

VT ARGONAUT FUNDS

(Sub-funds VT Argonaut European Alpha Fund, VT Argonaut Absolute Return Fund and VT Argonaut Equity Income Fund)

**Interim Report & Financial Statements (Unaudited)
for the Six Months ended 31 August 2021**

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COMPANY OVERVIEW

Type of Company:

VT Argonaut Funds (“the Company”) is an investment company with variable capital (“ICVC”) incorporated in England and Wales under registered number IC000943 and authorised by the Financial Conduct Authority with effect from 12 March 2012. It is a UCITS scheme as defined in COLL and also an umbrella company for the purposes of the OEIC Regulations. The company has unlimited duration

The Company has currently three sub-funds available for investment, VT Argonaut Absolute Return Fund, VT Argonaut European Alpha Fund and VT Argonaut Equity Income Fund. Each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

Shareholders are not liable for the debts of the Company.

A shareholder is not liable to make any further payment to the Company after they have paid the price on the purchase of the shares.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S (ACD's) RESPONSIBILITIES

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the end of the financial period and its net revenue and net capital gains/(losses) for the period. In preparing these financial statements the Authorised Corporate Director is required to:

- > comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements.
- > select suitable accounting policies and then apply them consistently;
- > make judgements and estimates that are reasonable and prudent.
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Corporate Director is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Corporate Director is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR'S STATEMENT

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook, we hereby certify the interim report.



David E. Smith CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date: 29 October 2021

SUB-FUND OVERVIEW

Name of Sub-fund	VT Argonaut European Alpha Fund
Size of Sub-fund	£39,158,954
Launch date	14 July 2012
Sub-fund objective and policy	<p>The Sub-fund aims to achieve returns (capital and income) in excess of the returns of the Investment Association (IA) Europe ex UK Sector over the long term (5 years).</p> <p>The Sub-fund will seek to achieve its objective by investing in a concentrated portfolio of approximately 30-60 stocks. The Sub-fund will invest at least 80% in companies incorporated in countries in Europe. The Sub-fund may also invest in companies that are headquartered or quoted outside Europe which derive a significant part of their business from Europe and whose securities are listed or traded on an eligible securities exchange.</p> <p>The Sub-fund will not concentrate on any particular sector but will invest in a broad range of companies without regard to market capitalisation.</p> <p>The Sub-fund may also invest in other equities, fixed interest, units in collective investment schemes, money market instruments and deposits.</p> <p>The Sub-fund may also make use of certain financial contracts known as derivatives and forward transactions for the purpose of efficient portfolio management, including the use of hedging techniques and stock lending. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund. A target for the Sub-fund's performance has been set by reference to the IA Europe ex UK Sector (the "Target Benchmark") over a five year period.</p>
Benchmark	<p>The IA Europe ex UK Sector is considered to be an appropriate benchmark because it enables investors to compare the performance of the portfolio against competing funds in the same sector.</p> <p>Investors may use the Sub-fund's performance against the Target Benchmark to assess the comparable Sub-fund's rank or quartile as compared to the performance of other funds in the IA Europe ex UK Sector over a variety of time frames.</p> <p>The ACD reserves the right to change the comparator following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change, in accordance with the rules in COLL.</p>
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 August, Last day of February
Distribution dates	31 October, 30 April
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.

SUB-FUND OVERVIEW (continued)**Share class information**

Share class*	Minimum initial subscription	Minimum subsequent investment	Minimum holding	Minimum redemption	Initial charge **
Class A Retail Net Income	£500	£250	£250	£100	5.25%
Class A Retail Net Accumulation	£500	£250	£250	£100	5.25%
Class R Retail Net Income	£500	£250	£250	£100	0.00%
Class R Retail Net Accumulation	£500	£250	£250	£100	0.00%
Class I Institutional Net Income	£3,000,000	£1,000	£3,000,000	£1,000	0.00%
Class I Institutional Net Accumulation	£3,000,000	£1,000	£3,000,000	£1,000	0.00%
Class I Institutional Net Accumulation (Currency Hedged)	£3,000,000	£1,000	£3,000,000	£1,000	0.00%
Class A (Eur) Retail Net Accumulation	€ 2,500	€ 1,000	€ 2,500	€ 1,000	5.25%
Class I (Eur) Institutional Net Accumulation	€ 3,000,000	€ 1,000	€ 3,000,000	€ 1,000	0.00%

* Investors should note the eligibility criteria for each class of share as set out in paragraph 2.2.2 of the Sub-fund's prospectus before subscribing.

**The initial charge is shown as a percentage of the amount invested which is equivalent to 5.5409% of the price of shares.

Annual Management Charges

In respect of the A shares, it is equal to 1.75% per annum of the net asset value of the A shares.

In respect of the R shares, it is equal to 0.75% per annum of the net asset value of the B shares.

In respect of the I shares, it is equal to 0.75% per annum of the net asset value of the C shares.

INVESTMENT MANAGER'S REPORT

Investment Review

The fund returned +7.4% (Class R Retail Net Accumulation) over the 6-month review period (to August 31st 2021) vs the IA Europe ex UK sector of +17.3%. Since launch the fund returned +306.7% vs the IA Europe ex UK sector of +309.7%.

The fund's biggest winner was its investment in VW holding company Porsche (+31%) which rose strongly as the market began to appreciate the Group's strong position in the nascent Electronic Vehicle market and the modest valuation compared with Tesla. The fund also benefitted from its exposure to property logistics company WDP (+39%) where cheap money and rising demand for warehouses should lead to rising rental income.

Our investments in eastern Europe also performed well: Hungarian OTP (+34%) and Russian Sberbank (+32%) performed strongly as loan growth recovered with economic growth and margins expanded as long-term interest rates rose. Our expose to the steel industry was also beneficial as the world's key wing producer China cut back on production: notably Arcelor Mittal (+19%) and Outokumpu (+19%).

More recently, the fund has begun to position for an economic slowdown over the northern hemisphere winter. Importantly and unusually in our opinion this will be led more by supply rather than demand shortages. Seasonal spikes in COVID cases which the vaccine appears unable to control poses perhaps the biggest risk, with politicians still focused on eliminating the virus rather than a more realistic aim of mitigating its consequences.

Inflation is currently high and pervasive. Is it as "transient" as the Federal Reserve and the bond market currently believes? Supply side constraints in logistics, labour, manufacturing components and commodities show little sign in being solved: they will impact on company profits, productivity, and therefore economic growth. If COVID proves endemic then either COVID politics will have to change or mobility restrictions become a permanent feature; if de-carbonisation of the global economy is not better managed then the price of energy and commodities is likely to remain significantly higher; if the stock market remains obsessed with allocating capital only to innovative technology, then the joints of the old economy will continue to creak. If the "Woke Capitalism" that now pervades the fund management industry prevails then we should not expect economic growth to be unaffected.

Market Overview

The beginning of the review period saw high confidence that vaccines would eradicate COVID, very robust global economic growth with concerns over the longer-term path of interest rates and inflation.

Over the summer it became clear that whatever its effectiveness against severe disease progression, the vaccine did not prevent virus transmission. In fact, summer 2021 cases have been significantly higher than those seen in the same period in 2020 when no vaccine existed. Despite mounting evidence to the contrary market expectations still believes that the COVID problem is now in the rear-view mirror.

The Federal Reserve have maintained their asset purchases at \$120bn a month although now say they will likely taper purchases in November with a view to ending asset purchase mid-2022. When the tide of liquidity goes out it we can see where the bodies are buried in the sand.

Governments also responded with unprecedented largesse to the COVID lockdown downturn. They can no longer afford to be so generous: balance sheets are creaking whilst there are too many amongst the working population who have become too used to being paid by the government to sit at home.

Our conclusion is that whatever problems economies and markets now face, governments and central banks have already shot their bolt.

Outlook

The recent summer COVID infections from the Delta variant have resulted in plummeting consumer confidence in the US and a stalling of economic re-opening trends. We now know that COVID restrictions can be both deflationary in restricting demand in some industries but highly inflationary in curtailing supply in other areas of the economy. These shortages from shipping to semiconductors will continue to endure. Profit margins in companies where demand is relatively unaffected by the pandemic could continue to be squeezed. Central banks such as the Federal Reserve which is currently discussing the degree to which monetary stimulus is withdrawn may be forced to confront stagflation rather than deflation.

We fear pervasive inflation will result in a depression of stock-market multiples and an ongoing hit to profit margins. As such we think that cheap, largely unfashionable companies which we believe have enough pricing power to endure any further COVID uncertainties will be best placed to benefit from ongoing structural trends and bottlenecks to global growth.

INVESTMENT MANAGER'S REPORT (Continued)

European Equity Income currently inhabits an investment sweet spot: superior yield to other asset classes but now with “value” that is no longer trapped, given the transfer of pricing power in the new supply constrained economy. Hence, we remain enthused about the current capital and dividend prospects for the fund.

Barry Norris
Argonaut Capital Partners LLP
Investment Manager to the Fund
27 September 2021

PERFORMANCE RECORD

Financial Highlights

Class A Retail Net Income

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	161.46	152.02	143.19
Return before operating charges	12.62	13.01	12.98
Operating charges (note 1)	(1.55)	(3.13)	(3.23)
Return after operating charges *	11.07	9.88	9.75
Distributions on income units	(1.43)	(0.44)	(0.92)
Closing net asset value per unit	171.09	161.46	152.02
*after direct transactions costs of:	0.91	1.22	1.31
Performance			
Return after charges	6.86%	6.50%	6.81%
Other information			
Closing net asset value	£289,337	£273,583	£291,556
Closing number of units	169,111	169,445	191,794
Operating charges (note 2)	1.86%	2.00%	2.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	174.82	173.45	169.64
Lowest unit price	160.30	121.16	143.57

Class A Retail Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	346.91	325.65	305.07
Return before operating charges	27.12	27.99	27.46
Operating charges (note 1)	(3.34)	(6.73)	(6.88)
Return after operating charges *	23.78	21.26	20.58
Closing net asset value per unit	370.69	346.91	325.65
Distributions on accumulation units	3.05	0.94	1.97
*after direct transactions costs of:	1.96	2.62	2.80
Performance			
Return after charges	6.86%	6.53%	6.75%
Other information			
Closing net asset value	£19,545,520	£20,495,107	£22,834,070
Closing number of units	5,272,681	5,907,857	7,011,882
Operating charges (note 2)	1.86%	2.00%	2.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	375.62	372.68	363.41
Lowest unit price	344.42	259.55	305.87

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

Class A (Eur) Retail Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	EURc	EURc	EURc
Opening net asset value per unit	163.84	155.44	146.26
Return before operating charges	14.95	11.59	12.41
Operating charges (note 1)	(1.59)	(3.19)	(3.23)
Return after operating charges *	13.36	8.40	9.18
Closing net asset value per unit	177.20	163.84	155.44
Retained distributions on accumulated units	1.23	0.45	0.90
*after direct transactions costs of:	0.93	1.25	1.32
Performance			
Return after charges	8.16%	5.40%	6.28%
Other information			
Closing net asset value	€ 9,125	€ 17,416	€ 16,523
Closing number of units	5,150	10,630	10,630
Operating charges (note 2)	1.86%	2.00%	2.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	178.42	171.35	177.98
Lowest unit price	163.73	117.00	146.38

Class I Institutional Net Income

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	GBP	GBP	GBP
Opening net asset value per unit	167.03	156.47	146.78
Return before operating charges	13.10	13.38	13.32
Operating charges (note 1)	(0.74)	(1.62)	(1.69)
Return after operating charges *	12.36	11.76	11.63
Distributions on income units	(2.37)	(1.21)	(1.94)
Closing net asset value per unit	177.01	167.03	156.47
*after direct transactions costs of:	1.48	1.26	1.35
Performance			
Return after charges	7.40%	7.52%	7.92%
Other information			
Closing net asset value	£2,097,490	£2,066,310	£3,993,215
Closing number of units	1,184,933	1,237,114	2,552,023
Operating charges (note 2)	0.86%	1.00%	1.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	181.09	179.20	174.77
Lowest unit price	165.86	124.81	147.26

PERFORMANCE RECORD (Continued)**Financial Highlights (Continued)****Class I Institutional Net Accumulation**

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	GBP	GBP	GBP
Opening net asset value per unit	314.59	292.40	271.19
Return before operating charges	24.68	25.23	24.34
Operating charges (note 1)	(1.40)	(3.03)	(3.13)
Return after operating charges *	23.28	22.19	21.21
Closing net asset value per unit	337.87	314.59	292.40
Retained distributions on accumulated units	4.47	2.26	3.56
*after direct transactions costs of:	1.78	2.37	2.50
Performance			
Return after charges	7.40%	7.59%	7.82%
Other information			
Closing net asset value	£3,437,939	£3,738,623	£5,295,749
Closing number of units	1,017,526	1,188,409	1,811,160
Operating charges (note 2)	0.86%	1.00%	1.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	341.08	337.53	326.22
Lowest unit price	312.39	233.15	272.07

Class I Institutional Net Accumulation (Currency Hedged)	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	GBP	GBP	GBP
Opening net asset value per unit	113.38	104.61	96.58
Return before operating charges	10.14	9.86	9.18
Operating charges (note 1)	(0.51)	(1.09)	(1.15)
Return after operating charges *	9.63	8.77	8.03
Closing net asset value per unit	123.00	113.38	104.61
Retained distributions on accumulated units	0.00	0.00	1.09
*after direct transactions costs of:	0.65	0.85	0.87
Performance			
Return after charges	8.49%	8.38%	8.31%
Other information			
Closing net asset value	£227,056	£155,420	£184,754
Closing number of units	184,592	137,083	176,620
Operating charges (note 2)	0.86%	1.00%	1.09%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	123.58	118.23	117.56
Lowest unit price	113.08	80.10	96.43

PERFORMANCE RECORD (Continued)**Financial Highlights (Continued)****Class I (Eur) Institutional Net Accumulation**

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	EURc	EURc	EURc
Opening net asset value per unit	180.52	169.84	158.23
Return before operating charges	16.40	12.43	13.41
Operating charges (note 1)	(0.81)	(1.75)	(1.80)
Return after operating charges *	15.59	10.68	11.61
Closing net asset value per unit	196.11	180.52	169.84
Retained distributions on accumulated units	2.23	1.26	1.99
*after direct transactions costs of:	1.03	1.37	1.44
Performance			
Return after charges	8.64%	6.29%	7.34%
Other information			
Closing net asset value	€ 78,722	€ 72,464	€ 4,748,989
Closing number of units	40,142	40,142	2,796,107
Operating charges (note 2)	0.86%	1.00%	1.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	197.00	188.75	184.43
Lowest unit price	180.43	128.00	158.40

Class R Retail Net Income

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	188.05	176.17	165.27
Return before operating charges	14.75	15.06	14.99
Operating charges (note 1)	(0.83)	(1.82)	(1.90)
Return after operating charges *	13.92	13.24	13.09
Distributions on income units	(2.67)	(1.36)	(2.19)
Closing net asset value per unit	199.29	188.05	176.17
*after direct transactions costs of:	1.06	1.42	1.52
Performance			
Return after charges	7.40%	7.52%	7.92
Other information			
Closing net asset value	£1,100,874	£1,155,386	£1,318,100
Closing number of units	552,387	614,402	748,177
Operating charges (note 2)	0.86%	1.00%	1.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	203.89	201.76	196.77
Lowest unit price	186.73	140.52	165.81

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

Class R Retail Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	GBP	GBP	GBP
Opening net asset value per unit	204.33	189.92	176.14
Return before operating charges	16.03	16.39	15.82
Operating charges (note 1)	(0.91)	(1.97)	(2.04)
Return after operating charges *	15.12	14.41	13.78
Closing net asset value per unit	219.46	204.33	189.92
Retained distributions on accumulated units	2.90	1.47	2.33
*after direct transactions costs of:	1.16	1.54	1.63
Performance			
Return after charges	7.40%	7.59%	7.82%
Other information			
Closing net asset value	£12,402,809	£13,453,063	£15,922,039
Closing number of units	5,651,597	6,583,832	8,383,608
Operating charges (note 2)	0.86%	1.00%	1.04%
Direct transaction costs	0.55%	0.78%	0.82%
Prices			
Highest unit price	221.54	219.24	211.89
Lowest unit price	202.90	151.44	176.71

1. The operating charges per unit figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 6 because historical performance data indicates that high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 August 2021 (Unaudited)

Holding	EQUITIES & WARRANTS	Value £	% of net assets
Austria (28.02.2021: 0.00%)			
15,000	Verbund AG	1,192,142	3.04%
Belgium (28.02.2021: 4.24%)			
49,817	Warehouses de Pauw NV	1,647,498	4.21%
Denmark (28.02.2021: 4.81%)			
500	AP Moeller - Maersk A/S	1,046,096	2.67%
Finland (28.02.2021: 6.21%)			
France (28.02.2021: 5.09%)			
250,000	Electricite De France SA	2,491,283	6.36%
24,000	Kaufman & Broad SA	815,774	2.08%
45,000	Veolia Environnement SA	1,124,655	2.87%
70,000	Vivendi SE	1,947,391	4.97%
		6,379,103	16.28%
Germany (28.02.2021: 5.48%)			
40,000	Aixtron SE	887,967	2.27%
20,000	Deutsche Post AG	1,043,181	2.66%
120,000	E.ON SE	1,158,998	2.96%
30,000	Infineon Technologies AG	940,306	2.40%
15,000	Porsche Automobil Holding SE	1,117,565	2.85%
		5,148,017	13.14%
Hungary (28.02.2021: 5.08%)			
30,038	OTP Bank Nyrt	1,306,258	3.34%
Ireland (28.02.2021: 0.00%)			
12,000	Flutter Entertainment PLC	1,694,100	4.33%
Italy (28.02.2021: 3.17%)			
Luxembourg (28.02.2021: 0.00%)			
35,000	ArcelorMittal SA	866,309	2.21%
7,000	Spotify Technology SA	1,185,460	3.03%
		2,051,769	5.24%
Netherlands (28.02.2021: 10.65%)			
8,000	Airbus SE	784,010	2.00%
5,500	ASM International NV	1,566,017	4.00%
90,000	CNH Industrial NV	1,095,069	2.80%
7,500	NXP SEMICONDUCTORS NV	1,239,605	3.17%
30,000	Qiagen NV	1,223,662	3.12%
26,000	Takeaway.com NV	1,699,470	4.34%
		7,607,833	19.43%
Norway (28.02.2021: 2.10%)			
		-	0.00%
Russia (28.02.2021: 4.53%)			
320,000	Gazprom PAO	1,940,317	4.96%
100,000	Sberbank Rossii PAO	1,299,631	3.33%
		3,239,948	8.29%

PORTFOLIO STATEMENT

Spain (28.02.2021:7.33%)			
34,671	Aedas Homes SA	818,684	2.09%
60,000	Neinor Homes SA	623,949	1.59%
		1,442,633	3.68%
Sweden (28.02.2021: 6.30%)			
15,000	JM AB	418,688	1.07%
250,000	SSAB AB	886,532	2.26%
50,000	VNV Global AB (publ)	424,563	1.08%
15,987	VNV Global AB (publ) WTS 10/08/23	19,629	0.05%
		1,749,412	4.46%
Switzerland (28.02.2021: 12.91%)			
10,000	Logitech International SA	756,115	1.93%
United Kingdom (28.02.2021: 5.01%)			
260,000	Redrow PLC	1,823,380	4.66%
United States (28.02.2021: 16.76%)			
20,000	Cboe Global Markets Inc	1,802,270	4.60%
	Portfolio of investments	38,886,574	99.30%
Forward currency contracts (28.02.2021: 0.00%)			
	CHF Fwd FX Hedge Loss	11	0.00%
	DKK Fwd FX Hedge Loss	(20)	0.00%
	EUR Fwd FX Hedge Loss	(340)	0.00%
	HUF Fwd FX Hedge Loss	(27)	0.00%
	SEK Fwd FX Hedge Loss	(66)	0.00%
	USD Fwd FX Hedge Gain	45	0.00%
		(397)	0.00%
	Portfolio of investments (28.02.2021: 99.67%)	38,886,177	99.30%
	Net other assets (28.02.2021: 0.41%)	290,347	0.74%
	Mid to bid adjustment ((28.02.2021: (0.08%))	(17,570)	(0.04%)
		39,158,954	100.00%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Total sales for the period	£ 99,685,766
Porsche Automobil Holding SE	3,930,204
Outokumpu Oyj	3,729,633
NK Lukoil PAO	3,617,437
Bayer AG	3,275,699
SSAB AB	2,891,938
Volkswagen AG	2,722,957
Gazprom PAO	2,517,176
Tenaris SA	2,456,084
Western Digital Corp (CFD)	2,451,704
NXP Semiconductors NV	2,430,994
Total purchase for the period	£ 94,828,455
Gazprom PAO	4,312,035
Cboe Global Markets Inc (CFD)	3,478,723
SSAB AB	2,787,613
Electricite De France SA	2,750,836
Volkswagen AG	2,620,846
NXP Semiconductors NV	2,562,462
Bayer AG	2,546,224
Tenaris SA	2,374,138
Western Digital Corp (CFD)	2,333,919
ArcelorMittal SA	2,316,038

The above transactions represents the top ten sales and top ten purchases for the period.

STATEMENT OF TOTAL RETURN

For the six months ended 31 August 2021 (unaudited)

	2021		2020	
	£	£	£	£
Income				
Net capital gains/(losses)		2,352,849		(1,252,557)
Revenue	880,784		681,075	
Expenses	(289,497)		(348,036)	
Interest payable and similar charges	<u>(2,456)</u>		<u>(2,497)</u>	
Net revenue before taxation	588,831		330,542	
Taxation	<u>(101,509)</u>		<u>(52,273)</u>	
Net (expenses)/revenue after taxation		<u>487,322</u>		<u>278,269</u>
Total return before distributions		2,840,171		(974,288)
Finance costs: distributions		<u>(437,529)</u>		<u>(278,459)</u>
Changes in net assets attributable to shareholders from investment activities		<u>2,402,642</u>		<u>(1,252,747)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 August 2021 (unaudited)

	2021	2020
	£	£
Opening net assets attributable to shareholders	41,375,978	53,937,715
Amounts receivable on creation of shares	368,658	394,172
Amounts payable on cancellation of shares	(5,338,170)	(9,895,472)
Fund switch	(24,355)	-
Dividend reinvested	374,201	203,891
Dilution levy	-	14,614
Changes in net assets attributable to shareholders from investment activities (see above)	<u>2,402,642</u>	<u>(1,252,747)</u>
Closing net assets attributable to shareholders	<u>39,158,954</u>	<u>43,402,173</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The fund net asset value as at 28 February 2021 was £41,375,978.

BALANCE SHEET

As at 31 August 2021	31.08.21		28.02.2021	
	£	£	£	£
ASSETS				
Investment assets		38,869,004		41,201,425
Current assets				
Debtors	378,919		6,709,651	
Cash and bank balances	<u>574,823</u>		<u>4,711,738</u>	
Total current assets		<u>953,742</u>		<u>11,421,389</u>
Total assets		39,822,746		52,622,814
LIABILITIES				
Investment liabilities		(397)		(1,292)
Current liabilities				
Distribution payable on income shares	(45,333)		-	
Bank overdraft	(442,151)		(5,073,287)	
Creditors	<u>(175,911)</u>		<u>(6,172,257)</u>	
Total current liabilities		<u>(663,395)</u>		<u>(11,245,544)</u>
Net assets attributable to shareholders		<u>39,158,954</u>		<u>41,375,978</u>

Accounting policies

The accounting policies applied are consistent with those of the financial statements for the period ended 28 February 2021 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014.

DISTRIBUTION TABLES

Interim distributions in pence per share (cents for Euro class)

Group 1: Shares purchased prior to 01 March 2021

Group 2: Shares purchased on or after 01 March 2021 to 31 August 2021

Payment date	Unit Type	Share Class	Net Revenue	Equalisation	Distribution paid/allocated 29.10.21	Distribution paid/allocated 31.10.20
29.10.21	group 1	Class A Retail Net Income	1.4347	-	1.4347	0.4411
29.10.21	group 2	Class A Retail Net Income	0.0015	1.4332	1.4347	0.4411
29.10.21	group 1	Class A Retail Net Accumulation	3.0543	-	3.0543	0.9429
29.10.21	group 2	Class A Retail Net Accumulation	2.1521	0.9022	3.0543	0.9429
29.10.21	group 1	Class A (Eur) Retail Net Accumulation	1.2267	-	1.2267	0.4524
29.10.21	group 2	Class A (Eur) Retail Net Accumulation	1.2267	0.0000	1.2267	0.4524
29.10.21	group 1	Class I Institutional Net Income	2.3747	-	2.3747	1.2074
29.10.21	group 2	Class I Institutional Net Income	1.7417	0.6330	2.3747	1.2074
29.10.21	group 1	Class I Institutional Net Accumulation	4.4653	-	4.4653	2.2580
29.10.21	group 2	Class I Institutional Net Accumulation	3.2040	1.2613	4.4653	2.2580
29.10.21	group 1	Class I Institutional Net Accumulation (Currency Hedged)	1.4589	-	1.4589	-
29.10.21	group 2	Class I Institutional Net Accumulation (Currency Hedged)	1.4193	0.0396	1.4589	-
29.10.21	group 1	Class I (Eur) Institutional Net Accumulation	2.2343	-	2.2343	1.2648
29.10.21	group 2	Class I (Eur) Institutional Net Accumulation	2.2343	0.0000	2.2343	1.2648
29.10.21	group 1	Class R Retail Net Income	2.6736	-	2.6736	1.3623
29.10.21	group 2	Class R Retail Net Income	1.4097	1.2639	2.6736	1.3623
29.10.21	group 1	Class R Retail Net Accumulation	2.9030	-	2.9030	1.4658
29.10.21	group 2	Class R Retail Net Accumulation	1.5768	1.3262	2.9030	1.4658

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. 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 shares for capital gains tax purposes.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Argonaut Absolute Return Fund
Size of Sub-fund	£27,580,242
Launch date	14 July 2012
Sub-fund objective and policy	<p>To provide positive returns over a 3 year period, regardless of market conditions.</p> <p>Capital invested in the Sub-fund is at risk and there is no guarantee that the investment objective will be met over a 3 year, or any other period.</p> <p>The Sub-fund may, at times, invest in a relatively small number of equities, the selection of which will not be restricted either by size, industry, or geographical location of the underlying companies, although exposure is expected to be mainly (over 50% of gross exposure) to companies incorporated in Europe.</p> <p>The Sub-fund may take investment exposure to equities, fixed interest instruments, collective investment schemes (which may include those managed/operated by the ACD) cash and near cash (which includes money market instruments and deposits in any currency).</p> <p>Any such exposures could be gained by direct investment or through funds or derivative instruments.</p> <p>In pursuit of its investment policy, all or a substantial proportion of the Sub-fund's assets may consist of cash, near cash, deposits, warrants and/or money market instruments.</p> <p>The Sub-fund may use derivatives and forward transactions (that is sophisticated investment instruments linked to the rise and fall of the price of other assets) for the purposes of meeting the investment objective or efficient portfolio management.</p>
Investment Strategy	<p>The Investment Manager will seek to identify methodically those investments, generally in European markets including the UK and Eastern Europe, with the most and least attractive characteristics for investment. This assessment will be made with a view to being long on stocks with superior or underestimated earnings trends and being short on stocks with inferior or overestimated earnings trends.</p> <p>The investment process will involve traditional long investing (taking a position in a stock on the expectation of the stock rising) and also "shorting" (taking a position with the expectation of the stock falling). Stocks are selected by the Investment Manager primarily on over (shorts) and under (longs) estimated corporate earnings trends with the aim of providing "double alpha" from our stock-picking. Alpha is the difference between our returns and those of the market average. Successfully executed this will result in positive returns from the Fund regardless of market conditions.</p> <p>The Sub-fund may also use leverage to enhance returns or cash to protect capital. The Investment Manager will vary leverage and market exposure according to market conditions.</p> <p>Investment strategies will be achieved through some use of derivative products (which will include contracts for difference (swaps), traded options and financial futures) in the pursuit of the investment objective. Direct investment will be made in equities and corporate debt securities for long exposure whereas exchange-traded financial derivative instruments and over-the-counter financial derivative instruments (together 'derivatives'). Short positions will be generated synthetically through derivatives, designed to allow the Sub-fund to benefit economically from the fall in the price of the underlying securities to which the derivatives relate.</p> <p>In pursuit of its investment policy, all or a substantial proportion of the Sub-fund's assets may consist of cash, near cash, deposits, warrants and/or money market instruments; the Sub-fund may also invest in government bonds and other transferable securities collective investment schemes (and use may be made of stock lending, borrowing, hedging techniques permitted by the FCA Rules).</p>

SUB-FUND OVERVIEW (continued)

Investment Strategy (continued)

In addition to a cash holding being maintained to contribute to the absolute return, substantial cash holdings could be required in support of derivatives to achieve the same economic return as holding the securities themselves.

The Sub-fund's over-the-counter financial derivatives may be transacted with a single counterparty and strategies may be generated through a single derivative contract. In all circumstances, however, the Sub-fund will comply with the investment restrictions and limits set out in the Prospectus. Derivatives strategies are designed to have the same economic effect as if the Sub-fund were investing directly in the equities underlying the derivatives.

In addition, the Sub-fund has the ability to invest in transferable securities embedding derivatives such as convertible bonds and to employ techniques involving, foreign exchange forwards, futures, options, stock lending and contracts for difference for the purpose of efficient portfolio management. These strategies may be used for reducing risk, reducing cost or generating additional capital for the Sub-fund.

The Sub-fund aims to generate absolute returns from five principal strategies:

- Long investing where there is a strong conviction that the stock price will rise;
- Short investing where there is a strong conviction that the stock price will fall;
- Pair trades – a combination of long and short investments to minimise sector and market risk. This could take the form of arbitrage opportunities such as long corporate debt paired with short equity;
- Cash holdings of up to 100% of the portfolio;
- Leverage to increase exposure to equity and corporate debt securities whether long or short but only to the extent permitted by the FCA Regulations.

Benchmark

The Sub-fund is not managed against any formal benchmark. The Sub-fund uses the Investment Association's (IA) IA Targeted Absolute Return Sector for performance comparison purposes only ("Performance Comparator"). The Performance Comparator is not used as a performance target or as a constraint in relation to the composition of the Sub-fund's portfolio.

The Performance Comparator was chosen because it enables investors to compare the performance of the portfolio against competing funds in the same sector.

The Performance Comparator is used to compare the Sub-fund's rank or quartile as compared to the performance of other Sub-funds in the IA Targeted Absolute Return Sector over a variety of time frames.

The ACD reserves the right to change the comparator following consultation with the Depositary and in accordance with the rules of COLL. A change could arise, for example, where the ACD determines that an alternative may be more appropriate. Shareholders will be notified of such a change, in accordance with the rules in COLL.

Authorised Corporate Director (ACD)

Valu-Trac Investment Management Limited

Ex-distribution dates

31 August, Last day of February

Distribution dates

31 October, 30 April

Individual Savings Account (ISA)

The Sub-fund is a qualifying investment for inclusion in an ISA.

SUB-FUND OVERVIEW (continued)

Share class information

Share class*	Minimum initial subscription	Minimum subsequent investment	Minimum holding	Minimum redemption	Initial charge **
Class A (Currency Hedged) Retail Net Accumulation	£ 500	£ 250	£ 250	£ 100	5.25%
Class R (Currency Hedged) Retail Net Accumulation	£ 500	£ 250	£ 250	£ 100	0.00%
Class I (Currency Hedged) Institutional Net Accumulation	£ 3,000,000	£ 1,000	£ 3,000,000	£ 1,000	0.00%
Class O (Currency Hedged) Institutional Net Accumulation	£ 500	£ 250	£ 250	£ 100	5.00%
Class A (Eur) (Currency Hedged) Retail Net Accumulation	€ 2,500	€ 1,000	€ 2,500	€ 1,000	5.25%
Class I (Eur) (Currency Hedged) Institutional Net Accumulation	€ 3,000,000	€ 1,000	€ 3,000,000	€ 1,000	0.00%
Class O (Eur) (Currency Hedged) Institutional Net Accumulation	€ 2,500	€ 1,000	€ 2,500	€ 1,000	5.00%
Class A (USD) (Currency Hedged) Retail Net Accumulation	\$ 2,500	\$ 1,000	\$ 2,500	\$ 1,000	5.25%
Class I (USD) (Currency Hedged) Institutional Net Accumulation	\$ 3,000,000	\$ 1,000	\$ 3,000,000	\$ 1,000	0.00%
Class O (USD) (Currency Hedged) Institutional Net Accumulation	\$ 2,500	\$ 1,000	\$ 2,500	\$ 1,000	5.00%

* Investors should note the eligibility criteria for each class of share as set out in paragraph 2.2.2 of the Sub-fund's prospectus before subscribing.

**The initial charge is shown as a percentage of the amount invested which is equivalent to 5.5409% of the price of shares.

Annual Management Charges

In respect of the A shares, it is equal to 1.50% per annum of the net asset value of the A shares.

In respect of the R shares, it is equal to 0.75% per annum of the net asset value of the B shares.

In respect of the I shares, it is equal to 0.75% per annum of the net asset value of the C shares.

In respect of the O shares, it is equal to 1.50% per annum of the net asset value of the O shares.

Performance Fee

The Performance Fee will be calculated and accrued daily but will only become payable annually in arrears in respect of each discrete period of twelve months ending 31 December (the "Performance Period"). The Performance Fee will accrue daily as if each day were the end of a Performance Period, therefore if relevant; the fee may be payable upon redemptions and will be paid to the Investment Manager at the end of the Performance Period. There is no maximum value on the Performance Fee that could be taken. Full details can be found in the prospectus.

The amount of Performance Fee payable in respect of each Performance Period is a Sterling amount equivalent to the product of:

- (a) the opening NAV;
- (b) the higher of:
 - the excess performance over 5% (the "Hurdle Rate"); and
 - the highest mid price, net of any performance fee, calculated at the end of any previous Performance Period (the "High Watermark"); the higher being the "Target Price";
- (c) the rate of the performance fee (being 20% of the outperformance of the Target Price); and
- (d) the average number of Shares in issue during the Calculation Period.

The accrual for a performance fee shall reflect the average number of Shares in issue during the Performance Period. However, where the actual number of shares in issue (on any day) is less than 95% of the average number of shares in issue shown on the performance fee calculation (which could occur where large redemptions of shares are placed relative to the number of shares in issue in that share class), the average number of shares in issue will be reset to the actual number of shares in issue.

INVESTMENT MANAGER'S REPORT

Investment Review

The fund returned +0.43% Class R (currency hedged) Retail Net Accumulation over the 6-month review period (31st August 2021) vs. the IA Targeted Absolute Return sector of +2.98% and the Lipper equity long/short sector of +5.91%. The correlation of the fund was just 0.25%.

Since launch the fund has returned +117.8% vs. the IA Targeted Absolute Return sector of +47.9% and the Lipper equity long/short sector of +41.9% with a correlation of just 0.15%.

The fund made good money in its long book. Our biggest winner was its investment in VW holding company Porsche (+31%) which rose strongly as the market began to appreciate the Group's strong position in the nascent Electronic Vehicle market and the modest valuation compared with Tesla. The fund also benefitted from its exposure to US integrated steel company Cleveland Cliffs (+78%) and Ukrainian iron ore pellet outfit Ferrexpo (+43%) as the steel industry boomed. Property logistics companies Segro (+44%) and WDP (+39%) - where cheap money and rising demand for warehouses should lead to rising rental income - also performed strongly.

The fund lost money in its short book largely owing to the pervasive high appetite for risk. Winners included Peruvian miner Hochschild (-27%) where a newly elected radical socialist government threatens higher taxes and insecurity over property rights. Inovio Pharma (-32%) was weak as the market saw through its unrealistic COVID vaccine claims. Cineworld (-35%) fell as the company continued to burn its small cash balance with unrealistic assumptions that the industry will return to 2019 levels of demand.

More recently, the fund has begun to position for an economic slowdown over the northern hemisphere winter. Importantly and unusually in our opinion this will be led more by supply rather than demand shortages. Seasonal spikes in COVID cases which the vaccine appears unable to control poses perhaps the biggest risk, with politicians still focused on eliminating the virus rather than a more realistic aim of mitigating its consequences.

Inflation is currently high and pervasive. Is it as "transient" as the Federal Reserve and the bond market currently believes? Supply side constraints in logistics, labour, manufacturing components and commodities show little sign in being solved: they will impact on company profits, productivity, and therefore economic growth. If COVID proves endemic then either COVID politics will have to change or mobility restrictions become a permanent feature; if de-carbonisation of the global economy is not better managed then the price of energy and commodities is likely to remain significantly higher; if the stock market remains obsessed with allocating capital only to innovative technology, then the joints of the old economy will continue to creak. If the "Woke Capitalism" that now pervades the fund management industry prevails then we should not expect economic growth to be unaffected.

Market Overview

The beginning of the review period saw high confidence that vaccines would eradicate COVID, very robust global economic growth with concerns over the longer-term path of interest rates and inflation.

Over the summer it became clear that whatever its effectiveness against severe disease progression, the vaccine did not prevent virus transmission. In fact, summer 2021 cases have been significantly higher than those seen in the same period in 2020 when no vaccine existed. Despite mounting evidence to the contrary market expectations still believes that the COVID problem is now in the rear-view mirror.

The Federal Reserve have maintained their asset purchases at \$120bn a month although now say they will likely taper purchases in November with a view to ending asset purchase mid-2022. When the tide of liquidity goes out it we can see where the bodies are buried in the sand.

Governments also responded with unprecedented largesse to the COVID lockdown downturn. They can no longer afford to be so generous: balance sheets are creaking whilst there are too many amongst the working population who have become too used to being paid by the government to sit at home.

Our conclusion is that whatever problems economies and markets now face, governments and central banks have already shot their bolt.

Outlook

The recent summer COVID infections from the Delta variant have resulted in plummeting consumer confidence in the US and a stalling of economic re-opening trends. We now know that COVID restrictions can be both deflationary in restricting demand in some industries but highly inflationary in curtailing supply in other areas of the economy. These shortages from shipping to semiconductors will continue to endure. Profit margins in companies where demand is relatively unaffected by the pandemic could continue to be squeezed. Central banks such as the Federal Reserve which is currently discussing the degree to which monetary stimulus is withdrawn may be forced to confront stagflation rather than deflation.

We fear pervasive inflation will result in a depression of stock-market multiples and an ongoing hit to profit margins. As such we have heightened expectations for our short book where our research has already identified plentiful fraudulent bodies in the sand. Our long book by contrast is composed of cheap, largely unfashionable companies which we believe have enough pricing power to endure any further COVID uncertainties will be best placed to benefit from ongoing structural trends and bottlenecks to global growth.

Barry Norris
Argonaut Capital Partners LLP
Investment Manager to the Fund
27 September 2021

PERFORMANCE RECORD

Financial Highlights

Class A (currency hedged) Retail Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	197.48	188.62	151.34
Return before operating charges	1.64	13.32	43.08
Operating charges (note 1)	(1.65)	(4.46)	(5.80)
Return after operating charges *	(0.01)	8.86	37.28
Closing net asset value per unit	197.47	197.48	188.62
Distributions on accumulation units	-	-	-
*after direct transactions costs of:	0.00	0.06	0.16
Performance			
Return after charges	(0.01%)	4.70%	24.63%
Other information			
Closing net asset value	£4,811,883	£7,799,997	£556,766
Closing number of units	2,436,730	3,949,689	295,178
Operating charges (note 2)	1.67%	2.31%	3.41%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	220.14	238.14	197.35
Lowest unit price	192.31	188.64	149.86

Class A (Eur) (currency hedged) Retail Net Accumulation

	Period to 31 August 2021	Period from 8 February 2021 to 28 February 2021**	Period from 1 March 2019 to 3 May 2019*
Changes in net assets per unit	EURc	EURc	EURc
Opening net asset value per unit	123.26	131.87	126.43
Return before operating charges	0.56	(8.36)	6.21
Operating charges (note 1)	(1.03)	(0.25)	(0.77)
Return after operating charges *	(0.46)	(8.61)	5.44
Closing net asset value per unit	122.80	123.26	131.87
Distributions on accumulation units	-	-	-
*after direct transactions costs of:	0.00	0.04	0.12
Performance			
Return after charges	(0.38%)	(6.53%)	4.30%
Other information			
Closing net asset value	€ 1,512,740	€ 1,866,692	€ 0
Closing number of units	1,231,873	1,514,393	0
Operating charges (note 2)	1.67%	2.31%	3.47%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	137.78	132.20	133.23
Lowest unit price	119.71	124.09	124.92

*Share class was closed on 07 May 2019.

**Share class re-opened on 8 February 2021.

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

Class A (USD) (currency hedged) Retail Net Accumulation

	Period to 31 August 2021	Period from 3 December 2020 to 28 February 2021+
Changes in net assets per unit		
	USDc	USDc
Opening net asset value per unit	99.07	100.00
Return before operating charges	0.88	(0.35)
Operating charges (note 1)	(0.83)	(0.57)
Return after operating charges *	0.05	(0.93)
Closing net asset value per unit	99.13	99.07
Distributions on accumulation units	-	-
*after direct transactions costs of:	0.00	0.03
Performance		
Return after charges	0.06%	(0.93%)
Other information		
Closing net asset value	\$458,467	\$126,238
Closing number of units	462,493	127,417
Operating charges (note 2)	1.67%	2.31%
Direct transaction costs	0.00%	0.03%
Prices		
Highest unit price	110.96	106.87
Lowest unit price	96.59	97.57

+Share class launched on 3 December 2020.

Class I (currency hedged) Institutional Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	GBP	GBP	GBP
Opening net asset value per unit	216.94	204.42	162.78
Return before operating charges	1.82	15.81	46.52
Operating charges (note 1)	(1.00)	(3.29)	(4.88)
Return after operating charges *	0.82	12.52	41.64
Closing net asset value per unit	217.76	216.94	204.42
Retained distributions on accumulated units	-	-	-
*after direct transactions costs of:	0.00	0.06	0.18
Performance			
Return after charges	0.38%	6.13%	25.58%
Other information			
Closing net asset value	£9,276,615	£10,747,979	£7,689,022
Closing number of units	4,259,946	4,954,303	3,761,442
Operating charges (note 2)	0.92%	1.56%	2.66%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	242.26	255.09	213.84
Lowest unit price	211.92	204.44	161.22

PERFORMANCE RECORD (Continued)**Financial Highlights (Continued)****Class I (Eur) (currency hedged) Institutional Net Accumulation**

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	EURc	EURc	EURc
Opening net asset value per unit	169.73	162.14	131.66
Return before operating charges	1.49	11.42	35.38
Operating charges (note 1)	(1.42)	(3.83)	(4.90)
Return after operating charges *	0.07	7.59	30.48
Closing net asset value per unit	169.79	169.73	162.14
Retained distributions on accumulated units	-	-	-
*after direct transactions costs of:	0.00	0.05	0.14
Performance			
Return after charges	0.04%	4.68%	23.15%
Other information			
Closing net asset value	€ 1,542,635	€ 1,697,095	€ 864,487
Closing number of units	908,539	999,898	533,168
Operating charges (note 2)	1.67%	2.31%	3.30%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	189.68	203.00	169.69
Lowest unit price	165.41	162.00	130.10

Class I (USD) (currency hedged) Institutional Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit			
	USDc	USDc	USDc
Opening net asset value per unit	123.40	117.72	92.10
Return before operating charges	1.28	7.56	28.49
Operating charges (note 1)	(0.57)	(1.88)	(2.87)
Return after operating charges *	0.71	5.68	25.62
Closing net asset value per unit	124.11	123.40	117.72
Retained distributions on accumulated units	-	-	-
*after direct transactions costs of:	0.00	0.04	0.10
Performance			
Return after charges	0.58%	4.82%	27.82%
Other information			
Closing net asset value	\$1,098,926	\$1,086,634	\$865,650
Closing number of units	885,454	880,600	735,337
Operating charges (note 2)	0.92%	1.56%	2.72%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	137.87	146.00	122.46
Lowest unit price	120.82	118.00	91.53

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

Class R (currency hedged) Retail Net Accumulation

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	184.56	174.26	138.76
Return before operating charges	1.65	13.10	39.67
Operating charges (note 1)	(0.85)	(2.80)	(4.17)
Return after operating charges *	0.80	10.30	35.50
Closing net asset value per unit	185.36	184.56	174.26
Retained distributions on accumulated units	-	-	-
*after direct transactions costs of:	0.00	0.05	0.15
Performance			
Return after charges	0.43%	5.91%	25.58%
Other information			
Closing net asset value	£8,525,750	£9,363,674	£8,429,525
Closing number of units	4,599,511	5,073,444	4,837,296
Operating charges (note 2)	0.92%	1.56%	2.67%
Direct transaction costs	0.00%	0.03%	0.09%
Prices			
Highest unit price	206.03	217.13	182.29
Lowest unit price	180.39	174.28	137.43

Class O (currency hedged) Institutional Net Accumulation

	Period to 31 August 2021	Period from 3 December 2020 to 28 February 2021+
Changes in net assets per unit	GBP	GBP
Opening net asset value per unit	100.35	100.00
Return before operating charges	0.80	0.93
Operating charges (note 1)	(0.84)	(0.58)
Return after operating charges *	(0.04)	0.35
Closing net asset value per unit	100.31	100.35
Retained distributions on accumulated units	-	-
*after direct transactions costs of:	0.00	0.03
Performance		
Return after charges	(0.04%)	0.35%
Other information		
Closing net asset value	£929,506	£157,411
Closing number of units	926,589	156,858
Operating charges (note 2)	1.67%	2.31%
Direct transaction costs	0.00%	0.03%
Prices		
Highest unit price	112.46	108.42
Lowest unit price	97.69	99.03

+Share class launched on 3 December 2020.

PERFORMANCE RECORD (Continued)**Financial Highlights (Continued)****Class O (Eur) (currency hedged) Institutional Net Accumulation**

	Period to 31 August 2021	Period from 3 December 2020 to 28 February 2021+
Changes in net assets per unit	EURc	EURc
Opening net asset value per unit	98.83	100.00
Return before operating charges	0.80	(0.60)
Operating charges (note 1)	(0.83)	(0.57)
Return after operating charges *	(0.03)	(1.17)
Closing net asset value per unit	98.80	98.83
Retained distributions on accumulated units	-	-
*after direct transactions costs of:	0.00	0.03
Performance		
Return after charges	(0.03%)	(1.17%)
Other information		
Closing net asset value	€ 8,524	€ 973
Closing number of units	8,628	985
Operating charges (note 2)	1.67%	2.31%
Direct transaction costs	0.00%	0.03%
Prices		
Highest unit price	110.31	106.77
Lowest unit price	96.32	97.48

+Share class launched on 3 December 2020.

Class O (USD) (currency hedged) Institutional Net Accumulation

	Period to 31 August 2021	Period from 3 December 2020 to 28 February 2021+
Changes in net assets per unit	USDc	USDc
Opening net asset value per unit	99.26	100.00
Return before operating charges	1.02	(0.16)
Operating charges (note 1)	(0.83)	(0.58)
Return after operating charges *	0.19	(0.74)
Closing net asset value per unit	99.45	99.26
Retained distributions on accumulated units	-	-
*after direct transactions costs of:	0.00	0.03
Performance		
Return after charges	0.19%	(0.74%)
Other information		
Closing net asset value	\$374,811	\$248,084
Closing number of units	376,887	249,932
Operating charges (note 2)	1.67%	2.31%
Direct transaction costs	0.00%	0.03%
Prices		
Highest unit price	111.10	106.87
Lowest unit price	96.88	97.63

+Share class launched on 3 December 2020.

PERFORMANCE RECORD (Continued)

1. The operating charges per unit figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 6 because historical performance data indicates that high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 August 2021 (unaudited)

Holding	Value £	% of net assets
Equities (28.02.2021: 9.65%)		
Collective Investment Schemes (28.02.2021: 9.65%)		
2,006,842 Goldman Sachs Sterling Liquid Reserves Value Dis	2,006,842	7.28
	2,006,842	7.28
Contracts for Difference (28.02.2021: (3.02%))		
15,000 Aedas Homes SA (CFD)	6,123	0.02
(75,000) ADO Properties SA (CFD)	(87,018)	(0.32)
30,000 Aixtron SE (CFD)	87,147	0.32
14,000 Alcoa Corp (CFD)	6,558	0.02
500 AP Moeller - Maersk A/S (CFD)	(28,238)	(0.10)
22,000 ArcelorMittal SA (CFD)	(13,572)	(0.05)
(55,000) Ambu A/S (CFD)	81,496	0.30
6,000 Applied Materials Inc (CFD)	18,955	0.07
20,000 Archer-Daniels-Midland Co (CFD)	(37,983)	(0.14)
3,000 ASM International NV (CFD)	45,378	0.16
20,000 Beazer Homes USA Ind (CFD)	8,061	0.03
(3,000) Beyond Meat Inc (CFD)	(3,083)	(0.01)
35,000 Builders FirstSource Inc (CFD)	46,644	0.17
(60,106) Burford Capital Ltd (CFD)	(62,844)	(0.23)
15,000 Bunge Ltd (CFD)	(42,050)	(0.15)
(25,000) Carnival Corp (CFD)	(15,342)	(0.06)
(13,000) Casino Guichard Perrachon SA (CFD)	3,072	0.01
15,000 Cboe Global Markets Inc (CFD)	(18,193)	(0.07)
5,000 Century Communities Inc (CFD)	345	-
(1,602,109) Cineworld Group PLC (CFD)	(46,942)	(0.17)
25,000 Cleaveland-Cliffs Inc (CFD)	(25,147)	(0.09)
60,000 CNH Industrial NV (CFD)	(13,794)	(0.05)
(100,000) Compania de Minas Buenaventura SAA (CFD)	(13,436)	(0.05)
(30,000) Deutsche Euroshop AG (CFD)	10,806	0.04
20,000 Deutsche Post AG (CFD)	51,566	0.19
12,000 D.R. Horton Inc (CFD)	(11,827)	(0.04)
(10,000) Dufry AG (CFD)	(3,934)	(0.01)
75,000 E.ON SE (CFD)	(5,163)	(0.02)
200,000 Electricite de France SA (CFD)	76,593	0.28
(11,994) Fevertree Drinks PLC (CFD)	2,713	0.01
(420,906) Finablr PLC (CFD)	(43,246)	(0.16)
10,000 Flutter Entertainment PLC (CFD)	14,250	0.05
240,000 Gazprom PAO (CFD)	57,694	0.21
15,000 Green Brick Partners Inc (CFD)	(4,684)	(0.02)
(40,083) Grenke AG (CFD)	517	-
(743,072) Hochschild Mining PLC (CFD)	(23,407)	(0.08)
3,000 Hovnanian Enterprises Inc (CFD)	10,011	0.04
(125,000) Hubbay Minerals Inc (CFD)	(12,448)	(0.05)
(200,000) International Consolidated Airlines Group SA (CFD)	6,539	0.02
(300,000) IWG Plc (CFD)	15,700	0.06
9,000 Just Eat Takeaway.com NV (CFD)	(17,027)	(0.06)
10,000 Kaufman & Broad SA (CFD)	13,321	0.05
2,300 KLA Corp (CFD)	21,381	0.08
1,200 Lam Research Corp (CFD)	16,476	0.06
11,000 Lennar Corp (CFD)	(381)	-
7,000 Logitech International SA (CFD)	(25,621)	(0.09)
(60,000) Medical Properties Trust Inc (CFD)	(24,277)	(0.09)
19,956 Mosaic Co (CFD)	(2,536)	(0.01)
30,000 Neinor Homes SA (CFD)	(8,766)	(0.03)
(350,000) Nel ASA (CFD)	(7,424)	(0.03)
(299,818) Network International Holdings PLC (CFD)	(80,059)	(0.29)

PORTFOLIO STATEMENT (continued)

Contracts for Difference (continued)		
10,000	Nutrien Ltd (CFD)	(9,478) (0.03)
4,000	NXP Semiconductors NV	41,832 0.15
(80,000)	Oatly Group AB (publ) (CFD)	(142,885) (0.52)
22,500	OTP Bank Nyrt (CFD)	54,951 0.20
(6,000)	Peloton Interactive Inc (CFD)	36,974 0.13
10,000	Porsche Automobil Holding SE (CFD)	(18,478) (0.07)
(7,000)	Prosus NV (CFD)	(30,397) (0.11)
(65,000)	Reconnaissance Energy (Africa) Ltd (CFD)	636 -
300,000	Redrow PLC (CFD)	54,915 0.20
(300,000)	Rolls-Royce Holdings PLC (CFD)	(11,230) (0.04)
1,200	RH (CFD)	3,354 0.01
(30,000)	S&T AG (CFD)	(10,425) (0.04)
65,000	Sberbank Rossii PAO (CFD)	- -
99,789	SEGRO PLC (CFD)	22,702 0.08
(80,000)	Solutions 30 SE (CFD)	(105,023) (0.38)
6,000	Spotify Technology SA (CFD)	54,207 0.20
160,000	SSAB AB (CFD)	(11,220) (0.04)
(220,000)	Trainline PLC (CFD)	2,420 0.01
(55,000)	Vaxart Inc (CFD)	(15,978) (0.06)
30,000	Veolia Environnement SA (CFD)	22,689 0.08
10,000	Verbund AG (CFD)	70,747 0.26
50,000	Vivendi SE (CFD)	75,719 0.27
30,546	VNV Global AB (publ) (CFD)	6,843 0.02
33,000	VNV Global AB (publ) WTS 10/08/23 (CFD)	(349) -
40,000	Warehouses de Pauw NV (CFD)	(10,313) (0.04)
12,000	Western Digital Corp (CFD)	2,007 0.01
		7,124 0.01
	CHF Forward currency contract Gain	14 -
	DKK Forward currency contract Loss	(376) -
	EUR Forward currency contract Loss	(380) -
	HUF Forward currency contract Loss	(125) -
	USD Forward currency contract Loss	(57) -
		(924) -
	USD Hedged share classes Forward contract Loss	(58) -
	EUR Hedged share classes Forward contract Gain	3,492 0.01
	USD Hedged share classes Forward contract Loss	(48) -
	EUR Hedged share classes Forward contract Gain	19 -
	USD Hedged share classes Forward contract Loss	(140) -
	EUR Hedged share classes Forward contract Gain	3,424 0.01
		6,689 0.02
	Portfolio of investments (28.02.2021: 6.65%)	2,019,731 7.31
	Net other assets (28.02.2021: 93.35%)	25,560,511 92.69
		27,580,242 100.00

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Total sales for the period	£ 1,100,000
Goldman Sachs Sterling Liquid Reserves Value Dis	1,100,000

Total purchases for the period	£ -
There was no purchases in the period	

The above purchases and sales represent all of the purchases and sales during the period.

STATEMENT OF TOTAL RETURN

For the six months ended 31 August 2021 (unaudited)

	2021		2020	
	£	£	£	£
Income				
Net capital (losses)/gains		(256,554)		4,854,334
Revenue	704,685		318,536	
Expenses	(163,447)		(1,069,593)	
Interest payable and similar charges	<u>(116,379)</u>		<u>(1,352)</u>	
Net revenue/(expenses) before taxation	424,859		(752,409)	
Taxation	<u>(71,052)</u>		<u>13,955</u>	
Net revenue/(expenses) after taxation		<u>353,807</u>		<u>(738,454)</u>
Total return before distributions		97,253		4,115,880
Finance costs: distributions		<u>(99,007)</u>		<u>64</u>
Changes in net assets attributable to shareholders from investment activities		<u>(1,754)</u>		<u>4,115,944</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 August 2021 (unaudited)

	2021		2020	
	£	£	£	£
Opening net assets attributable to shareholders		32,204,574		18,096,486
Amounts receivable on creation of shares		3,901,851		17,578,606
Amounts payable on cancellation of shares		(8,597,357)		(6,402,756)
Dividends reinvested		72,928		-
Dilution levy		-		44,110
Changes in net assets attributable to shareholders from investment activities (see above)		<u>(1,754)</u>		<u>4,115,944</u>
Closing net assets attributable to shareholders		<u>27,580,242</u>		<u>33,432,390</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The fund net asset value as at 28 February 2021 was £32,204,574.

BALANCE SHEET

As at 31 August 2021 (unaudited)	31.08.2021		28.02.2021	
	£	£	£	£
ASSETS				
Investment assets		3,065,133		4,096,389
Current assets				
Debtors	355,522		648,526	
Cash and bank balances	<u>25,970,807</u>		<u>40,670,495</u>	
Total current assets		<u>26,326,329</u>		<u>41,319,021</u>
Total assets		29,391,462		45,415,410
LIABILITIES				
Investment liabilities		(1,045,402)		(1,949,170)
Current liabilities				
Bank overdraft	(131,289)		(9,344,203)	
Creditors	<u>(634,529)</u>		<u>(1,917,463)</u>	
Total current liabilities		<u>(765,818)</u>		<u>(11,261,666)</u>
Net assets attributable to shareholders		<u>27,580,242</u>		<u>32,204,574</u>

Accounting policies

The accounting policies applied are consistent with those of the financial statements for the period ended 28 February 2021 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014.

DISTRIBUTION TABLES

Interim distributions in pence per share (cents for Euro class)

Group 1: Shares purchased prior to 01 March 2021

Group 2 : Shares purchased 01 March 2021 to 31 August 2021

Payment date	Unit Type	Share Class	Net Revenue	Equalisation	Distribution paid/allocated 29.10.21	Distribution paid/allocated 31.10.20
29.10.21	group 1	Class A (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 2	Class A (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 1	Class A (Eur) (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 2	Class A (Eur) (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 1	Class A (USD) (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 2	Class A (USD) (currency hedged) Retail Net Accumulation	-	-	-	-
29.10.21	group 1	Class I (currency hedged) Institutional Net Accumulation	0.7970	-	0.7970	-
29.10.21	group 2	Class I (currency hedged) Institutional Net Accumulation	0.2257	0.5713	0.7970	-
29.10.21	group 1	Class I (Eur) (currency hedged) Institutional Net Accumulation	0.5528	-	0.5528	-
29.10.21	group 2	Class I (Eur) (currency hedged) Institutional Net Accumulation	0.0391	0.5137	0.5528	-
29.10.21	group 1	Class I (USD) (currency hedged) Institutional Net Accumulation	0.3204	-	0.3204	-
29.10.21	group 2	Class I (USD) (currency hedged) Institutional Net Accumulation	-	0.3204	0.3204	-
29.10.21	group 1	Class R (currency hedged) Retail Net Accumulation	0.6764	-	0.6764	-
29.10.21	group 2	Class R (currency hedged) Retail Net Accumulation	0.2109	0.4655	0.6764	-
29.10.21	group 1	Class O (currency hedged) Institutional Net Accumulation	0.0006	-	0.0006	-
29.10.21	group 2	Class O (currency hedged) Institutional Net Accumulation	-	0.0006	0.0006	-
29.10.21	group 1	Class O (Eur) (currency hedged) Institutional Net Accumulation	-	-	-	-
29.10.21	group 2	Class O (Eur) (currency hedged) Institutional Net Accumulation	-	-	-	-
29.10.21	group 1	Class O (USD) (currency hedged) Institutional Net Accumulation	-	-	-	-
29.10.21	group 2	Class O (USD) (currency hedged) Institutional Net Accumulation	-	-	-	-

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. 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 shares for capital gains tax purposes.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Argonaut Equity Income Fund
Size of Sub-fund	£2,804,163
Launch date	30 December 2016
Sub-fund objective and policy	<p>The Sub-fund aims to provide an income (net of fees) in excess of the yield of the European market (as represented by the IA Europe ex UK sector) with capital growth over any 5 year calendar period.</p> <p>The Sub-fund will invest in a concentrated portfolio of approximately 30-60 stocks. The Sub-fund will invest predominantly in securities of companies incorporated in Europe (including up to 5% in UK companies).</p> <p>The Sub-fund may also invest in companies that are headquartered or quoted outside Europe which derive a significant part of their business from Europe and whose securities are listed or traded on an eligible securities or derivatives exchange. The Sub-fund may also invest in emerging European markets including Russia and Eastern Europe.</p> <p>The Sub-fund is not constrained by any index weightings and will not concentrate on any particular country, sector or market capitalisation.</p> <p>To aid liquidity, the Sub-fund also has the ability to invest in assets such as American Depositary Receipts and Global Depositary Receipts.</p> <p>The Sub-fund may also invest in other transferable securities, units in collective investment schemes, money market instruments and deposits.</p> <p>The Sub-fund may make use of derivatives and forward transactions for the purposes of investment and for efficient portfolio management, including the use of hedging techniques and stock lending.</p>
Benchmark	<p>The Sub-fund aims to provide an income (net of fees) in excess of the yield of the IA (Investment Association's) Europe ex UK sector with capital growth over any 5 year calendar period. The Europe ex UK sector is therefore a target benchmark against which the performance of the Fund has been set ("Target Benchmark").</p> <p>Investors may use the Sub-fund's performance against the Target Benchmark to assess the risks of investing in the Sub-fund.</p>
Authorised Corporate Director (ACD)	Valu-Trac Investment Management Limited
Ex-distribution dates	30 November, last day of February, 31 May, 31 August
Distribution dates	15 January, 15 April, 15 July, 15 October
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.

Share class information

Share class*	Minimum initial	Minimum subsequent	Minimum holding	Minimum redemption	Initial charge
Class R Retail Net Income	£500	£250	£250	£100	0.00%
Class R Retail Net Accumulation	£500	£250	£250	£100	0.00%

* Investors should note the eligibility criteria for each class of share as set out in paragraph 2.2.2 of the Sub-fund's prospectus before subscribing.

Annual Management Charges

In respect of the R shares, it is equal to 0.65% per annum of the net asset value of the relevant share class.

INVESTMENT MANAGER'S REPORT

Investment Review

The fund returned +10.03% (Class R Retail Net Accumulation) over the 6-month review period (to August 31st 2021) vs the IA Europe ex UK sector of +17.35% and the Equity Income peer group of +14.16%. Since launch the fund returned +51.17% vs the IA Europe ex UK sector of +58.0% and the Equity Income peer group of +39.06%.

The fund's biggest winner was global steel behemoth Arcelor Mittal (+46%) which has been boosted by China deciding to curtail production and no longer dumping its steel on the global markets. The fund also benefitted from its investment in VW holding company Porsche (+28%) which rose strongly as the market began to appreciate the Group's strong position in the nascent Electronic Vehicle market and the modest valuation compared with Tesla.

Our investments in Russia also performed well: Sberbank (+33%), railcar outfit GlobalTrans (+33%) and blue-chip energy companies Gazprom (+18%) and Lukoil (+19%). Russia is set to benefit from the West's rapid migration toward alternative energy and the lack of appetite for capital market investment in fossil fuels, leading to structurally higher prices of oil and particularly gas. Despite Russia being much maligned politically, the market remains very cheap with widespread generous dividend pay-out policies, which have so far proven reliable.

More recently, the fund has begun to position for an economic slowdown over the northern hemisphere winter. Importantly and unusually in our opinion this will be led more by supply rather than demand shortages. Seasonal spikes in COVID cases which the vaccine appears unable to control poses perhaps the biggest risk, with politicians still focused on eliminating the virus rather than a more realistic aim of mitigating its consequences.

Inflation is currently high and pervasive. Is it as "transient" as the Federal Reserve and the bond market currently believes? Supply side constraints in logistics, labour, manufacturing components and commodities show little sign in being solved: they will impact on company profits, productivity, and therefore economic growth. If COVID proves endemic then either COVID politics will have to change or mobility restrictions become a permanent feature; if de-carbonisation of the global economy is not better managed then the price of energy and commodities is likely to remain significantly higher; if the stock market remains obsessed with allocating capital only to innovative technology, then the joints of the old economy will continue to creak. If the "Woke Capitalism" that now pervades the fund management industry prevails then we should not expect economic growth to be unaffected.

Market Overview

The beginning of the review period saw high confidence that vaccines would eradicate COVID, very robust global economic growth with concerns over the longer-term path of interest rates and inflation.

Over the summer it became clear that whatever its effectiveness against severe disease progression, the vaccine did not prevent virus transmission. In fact, summer 2021 cases have been significantly higher than those seen in the same period in 2020 when no vaccine existed. Despite mounting evidence to the contrary market expectations still believes that the COVID problem is now in the rear-view mirror.

The Federal Reserve have maintained their asset purchases at \$120bn a month although now say they will likely taper purchases in November with a view to ending asset purchase mid-2022. When the tide of liquidity goes out it we can see where the bodies are buried in the sand.

Governments also responded with unprecedented largesse to the COVID lockdown downturn. They can no longer afford to be so generous: balance sheets are creaking whilst there are too many amongst the working population who have become too used to being paid by the government to sit at home.

Our conclusion is that whatever problems economies and markets now face, governments and central banks have already shot their bolt.

Outlook

The recent summer COVID infections from the Delta variant have resulted in plummeting consumer confidence in the US and a stalling of economic re-opening trends. We now know that COVID restrictions can be both deflationary in restricting demand in some industries but highly inflationary in curtailing supply in other areas of the economy. These shortages from shipping to semiconductors will continue to endure. Profit margins in companies where demand is relatively unaffected by the pandemic could continue to be squeezed. Central banks such as the Federal Reserve which is currently discussing the degree to which monetary stimulus is withdrawn may be forced to confront stagflation rather than deflation.

INVESTMENT MANAGER'S REPORT (Continued)

We fear pervasive inflation will result in a depression of stock-market multiples and an ongoing hit to profit margins. As such we think that cheap, largely unfashionable companies which we believe have enough pricing power to endure any further COVID uncertainties will be best placed to benefit from ongoing structural trends and bottlenecks to global growth.

European Equity Income currently inhabits an investment sweet spot: superior yield to other asset classes but now with “value” that is no longer trapped, given the transfer of pricing power in the new supply constrained economy. Hence, we remain enthused about the current capital and dividend prospects for the fund.

Barry Norris

Argonaut Capital Partners LLP

Investment Manager to the Fund

27 September 2021

PERFORMANCE RECORD

Financial Highlights

Class R Retail Net Income

	Period to 31 August 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	114.35	97.76	101.78
Return before operating charges	11.93	19.98	3.57
Operating charges (note 1)	(0.50)	(0.90)	(0.90)
Return after operating charges *	11.43	19.08	2.67
Distributions on income units	(3.66)	(2.49)	(6.69)
Closing net asset value per unit	122.12	114.35	97.76
*after direct transactions costs of:	0.58	0.62	0.64
Performance			
Return after charges	9.99%	19.52%	2.62%
Other information			
Closing net asset value	£2,071,407	£1,868,128	£1,356,049
Closing number of units	1,696,223	1,633,658	1,387,140
Operating charges (note 2)	0.85%	0.85%	0.85%
Direct transaction costs	0.49%	0.58%	0.60%
Prices			
Highest unit price	127.88	120.53	110.53
Lowest unit price	114.82	79.91	99.22

Class R Retail Net Accumulation

	Year to 28 February 2021	Year to 28 February 2021	Year to 29 February 2020
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	137.39	114.29	111.53
Return before operating charges	14.39	24.17	3.78
Operating charges (note 1)	(0.61)	(1.07)	(1.02)
Return after operating charges *	13.78	23.10	2.76
Closing net asset value per unit	151.17	137.39	114.29
Distributions on accumulation units	4.42	3.25	7.47
*after direct transactions costs of:	1.23	1.07	0.73
Performance			
Return after charges	10.03%	20.22%	2.47%
Other information			
Closing net asset value	£734,899	£652,976	£405,596
Closing number of units	486,131	475,259	354,878
Operating charges (note 2)	0.85%	0.85%	0.85%
Direct transaction costs	0.49%	0.58%	0.60%
Prices			
Highest unit price	153.63	144.48	128.37
Lowest unit price	138.78	93.29	110.67

PERFORMANCE RECORD (continued)

1. The operating charges per unit figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 5 because historical performance data indicates that high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 August 2021 (unaudited)

Holding	EQUITIES & WARRANTS	Value £	% of net assets
Austria (28.02.2021: 0.00%)			
6000	EVN AG	116,024	4.14
2000	Verbund AG	158,952	5.67
		<u>274,976</u>	<u>9.81</u>
Belgium (28.02.2021: 2.45%)			
Bermuda (28.02.2021: 0.00%)			
9,000	2020 Bulkera Ltd	107,736	3.84
12,000	Golden Ocean Group Ltd	101,360	3.61
		<u>209,096</u>	<u>7.45</u>
Cyprus (28.02.2021: 4.71%)			
Denmark (28.02.2021: 2.13%)			
55	AP Moeller - Maersk A/S	115,071	4.10
8,000	Scandinavian Tobacco Group A/S	118,857	4.24
		<u>233,928</u>	<u>8.34</u>
Finland (28.02.2021: 3.35%)			
6,000	Fortum Oyj	133,917	4.78
France (28.02.2021: 5.21%)			
6,000	ALD SA	61,982	2.21
17,000	Electricite De France SA	169,407	6.04
1,800	Kaufman & Broad SA	61,183	2.18
5,000	Vivendi SE	139,099	4.96
		<u>431,671</u>	<u>15.39</u>
Germany (28.02.2021: 8.71%)			
2,500	Deutsche Post AG	130,398	4.65
13,000	E.ON SE	125,558	4.48
2,000	Instone Real Estate Group AG	46,238	1.65
		<u>302,194</u>	<u>10.78</u>
Hungary (28.02.2021: 2.56%)			
		-	0.00
Italy (28.02.2021: 5.71%)			
		-	0.00
Luxembourg (28.02.2021: 2.69%)			
3,000	ArcelorMittal SA	74,255	2.65
Netherlands (28.02.2021: 12.73%)			
1,000	BE Semiconductor Industries NV	66,701	2.38
4,000	CNH Industrial NV	48,670	1.74
		<u>115,371</u>	<u>4.12</u>
Norway (28.02.2021: 1.93%)			
		-	0.00
Russia (28.02.2021: 4.95%)			
38,000	Gazprom PAO	230,413	8.22
10,000	Globaltrans Investment PLC	60,824	2.17
800	NK Lukoil PAO	49,838	1.78
8,000	Sberbank Rossii PAO	103,970	3.71
		<u>445,045</u>	<u>15.88</u>

PORTFOLIO STATEMENT

Holding	Value £	% of net assets
Spain (28.02.2021: 6.29%)		
3,962 Aedas Homes SA	93,554	3.34
4,000 Acerinox SA	39,766	1.42
4,000 Neinor Homes SA	41,597	1.48
	<u>174,917</u>	<u>6.24</u>
Sweden (28.02.2021: 6.11%)		
2,000 VNV Global AB (publ) WTS 10/08/23	2,456	0.09
Switzerland (28.02.2021: 7.38%)		
1,000 Swiss Re AG	66,981	2.39
United Kingdom (28.02.2021: 4.70%)		
20,000 Redrow PLC	140,260	5.00
United States (28.02.2021: 18.20%)		
1,500 Cboe Global Markets Inc	135,170	4.82
4,000 Impala Platinum Holdings Ltd	44,040	1.57
	179,210	6.39
	<u>2,784,277</u>	<u>99.31</u>
Portfolio of investments (28.02.2021: 99.81%)		
Net other assets (28.02.2021 :0.27%)	22,031	0.78
Mid to bid adjustment (28.02.2021: (0.08%))	(2,145)	(0.09)
	<u>2,804,163</u>	<u>100.00</u>

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the period	7,397,837
Porsche Automobil Holding SE	306,398
BE Semiconductor Industries NV	237,814
Bayer AG	235,192
VNV Global AB (publ)	222,733
Golden Ocean Group Ltd	207,172
Gazprom PAO	202,605
Western Digital Corp (CFD)	197,204
SSAB AB	183,254
Sanderson Farms Inc	170,732
Ferrexpo PLC	162,303
	£
Total purchases for the period	7,570,855
Gazprom PAO	411,798
Golden Ocean Group Ltd	304,243
Deutsche Post AG	268,394
Cboe Global Markets Inc (CFD)	268,260
Electricite De France SA	216,043
Bayer AG	205,237
2020 Bulkera Ltd	195,330
Rana Gruber AS	171,877
BE Semiconductor Industries NV	167,706
Sanderson Farms Inc	166,137

The above transactions represents the top ten sales and top ten purchases for the period.

STATEMENT OF TOTAL RETURN

For the period to 31 August 2021 (unaudited)

	2021		2020	
	£	£	£	£
Income				
Net capital gains		152,047		97,619
Revenue	137,153		55,606	
Expenses	(42,337)		(8,104)	
Interest payable and similar charges	<u>(201)</u>		<u>(175)</u>	
Net revenue before taxation	94,615		47,327	
Taxation	<u>(16,232)</u>		<u>(5,599)</u>	
Net revenue after taxation		<u>78,383</u>		<u>41,728</u>
Total return before distributions		230,430		139,347
Finance costs: distributions		<u>(87,316)</u>		<u>(49,783)</u>
Changes in net assets attributable to shareholders from investment activities		<u>143,114</u>		<u>89,564</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period to 31 August 2021 (unaudited)

	2021	2020
	£	£
Opening net assets attributable to shareholders	2,525,126	1,761,645
Amounts receivable on creation of shares	1,093,580	697,341
Amounts payable on cancellation of shares	(1,003,302)	(385,893)
Dividend reinvested	21,290	12,511
Dilution Levies	-	802
Fund switch	24,355	-
Changes in net assets attributable to shareholders from investment activities (see above)	<u>143,114</u>	<u>89,564</u>
Closing net assets attributable to shareholders	<u>2,804,163</u>	<u>2,175,970</u>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives should be for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The fund net asset value as at 28 February 2021 was £2,525,126.

BALANCE SHEET

As at 31 August 2021	31.08.21		28.02.21	
	£	£	£	£
ASSETS				
Investment assets		2,782,132		2,517,970
Current assets				
Debtors	44,840		433,400	
Cash and bank balances	23,170		106,190	
Total current assets	<u>68,010</u>		<u>539,590</u>	
Total assets		2,850,142		3,057,560
LIABILITIES				
Current liabilities				
Distribution payable on income shares	(14,758)		(4,301)	
Bank overdraft	-		(75,241)	
Creditors	<u>(31,221)</u>		<u>(452,892)</u>	
Total current liabilities		<u>(45,979)</u>		<u>(532,434)</u>
Net assets attributable to shareholders		<u>2,804,163</u>		<u>2,525,126</u>

Accounting policies

The accounting policies applied are consistent with those of the financial statements for the period ended 28 February 2021 and are described in those financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') Authorised Funds issued by the Investment Association in May 2014.

DISTRIBUTION TABLES

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 March 2021

Group 2 : Shares purchased 01 March 2021 to 31 May 2021

Payment date	Unit Type	Share Class	Net Revenue	Equalisation	Distribution paid/allocated 15/07/21	Distribution paid/allocated 15/07/20
15.07.21	group 1	Class R Retail Net Income	2.7888	-	2.7888	1.6550
15.07.21	group 2	Class R Retail Net Income	1.6697	1.1191	2.7888	1.6550
15.07.21	group 1	Class R Retail Net Accumulation	3.3478	-	3.3478	2.2536
15.07.21	group 2	Class R Retail Net Accumulation	2.3284	1.0194	3.3478	2.2536

Interim distributions in pence per share

Group 1: Shares purchased prior to 01 June 2021

Group 2 : Shares purchased 01 June 2021 to 31 August 2021

Payment date	Unit Type	Share Class	Net Revenue	Equalisation	Distribution paid/allocated 15/10/21	Distribution paid/allocated 15/10/20
15.10.21	group 1	Class R Retail Net Income	0.8701	-	0.8701	0.8357
15.10.20	group 2	Class R Retail Net Income	0.4547	0.4154	0.8701	0.8357
15.10.20	group 1	Class R Retail Net Accumulation	1.0695	-	1.0695	0.9916
15.10.20	group 2	Class R Retail Net Accumulation	0.8357	0.2338	1.0695	0.9916

EQUALISATION

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. 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 shares for capital gains tax purposes.

INFORMATION FOR INVESTORS

Distribution

Distributions of the revenue of the Company will be made to shareholders on or before 30 April each year and interim allocations of revenue on or before 31 October for VT Argonaut European Alpha Fund and for VT Argonaut Absolute Return Fund. For VT Argonaut Equity Income Fund distribution is 15 January, 15 April, 15 July and 15 October.

Individual shareholders

Income tax: HM Revenue and Customs changed the taxation of dividends on 6 April 2016. Dividend tax credits were abolished and replaced by a tax-free annual dividend allowance currently standing at £2,000 (2021/22). UK resident shareholders are now subject to new higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

Capital gains tax: Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £12,300 (2021/22) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

Taxation

The Company has no corporation tax to pay on its profits in the VT Argonaut Funds for the period ended 31 August 2021. Capital gains within the Company will not be taxed.

Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at prevailing rates and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the ACD and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 8.30am and 5.30pm. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar.

For VT Argonaut European Alpha Fund, VT Argonaut Absolute Return Fund and VT Argonaut Equity Income Fund; Argonaut@valu-trac.com

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon on each dealing day.

The ACD has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the ACD will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the ACD of a request for redemption.

The most recent issue and redemption prices are available from the ACD.

Remuneration: Information about the authorised fund manager (AFM) remuneration policies and disclosures is available from Valu-Trac Investment Management Limited on its website which can be found on the link below.
<https://www.valu-trac.com/VIML%20Remuneration%20Policy%20Statement.pdf>

The AFM does not employ any staff directly from the Company, so there are no quantitative disclosures in this report.

CORPORATE DIRECTORY

Authorised Corporate Director Registrar	Valu-Trac Investment Management Limited Orton & Fochabers Moray IV32 7QE Authorised and regulated by the Financial Conduct Authority
Investment Manager	Argonaut Capital Partners LLP 4th Floor 115 George Street Edinburgh EH2 4JN Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depository Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE