



Slater Investments Limited

Slater Recovery Fund

Interim Report

For the six months ended 31st May 2020

(Unaudited)

SLATER RECOVERY FUND

DIRECTORY

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Custodian

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EC2M 4AA

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*Authorised and regulated by the Financial Conduct Authority.

**Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and subject to limited regulation by the Prudential Regulation Authority.

SLATER RECOVERY FUND

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SLATER RECOVERY FUND

AUTHORISED STATUS AND GENERAL INFORMATION

Authorised status

Slater Recovery Fund (the "Fund") is an authorised unit trust scheme established by a Trust Deed dated 25 March 2002. It is a UCITS scheme as defined in the Collective Investment Schemes Sourcebook (COLL). The Fund is authorised and regulated by the Financial Conduct Authority with effect from 2 April 2002.

Unitholders of the Fund are not liable for the debts of the scheme.

Investment objective

Slater Recovery Fund

The investment objective of the Fund is to achieve capital growth.

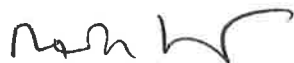
The Fund will invest in companies both in the UK and overseas but concentrating mainly or, where appropriate, exclusively on UK shares. Other investments including bonds, warrants and options, within the limits imposed by the trust deed may also be used where it is considered that they meet the investment objective. It is also intended where appropriate to take advantage of underwritings and placings. At times it may be appropriate for the Fund not to be fully invested but to hold cash and near cash. The Fund has powers to borrow as specified in the COLL and may invest in derivatives and forward transactions for hedging purposes only.

Rights and terms attaching to each unit class

Each unit of each class represents a proportional entitlement to the assets of the Fund. The allocation of income and taxation and the rights of each unit in the event the Fund is wound up are on the same proportional basis.

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



Mark Slater
Director



Ralph Baber
Director

SLATER INVESTMENTS LIMITED
21 July 2020

SLATER RECOVERY FUND

FUND MANAGER'S REPORT

Report for the six months to 31 May 2020

<u>Performance</u>	Six Months	1 year	3 years	5 years	Since launch*
Slater Recovery Fund P unit class	-4.87%	+0.06%	+21.08%	+57.99%	+425.04%
Investment Association (IA) OE UK All Companies	-15.17%	-9.31%	-7.76%	+5.90%	+244.37%

*A unit class launched 10 March 2003

Market commentary

These were six tumultuous months. They began with an exuberant, even frenzied, advance in the fourth quarter. That celebration came to an abrupt end once COVID-19 struck. The impact on the United Kingdom has been both damaging and frightening but ultimately is becoming familiar and tedious. This has been reflected in the stock market which enjoyed an explosive rally from the lows in March 2020 before getting bogged down in recent days. We have a contest between central banks and governments expanding the money supply and investors' concern about weak profits. Historically money supply has won this battle.

Portfolio review

Normally we closely review the news flow and price action of our investments but this has become less useful when they are all being punished or rewarded collectively. Even so, we present here a brief summary.

Major Contributors	Contribution
Codemasters	1.15%
Liontrust	0.72%
Future	0.55%
Dart	0.50%
Gamesys	0.50%
Venture Life	0.48%
CentralNic	0.43%
Sureserve	0.36%
JTC	0.34%

Codemasters rose +31% after a busy six months. This started with the £20 million placing in late November 2019 which funded the upfront element of the £152 million purchase of Simply Mad Studios (SMS). The rest will mainly be paid from SMS's earnings before interest, taxes, depreciation and amortisation (EBITDA) over the following three years. We took part in the placing. A trading statement in April 2020 said the year to March 2020 had ended strongly, with revenues of £76 million, up from £71.2 million in 2018/19. Adjusted EBITDA was £18.1 million and ahead of forecast, despite a £0.9 million loss at SMS. The company's profits are heavily influenced by when it launches new versions of its major titles. Though the business has seen some disruption, the lockdown has probably been a net benefit. No Formula 1 to watch? Not a problem, play it online instead or watch e-sports.

Liontrust Asset Management gained +29%. It has been a stellar performer thanks to a canny series of acquisitions of teams and businesses combined with effective fund management and distribution. Assets under management (AuM) at 31 March 2020 were £16.1 billion, up 27% over the year. This benefited from a gross inflow of £2.7 billion. Sustainable investing accounted for £5.1 billion of total AuM. Back in June 2017, sustainable AuM was £2.6 billion. The shares fell sharply with the market but recovered almost as quickly.

Future rose +4% and maintained its earnings guidance. Magazine sales have suffered during lockdown but digital growth has compensated. Last year's purchase of TI Media has increased the proportion of sales from magazines but it was based on converting this to digital income, while the expected £15 million of synergies covered the inevitable decline of magazine sales. The company says that lockdown has simply accelerated plans. We remain very confident of its prospects.

SLATER RECOVERY FUND

FUND MANAGER'S REPORT (CONTINUED)

Report for the six months to 31 May 2020

Dart is a new addition to the Fund. We took part in its £172 million placing on 21 May 2020 at 576.5p. The shares closed the half year at 819p. The company runs the Jet2.com airline and package holiday business. It has been very well managed and has grown relentlessly. We expect a swift recovery from the virus.

Gamesys, the online bingo and casino operator, has been a winner from coronavirus. Use of its chatroom rose 24% during lockdown and the company has burnished its social credentials by stopping advertising on TV and radio. This also saved it money, of course. The company seems to be handling tighter regulation pretty well and it has avoided fines and censures. The shares rose +24% and closed the period on a price to earnings ratio (PE) of only 6.6.

Venture Life had a rocky start with the Fund but in the last six months has rallied strongly, rocketing +120%. Final results in April 2020 were satisfying, showing adjusted earnings per share (EPS) of 2.18p, up 6%. This may not sound impressive, but it represented a big catch-up from first half numbers weakened by an absence of orders from China. In April 2020, Venture announced a €168 million order from China for mouthwash and other products, including €7 million to be delivered this year. This was a startling but massively welcome piece of news. We expect serious upgrades to forecasts in due course.

CentralNic gained +48%. It reported a 43% rise in EPS for 2019. The company has also heavily upgraded its senior management to give it a platform for further expansion. The revenue is almost entirely recurring so the business can support higher than normal levels of debt. The management upgrade should also allow a faster pace of organic growth.

Sureserve announced its interim results to March 2020 on 27 May 2020. They were worth waiting for. Adjusted EPS rose 29% and the company paid its final dividend at a time many others were cancelling theirs. The company is well placed in a climate of generous public spending.

JTC gained +20%. Its revenues are not tied to market levels and they are contracted for several years in advance, so this is a safe port in a storm. Results for 2019 showed a rise in underlying earnings of 16%. The acquisition of NES Financial for an initial £32 million marked a long-planned entry in the domestic US market. NES brings some slick reporting products which will be used across JTC.

Major Detractors	Contribution
Next Fifteen Communications	-0.90%
IWG	-0.84%
Ten Entertainment	-0.69%
STV	-0.65%
Randall & Quilter	-0.63%
Avation	-0.63%
Marston's	-0.58%
Prudential	-0.53%
Arrow Global	-0.46%
Restore	-0.45%
NCC	-0.39%
Trifast	-0.35%
Flowtech Fluidpower	-0.34%

Detractors fall into two categories: companies directly impacted by the virus and those affected by a risk-off move by the market, typically financials.

SLATER RECOVERY FUND

FUND MANAGER'S REPORT (CONTINUED)

Report for the six months to 31 May 2020

Trifast and **Flowtech Fluidpower** are both specialist industrial distributors and they fell by -36% and -37% respectively. Trifast's move into the automotive sector was ill-timed and it has been punished for it. Flowtech is domestically focused, adding to its problems, but it is streamlining its network of warehouses, which should result in substantial savings.

NCC issued a cautious statement in March 2020, citing deferments of larger cyber security projects by customers. This fits with a general picture of longer-term IT work being set aside while businesses adjusted to remote working. The shares fell -26% but we remain confident in the company's prospects.

Restore fell -17%. It had to suspend the bulk of its shredding division but the rent on documents stored with it continued regardless. The share price became over-exuberant last autumn but is now behaving sensibly.

Ten Entertainment, down -33%, and **Marston's**, down -51%, are very direct casualties of lockdown. We supported Ten in a small fundraising and remain very confident it will bounce back. It has already worked out plans for operating profitably with only half its bowling lanes in use. Marston's delighted the market on 22 May 2020 by announcing a joint venture (JV) with Carlsberg's UK brewing operations. This delivered £273 million of cash and still left the company with 40% of a JV valued at £780 million. Marston's believes its pubs can operate profitably even if social distancing requires volumes to fall by nearly 50%.

STV, down -37%, a direct casualty of the virus. With the public kept at home, many advertisers slashed their campaigns. We expect life to return to normal later in the year.

Avation is an indirect casualty and it fell -32%. The great bulk of its airline customers are honouring their leases. Where insolvency does occur the lessor can immediately secure the plane and wait for better times. Rates will doubtless be lower going forward until travel demand recovers. Understandably, Avation abandoned its sales process.

Less direct sufferers from the virus include **Arrow Global**, down -63%, **Next Fifteen Communications**, down -27%, and **IWG**, down -28%. Arrow has in fact seen only a modest impact in collections, but the market has assumed near-insolvency. The shares are highly leveraged and therefore very volatile. The company is amassing a €2 billion investment fund to buy non-performing loans for clients. So far it has decided conditions are not yet right to put this money to work. When it starts to buy, its shares will react very strongly as this will mark the next cycle in non-performing loans. Arrow's best vintages for loans were those bought between 2009 and 2011.

Next Fifteen fell -27% on the most slender evidence of trouble. In April 2020 it reported January 2020 year-end earnings rising 5%, which was low by its standards and reflected problems with a couple of contracts that predated Covid-19. It warned investors to expect some impact from May 2020 onwards but was unable to assess the scale. Marketing is usually an easy budget cut, so the caution is understandable.

IWG, the serviced office group, tumbled -28% despite the fact it looks like a structural beneficiary from the virus. Its clients typically lease for 18 months but there will have been some impact in the ancillary fees for hiring meeting rooms. The big surprise came on 27 May 2020 when the company announced a £320 million placing. This was to provide a war chest for buying weaker competitors. The virus has clearly set back IWG's programme of selling its 3,000 centres to franchise partners. The rise of home working has also raised concerns. But after two months of lockdown there seems a wide enthusiasm to return to face to face working. Serviced offices, with their inherent flexibility, look well placed.

SLATER RECOVERY FUND

FUND MANAGER'S REPORT (CONTINUED)

Report for the six months to 31 May 2020

Prudential shared in the carnage among financials, halving between mid-February 2020 and mid-March 2020. The shares were bought during the six months, some before and some after the crash. On average the loss was -14%, which compares to a fall over the full six months of -24%. We bought Prudential in order to tap into the surging wealth in the Asian markets it serves. The unrest in Hong Kong has grabbed headlines but the company's business there remains buoyant, growing 24% last year. But this still only contributed 12% of Asian income, reflecting the good spread across the region. Meantime Prudential is working on the float of its US operations, which produce just under half of operating profits. Initially it will sell a minority stake, but the direction of travel is clear.

Randall & Quilter fell -28% yet is in fact scarcely affected by the pause in the economy. It says it is seeing a rush of new business as companies seek to clear their books of legacy assets. As a financial, like Arrow Global and Prudential, it suffered collective punishment during the panic.

During the six months we bought **Breedon Group, Countryside Properties, Dart, Hollywood Bowl, Inspired Energy, MJ Gleeson, Prudential, Rank, Renew and Scapa Group**. We added to **AFH Financial, Alliance Pharma, Arrow Global, Clinigen, Codemasters, Franchise Brands, Future, Gamesys, Hutchison China MediTech, Iomart, IWG, Kape Technologies, Kin and Carta, NCC, Next Fifteen Communications, Randall & Quilter, Restore, STV, SimplyBiz, Ten Entertainment, Tesco and Venture Life**. We sold **Aggregated Micro Power, Amerisur Resources and Entertainment One**, all of which were subject to takeovers. We also sold **Smartspace Software** and reduced the holding in **River & Mercantile**.

Outlook

The old saying 'Don't fight the Fed' is being amply borne out this year. Just as the autumn of 2018 was dire for shares as the Federal Reserve tightened, in current markets the ultra-easy has enabled a powerful rally. No change to these conditions seems in prospect. In normal times a run on a currency might follow, but as all major central banks are engaged in similar pump priming, it only leaves assets to rise versus money in general.

Slater Investments Limited.
21 July 2020

SLATER RECOVERY FUND

FUND MANAGER'S REPORT (CONTINUED)

Distributions (pence per unit)

	<u>Year 2020</u>	<u>Year 2019</u>	<u>Year 2018</u>	<u>Year 2017</u>
<u>Class A Accumulation</u>				
Net income paid 31 January	-	-	-	0.6581
Net income paid 31 July	-	-	-	0.2666
<u>Class B Accumulation</u>				
Net income paid 31 January	0.4825	0.3467	0.2850	1.1041
Net income paid 31 July	-	0.1900	0.0268	0.7726
<u>Class P Accumulation</u>				
Net income paid 31 January	0.8477	0.7029	0.5727	1.3306
Net income paid 31 July	-	0.4904	0.4524	1.0323

Material portfolio changes

For the six months ended 31 May 2020

Total Purchases	Cost (£)	Total Sales	Proceeds (£)
Prudential	2,649,951	Entertainment One	2,729,731
Tesco	1,495,631	Aggregated Micro Power	365,483
Codemasters	1,492,246	Amerisur Resources	211,310
Breedon Group	1,303,332	Genagro	108,398
IWG	1,233,645	Smartspace Software	59,715
Clinigen Group	1,013,628	Future	38,022
Alliance Pharma	989,053	River & Mercantile	9,994
Countryside Properties	911,747		
Scapa Group	799,999		
Future	759,244		
MJ Gleeson	680,004		
Next Fifteen Communications Group	611,190		
Dart Group	607,994		
Ten Entertainment	581,248		
Hutchison China MediTech ADR	554,411		
Franchise Brands	406,367		
STV Group	359,324		
AFH Financial Group	330,936		
Kape Technologies	323,944		
Restore	312,130		
Other purchases	1,870,073		
Total purchases for the six months	19,286,097	Total sales for the six months	3,522,653

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FUND INFORMATION

Price and distribution record

Financial year to	Highest price	Lowest price	Net income per unit
<u>Class A Accumulation</u>			
30 November 2017	225.54p	174.64p	0.2666p
30 November 2018	243.71p	216.08p	-
30 November 2019	266.67p	210.22p	-
30 November 2020*	292.38p	194.80p	-
<u>Class B Accumulation</u>			
30 November 2017	231.14p	178.08p	1.0576p
30 November 2018	250.31p	222.07p	0.3735p
30 November 2019	276.48p	216.82p	0.6725p
30 November 2020*	303.54p	202.32p	-
<u>Class P Accumulation</u>			
30 November 2017	234.82p	179.98p	1.6050p
30 November 2018	257.61p	228.42p	1.1553p
30 November 2019	281.27p	220.36p	1.3381p
30 November 2020*	308.99p	206.00p	-

*six month period to 31 May 2020

Number of units in issue/Net asset value per unit

	Net asset value of scheme property	Number of units in issue	Net asset value per unit
<u>Class A Accumulation</u>			
30 November 2017	£19,231,534	8,519,150	225.74p
30 November 2018	£10,920,375	4,880,966	223.74p
30 November 2019	£5,003,268	1,896,593	263.80p
31 May 2020	£5,172,255	2,064,301	250.56p
<u>Class B Accumulation</u>			
30 November 2017	£4,561,477	1,971,564	231.36p
30 November 2018	£2,905,032	1,259,477	230.66p
30 November 2019	£3,212,988	1,174,444	273.58p
31 May 2020	£3,055,186	1,172,885	260.48p
<u>Class P Accumulation</u>			
30 November 2017	£16,388,240	6,967,591	235.21p
30 November 2018	£36,459,648	15,567,368	234.21p
30 November 2019	£54,266,852	19,497,631	278.33p
31 May 2020	£78,887,918	29,726,141	265.38p
Ongoing charges			
	<u>Class A Accumulation</u>	<u>Class B Accumulation</u>	<u>Class P Accumulation</u>
30 November 2019	1.63%	1.05%	0.79%
31 May 2020	1.58%	1.09%	0.81%

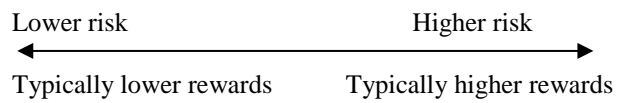
The ongoing charge figure is based on the annualised expenses for the period. This figure may vary from period to period. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment scheme.

SLATER RECOVERY FUND

FUND INFORMATION (CONTINUED)

Synthetic risk and reward indicator



1	2	3	4	5	6	7
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The risk and reward indicator above aims to provide you with an indication of the overall risk and reward profile of the Fund. It is calculated based on the volatility of the Fund using weekly historic returns over the last five years. If five years data is not available for a fund, the returns of a representative portfolio are used.

This Fund has been measured as 6 because it has experienced high volatility historically.

SLATER RECOVERY FUND

FUND INFORMATION (CONTINUED)

Portfolio statement

as at 31 May 2020

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '20 %	30 Nov '19 %
CONSTRUCTION & MATERIALS				
1,661,167	Breedon Group	1,328,934	1.53	
975,611	SigmaRoc	351,220	0.40	
	Total Construction & Materials	1,680,154	1.93	0.71
CONSUMER SERVICES				
100,000	Applegreen	300,000	0.34	
1,572,478	Franchise Brands	1,603,928	1.84	
192,035	Gamesys Group	1,663,023	1.91	
392,378	GoCo Group	306,447	0.35	
167,330	Hollywood Bowl	300,357	0.34	
85,200	IG Design Group	472,008	0.54	
23,328	Rank Group	33,126	0.04	
479,850	Ten Entertainment	815,745	0.94	
	Total Consumer Services	5,494,634	6.30	7.51
ELECTRICITY				
	Total Electricity	-	-	0.52
FINANCIAL SERVICES				
440,223	AFH Financial Group	1,267,841	1.46	
221,501	Arrow Global Group	170,334	0.20	
135,000	City of London Investment Group	414,450	0.48	
293,370	JTC	1,276,160	1.46	
170,000	Liontrust Asset Management	2,065,500	2.37	
217,500	Prudential	2,276,138	2.61	
834,501	Randall & Quilter	1,126,576	1.29	
5,918	River & Mercantile	10,090	0.01	
285,649	The Simplybiz Group	457,038	0.52	
	Total Financial Services	9,064,127	10.40	10.12
GENERAL RETAILERS				
121,087	CVS Group	1,166,673	1.34	
68,918	Frasers Group (formerly Sports Direct International)	211,303	0.24	
1,073,603	Tesco	2,449,962	2.81	
	Total General Retailers	3,827,938	4.39	4.21

SLATER RECOVERY FUND

FUND INFORMATION (CONTINUED)

Portfolio statement (continued)

as at 31 May 2020

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '20 %	30 Nov '19 %
INDUSTRIAL ENGINEERING				
510,000	Flowtech Fluidpower	362,100	0.42	
13,567	Renew Holdings	62,408	0.07	
761,904	Scapa Group	806,094	0.93	
367,933	Trifast	406,566	0.47	
	Total Industrial Engineering	1,637,168	1.89	1.93
INDUSTRIAL TRANSPORTATION				
485,000	Avation	848,750	0.97	
80,000	Ocean Wilsons Holdings	536,000	0.62	
	Total Industrial Transportation	1,384,750	1.59	3.23
MEDIA				
543,216	Bonhill Group	46,173	0.05	
451,889	Future	6,208,955	7.13	
415,000	Next Fifteen Communications Group	1,423,450	1.63	
270,001	STV Group	661,502	0.76	
	Total Media	8,340,080	9.57	16.27
OIL & GAS PRODUCERS				
	Total Oil & Gas Producers	-	-	0.33
PHARMACEUTICALS & BIOTECHNOLOGY				
3,598,340	Alliance Pharma	2,680,763	3.08	
224,820	Clinigen Group	1,964,927	2.26	
330,000	Ergomed	1,237,500	1.41	
266,780	Hutchison China MediTech	933,730	1.07	
156,861	Instem	721,561	0.83	
1,272,870	Venture Life Group	827,366	0.95	
	Total Pharmaceuticals & Biotechnology	8,365,847	9.60	9.29
REAL ESTATE INVESTMENT & SERVICES				
260,000	Countryside Properties	755,040	0.87	
106,675	Lok'nStore Group	544,043	0.62	
113,334	MJ Gleeson	813,738	0.93	
	Total Real Estate Investment & Services	2,112,821	2.42	1.09

SLATER RECOVERY FUND

FUND INFORMATION (CONTINUED)

Portfolio statement (continued)

as at 31 May 2020

Holding or nominal value		Bid value £	Percentage of total net assets	
			31 May '20 %	30 Nov '19 %
SOFTWARE & COMPUTER SERVICES				
757,930	Castleton Technology	716,244	0.82	
1,432,696	Codemasters Group	4,369,723	5.02	
1,387,595	dotDigital Group	1,394,533	1.60	
216,605	Iomart Group	719,129	0.83	
475,000	Kape Technologies	921,500	1.05	
312,094	Kin and Carta	196,619	0.23	
486,572	NCC Group	746,401	0.86	
211,982	Redcentric	245,899	0.28	
	Total Software & Computer Services	9,310,048	10.69	10.54
SUPPORT SERVICES				
942,307	CentralNic Group	829,230	0.95	
925,135	IWG	2,734,699	3.14	
222,813	Marlowe	1,091,784	1.25	
133,145	Mears Group	225,015	0.26	
435,365	Restore	1,610,851	1.85	
1,650,000	Sureserve Group	693,000	0.80	
	Total Support Services	7,184,579	8.25	9.55
TECHNOLOGY HARDWARE & EQUIPMENT				
147,500	CML Microsystems	401,200	0.46	
	Total Technology Hardware & Equipment	401,200	0.46	0.73
TRAVEL & LEISURE				
105,463	Dart Group	930,184	1.07	
616,000	Marston's	382,536	0.44	
	Total Travel & Leisure	1,312,720	1.51	1.26
UTILITIES				
1,697,109	Inspired Energy	280,023	0.32	
	Total Utilities	280,023	0.32	-
OVERSEAS SECURITIES				
85,395	Hutchison China MediTech ADR	1,505,792	1.73	
	Total Overseas Securities	1,505,792	1.73	1.66
UNQUOTED SECURITIES				
1,653,028	Genagro	13,371	0.02	
	Total Unquoted Securities	13,371	0.02	0.16

SLATER RECOVERY FUND

FUND INFORMATION (CONTINUED)

Portfolio statement (continued)

as at 31 May 2020

	Bid value £	Percentage of total net assets 31 May '20 %	30 Nov '19 %
Portfolio of investments	61,915,252	71.07	79.11
Net current assets	25,200,107	28.93	20.89
Net assets	<u>87,115,359</u>	<u>100.00</u>	<u>100.00</u>

Portfolio transactions for the six months ended 31 May 2020

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at the respective markets close at 31 May 2020, being the last valuation point of the period. Market value is defined by the SORP as fair value which is generally the bid value of each security. Where applicable, investments are valued to exclude accrued income. Where a stock is unlisted or where there is an illiquid market, a valuation for this stock has been obtained from market makers where possible while suspended stocks are normally valued at their suspension price. However, where the AFM believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the AFM reflects a fair and reasonable price for that investment.

	£
Total purchases, including transaction charges	19,286,097
Total sales proceeds, net of transaction charges	3,522,653

SLATER RECOVERY FUND

INTERIM FINANCIAL STATEMENTS (unaudited) For the six months ended 31 May 2020

Statement of total return

	31 May 2020		31 May 2019	
	£	£	£	£
Income				
Net capital (losses)/gains		(3,284,005)		6,048,907
Revenue	297,759		311,842	
Expenses	(319,226)		(249,107)	
Net (loss)/revenue before taxation	<u>(21,467)</u>		<u>62,735</u>	
Taxation	(290)		-	
Net (loss)/revenue after taxation		<u>(21,757)</u>		<u>62,735</u>
Total return before distributions		(3,305,762)		6,111,642
Distributions		(5,126)		(78,419)
Change in net assets attributable to unitholders from investment activities		<u>(3,310,888)</u>		<u>6,033,223</u>

Statement of changes in net assets attributable to unitholders

	31 May 2020		31 May 2019	
	£	£	£	£
Opening net assets attributable to unitholders		*62,483,108		^50,285,055
Amounts receivable on issue of units	29,683,240		3,237,963	
Amounts payable on cancellation of units	(1,795,852)		(3,918,056)	
Amounts receivable on unit class conversions	1		243	
Dilution adjustments	<u>55,750</u>		<u>-</u>	
		27,943,139		(679,850)
Change in net assets attributable to unitholders from investment activities		(3,310,888)		6,033,223
Retained distributions on accumulation units		-		78,170
Closing net assets attributable to unitholders		<u>87,115,359</u>		<u>55,716,598</u>

*As at 30 November 2019

^As at 30 November 2018

SLATER RECOVERY FUND

INTERIM FINANCIAL STATEMENTS (unaudited) (CONTINUED) For the six months ended 31 May 2020

Balance sheet

	31 May 2020		30 November 2019	
	£	£	£	£
ASSETS				
Fixed Assets				
Investments		61,915,252		49,432,541
Current Assets				
Debtors		830,986		789,901
Cash		26,289,505		12,539,018
Total current assets		<u>27,120,491</u>		<u>13,328,919</u>
Total assets		<u>89,035,743</u>		<u>62,761,460</u>
LIABILITIES				
Current liabilities				
Creditors		<u>1,920,384</u>		<u>278,352</u>
Total liabilities		<u>1,920,384</u>		<u>278,352</u>
Net assets attributable to unitholders		<u><u>87,115,359</u></u>		<u><u>62,483,108</u></u>

Notes to the interim financial statements

Basis of preparation

The financial statements have been prepared in compliance with FRS102 and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association in May 2014.

The financial statements are prepared in sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 November 2019 and are described in those annual financial statements.



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