

NOTIFICATION FOR GUERNSEY TAX RESIDENTS IN RELATION TO ACCUMULATION FUNDS

Dear Ravenscroft Fund Investor,

We wanted to write to our Ravenscroft Investment Fund Offshore investors to provide some clarity regarding how accumulated income within the Ravenscroft Fund range (you may know these as “Huntress Funds”) should be treated for tax purposes.

In 2020, the Guernsey Revenue Service updated Statement of Practice M19 (“M19”), which details how Guernsey tax residents should treat earned income in investment funds that accumulate rather than distribute income to investors.

The information contained in our [M19 General Update](#), which we have posted on our website, is relevant to all Guernsey tax residents who have an investment in an accumulation or “roll-up” fund (this means that your dividends are automatically reinvested).

Under M19, you are required to declare all your accumulated income on your tax return and, as a result of the revisions to M19, you have a choice of how to make that tax declaration.

Under M19 investors have two choices:

1) to declare the accumulated income upon disposal of units – i.e. when you sell all or part of your investment, or

2) to declare the accumulated income on an annual basis

To assist investors who hold our own Ravenscroft Investment Fund Offshore (“RIFO”) sub-funds - specifically those invested in the list of unit classes below (being only those with ‘Accumulation’ in the name) - we will provide you with certificates, starting from 2020, that will enable you to declare your taxable income under both methods.

Further information on the specific funds are detailed below.

Many investors will see two certificates on their portal. It is up to investors to decide which method of declaration suits their circumstances best and to use the most suitable certificate. You should not declare under both methods but may change methodology - we recommend you seek tax advice prior to doing this.

These certificates are now available to view on your online portal for 2020. If you do not have access to our portal, certificate(s) will follow in the post shortly.

Ravenscroft Global Income: O and S Accumulation
Ravenscroft Global Balanced: I, O, and S Accumulation
Ravenscroft Global Growth: I, O, and S Accumulation
Ravenscroft Global Blue Chip: I, O, and S Accumulation
Ravenscroft Global Balanced USD: I, O, and S Accumulation

Disposal certificates (those relating to option 1) will be issued to unitholders who have disposed of units during the 2020 fund financial year – please note this runs from 1st October 2019 to 30th September 2020. If you sold in 2020 but after this date, your sale would form part of the 2021 fund financial year and vouchers will be available in 2022.

Ravenscroft Global Income & Global Blue Chip

As the above funds have equivalent distribution classes available, details of the income within these funds have been provided on an annual basis on our Ravenscroft Consolidated Tax Vouchers, as such you may have already been declaring the accumulated income on an annual basis and may wish to continue doing so.

Ravenscroft Global Balanced, Balanced USD and Growth

Historically, as the above funds have not had equivalent distribution classes available, details of the income within these funds have not been available on an annual basis. Starting from 2020 this information will be provided via the vouchers and you can select the most appropriate method or declaration. No declarations need to be made prior to 2020.

Whilst we are on hand to assist where possible, please note we are not authorised to offer clients tax advice. Should you wish to seek clarification on the tax rules or receive advice on your specific tax circumstances, we can make an introduction to an independent tax advisor.

Should you have any questions on any of the above or in regards to your Ravenscroft Fund holding, please contact us using the following email address funds@ravenscroftgroup.com.

Yours faithfully,

Ravenscroft Investment Management Limited

E: funds@ravenscroftgroup.com