600,170	
Current assets				
Debtors	187,816		5,608	
Cash and bank balances	157,029		149,053	
	<u>344,845</u>		<u>154,661</u>	
Total assets	<u>11,124,308</u>		<u>9,754,831</u>	
LIABILITIES				
Provision for liabilities				
Net distributions payable on income units	(33,783)		(74,740)	
Creditors	(249,953)		(39,793)	
	<u>(283,736)</u>		<u>(114,533)</u>	
Total liabilities	<u>(283,736)</u>		<u>(114,533)</u>	
Net assets attributable to unitholders	<u>10,840,572</u>		<u>9,640,298</u>	

CONSISTENT OPPORTUNITIES UNIT TRUST

Notes to the Financial Statements (unaudited)

for the six months ended 31 January 2020

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 2019.

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**

31 March 2020

CONSISTENT OPPORTUNITIES UNIT TRUST

Distribution Tables

for the six months ended 31 January 2020

in pence per unit

Income Distribution

Class	Distribution	Units	Net revenue	Equalisation	Distribution payable 2020	Distribution paid 2019
Income	Interim	Group 1	0.2500	-	0.2500	0.2700
		Group 2	0.0482	0.2018	0.2500	0.2700

Accumulation Distribution

Class	Distribution	Units	Net revenue	Equalisation	Amount reinvested 2020	Amount reinvested 2019
Accumulation	Interim	Group 1	0.6633	-	0.6633	0.7043
		Group 2	0.1277	0.5356	0.6633	0.7043

Interim period: 1 August 2019 - 31 January 2020

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 0RB.

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.

