VT GARRAWAY INVESTMENT FUND SERIES II
(Sub-fund VT Garraway Diversified Income Fund)

Interim Report and Financial Statements (Unaudited)
for the six months ended 31 March 2021

CONTENTS

Type of Company:

VT Garraway Investment Fund Series II ("the Company") is an authorised open-ended investment company with variable capital ("ICVC") further to a Financial Conduct Authority ("FCA") authorisation order dated 20 March 1999. The Company is incorporated under registration number IC25. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes Sourcebook ("COLL") issued by the FCA.

The Company is a UCITS scheme and is an umbrella company (as defined in the OEIC Regulations). The Company has currently one Sub-fund available for investment, VT Garraway Diversified Income Fund. Each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

The shareholders are not liable for the debts of the Company.

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 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 MA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date 26 May 2021

SUB-FUND OVERVIEW

Name of Sub-fund	VT Garraway Diversified Income Fund
Size of Sub-fund (£000's)	£7,813
Launch date	7 March 2014
Investment objective and policy	The investment objective of VT Garraway Diversified Income Fund is to generate income (whilst also seeking some capital growth). VT Garraway Diversified Income Fund will seek to achieve its objective primarily (at least 70%) through investment in collective investment schemes (which may include those managed and/or operated by the ACD or Investment Manager) and investment trusts which provide exposure to fixed interest securities. The fund may also invest directly in fixed interest securities and equities. The mix between, Government securities, investment grade and high yield assets may vary depending upon the Investment Manager's view of prevailing conditions and prudent spread of risk. Money market instruments, equities and cash deposits may also be held from time to time.
Investor Profile	The Sub-fund is suitable for investors seeking an above-average level of bond income that is also managed with a view to mitigating the losses periodically associated with investments in higher-risk bonds. The Sub-fund can be used as an income-oriented solution in its own right or at the heart of a range of investment selections.
Derivatives	The use of derivatives and/or hedging transactions is permitted in connection with the Efficient Portfolio Management of the Sub-fund. In addition, the Sub-fund may use derivatives and forward transactions for investment purposes.
Benchmark	The Sub-fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA OE £ Strategic Bond Sector which serves as a method of comparing the Sub-fund's performance with other funds which have broadly similar characteristics.
Accounting Dates	31 March and 30 September
Distribution dates	31 December, 31 January, the last day of February, 31 March, 30 April, 31 May, 30 June, 31 July, 31 August, 30 September, 31 October and 30 November
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Minimum investment	
Lump sum subscription:	Class R Income/Accumulation = £10,000
Top-up:	Class R Income/Accumulation = £1,000
Holding:	Class R Income/Accumulation = £10,000

Initial charge	0% but can be raised to 5.0% by giving 3 months' notice
Switching charge	The ACD may charge a switching fee when shares of a fund are exchanged for shares in another fund not exceeding the maximum percentage rate of initial charge for the shares in such other fund.
Redemption charge*	Up to 5%*

*The redemption charge may be imposed on shares redeemed within three months of purchase.

The ACD may increase, reduce, or waive the minimum initial and subsequent investment amounts, the minimum withdrawal and holding amounts, and the preliminary and redemption Charges at its absolute discretion in any particular case.

ACD charges and fixed expenses	The management charge in respect of the R Class Shares is 0.45% per annum of the net asset value of the R Class shares.

Market Review – 30th September 2020 to 31st March 2021

The period saw significant developments economically, politically and pertaining to Covid-19, that impacted the asset pricing environment. Risk assets broadly advanced, but with wild underlying rotations. After a slow rally for much of October, developed market risk assets fell sharply in the final days. An acceleration in Covid-19 cases across a swathe of developed economies meant that governments reimposed widespread restrictions, most stringently in Europe. In many places, the second wave of the virus infections had become as severe as the first, despite attempts to halt it using targeted lockdowns.

A UK national lockdown was announced at the end of October after localised lockdowns did not slow the spread of the virus. Headlines over Brexit impasse soured sentiment as posturing slowed progress. The European Union began legal action against the UK government due to the UK's internal markets bill, and as a result the UK briefly called off talks in mid-October. Coronavirus related news flow took a backseat in the US to the election, with risk assets reacting well to the increased probability of a 'Democratic Blue Wave'. However, towards the end of the month the rapid increase in Covid-19 cases quickly shifted investor sentiment towards risk-off. Whilst the west was struggling with Covid-19 cases, China relaxed its cross-province movement restrictions, which had been in place since restrictions started. China's success in controlling the virus resulted in its economic recovery accelerating, with third-quarter GDP growth 4.9% YoY.

November ushered in a two significant turning points and produced spectacular returns for most equity markets. Firstly, three effective vaccines for Covid-19 were announced by Pfizer/BioNTech, Moderna and AstraZeneca/Oxford. The news offered light at the end of the tunnel and investors started to price the increased likelihood of a return to normality. This added further fuel to the post-US election risk-on rally and drove an historic rotation in performance from growth to value styles. The year-to-October losers rallied most with the MSCI Europe ex UK and UK indices both up over 13%. An extreme example of this, on the 9th November when the first vaccine was announced, the Dow Jones Industrial Average outperformed the NASDAQ by the most in nearly two decades. In fixed income it was the riskier high yield and emerging markets that outshone the higher quality investment grade markets. Brent and WTI oil indices rallied over 22% (US$) from depressed levels as investors repriced the demand and the supply outlook.

Secondly, Joe Biden was declared winner of the US election and the Democrat party retained the House but control of the Senate; a key determinant to the size of any future stimulus, was to be decided in January 2021 with two special run-off elections in Georgia. Major economic data in the US corroborated the strength of the recovery, with Q3 estimates of GDP growth up 33.1% and Purchasing Managers Index (PMI) indicators bouncing more than expected. However, across Europe the significant restrictions to curb the spread of the virus visibly slowed the recovery.

The UK government extended its furlough scheme to March 2021 in its bid to continue to help businesses and households affected by the restrictions. The Office for Budget Responsibility forecast that government borrowing would hit GBP 384 billion in 2020 or 19.4% of GDP which will be the highest ever recorded outside of wartime. Despite this the 10year gilt yield remained stable as the Bank of England announced it would expand its asset purchase programme by GBP50 billion over expectations.

Strong performance of risk assets continued in December, as positive news flow on approval of use of the Pfizer/BioNTech and Moderna vaccines overshadowed the significant resurgence of Covid-19. The US Congress agreed a pandemic relief plan that would extend many of the CARES act support measures, including renewing direct payments to households and unemployment benefits. These fiscal initiatives hopefully adding to the positive demand outlook in H1 2021. ISM data points remained in expansionary territory, buoying investor confidence in the earnings outlook. Over the month value sectors continued to outperform, In the month the MSCI AC World Index was up +2.2%, led by the MSCI Emerging Markets Index which rallied +4.8%.

The UK was able to agree and pass a Brexit Trade Deal with Europe which helped raise investor confidence and strengthen sterling. Europe was now being severely affected by the Covid-19 resurgence and lockdowns were reinstated in many countries. EU governments were able to agree the terms of the EUR 1.8 trillion financial support package. It was agreed that a significant proportion should be spent on sustainable and green projects. Both the ECB and the BoE expanded asset purchase facilities of government debt to help maintain low yields, despite the large amount of gross supply of government debt. Most developed market sovereign bond yields remained relatively muted, due to the asset purchase programmes. The US government 10-year bond yield stood at 0.91%, and the German government 10-year bond yield was 0.57%

Emerging markets benefited from continuing downward movement in the US Dollar as well as a resurgence in demand for technology and healthcare related exports. Chinese exports rose to the highest monthly nominal level on record and the South Korean new export PMI hit its highest level since March 2011. Commodity prices rose markedly due to strong demand from China and its trading partners.

Risk assets started 2021 strongly, as the approval and distribution of vaccinations globally coupled with the promise of further fiscal and monetary stimulus trumped concerns about the impact of virus driven restrictions. The US Democrat party proposed a US$1.9tr “American Rescue Plan” on top of the bi-partisan US$900bn stimulus agreed in late December. US PMI’s remained in expansionary territory with both manufacturing and services exceeding expectations. The housing market saw construction starts at the fastest pace since 2006 and property values gaining 9.1% YoY, the biggest jump since the July 2014. Supported by a recovery in demand in both domestic and external markets, China’s economic growth continued accelerating back to its trend rate (6.5% YoY Q4 2020). Chinese manufacturers were able to gain international market share as other producers are hampered by lockdowns and supply chain distributions. However, growth in the UK and Europe slowed in January, as Covid-19 restrictions continued to severely impact their economies.

Towards the end of January, sentiment fell as concerns rose over the supply of vaccines and their efficacy over new more transmissible strains of the virus. This development pushed back investors’ expectations for a return to ‘normal’ and dampened the earnings outlook for several sectors. Despite these setback’s, traditional safe havens such as sovereign bonds did not respond positively. The large amounts of bond issuance, as well as some nascent signs of inflation meant that yield curves steepened with the US and UK most affected.

Developed market government bonds continued to be major movers in February, as the drop in infections and the rapid vaccination rollout once again improved the outlook and inflation expectations rose. The UK vaccination campaign progressed remarkably well and reached 20 million people. Prime Minister Johnson announced a target of achieving full coverage of the adult population by July alongside a staged reopening plan, Emerging markets faced strong headwinds from an appreciating dollar, as well as concerns over virus mutations affecting the recovery. Investor sentiment towards Brazil was severely impacted by vaccines being less effective against its new Covid-19 strain as well as concerns over government policy.

By March over 37% of US adults had been vaccinated and hospitalisation rates dropped heavily Nearly 80% of the direct cheques to household, as part of the now approved US$1.9trn American Rescue Plan were received. This bumper stimulus package was worth nearly 9% of US GDP. As well as this, President Biden announced a further US$2trn on infrastructure spending and doubled his vaccination goal from 100 million to 200 million in his first 100 days. Lowly-valued, economically sensitive areas of the market extended their recovery reflected in very strong performance from the materials, energy, and financials sectors. Japan lagged the UK and US in terms of vaccination rollout with only a 1% rate, but investor sentiment towards equities was buoyed by a strong rebound in global goods demand, and financials benefited from steeper yield curves.

Covid-19 continued to disrupt emerging markets, in particular Brazil and India where specific more virulent strains of the virus continue to spread rapidly. Hospitalisation rates increased markedly, and new restrictions measures were instituted in India. In China, expectations for policy normalisation, regulatory uncertainty for certain industries, and ongoing geopolitical concerns very negatively impacted sentiment and the equity market. Finally, in the last days of the quarter we witnessed a major hedge fund (Archegos) failure and liquidation of sizeable blocks of shares connected to media and internet themes in the US and emerging markets.

Sovereign bond yields aggressive move upwards accelerated in March, impacting returns on most asset classes, as the market repriced the growth environment. The Fed did not appear to share investors’ concerns over inflation and reiterated that they would need to see sustained inflation above target before they would act. This rather sanguine view worsened the situation, and the US government 10-year bond yield was up +35bps at 1.75% by quarter end. It was the second worst quarter since 1980 for US Treasuries. During the first quarter, the Bloomberg Barclays Treasury Index fell by more than 4% for the first time since 1980 (while the longer-dated Treasury Index plunged 13.5%).

Market Outlook

This six-month period saw major progress towards a return of normality, as effective vaccines were produced and distributed from November. However, doubts were raised, as a severe second outbreaks of Covid-19 reinstated lockdowns across many countries towards year end. Additionally, virus mutations and slow rollout programmes in many countries caused further concerns about the ability and speed of the return to normality. Whilst the huge fiscal and monetary stimulus has led to a sharp economic recovery many issues remain. Consequently, whilst we have witnessed general advances in equities and government bonds yields rising, there have been setbacks and violent underlying rotations.

This remains an extraordinary period for several reasons but most pertinently because of Covid-19 and the global fiscal and monetary responses. This amounts to an injection of some US$17trn and it looks highly likely more is to come. This type of response and the subsequent debt to GDP levels has only been seen at the end of World War II. Investors will continue to have to deal with a world of central bank and government monetary and fiscal intervention together with its consequences.

We have all lived with a long period of slow growth, with benign inflation and low interest rates, with little fiscal intervention. This has meant that longer duration assets have performed particularly well and look overvalued/vulnerable to some commentators. However, we see that Covid-19 has accelerated trends that were already in place, some by many years. This has resulted in a quite stunning transformation for some companies' prospects, whist other look as though they will become prey. We have statements to that effect from many CEOs and fund managers including this from the team at Polar Capital: "We remain very constructive, however, on the impact that Covid-19-19 has had on the longer-term prospects for technology. 2020 is likely best considered as a broadening and deepening of technological demand and penetration – tech spending as a percentage of GDP is projected to double over the next 10 years, according to Microsoft, while the Adobe Digital Index predicts that the pandemic has "permanently boosted online spend by 20%".

The current mix of a supercharged economic recovery, driven by unprecedented fiscal and monetary expansion, is excellent for stocks earnings, but leaves major concerns over the inflationary outlook. Many argue that we are embarking on a shift to more persistent inflationary environment and that bonds will be in major bear market, with all the consequences that follow. Equally they believe that the risk is that the Fed will be firmly behind on monetary policy and let the inflation genie out of the bottle. Given the unprecedented background all investors face you will appreciate these concerns are real and there are now higher levels of uncertainty surrounding future outcomes. In turn, this will increase financial markets sensitivities to data and lead to more underlying volatility in many asset classes.

Our own thoughts are that the levels of ongoing monetary and fiscal stimulus will propel the sustained global economic recovery but at a slower pace. We recognise that risks to the upside on inflation are higher than they have been for some time, but we believe that existing overarching disinflationary forces will contain the medium-term outlook. We have argued for many years that the Fed will inevitably be behind the curve and the risk of their policy is to let the economy run hot and most likely create an explosive asset price bubble.

We recognise that major shifts in progress with Covid-19 and all the relevant disruptions this inevitably entails, will create a very bumpy ride. We believe risk assets will continue to reward, although there may be short term corrections in the second half of 2021. We still believe that the US dollar will weaken further, and this view is additionally expressed in our futures positioning. We stay with the 'risk on' growth trade and believe it will be a very rewarding experience in 2021, albeit with normal turbulence along the path. We urge investors to stay the course.

Fund Performance
In the 6th month period until 31st March 2021 the fund was was 154.09 in sterling terms based on the R Accumulation share class.

Since its inception, the fund been managed to provide investors with a high level of income that is distributed monthly and currently offers a yield averaging around 6-8%, which is near historic highs.

As interest rates and sovereign bond yields in many countries remain close to zero, if not negative, the exposure to instruments providing higher yields has remained high. Covid-19 dramatically impacted all areas of risk assets, credit, and structured finance markets. The result was that the Fund's performance was severely impacted in H1 2020. However, in the immediate aftermath of the lows we stated that "We see this as the opportunity to maintain risk, for which we will be rewarded in the medium/long term". As a result, the Fund held its positions and the rewards have started to show through as appetite for risk has increased in most markets including credit.

From summer, economic momentum had been building and yield curves gently steepening as investors started to discount the opening of economies. This gathered pace with the announcement of vaccines from Pfizer BioNTech and Astra Zeneca in November 2020. This moved market participants to price in a full reopening of economies and with it several cyclical companies/recovery stocks and credit outperformed strongly. These effects combined with further dollar weakness and steepening of yield curves positively impacted fund returns.

Then in late 2020 and early 2021, issues over vaccine rollouts and worsening Covid-19 outbreaks in several countries caused sentiment to sour which pared fund gains. However, the S&P 500 approached new all-time highs with the largest one-year advance from a low since WW2. At this stage we felt that investors were pricing in an overly optimistic scenario, with equity and high yield credit markets looking very overbought and sovereign bond markets, especially the US, very oversold. We became concerned that after such strong momentum in equities, credit and bond trends from the March 2020 lows there would be a significant retracement. As a result, we added some risk hedging and removed the negative duration position in bonds. This returned the portfolio to a more conventional but defensive construction.

Yield curves steepened further and by the sharpest amount since 2008, only comparable with three other incidences since 1988. By the end of February, this ranked as the third worst year for bonds since 1988 according to Bespoke Research. This had a short term drag on performance albeit our structured credit and high yield positions continued to advance.

We continue to feel that, as normality returns, the Fund's performance will improve without significantly altering the composition of the Fund's portfolio. Indeed, the Fund has been generally gaining from the return of a pro-risk attitude even if some of the assets owned by the Fund have lagged the rallies seen in other "risk-assets". We believe that there continue to be strong latent returns from several assets which have yet to fully participate in the recovery.

Portfolio Activity
For most of the period until mid-February 2021 we maintained our bias to pro risk assets, high yield/structured credit and negative bond duration. Around mid-February we moved the portfolio to a more defensive positioning with a risk hedge and some duration positioning in bonds. Otherwise, activity was relatively muted.

We significantly added to our position in GemCap-Semper Total Return Fund near its lows in performance in April; 2020, but after a very strong recovery we started to reduce the exposure from October until the end of the period. This holding has now been completely exited. Whilst we feel that it did offer diversification, the low yield and very strong recovery in performance meant that we could rotate into laggard, higher yielding funds. We later used proceeds from the sale to buy into the Ashmore Short Duration Emerging Market Debt which invests in short-term debt issued by emerging market corporations, sovereigns, and quasi-sovereigns.

Additionally, we bought Artemis High Income Fund which is mainly exposed to sub investment grade/high yield bonds and circa. 10% income related equity exposure, and at least 80% total (hedged and pure play) Sterling exposure. Over the years we have owned the fund, the managers have outperformed, and we increased the position given our positive outlook on risk assets as well as for the fund's considerable yield.

Otherwise, we have kept activity to a minimum but note that both the RDL Realisation and KKVL positions are returning cash ahead of our expectations. Therefore, these positions are reducing in size in the portfolios but allowing us to maintain the significant income payments

Garraway Capital Management LLP
Investment Manager to the Fund
13 May 2021

Financial Highlights

Class R Income

	Period to 31 March 2021	Year to 30 September 2020	Year to 30 September 2019
Changes in net assets per unit	GBp	GBp	GBp
Opening net asset value per unit	54.25	75.36	79.84
Return before operating charges	6.74	(14.98)	3.33
Operating charges (note 1)	(0.49)	(0.74)	(1.23)
Return after operating charges *	6.25	(15.72)	2.10
Distributions on income units	(2.17)	(5.39)	(6.58)
Closing net asset value per unit	58.32	54.25	75.36
*after direct transactions costs of:	0.01	0.02	0.03
Performance			
Return after charges	11.52%	(20.86%)	2.63%
Other information			
Closing net asset value (£'000)	2,600	2,429	3,449
Closing number of units	4,458,263	4,477,895	4,576,979
Operating charges (note 2)	1.75%	1.11%	1.57%
Direct transaction costs	0.02%	0.02%	0.04%
Prices			
Highest unit price	62.45	76.72	80.38
Lowest unit price	53.79	52.99	75.36

Class R Accumulation

	Period to 31 March 2021	Year to 30 September 2020	Year to 30 September 2019
Changes in net assets per unit	GBp	GBp	GBp
Opening net asset value per unit	138.16	175.78	171.06
Return before operating charges	17.21	(35.91)	7.43
Operating charges (note 1)	(1.28)	(1.71)	(2.71)
Return after operating charges *	15.93	(37.62)	4.72
Closing net asset value per unit	154.09	138.16	175.78
Retained distributions on accumulated units	5.62	12.95	14.52
*after direct transactions costs of:	0.02	0.03	0.07
Performance			
Return after charges	11.53%	(21.40%)	2.76%
Other information			
Closing net asset value (£'000)	5,245	4,967	2,553
Closing number of units	3,404,098	3,594,641	1,452,221
Operating charges (note 2)	1.75%	1.11%	1.57%
Direct transaction costs	0.02%	0.02%	0.04%
Prices			
Highest unit price	162.93	181.68	180.28
Lowest unit price	136.99	126.77	166.61

Financial Highlights (Continued)

Class A Income	**Period to 6 April 2020^**	**Year to 30 September 2019**
Changes in net assets per unit	GBp	GBp
Opening net asset value per unit	82.20	87.48
Return before operating charges	(20.65)	4.20
Operating charges (note 1)	(1.17)	(1.78)
Return after operating charges *	(21.82)	2.42
Distributions on income units	(2.45)	(7.70)
Closing net asset value per unit	57.93	82.20
*after direct transactions costs of:	0.02	0.03
Performance		
Return after charges	(26.55%)	2.09%
Other information		
Closing net asset value (£'000)	-	2,429
Closing number of units	-	4,477,895
Operating charges (note 2)	1.61%	1.11%
Direct transaction costs	0.02%	0.02%
Prices		
Highest unit price	83.57	76.72
Lowest unit price	57.66	52.99

^Share classes closed and holdings transferred to the equivalent R share class on 6 April 2020

Class A Accumulation	**Period to 6 April 2020^**	**Year to 30 September 2019**
Changes in net assets per unit	GBp	GBp
Opening net asset value per unit	104.27	101.98
Return before operating charges	(26.97)	4.42
Operating charges (note 1)	(1.43)	(2.13)
Return after operating charges *	(28.40)	2.29
Closing net asset value per unit	75.87	104.27
Retained distributions on accumulated units	3.14	8.65
*after direct transactions costs of:	0.02	0.04
Performance		
Return after charges	(27.24%)	2.25%
Other information		
Closing net asset value (£'000)	-	4,704
Closing number of units	-	4,511,756
Operating charges (note 2)	1.61%	2.07%
Direct transaction costs	0.02%	0.04%
Prices		
Highest unit price	107.61	106.96
Lowest unit price	75.01	99.24

^Share classes closed and holdings transferred to the equivalent R share class on 6 April 2020

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 plus the costs of the underlying investment trusts costs. Note the 2021 operating charges percentage includes the underlying investment trusts following the latest IA guidance issued in 2020 while the 2020 and 2019 operating charges excludes the underlying costs of investment trusts. The operating charges before the investment trusts underlying costs for 2021 would be: Class R share classes: 1.33%.

Risk Profile

Based on past data, the Sub-Fund is ranked a ‘4’ 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 4 because weekly historical performance data indicates that it has experienced average rises and falls in market prices historically. The higher the rank, the greater the potential reward but the greater the risk of losing money.

PORTFOLIO SUMMARY

	HOLDINGS	Value £'000	% of net assets
	BOND FUNDS - 81.74% (30.09.20 90.54%)		
1,655,118	Artemis High Income I Inc	1,331	17.04
10,857	Ashmore Emerging Markets Short Duration Inst U	581	7.44
1,100,948	Man GLG High Yield Opportunities Prof D Inc	1,233	15.78
125,153	RDL Realisation PLC Ord	75	0.96
766,049	Schroder High Yield Opportunities Z Inc	406	5.20
2,177,089	KKV Secured Loan Fund Ltd	437	5.59
2,797	Tabula Europn Perf Credit UCITS ETF G EUR In	249	3.19
827,300	TwentyFour Select Monthly Income Fund Ltd	768	9.83
100,998	Volta Finance Limited EUR	525	6.72
926,943	VPC Specialty Lending Investments PLC	779	9.97
		6,384	**81.72**
	CONTINENTAL EUROPE EQUITY – 6.41% (30.09.20: 4.34%)		
1,018,184	Chenavari Toro Income	471	6.03
		471	**6.03**
	FUTURES - (1.46%) (30.09.20: (1.23%))		
125	CME GEM Brazil Real May21 Future	10	0.13
15	US Ultra Bond CBT Jun21 Future	(45)	(0.58)
14	Australian Dollar Jun21 Future	(38)	(0.49)
(16)	Emini S&P Jun21 Future	(41)	(0.52)
		(114)	**(1.46)**
	Portfolio of investments (30.09.20: 93.65%)[1]	**6,741**	**86.29**
	Net other assets	**1,105**	**14.13**
	Adjustment to revalue from mid to bid prices	**(33)**	**(0.42)**
		7,813	**100.00**

[1]Includes Investment liabilities

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the period	**1,067,775**
Ashmore Emerging Markets Short Duration Inst USD D	371,044
Chenavari Toro Income	156,521
KKV Secured Loan Fund Ltd	146,038
RDL Realisation PLC Ord	20,183
VPC Specialty Lending Investments PLC	63,379
Artemis High Income	310,610

	£
Total sales for the period	**1,914,364**
KKV Secured Loan Fund Ltd	23,780
Schroder High Yield Opportunities Z Inc	167,460
Semper Total Return I Inc GBP H	415,385
Tabula Europn Perf Credit UCITS ETF G EUR Inc	65,306
TwentyFour Select Monthly Income Fund Ltd	20,978
VPC Specialty Lending Investments PLC	177,276
Management MGMT	319,702
Semper Total Return	620,442
Artemis High Income	104,035

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

STATEMENT OF TOTAL RETURN

For the six months ended 31 March 2021 (Unaudited)

	31.03.21		31.03.20	
	£'000s	**£'000s**	**£'000s**	**£'000s**
Income				
Net capital gains/(losses)		605		(2,820)
Revenue	306		382	
Expenses	(38)		(56)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	267		326	
Taxation	-		-	
Net revenue after taxation		267		326
Total return before distributions		872		(2,494)
Finance costs: distributions		(293)		(321)
Changes in net assets attributable to shareholders from investment activities		579		(2,815)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 31 March 2021 (Unaudited)

	31.03.21	31.03.20
	£'000s	**£'000s**
Opening net assets attributable to shareholders	7,327	10,938
Amounts receivable on creation of shares	171	286
Amounts payable on cancellation of shares	(459)	(1,138)
Accumulation dividends retained	195	207
Changes in net assets attributable to shareholders from investment activities (see above)	579	(2,815)
Closing net assets attributable to shareholders	7,813	7,478

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 previous period will not agree to the net asset value at the start of the period.
The Company net asset value as at 30 September 2020 was (£'000) 7,327.

BALANCE SHEET

As at 31 March 2021 (Unaudited)	31.03.21		30.09.20	
	£'000s	£'000s	£'000s	£'000s
Assets				
Investment assets		6,832		6,882
Current assets				
Debtors	325		105	
Cash and bank balances	1,013		790	
Total current assets		1,338		895
Total assets		8,170		7,777
Current Liabilities				
Investment Liabilities		(124)		(91)
Other Creditors	(31)		(41)	
Bank Overdraft	(152)		(228)	
Distribution payable on income shares	(50)		(90)	
Total current liabilities		(233)		(359)
Net assets attributable to shareholders		7,813		7,327

Accounting policies

The accounting policies applied are consistent with those of the financial statements for the period ended 30 September 2020 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014

DISTRIBUTION TABLES

First Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Oct 2020
Group 2 : Shares purchased on or after 01 Oct 2020 and on or before 31 Oct 2020

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2020	Distribution paid/allocated 2019
31.12.20	Class R Income	Group 1	0.3015p	-	0.3015p	0.3750p
31.12.20	Class R Income	Group 2	0.2771p	0.0244p	0.3015p	0.3750p
31.12.20	Class A Income	Group 1	0.0000p	-	0.0000p	0.4090p
31.12.20	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4090p
31.12.20	Class R Accumulation	Group 1	0.7691p	-	0.7691p	0.8747p
31.12.20	Class R Accumulation	Group 2	0.5847p	0.1844p	0.7691p	0.8747p
31.12.20	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5188p
31.12.20	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5188p

Second Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Nov 2020
Group 2 : Shares purchased on or after 01 Nov 2020 and on or before 30 Nov 2020

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2021	Distribution paid/allocated 2020
29.01.21	Class R Income	Group 1	0.3750p	-	0.3750p	0.3750p
29.01.21	Class R Income	Group 2	0.1014p	0.2736p	0.3750p	0.3750p
29.01.21	Class A Income	Group 1	0.0000p	-	0.0000p	0.4088p
29.01.21	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4088p
29.01.21	Class R Accumulation	Group 1	0.9604p	-	0.9604p	0.8787p
29.01.21	Class R Accumulation	Group 2	0.4990p	0.4614p	0.9604p	0.8787p
29.01.21	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5209p
29.01.21	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5209p

Third Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Dec 2020
Group 2 : Shares purchased on or after 01 Dec 2020 and on or before 31 Dec 2020

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2021	Distribution paid/allocated 2020
26.02.21	Class R Income	Group 1	0.3750p	-	0.3750p	0.3750p
26.02.21	Class R Income	Group 2	0.0249p	0.3501p	0.3750p	0.3750p
26.02.21	Class A Income	Group 1	0.0000p	-	0.0000p	0.4087p
26.02.21	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4087p
26.02.21	Class R Accumulation	Group 1	0.9650p	-	0.9650p	0.8813p
26.02.21	Class R Accumulation	Group 2	0.0911p	0.8739p	0.9650p	0.8813p
26.02.21	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5224p
26.02.21	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5224p

Fourth Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Jan 2021
Group 2 : Shares purchased on or after 01 Jan 2021 and on or before 31 Jan 2021

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2021	Distribution paid/allocated 2020
31.03.21	Class R Income	Group 1	0.3750p	-	0.3750p	0.3750p
31.03.21	Class R Income	Group 2	0.0168p	0.3582p	0.3750p	0.3750p
31.03.21	Class A Income	Group 1	0.0000p	-	0.0000p	0.4086p
31.03.21	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4086p
31.03.21	Class R Accumulation	Group 1	0.9678p	-	0.9678p	0.8857p
31.03.21	Class R Accumulation	Group 2	0.0698p	0.8980p	0.9678p	0.8857p
31.03.21	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5247p
31.03.21	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5247p

Fifth Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Feb 2021
Group 2 : Shares purchased on or after 01 Feb 2021 and on or before 28 Feb 2021

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2021	Distribution paid/allocated 2020
30.04.21	Class R Income	Group 1	0.3734p	-	0.3734p	0.3750p
30.04.21	Class R Income	Group 2	0.0716p	0.3018p	0.3734p	0.3750p
30.04.21	Class A Income	Group 1	0.0000p	-	0.0000p	0.4084p
30.04.21	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4084p
30.04.21	Class R Accumulation	Group 1	0.9731p	-	0.9731p	0.8896p
30.04.21	Class R Accumulation	Group 2	0.4432p	0.5299p	0.9731p	0.8896p
30.04.21	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5269p
30.04.21	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5269p

Sixth Interim Distribution in pence per share
Group 1: Shares purchased prior to 01 Mar 2021
Group 2 : Shares purchased on or after 01 Mar 2021 and on or before 31 Mar 2021

Payment Date	Share Class		Net Revenue	Equalisation	Distribution paid/allocated 2021	Distribution paid/allocated 2020
28.05.21	Class R Income	Group 1	0.3750p	-	0.3750p	0.3750p
28.05.21	Class R Income	Group 2	0.1024p	0.2726p	0.3750p	0.3750p
28.05.21	Class A Income	Group 1	0.0000p	-	0.0000p	0.4083p
28.05.21	Class A Income	Group 2	0.0000p	0.0000p	0.0000p	0.4083p
28.05.21	Class R Accumulation	Group 1	0.9844p	-	0.9844p	0.8928p
28.05.21	Class R Accumulation	Group 2	0.1094p	0.8750p	0.9844p	0.8928p
28.05.21	Class A Accumulation	Group 1	0.0000p	-	0.0000p	0.5286p
28.05.21	Class A Accumulation	Group 2	0.0000p	0.0000p	0.0000p	0.5286p

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.

Distribution
Distributions of the revenue of the Company will be made to shareholders on or before the last day of the month.

Taxation
The Company will pay no corporation tax on its profits for the period ended 31 March 2021 and capital gains within the Company will not be taxed.

Individual shareholders
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 (2020/21). 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 (2020/2021) 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.

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 a rate of 20% 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 8.30am to 5.30pm. Instructions may be given by email to the below email address or by sending an application form to the Registrar. Application forms are available from the Registrar. (Email:gy@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. In addition the ACD may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

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.

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 minimum value of shares that a shareholder can hold is 10,000 R Shares. The ACD may at its discretion accept subscriptions lower than the minimum amount.

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 fund, so there are no quantitative disclosures in this report.

CORPORATE DIRECTORY

Authorised Corporate Director	Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 Email: gy@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Investment Manager	Garraway Capital Management LLP 200 Aldersgate Street London EC1A 4HD
Depositary	NatWest Trustee and Depositary Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised and regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE