

Rathbones

Look forward

Rathbone Core Investment Fund for Charities

Interim report for the half year ended 30 September 2023



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Rathbone Core Investment Fund for Charities

Authorised Fund Manager (the Manager)

Rathbone Unit Trust Management Limited
8 Finsbury Circus
London EC2M 7AZ
Telephone 020 7399 0399

A member of the Rathbones Group

**Authorised and regulated by the
Financial Conduct Authority and member
of The Investment Association**

Dealing office

SS&C Financial Services Europe Limited
SS&C House
St Nicholas Lane
Basildon
Essex SS15 5FS
Telephone 0330 123 3810
Facsimile 0330 123 3812

Registrar

SS&C Financial Services International Limited
SS&C House
St Nicholas Lane
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Telephone 0330 123 3810
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**Authorised and regulated by the
Financial Conduct Authority**

Independent Auditor

Deloitte LLP
Statutory Auditor
110 Queen Street
Glasgow G1 3BX

Directors of the Manager

RP Stockton – Chairman
MM Webb – Chief Executive Officer
T Carroll – Chief Investment Officer
E Renals – Chief Operating Officer
(appointed 3 July 2023)
MS Warren – Non-Executive Director
J Lowe – Non-Executive Director

Administrator

HSBC Securities Services
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
**Authorised and regulated by the
Financial Conduct Authority**

Trustee

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London EC2M 4AA
**Authorised and regulated by the
Financial Conduct Authority**

Investment objective and policy

Investment objective

We aim to deliver a greater total return than our benchmark (made up of 35% FTSE All-Share Index, 35% FTSE World excluding UK Index, 5% Investment Association (IA) UK Direct Property sector, 5% Bank of England Base Rate + 2%, 18% FTSE Actuaries UK Conventional Gilts All Stocks Index and 2% Bank of England Base Rate), after fees, over any rolling five-year period.

Total return means the return we receive from the value of our investments increasing (capital growth) plus the income we receive from our investments (interest and dividend payments).

We use our benchmark as a target for our fund's return because it represents a diversified, long-term portfolio for charities.

Investment policy

To meet the objective, the fund manager will invest globally in government and corporate bonds with no restriction on their credit quality, equities and commodities. Investment will be made directly in such assets or through other collective investment schemes.

The fund will not hold property directly but may make investments in property through collective investment schemes. Collective investment schemes include authorised, unauthorised and alternative collective investment schemes including private equity funds.

The fund manager defines restrictions on how much of the fund can be invested in different types of assets. The restrictions are set at the discretion of the fund manager and will change over time. The restrictions are reviewed annually and in response to market events. Further details in relation to the current restrictions may be obtained by contacting Rathbone Unit Trust Management.

The manager may use all investment powers as permitted by the prospectus, outside the ranges described above, to ensure the fund is managed in the best interest of investors in times of market irregularities or stress.

The fund may invest at the fund manager's discretion in other transferable securities, money market instruments, warrants, cash and near cash and deposits and units in collective investment schemes. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted by the FCA Rules.

Ethical investment policy

The fund will not invest directly in any company that manufactures tobacco or tobacco products, or derives more than 10% of its sales from gambling, high-interest-rate lending, pornography or from the manufacture of alcohol or armaments.

The ethical investment policy does not apply to investments made through collective investment schemes.

Investment report for the half year ended 30 September 2023

Performance

Over the 6 months, the Rathbone Core Investment Fund has underperformed the composite index benchmark in relative terms, returning +0.7% versus the composite index benchmark at +1.2%. Our asset allocation stance was positive as being underweight to fixed income and equities added value. Stock and fund selection was mixed but negative overall. UK equities underperformed the FTSE All Share by -0.2% (+1.2% vs. +1.4%). Overseas equities returned +2.3%, behind the FTSE All World ex-UK at +4.4%. Alternatives/property were weak as discounts to Net Asset Value increased in infrastructure, property and private equity, leading to a return of -7.0% in this part of the portfolio over the period. Our short duration positioning in fixed income helped relative performance, as the bonds we held fell -2.1% compared to -6.0% for the FTSE All Stocks Gilt Index.

Portfolio activity

We purchased Amazon, the global leader in e-commerce and technology services. We believe it has high barriers to entry of distribution, convenience and choice. Amazon remains one of the market leaders in cloud hosting with its Amazon Web Service (AWS). AWS has significant long term growth prospects following the tailwind of Artificial Intelligence (AI) momentum, where businesses are being revolutionised in efficiencies with the incorporation of AI into their development strategies. We see investor expectations as more reasonable than in recent years, with the potential for the company to beat market expectations and expand the multiple, making it an attractive opportunity at this time.

We reduced Shell. Oil stocks have performed well over the 6-month period as oil prices rose and Geopolitical risks rose. We deemed it was prudent to trim the size of the position to manage risk within the Fund.

Given the rise in bond yields and higher than normal cash position within the Fund, we purchased the UK government Treasury Bill 0% 15/05/2023 and Treasury Bill 0% 21/08/2023 to provide a higher return than cash on deposit, whilst still ensuring sufficient liquidity to invest cash into other asset classes should the opportunity arise.

We also increased the allocation to other bonds within the Fund. Our preference for short and longer duration bonds led to the implementation of a barbell approach. We purchased the UK Treasury Gilt 3.5% 22/10/2025 at the short end and the UK Treasury Gilt 1.25% 22/10/2041 – as well as an increase to the UK Treasury 1.75% Gilt 7/09/2037 – at the longer end. We sold the Treasury 0.875% Green Gilt 31/07/2033 to part-fund these purchases.

We continued to transition the Fund's Japan, Asia and Emerging Markets equities from third party funds to direct holdings in order to reduce costs for the unit holders and allow us to better execute our investment views at a sector and ESG level. Over the period we sold the GLG Japan CoreAlpha Fund and Baillie Gifford Japan Trust, whilst we reduced the JPMorgan Emerging Markets Investment Trust.

Market overview

Inflation rose sharply around the globe in late 2021 and through 2022, driven mainly by rising energy and food prices as well as by Covid-induced supply chain problems. However, key elements behind the surge in inflation are fading. At the same time, demand in the global economy is being squeezed, mainly as a result of tighter monetary policy. Gauges of underlying inflation among the many goods and services in the 'inflation basket' are now falling. As a result of all these disinflationary pressures, we expect that inflation will be in low(ish) single digits in the US, UK and Eurozone by the end of 2023. There is a risk that inflation declines more slowly than we expect though. Tight labour markets, particularly in the US and UK, are unhelpful in that they support strong wage growth (one of the things that central banks worry about most) which contributes to inflationary pressures. However, those measures with the best track record of leading wage growth suggest declines ahead. Interest rates are now thus very likely close to, if not at, the peak for this cycle. That said, we are not expecting rate cuts to come quickly. Policymakers will be wary of repeating the errors of the 1970s when monetary policy was loosened before inflation was fully under control.

There has been a broad deterioration in global economic data in the last year and leading indicators point to more weakness to come. The UK and Eurozone are close to (if not quite in) recession as the impact of ongoing monetary tightening bites. The US economy appears to be holding up better. Even so, the risk of the US entering recession next year is not insignificant, with more monetary tightening possibly to come and the lagged effects of previous rate hikes still filtering through. Elsewhere, China's economy remains under pressure and recent trade data has been weak even if the consumer has held up better.

We ascribe a 75% probability of a global recession in the next 12 months, slightly higher in Europe and slightly lower in the US. However, any recession is unlikely to be deep. The global labour market remains in good health. Banks are well capitalised as a result of measures taken following the financial crisis. The response from regulators to the banking tremors of a few months ago was swift and decisive. In addition, we don't see the key hallmarks that have preceded previous banking crises, such as big above-trend increases in private credit-to-GDP and falling bank capital ratios.

Andy Pitt
Fund Manager
18 October 2023

Gareth Pearl
Investment Director

Net asset value per unit and comparative tables

Income units

	30.09.23 pence per unit	31.03.23 pence per unit	31.03.22 pence per unit	31.03.21 pence per unit
Change in net assets per unit				
Opening net asset value per unit	118.88p	127.84p	123.73p	96.16p
Return before operating charges*	0.40p	(5.34p)	7.33p	30.48p
Operating charges	(0.23p)	(0.44p)	(0.49p)	(0.43p)
Return after operating charges*	0.17p	(5.78p)	6.84p	30.05p
Distributions on income units	(1.79p)	(3.18p)	(2.73p)	(2.48p)
Closing net asset value per unit	117.26p	118.88p	127.84p	123.73p
*after direct transaction costs ¹ of:	0.01p	0.02p	0.02p	0.03p

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges	0.14%	(4.52%)	5.54%	31.25%
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Other information

Closing net asset value	£162,745,533	£154,043,351	£139,706,697	£137,458,896
Closing number of units	138,790,527	129,582,583	109,279,175	111,094,081
Operating charges**	0.52%	0.56%	0.49%	0.52%
Direct transaction costs	0.01%	0.02%	0.02%	0.03%

Prices***

Highest unit price	121.75p	129.32p	137.42p	125.01p
Lowest unit price	115.55p	113.94p	122.96p	93.79p

** The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP and includes a synthetic element relating to the expenses paid by any investment funds which the fund holds.

*** These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

Net asset value per unit and comparative tables *(continued)*

Accumulation units[†]

	30.09.23 pence per unit	31.03.23 pence per unit	31.03.22 pence per unit	31.03.21 pence per unit
Change in net assets per unit				
Opening net asset value per unit	91.21p	95.42p	100.00p	n/a
Return before operating charges*	0.30p	(3.92p)	(4.35p)	n/a
Operating charges	(0.17p)	(0.29p)	(0.23p)	n/a
Return after operating charges*	0.13p	(4.21p)	(4.58p)	n/a
Distributions on accumulation units	(1.37p)	(2.40p)	(0.85p)	n/a
Retained distributions on accumulation units	1.37p	2.40p	0.85p	n/a
Closing net asset value per unit	91.34p	91.21p	95.42p	n/a

*after direct transaction costs¹ of: 0.01p 0.02p 0.02p n/a

¹ Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

Performance

Return after charges 0.14% (4.41%) (4.57%) n/a

Other information

Closing net asset value	£1,939,525	£2,150,741	£739,309	n/a
Closing number of units	2,123,415	2,357,981	774,792	n/a
Operating charges**	0.52%	0.56%	0.49%	n/a
Direct transaction costs	0.01%	0.02%	0.02%	n/a

Prices***

Highest unit price	93.55p	96.55p	101.91p	n/a
Lowest unit price	89.33p	86.28p	91.21p	n/a

† Accumulation units launched on 1 November 2021.

** The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP and includes a synthetic element relating to the expenses paid by any investment funds which the fund holds.

*** These prices may have been calculated on a different basis to the opening/closing net asset value per unit shown in the comparative table, this may result in the opening/closing net asset value per unit being higher or lower than the published highest or lowest prices for the period.

Risk and reward profile

Risk and reward profile as published in the fund's most recent Key Investor Information Document



Lower potential risk/reward
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

Portfolio and net other assets as at 30 September 2023

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
Debt Securities (31.03.2023: 6.42%)		
Corporate Bonds (31.03.2023: 3.77%)		
£400,000 A2Dominion Housing 3.5% 2028**	356,935	0.22
£1,000,000 Barclays Bank 3.75% 2030**	921,557	0.56
£420,000 Barclays Bank 5.75% 2026**	416,352	0.25
£500,000 Citigroup 2.75% 2024**	494,950	0.30
£685,000 HSBC Bank 5.75% 2027**	671,756	0.41
£1,000,000 Lloyds Banking 1.875% VRN 2026**	945,215	0.57
£1,050,000 Lloyds Banking 2.25% 2024**	1,009,938	0.61
£700,000 LVMH Moet Hennessy Louis Vuitton 1.125% 2027**	618,334	0.38
£700,000 Pension Insurance 6.5% 2024**	696,121	0.42
£771,000 Phoenix 5.75% VRN Perp**	603,264	0.37
£1,000,000 Tesco Personal Finance Group 3.5% 2025**	959,570	0.58
	7,693,992	4.67
Government Bonds (31.03.2023: 2.65%)		
£2,000,000 UK Treasury Gilt 1.25% 2041**	1,152,100	0.70
£7,500,000 UK Treasury Gilt 1.75% 2037**	5,274,525	3.20
£3,500,000 UK Treasury Gilt 3.5% 2025**	3,406,725	2.07
	9,833,350	5.97
Total Debt Securities	17,527,342	10.64
Bond Funds (31.03.2023: 2.03%)		
1,700,000 M&G Global Macro Bond Fund*	1,389,240	0.84
88,500 PIMCO GIS Global Investment Grade Credit Fund*	959,340	0.58
550,000 Rathbone High Quality Bond Fund*	483,890	0.30
Total Bond Funds	2,832,470	1.72
Global Equities (31.03.2023: 75.94%)		
Oil & Gas (31.03.2023: 6.95%)		
700,000 BP	3,719,800	2.26
1,000,000 Diversified Energy	806,500	0.49
210,000 Shell	5,472,600	3.32
25,000 TotalEnergies	1,351,033	0.82
	11,349,933	6.89

Portfolio and net other assets as at 30 September 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
Basic Materials (31.03.2023: 4.77%)		
120,000 Anglo American	2,718,600	1.65
625,000 Glencore	2,936,562	1.78
4,000 Linde	1,220,892	0.74
35,000 Shin-Etsu Chemical	834,374	0.51
	7,710,428	4.68
Industrials (31.03.2023: 8.08%)		
6,000 Accenture	1,510,237	0.92
25,000 CRH EUR	1,053,935	0.64
10,000 CRH USD	448,159	0.27
97,500 Experian	2,623,725	1.59
15,000 Hitachi	763,768	0.47
10,000 Hoya	840,029	0.51
2,500 Keyence	761,654	0.46
450,000 Melrose	2,110,950	1.28
20,000 Mitsubishi	782,600	0.48
20,000 Nidec	761,077	0.46
200,000 Rentokil Initial	1,220,400	0.74
65,000 Sandvik	988,213	0.60
35,000 Shimadzu	763,081	0.46
	14,627,828	8.88
Consumer Goods (31.03.2023: 8.05%)		
17,000 Daimler	971,052	0.59
1,500 LVMH	932,147	0.57
10,000 Moncler	473,794	0.29
25,000 Nintendo	854,990	0.52
9,000 Pepsico	1,249,404	0.76
11,000 Procter & Gamble	1,314,629	0.80
50,000 Reckitt Benckiser	2,896,000	1.76
5,000 Shimano	553,019	0.33
20,000 Sony	1,343,497	0.81
50,000 Unilever	2,030,750	1.23
	12,619,282	7.66
Healthcare (31.03.2023: 9.50%)		
18,000 Abbott Laboratories	1,427,848	0.87
3,000 Align Technology	750,203	0.46
45,000 AstraZeneca	4,995,000	3.03
3,500 Becton Dickinson	741,322	0.45

Portfolio and net other assets as at 30 September 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
153,851 Belluscura	46,155	0.03
130,000 GSK	1,939,340	1.18
11,000 Johnson & Johnson	1,404,031	0.85
20,000 Merck & Co.	1,687,600	1.02
12,500 Novartis	1,050,885	0.64
19,000 Novo Nordisk	1,433,966	0.87
4,000 Roche	897,042	0.54
	16,373,392	9.94
Consumer Services (31.03.2023: 5.29%)		
15,000 Amazon.com	1,562,124	0.95
165,000 Elixirr International	907,500	0.55
3,250 Kering	1,217,458	0.74
25,000 PayPal	1,197,411	0.73
60,000 PPHE Hotel	630,000	0.38
20,000 Walt Disney	1,328,254	0.81
25,000 Yum China	1,141,289	0.69
	7,984,036	4.85
Utilities (31.03.2023: 0.70%)		
100,000 National Grid	980,000	0.60
Financials (31.03.2023: 23.54%)		
120,000 AIA	800,907	0.49
72,500 Bank of America	1,625,763	0.99
1,400,000 Barclays	2,225,160	1.35
850,000 BlackRock European Absolute Alpha Fund*	1,468,202	0.89
47,500 Citigroup	1,600,651	0.97
900,000 International Public Partnership	1,114,200	0.68
625,000 iShares Core S&P 500 UCITS ETF**	4,561,250	2.77
55,000 iShares Physical Gold ETC**	1,626,900	0.99
600,000 iShares USD TIPS UCITS ETF**	2,833,500	1.72
8,000 JP Morgan Chase	950,719	0.58
377,762 JP Morgan Emerging Markets Investment Trust	387,584	0.24
100,000 JTC	730,000	0.44
5,500 MasterCard	1,784,171	1.08
110,000 Plus500	1,514,700	0.92
280,000 Prudential	2,488,640	1.51
665,329 The Schiehallion Fund	299,808	0.18

Portfolio and net other assets as at 30 September 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
275,000 Standard Chartered	2,084,500	1.27
60,000 Swedbank 'A'	909,934	0.55
75,000 Tatton Asset Management	367,500	0.22
	29,374,089	17.84
Technology (31.03.2023: 7.73%)		
4,000 Adobe	1,671,115	1.02
50,000 Alibaba	447,738	0.27
35,500 Alphabet 'A'	3,804,641	2.31
2,000 ASML	969,968	0.59
4,500 Autodesk	762,812	0.46
175,085 Big Technologies	358,924	0.22
20,000 Marvell Technology	886,649	0.54
10,000 Meta Platforms	2,459,219	1.49
7,000 Microsoft	1,810,635	1.10
7,500 Palo Alto Networks	1,440,519	0.87
2,000 ServiceNow	916,046	0.56
8,000 Taiwan Semiconductor ADR	569,252	0.35
125,000 Team17	343,750	0.21
5,000 Tokyo Electron	560,019	0.34
5,000 Workday 'A'	880,095	0.53
	17,881,382	10.86
Private Equity Funds (31.03.2023: 0.55%)		
83,000 Princess Private Equity	755,971	0.46
Media (31.03.2023: 0.78%)		
300,000 LBG Media	240,600	0.15
40,000 RELX	1,110,000	0.67
	1,350,600	0.82
Total Global Equities	121,006,941	73.48
Alternatives (31.03.2023: 8.22%)		
1,000,000 abrdrn European Logistics Income Fund	625,000	0.38
12,000 BlackRock Strategic Funds*	1,450,200	0.88
2,300,000 GCP Infrastructure Investments	1,557,100	0.95
1,300,000 Gore Street Energy Storage Fund	1,023,100	0.62
1,150,000 Greencoat UK Wind Fund	1,610,000	0.98
950,000 HICL Infrastructure Fund	1,178,000	0.71
1,100,000 Octopus Renewables Infrastructure Fund	963,600	0.58

Portfolio and net other assets as at 30 September 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
892,685 PRS REIT	608,811	0.37
1,600,000 Sequoia Economic Infrastructure Income Fund	1,329,600	0.81
800,000 Urban Logistics REIT	878,400	0.53
900,000 Warehouse REIT	738,000	0.45
Total Alternatives	11,961,811	7.26
Property Unit Trusts (31.03.2023: 1.84%)		
3,615,262 Property Income Trust for Charities Fund*	2,824,604	1.72
Total value of investments (31.03.2023: 94.45%)	156,153,168	94.82
Net other assets (31.03.2023: 5.55%)	8,531,890	5.18
Total value of the fund	164,685,058	100.00

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.

* Collectives

** Debt securities

Exchange Traded Funds

Summary of portfolio investments

	Value £	Percentage of total net assets
Equity Securities	121,028,700	73.48
Debt Securities	17,527,342	10.64
Pooled Investment Vehicles	17,597,126	10.70
Total value of investments	156,153,168	94.82

Statement of total return for the half year ended 30 September 2023

	30.09.23 £	30.09.23 £	30.09.22 £	30.09.22 £
Income				
Net capital losses		(1,922,899)		(14,613,731)
Revenue	2,470,836		1,903,331	
Expenses	(300,932)		(264,552)	
Net revenue before taxation	2,169,904		1,638,779	
Taxation	(74,677)		(63,723)	
Net revenue after taxation		2,095,227		1,575,056
Total return before distributions		172,328		(13,038,675)
Distributions		(2,397,685)		(1,846,297)
Change in net assets attributable to unitholders from investment activities		(2,225,357)		(14,884,972)

Statement of change in net assets attributable to unitholders for the half year ended 30 September 2023

	30.09.23 £	30.09.23 £	30.09.22 £	30.09.22 £
Opening net assets attributable to unitholders		156,194,092		140,446,006
Amounts receivable on issue of units	13,506,724		13,391,205	
Amounts payable on cancellation of units	(2,819,091)		(768,550)	
		10,687,633		12,622,655
Change in net assets attributable to unitholders from investment activities (see Statement of total return above)		(2,225,357)		(14,884,972)
Retained distributions on accumulation units		28,690		13,255
Closing net assets attributable to unitholders		164,685,058		138,196,944

Balance sheet as at 30 September 2023

	30.09.23 £	30.09.23 £	31.03.23 £	31.03.23 £
Assets				
Fixed assets:				
Investments		156,153,168		147,519,159
Current assets:				
Debtors	4,083,088		561,227	
Cash and bank balances	6,715,908		9,664,798	
Total current assets		10,798,996		10,226,025
Total assets		166,952,164		157,745,184
Liabilities				
Creditors:				
Other creditors	(1,017,991)		(268,224)	
Distribution payable on income units	(1,249,115)		(1,282,868)	
Total liabilities		(2,267,106)		(1,551,092)
Net assets attributable to unitholders		164,685,058		156,194,092

Notes to the interim financial statements

Accounting policies

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by The Investment Association in May 2014 (and amended in June 2017).

All accounting policies applied are consistent with those of the annual report for the year ended 31 March 2023 and are detailed in full in those financial statements.

Portfolio transactions

Total purchases and sales transactions for the half year ended 30 September 2023 were £34,215,442 and £23,759,978 respectively.

Distribution tables for the half year ended 30 September 2023

Distribution tables (pence per unit)

Interim

Group 1 – Units purchased prior to 1 April 2023

Group 2 – Units purchased on or after 1 April 2023 and on or before 30 June 2023

Income units	Income	Equalisation	Paid 31.08.23	Paid 31.08.22
Dividend Distribution				
Group 1	0.67	–	0.67	0.69
Group 2	0.24	0.43	0.67	0.69
Non-dividend Distribution				
Group 1	0.22	–	0.22	0.09
Group 2	0.08	0.14	0.22	0.09
Accumulation units	Income	Equalisation	Accumulated 31.08.23	Accumulated 31.08.22
Dividend Distribution				
Group 1	0.51	–	0.51	0.52
Group 2	0.03	0.48	0.51	0.52
Non-dividend Distribution				
Group 1	0.17	–	0.17	0.07
Group 2	–	0.17	0.17	0.07

Distribution tables for the half year ended 30 September 2023 *(continued)*

Distribution tables (pence per unit) *(continued)*

Second Interim

Group 1 – Units purchased prior to 1 July 2023

Group 2 – Units purchased on or after 1 July 2023 and on or before 30 September 2023

Income units	Income	Equalisation	Payable 30.11.23	Paid 30.11.22
Dividend Distribution				
Group 1	0.64	–	0.64	0.68
Group 2	0.21	0.43	0.64	0.68
Non-dividend Distribution				
Group 1	0.26	–	0.26	0.13
Group 2	0.09	0.17	0.26	0.13
Accumulation units	Income	Equalisation	Allocated 30.11.23	Accumulated 30.11.22
Dividend Distribution				
Group 1	0.49	–	0.49	0.51
Group 2	0.08	0.41	0.49	0.51
Non-dividend Distribution				
Group 1	0.20	–	0.20	0.08
Group 2	0.04	0.16	0.20	0.08

Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It represents the 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.

Directors' statement

This report is approved in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

MM Webb T Carroll
for Rathbone Unit Trust Management Limited
Manager of Rathbone Core Investment Fund for Charities
23 November 2023

General information

Authorised status

The Rathbone Core Investment Fund for Charities is a non-UCITS retail scheme (NURS) and qualifies as an Alternative Investment Fund within the meaning of AIFMD.

The fund falls under the TEF regime and it is the intention that the fund will continue to meet the conditions to be treated as such.

The currency of the fund is pounds sterling.

Valuation of the fund

The fund is valued on each business day at 12 noon for the purpose of determining prices at which units in the fund may be bought or sold. Valuations may be made at other times on business days with the Trustee's approval.

Eligible investors

An eligible investor is any person who is and who will, throughout the period for which it is a unitholder, remain:

- (a) a charity as defined in paragraph 1(1) of Schedule 6 Finance Act 2010 which:
 - (i) holds the units for qualifying charitable purposes within the meaning of paragraph 1(2) Schedule 8, Finance Act 2003; and
 - (ii) applies any income or gain accruing to it in respect of its units for charitable purposes only; or
- (b) a unit trust scheme (as defined in section 101(4) Finance Act 2003) in which all the unit holders are charities falling within limb (a) above.

Stewardship code

Rathbone Unit Trust Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council. Our statement on complying with the code can be found on our website: rathbonefunds.com

AIFMD disclosure

The provisions of the Alternative Investment Fund Managers Directive (AIFMD) took effect in full on 22 July 2014. That legislation requires the fund manager, to establish and apply remuneration policies and practices that are consistent with, and promote, sound and effective risk management and that neither encourage risk taking which is inconsistent with the risk profiles, prospectuses, trust deeds and deeds of constitution of the Alternative Investment Funds to which it has been appointed (the Funds) nor impair compliance with the AIFM's duty to act in the best interests of the Funds.

As the nature and range of the AIFM's activities, its internal organisation and operations are, in the Directors' opinion, limited in their nature, scale and complexity, that is, to the business of a management company engaging in collective portfolio management of investments of capital raised from the public, this is reflected in the manner in which the AIFM has addressed certain requirements regarding remuneration imposed upon it by the Regulations. The board of directors of the AIFM (the Board) consists of eleven directors (each a Director). The AIFM has delegated the performance of the investment of the Company to Rathbone Unit Trust Management Limited (the Investment Manager). As noted below, the AIFM relies on the remuneration policies and procedures of each delegate to ensure that their remuneration structures promote a culture of investor protection and mitigate conflicts of interest.

The Regulations provide that the remuneration policies and practices shall apply to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profiles of the Funds.

General information *(continued)*

The AIFM has appointed the Board and eleven Directors who are therefore considered to be those that have a material impact on the risk profile of the Funds. Accordingly, the remuneration provisions of the Regulations only affect the AIFM with regard to the Board. Each Director is entitled to be paid a fixed director's fee based on an expected number of meetings and the work required to oversee the operations of the AIFM, which is considered to be consistent with the powers, tasks, expertise and responsibility of the Directors. The fee payable to each Director is reviewed from time to time, based on the evolution of the AIFM's activities and the aggregate fees payable are disclosed in the prospectus of the Funds. The Directors do not receive performance based variable remuneration, therefore avoiding any potential conflicts of interest. In addition, each of the Directors has waived the fees to which they would otherwise be entitled.

Buying and selling of units

The Manager is available to receive requests for the buying and selling of units on normal business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for the purchase of units (obtainable from the Manager) should be completed and sent to the dealing office. In respect of telephoned orders, remittances should be sent on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of units are required to enter their registration details on the form supplied with their contract note. Once units are paid for these details will be entered on the unit register.

Units can be sold by telephone, fax or letter followed by despatch to the dealing office of the authorisation to sell duly completed by all unitholders.

In the absence of clear written instructions signed by all the registered holders, a Form of Renunciation will be sent out together with the repurchase contract note. This will need to be signed by all registered holders, and returned to our dealing office before settlement can be made. Settlement will be made on whichever is the later of four business days after the dealing date or four days after the receipt of written confirmation.

Unitholders may sell units on submitting the purchase contract note and a duly executed Deed of Transfer. The issue and redemption of units will not take place if dealing in the units is suspended by operation of law or any statute for the time being in place.

The minimum initial investment for units at present is to the value of £10,000 which may be varied by the Manager. Thereafter holders may invest additional amounts to the value of £2,000 or more from time to time as they wish. Any number of units may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

The Manager currently receives an annual remuneration for managing the property of the fund at the rate of 0.3%.

Statements

A distribution statement showing the rate per unit and your unit holding will be sent semi-annually on 31 March and 30 September.

The current value of your units is shown on a valuation statement, which shows the number of units bought over the previous six months, the total number of units in your account and their current value.

Twice yearly on 30 June and 31 December, unitholders will receive a consolidated statement showing, where applicable, their Unit Trust, ICVC and ISA holdings for each fund held.

Prices

The prices of units are available on request from the Manager.

Other information

Copies of the Prospectus, Key Investor Information Document, Supplementary Information Document and the most recent Annual and Interim Reports may be obtained free of charge on application to the Manager or seen by visiting their registered office.

The Register of Unitholders can be inspected during normal business hours at the office of the Registrar, SS&C Financial Services International Limited, SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ.

If you have any queries or complaints about the operation of the fund you should put them to the Compliance Officer, Rathbone Unit Trust Management Limited, 8 Finsbury Circus, London EC2M 7AZ. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

If you have occasion to complain, and in the unlikely event that you do not receive a satisfactory response, you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at financial-ombudsman.org.uk

Risk factors

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 income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

Value Assessment

Our regulator, the Financial Conduct Authority (FCA), has asked us to assess the value of our funds. Assessing value is much more than just looking at the fees you pay or the performance of your fund in isolation. Considering this, we have designed an assessment which looks at nine criteria.

We have also appointed an independent research firm, Square Mile Investment Consulting & Research, to provide an impartial report on the value our funds offer compared with the market.

It is the responsibility of our board of directors to consider the outcomes of these assessments, ensure they are clear and fair, and then communicate to you, our investors, if we have delivered value or, if not, where we need to improve.

You can view the value assessments for the Funds four months after their period end on our website rathbonefunds.com

Other funds

Rathbone Unit Trust Management Limited is also the Manager of the following funds:

Rathbone Active Income and Growth Fund
Rathbone Ethical Bond Fund
Rathbone Global Opportunities Fund
Rathbone Income Fund
Rathbone Strategic Bond Fund
Rathbone UK Opportunities Fund

and the Authorised Corporate Director of:

Rathbone Defensive Growth Portfolio
Rathbone Dynamic Growth Portfolio
Rathbone Enhanced Growth Portfolio
Rathbone Greenbank Global Sustainability Fund
Rathbone Greenbank Defensive Growth Portfolio
Rathbone Greenbank Dynamic Growth Portfolio
Rathbone Greenbank Strategic Growth Portfolio
Rathbone Greenbank Total Return Portfolio
Rathbone High Quality Bond Fund
Rathbone Strategic Growth Portfolio
Rathbone Strategic Income Portfolio
Rathbone Total Return Portfolio

Further details

Should you require further details of this fund or any of the other funds managed by Rathbone Unit Trust Management Limited, a Prospectus, Key Investor Information Document and Supplementary Information Document or an application form for the purchase of shares or units, please write to:

Client Services Department
Rathbone Unit Trust Management Limited
8 Finsbury Circus
London EC2M 7AZ

All literature is available free of charge.
Information is also available on our website:
rathbonefunds.com

Data protection

Where relevant, Rathbones' privacy notice for clients, together with our relevant terms of business, sets out how your personal data (as further detailed in the privacy notice) shall be processed by Rathbones. A copy of the privacy notice is available on request or on Rathbones' website.

From time to time Rathbone Unit Trust Management Limited may wish to communicate with you with information on other products and services offered by the Rathbones Group. If you do not wish to receive these communications, please advise us in writing at the following address:

Data Protection Officer
Rathbone Unit Trust Management Limited
8 Finsbury Circus
London EC2M 7AZ

Rathbones

Look forward

Rathbone Unit Trust Management Limited

8 Finsbury Circus, London EC2M 7AZ
Tel 020 7399 0000

Information line

020 7399 0399
rutm@rathbones.com
rathbonefunds.com

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Investment Association

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