



# Interim Report and Financial Statements for the MGTS AFH DA Fund ICVC

For the six months ended 31 August 2021 (Unaudited)

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## **Directors of the ACD**

T J Ricketts

M D Jealous

A S Weston – *resigned 10 July 2021*

A J M Quay (non-exec) – *resigned 30 September 2021*

J M Vessey (non-exec)

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## **Auditors**

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## **Investment Advisers**

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## Certification of Accounts by Directors of the ACD

This report is signed in accordance with the requirements of the Collective Investment Schemes Sourcebook (COLL) as issued and amended by the Financial Conduct Authority.

**T J Ricketts**

**M D Jealous**

Margetts Fund Management Ltd  
30 October 2021

### Authorised Status

MGTS AFH DA UK Multi-Cap Growth Fund, MGTS AFH DA UK Alpha Fund, MGTS AFH DA North American Equity Fund, MGTS AFH DA European Equity Fund, MGTS AFH DA Global Emerging Markets Equity Fund, MGTS AFH DA UK Equity Fund, MGTS AFH DA UK Smaller Companies Fund, MGTS AFH DA Asia ex Japan Equity Fund, are sub-funds of the MGTS AFH DA Fund ICVC, which is an open-ended investment company with variable capital incorporated in England and Wales under registration number IC001086, authorised and regulated by the Financial Conduct Authority with effect from 02 August 2017.

The fund is classed as a UCITS, which complies with the requirements of the FCA FUND and COLL handbooks. Shareholders are not liable for the debts of the fund.

### MGTS AFH DA ICVC Fund Investor Notification

<b>Fund/Sub Effected</b>	<b>Investors Notification Details</b>	<b>Effective Date</b>
AFH DA European Equity	AMMS Review (PS19)	28/05/2021
AFH DA European Equity	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA European Equity	Investment Manager Removed – AFH Independent	05/04/2021
AFH DA European Equity	Investment Manager Added – Goldman Sachs	06/04/2021
AFH DA UK Multicap	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA UK Multicap	AMMS Review (PS19)	28/05/2021
AFH DA UK Smaller Companies	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA UK Smaller Companies	AMMS Review (PS19)	28/05/2021
AFH DA North American Equity	Addition of Inc share classes for the institutional share class only (not live)	12/04/2021
AFH DA North American Equity	AMMS Review (PS19)	28/05/2021
AFH DA Asia ex Japan	Addition of Inc share classes for the institutional share class only (not live)	12/04/2021
AFH DA Asia ex Japan	AMMS Review (PS19)	28/05/2021
AFH DA Global Emerging Markets Equity	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA Global Emerging Markets Equity	AMMS Review (PS19)	28/05/2021
AFH DA UK Alpha Fund	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA UK Alpha Fund	AMMS Review (PS19)	28/05/2021
AFH DA UK Equity	Addition of Inc share classes for the institutional share class only	12/04/2021
AFH DA UK Equity	AMMS Review (PS19)	28/05/2021

## Notes to all sub fund's financial statements

As at 31 August 2021

### Accounting policies

#### a) Basis of accounting

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

#### b) Basis of valuation of investments

The investments are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting period.

#### c) Foreign exchange rates

Transactions in foreign currencies are recorded in sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting period are translated into sterling at the closing middle exchange rates ruling on that date.

#### d) Revenue

All income allocations and distributions declared by the managers of the underlying funds up to the accounting date are included in Income, net of attributable tax credits. The net allocations which are retained in Income are included in the fund's own income allocation. Bank and other interest receivable is accrued up to the accounting date. Equalisation on distributions received is deducted from the cost of the investment and not included in the fund's income available for distribution.

#### e) Expenses

The ACD's periodic charge is deducted from Income for all sub funds, with exception of Sentinel Income Portfolio's charge is deducted from Capital. All of the other expenses are also charged against Income except for costs associated with the purchase and sale of investments which are charged against Capital.

#### f) Taxation

- (i) The fund is treated as a corporate shareholder with respect to its underlying holdings and its income is subject to streaming into franked and unfranked.
- (ii) Corporation tax is provided at 20% on income, other than the franked portion of distributions from collective investment schemes, after deduction of expenses.
- (iii) The charge for deferred tax is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

### Distribution policy

Income arising from investments accumulates during each accounting period. Surplus income is allocated to shareholders in accordance with the COLL regulations. In order to conduct a controlled dividend flow to shareholders, interim distributions will be made at the ACD's discretion, up to a maximum of the distributable income available for the period. All remaining income is distributed in accordance with the COLL regulations.



## Risk management policies

In pursuing the investment objective, a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors, that arise directly from operations. Derivatives, such as futures or forward foreign exchange contracts, may be utilised for efficient portfolio management purposes.

Political and economic events in the major economies of the world, such as the United States, Japan and the European Union, will influence stock and securities markets worldwide.

The main risks from the fund's holding of financial instruments with the ACD's policy for managing these risks are set out below:

- i. **Credit Risk** – The fund may find that collective investment schemes in which it invests fail to settle their debts or deliver the investments purchased on a timely basis.
- ii. **Interest Rate Risk** – Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager.
- iii. **Foreign Currency Risk** – Although the net assets of the fund are denominated in sterling, a proportion of the fund's investments in collective investment schemes have currency exposure with the effect that the balance sheet and total return can be affected by currency movements.
- iv. **Liquidity Risk** – The main liability of the fund is the cancellation of any shares that investors want to sell. Securities may have to be sold to fund such cancellations should insufficient cash be held at the bank to meet this obligation.

Smaller companies by their nature, tend to have relatively modest traded share capital, and the market in such shares can, at times, prove illiquid. Shifts in investor sentiment, or the announcement of new price-sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

The equity markets of emerging countries tend to be more volatile than the more developed markets of the world. Standards of disclosure and accounting regimes may not always fully comply with international criteria, and can make it difficult to establish accurate estimates of fundamental value. The dearth of accurate and meaningful information and insufficiencies in its distribution, can leave emerging markets prone to sudden and unpredictable changes in sentiment. The resultant investment flows can trigger significant volatility in these relatively small and illiquid markets. At the same time, this lack of liquidity, together with the low dealing volumes, can restrict the ACD's ability to execute substantial deals.

- v. **Market Price Risk** – Market Price Risk is the risk that the value of the fund's financial instruments will fluctuate as a result of changes in market prices caused by factors other than interest rates or foreign currency movement. The Market Price Risk arises primarily from uncertainty about the future prices of financial instruments that the fund holds.

Market Price Risk represents the potential loss the fund may suffer through holding market positions in the face of price movements. This risk is generally regarded as consisting of two elements – Stock Specific Risk and Market Risk. The fund's exposure to Stock Specific Risk is reduced for equities and bonds through the holding of a diversified portfolio in accordance with the investment and borrowing powers set out in the Instrument of Incorporation.

- vi. **Counterparty Risk** – Transactions in securities entered into by the fund give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction.
- vii. **Fair Value of Financial Assets and Financial Liabilities** – There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

## Remuneration

In accordance with the requirements of FUND 3.3.5(5) the total amount of remuneration paid by the ACD to its staff for the financial year ended 30 September 2020 is:

	<b>£</b>
Fixed Remuneration	2,833,780
Variable Remuneration	803,035
Total Remuneration	<u><b>3,636,815</b></u>
Full Time Equivalent number of staff	<b>51</b>
Analysis of senior management	
Senior management	1,710,897
Staff whose actions may have a material impact on the funds	-
Other	-
	<u><b>1,710,897</b></u>

The remuneration for senior management has been calculated in accordance with the Remuneration Policy and is reviewed annually. The remuneration policy and, where required by the FCA, how benefits are calculated together with details of the remuneration committee can be found on the website: [www.margetts.com](http://www.margetts.com). A paper copy of this is available free of charge upon request by writing to the compliance officer at 1 Sovereign Court, Graham Street, Birmingham B1 3JR. No material changes were made to the Policy or irregularities reported at the last review.

# MGTS AFH DA UK Multi-Cap Growth Fund Report & Accounts

## Investment Adviser's Report

*For the period ended 31 August 2021*

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA UK Multi-Cap Growth Fund R	14.43%
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### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA UK All Companies Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA UK All Companies	14.77%
---------------------	--------

*Source: Morningstar. Performance is bid to bid with income reinvested.*

### Market Review

UK equities rose over the period under review, albeit amidst bouts of volatility, buoyed by a successful rollout of vaccines and continued signs of a broad-based economic rebound as the UK economy gradually reopened. Concerns about the pace of inflation grew over the period, with market spectators divided over whether inflationary pressures were likely to be transitory or longer lasting. The Bank of England's Monetary Policy Committee (MPC) said it expected inflation to overshoot its target only for a short period. The MPC kept interest rates steady at a historic low of 0.1%. The unemployment rate continued to steadily decline over the period.

Despite continued success with the COVID-19 vaccination rollout, uncertainty about the potential impact of the increasing prevalence of the Delta variant remained, even as the UK continued its programme of opening up. Investors became increasingly concerned over the proliferation of supply bottlenecks and labour shortages across the economy.

### Portfolio Review

Portfolio performance over the period was challenged by the ongoing COVID-19 outbreak and this was an extremely difficult environment for investors. However our focus on relative value meant the portfolio was able to keep pace over the period with only a marginal underperformance.

What contributed to returns:

- Stock selection in financials and energy contributed positively to relative returns.
- An overweight position in IMI, a specialist engineering company, contributed favourably to performance. The company raised both 2021 and sustainable margin guidance, as well as announcing a £200m share buyback.
- Draper Esprit, a technology-focused venture capital company, maintained positive momentum through the period.
- Not owning HSBC contributed positively to returns.

## Investment Adviser's Report (continued)

What detracted from returns:

- Stock selection in consumer staples and telecommunications contributed negatively to relative returns.
- The holding in Jet2 detracted from returns, as coronavirus restrictions forced the company to suspend flights and holidays through June.
- Performance in Associated British Foods was challenged through the period.
- Despite unchanged forward guidance, hotel and restaurant operator, Whitbread, retreated from April highs as the extension of COVID restrictions weighed on prices.

### Outlook

UK equities are attractively valued relative to other countries on an absolute basis. Underlying economic momentum remains positive, and the resumption of dividend payments is also likely to be supportive.

However, several factors, including the outlook for inflation, labour market dynamics, resilience of supply chains, and COVID-19 developments over the winter months are sources of concern that require careful navigation. Companies that build on their competitive advantages, successfully respond to challenges, and adapt to new consumer habits could help to lead the economic recovery and emerge from the pandemic stronger than before.

JP Morgan Asset Management  
*Delegated adviser to the fund*  
01 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Global Equity</b>			
23,064	Scottish Mortgage Investment Trust plc	317,937	0.63	
	<b>Total Global Equity</b>	<b>317,937</b>	<b>0.63</b>	<b>0.73</b>
	<b>Money Markets</b>			
1,084,969	JPM Sterling Liquidity X (Dist.)	1,084,969	2.15	
	<b>Total Money Markets</b>	<b>1,084,969</b>	<b>2.15</b>	<b>5.29</b>
	<b>UK Smaller Companies</b>			
114,057	JPM UK Smaller Companies I Acc	1,908,176	3.78	
	<b>Total UK Smaller Companies</b>	<b>1,908,176</b>	<b>3.78</b>	<b>3.80</b>
	<b>Utilities</b>			
108,824	Centrica Plc	57,807	0.11	
24,175	Drax Group Plc	101,583	0.20	
73,299	National Grid Plc	694,801	1.38	
5,568	Severn Trent Plc	155,737	0.31	
21,715	SSE Plc	357,212	0.71	
	<b>Total Utilities</b>	<b>1,367,141</b>	<b>2.71</b>	<b>2.41</b>
	<b>Basic Materials</b>			
25,506	Anglo American Plc	777,295	1.54	
5,115	Antofagasta Plc	72,914	0.14	
38,030	BHP Group Plc	846,358	1.68	
983	Croda Intl.	89,374	0.18	
18,254	Evraz Plc	106,640	0.21	
14,830	Ferrexpo Plc	55,375	0.11	
221,220	Glencore Plc	723,611	1.43	
5,872	Johnson Matthey Plc	170,523	0.34	
15,467	Mondi Plc	311,041	0.62	
9,819	POLYMETAL	143,112	0.28	
21,328	Rio Tinto Plc	1,132,090	2.24	
7,883	Smurfit Kappa Group Plc	330,055	0.65	
29,911	Synthomer Plc	159,127	0.32	
	<b>Total Basic Materials</b>	<b>4,917,516</b>	<b>9.73</b>	<b>11.37</b>
	<b>Communications</b>			
28,283	Auto Trader Group Plc	179,540	0.36	
202,554	BT Group Plc	345,557	0.68	
6,032	Future Plc	233,197	0.46	
1,567	Informa Plc	8,687	0.02	
10,306	Pearson Plc	80,346	0.16	
35,416	Rightmove Plc	253,366	0.50	
542,605	Vodafone Group Plc	668,489	1.32	
36,738	WPP Plc	367,380	0.73	
	<b>Total Communications</b>	<b>2,136,563</b>	<b>4.23</b>	<b>2.88</b>
	<b>Total Real Estate</b>	-	-	<b>2.37</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Total Net Assets		
		Value (£)	31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
41,051	888 HOLDINGS PLC	173,646	0.34	
10,143	B&M EUROPEAN VALUE RETAIL SA	56,415	0.11	
27,123	BARRATT DEV	201,198	0.40	
5,717	Bellway Plc	201,010	0.40	
1,416	Bunzl Plc	37,453	0.07	
7,715	Burberry Group Plc	146,431	0.29	
28,480	Compass Group Plc	432,184	0.86	
30,981	COUNTRYSIDE PROP	173,649	0.34	
35,024	DIXONS CARPHONE	48,894	0.10	
10,562	DUNELM GROUP	137,095	0.27	
6,139	EasyJet Plc	49,480	0.10	
14,869	ENTAIN PLC	294,258	0.58	
5,234	Ferguson Plc	550,879	1.09	
3,345	Flutter Entertainment PLC	484,523	0.96	
1,799	Games Workshop Group Plc	211,383	0.42	
14,921	Grafton Group Plc	207,999	0.41	
19,401	Howden Joinery Group Plc	185,086	0.37	
23,232	Inchcape Plc	213,618	0.42	
4,431	Intercontinental Hotels Group	207,947	0.41	
71,112	International Consolidated Airlines Group SA	114,689	0.23	
14,369	JD Sports Fashion Plc	148,935	0.29	
35,950	Kingfisher Plc	127,874	0.25	
28,804	MITCHELLS & BUTL	86,124	0.17	
3,841	Next Plc	307,741	0.61	
9,547	Persimmon Plc	281,637	0.56	
24,593	PETS AT HOME	123,211	0.24	
6,763	Safestore Holdings Plc	79,398	0.16	
50,322	Taylor Wimpey Plc	92,416	0.18	
17,700	Watches Of Sw-wi	179,832	0.36	
	<b>Total Consumer, Cyclical</b>	<b>5,555,002</b>	<b>11.00</b>	<b>11.23</b>
	<b>Energy</b>			
391,391	BP Plc	1,173,782	2.32	
1,970	DCC Plc	123,046	0.24	
77,678	Royal Dutch Shell Plc A Shares	1,128,972	2.23	
79,536	Royal Dutch Shell Plc B Shares	1,155,340	2.29	
	<b>Total Energy</b>	<b>3,581,140</b>	<b>7.09</b>	<b>9.18</b>
	<b>Technology</b>			
5,664	AVEVA Group Plc	236,019	0.47	
16,952	Bytes Technology Group Plc	87,727	0.17	
4,429	Computacenter Plc	131,364	0.26	
1,562	Sage Group	11,674	0.02	
9,279	Softcat Plc	197,828	0.39	
	<b>Total Technology</b>	<b>664,612</b>	<b>1.32</b>	<b>1.95</b>
	<b>Total Healthcare</b>	-	-	<b>7.67</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Total Net Assets		
		Value (£)	31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
10,272	Ashtead Group Plc	592,078	1.17	
1,251	Associated British Foods Plc	25,058	0.05	
31,159	AstraZeneca Plc	2,656,616	5.26	
45,297	British American Tobacco Plc	1,236,835	2.45	
17,299	Britvic Plc	169,011	0.33	
3,400	Cranswick Plc	135,796	0.27	
40,094	Diageo Plc	1,419,929	2.81	
18,863	Experian Plc	611,350	1.21	
95,854	GlaxoSmithKline Plc	1,410,204	2.79	
7,104	Hikma Pharmaceuticals Plc	181,649	0.36	
23,699	Imperial Brands Plc	367,335	0.73	
488	Intertek Group Plc	26,147	0.05	
1,352	Just Eat Takeaway	92,553	0.18	
5,684	Ocado Group Plc	117,716	0.23	
95,948	Premier Foods Plc	116,673	0.23	
51,300	QINETIQ GROUP PL	179,447	0.36	
9,674	Reckitt Benckiser Group	540,003	1.07	
37,607	RELX Plc	824,345	1.63	
11,934	Rentokil Initial Plc	69,623	0.14	
61,891	Sainsbury (J) Plc	188,396	0.37	
9,614	Savills Plc	131,520	0.26	
16,284	Smith & Nephew Plc	231,966	0.46	
21,664	Tate & Lyle	153,988	0.30	
186,961	Tesco Plc	480,209	0.95	
49,466	Unilever Plc	2,001,642	3.96	
29,103	WM MORRISON SUP	84,399	0.17	
	<b>Total Consumer, Non-cyclical</b>	<b>14,044,486</b>	<b>27.80</b>	<b>14.64</b>
	<b>Financial</b>			
28,968	3i Group Plc	388,026	0.77	
42,202	Aviva Plc	172,733	0.34	
401,910	Barclays Plc	747,472	1.48	
28,301	Beazley Plc	111,280	0.22	
41,352	Brewin Dolphin	164,374	0.33	
3,066	Bridgepoint Group - Regs Wi	15,287	0.03	
12,578	British Land Co Plc	68,324	0.14	
11,522	Close Brothers Group Plc	180,089	0.36	
14,273	CMC Markets Plc	59,947	0.12	
2,168	Derwent London Plc	82,319	0.16	
62,536	Direct Line Insurance	193,799	0.38	
356,382	HSBC Holdings Plc	1,391,494	2.75	
13,271	IG Group Holdings Plc	125,013	0.25	
8,032	Integratin Holdings Plc - WI	46,786	0.09	
11,464	Intermediate Capital Group	256,106	0.51	
15,907	LANCASHIRE HOLDINGS LTD	101,248	0.20	
16,685	Land Securities Group Plc	121,333	0.24	
152,309	Legal & General Group	415,956	0.82	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Total Net Assets		
		Value (£)	31.08.21 %	28.02.21 %
5,736	Liontrust Asset Management	137,090	0.27	
1,390,859	Lloyds Banking Group Plc	618,932	1.23	
7,525	London Stock Exchange Group	601,699	1.19	
108,888	M&G Plc	227,576	0.45	
94,431	Man Group Plc/je	205,765	0.41	
81,681	Melrose Industries Plc	138,204	0.27	
168,251	Natwest Group PLC	360,057	0.71	
35,727	Osborne Group Plc	182,565	0.36	
21,052	Phoenix Group Holdings Plc	132,543	0.26	
58,115	Prudential Plc	867,657	1.72	
34,122	Segro Plc	439,662	0.87	
2,286	St James's Place Plc	37,308	0.07	
31,097	Standard Chartered Plc	144,135	0.29	
17,617	Unite Group Plc	216,161	0.43	
	<b>Total Financial</b>	<b>8,950,939</b>	<b>17.72</b>	<b>17.93</b>
	<b>Industrial</b>			
69,301	BAE Systems Plc	395,847	0.78	
35,402	Balfour Beatty Plc	103,020	0.20	
15,761	CRH Plc	609,671	1.21	
24,244	DS Smith Plc	107,837	0.21	
22,107	Electrocomponents	236,987	0.47	
7,229	Halma Plc	217,954	0.43	
65,677	Hays Plc	104,229	0.21	
5,586	HILL & SMITH HLD	103,229	0.20	
10,498	IMI Plc	191,484	0.38	
6,834	Marshalls Plc	55,492	0.11	
14,752	Meggitt Plc	122,796	0.24	
40,427	Morgan Advanced Materials Plc	162,719	0.32	
5,628	MORGAN SINDALL GROUP PLC	144,921	0.29	
53,207	NATL EXPRESS GRP	138,338	0.27	
3,785	Oxford Instruments Plc	98,410	0.19	
28,404	PageGroup Plc	181,644	0.36	
3,277	RHI Magnesita NV	126,361	0.25	
9,190	Rolls-Royce Holdings Plc	10,710	0.02	
36,839	Royal Mail Plc	180,953	0.36	
2,291	Spirax-Sarco Engineering	370,913	0.73	
3,439	Ultra Electronics Holdings Plc	110,048	0.22	
8,810	WEIR GROUP PLC	153,206	0.30	
3,790	Wizz Air Holdings Plc	186,809	0.37	
	<b>Total Industrial</b>	<b>4,113,578</b>	<b>8.14</b>	<b>10.28</b>
	<b>Portfolio of Investments</b>	<b>48,642,059</b>	<b>96.29</b>	<b>101.00</b>
	<b>Net Current Assets</b>	<b>1,871,796</b>	<b>3.71</b>	<b>-1.00</b>
	<b>Net Assets</b>	<b>50,513,856</b>	<b>100.00</b>	<b>100.00</b>



## Portfolio statement (continued)

As at 31 August 2021

### Derivatives Holdings

Contract Name	Exposure (£)	Unrealised Gain/Loss(£)
<b>Futures</b>		
Ftse 100 Idx Fut Sep21	2,716,905	57,995

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	104.8596	99.5301	101.5300	100.0000
Return before operating charges *	15.3674	5.7895	-1.5899	1.5900
Operating charges	-0.2900	-0.4600	-0.4100	-0.0600
Return after operating charges	15.0774	5.3295	-1.9999	1.5300
Closing NAV per share	119.9369	104.8596	99.5301	101.5300
Retained distribution on acc shares	2.2450	2.5662	1.6122	0.0000
* After direct transaction costs of	0.1048	0.4076	0.3481	1.0196
<b>Performance</b>				
Return after charges	14.38%	5.35%	-1.97%	1.53%
<b>Other Information</b>				
Closing net asset value (£)	897,700	323,247	6,761	102
Closing number of shares	748,477	308,267	6,793	100
OCF	0.49%	0.44%	0.43%	0.43%
Direct transaction costs	0.09%	0.41%	0.31%	0.99%
<b>Prices</b>				
Highest share price (pence)	120.02	108.46	117.15	111.14
Lowest share price (pence)	104.84	74.23	101.53	93.33

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	104.2770	99.1984	101.2493	100.0000
Return before operating charges *	15.2854	5.4586	-1.6309	1.8793
Operating charges	-0.2700	-0.3800	-0.4200	-0.6300
Return after operating charges	15.0154	5.0786	-2.0509	1.2493
Closing NAV per share	119.2924	104.2770	99.1984	101.2493
Retained distribution on acc shares	2.2546	2.5858	4.2553	4.8693
* After direct transaction costs of	0.0932	0.3892	0.3423	1.0398
<b>Performance</b>				
Return after charges	14.40%	5.12%	-2.03%	1.25%
<b>Other Information</b>				
Closing net asset value (£)	49,583,713	46,644,073	77,255,031	65,369,312
Closing number of shares	41,564,855	44,730,943	77,879,314	64,562,637
OCF	0.45%	0.40%	0.39%	0.39%
Direct transaction costs	0.08%	0.41%	0.32%	1.01%
<b>Prices</b>				
Highest share price (pence)	119.38	107.86	116.56	111.09
Lowest share price (pence)	104.25	73.89	101.08	93.18

## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	104.2770
Return before operating charges *	15.2969
Operating charges	<u>-0.2800</u>
Return after operating charges	15.0169
Distribution on income shares	<u>-2.2557</u>
Closing NAV per share	117.0382

\* After direct transaction costs of 0.1130

### Performance

Return after charges 14.40%

### Other Information

Closing net asset value (£)	32,443
Closing number of shares	27,720
OCF	0.45%
Direct transaction costs	0.10%

### Prices

Highest share price (pence)	119.38
Lowest share price (pence)	110.85

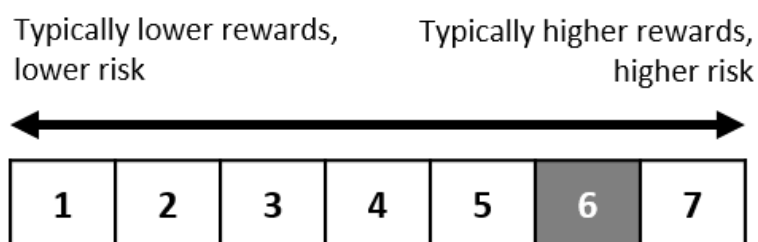
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
Income		£	£	£	£
Net capital gains/(losses)	1		5,183,797		(6,191,789)
Revenue	3	1,031,984		1,398,142	
Expenses	4	(108,393)		(160,001)	
Finance costs: Interest	6	(151)		(14,072)	
Net revenue before taxation		923,440		1,224,069	
Net revenue after taxation			923,440		1,224,069
<b>Total return before distributions</b>			<b>6,107,237</b>		<b>(4,967,720)</b>
Finance costs: Distribution	6		(923,448)		(1,224,105)
<b>Change in net assets attributable to shareholders from investment</b>			<b>5,183,789</b>		<b>(6,191,825)</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			46,983,254		77,261,792
Amounts receivable on issue of shares		4,486,184		19,717,644	
Amounts payable on cancellation of shares		(7,096,558)		(1,071,895)	
Dilution levy		3,262		(109,286)	
			(2,607,112)		18,536,463
Change in net assets attributable to shareholders from investment activities			5,183,789		(6,191,825)
Retained distribution on accumulation shares			953,925		1,334,673
<b>Closing net assets attributable to shareholders</b>			<b>50,513,856</b>		<b>90,941,103</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			48,642,060		47,438,974
Debtors	7	703,621		9,639,854	
Bank balances		<u>1,322,723</u>		<u>5,159,225</u>	
<b>Total other assets</b>			<b>2,026,344</b>		<b>14,799,079</b>
<b>Total assets</b>			<b>50,668,404</b>		<b>62,238,053</b>
<b>Liabilities</b>					
Creditors	8	153,923		15,270,733	
Distribution payable on income shares		<u>625</u>		-	
<b>Total other liabilities</b>			<b>154,548</b>		<b>15,270,733</b>
<b>Net assets attributable to shareholders</b>			<b>50,513,856</b>		<b>46,967,320</b>

## Notes to the financial statements

As at 31 August 2021

<b>1 Net capital gains/(losses)</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
Proceeds from sales on investments during the period	11,062,796	23,098,969
Original cost of investments sold during the period	(10,381,990)	(25,475,182)
Gains/(losses) realised on investments sold during the period	680,806	(2,376,213)
Net (appreciation)/depreciation thereon already recognised in prior periods	(496,676)	1,015,157
Net realised appreciation/(depreciation) for the period	184,130	(1,361,056)
Net unrealised appreciation/(depreciation) for the period	4,995,971	(4,816,110)
Net gains/(losses) on non-derivative securities	5,180,101	(6,177,166)
Net gains/(losses) on currencies	3,696	(14,623)
<b>Net capital gains/(losses) on investments</b>	<b>5,183,797</b>	<b>(6,191,789)</b>

## 2 Purchases, sales and transaction costs

### Equities/ETF's

Purchases excluding transaction costs	5,678,874	30,412,626
Commissions: 0.11% [0.08%]	6,172	22,968
Stamp duty: 0.42% [0.45%]	24,130	136,422
Trustee transaction charges: 0.01% [0.04%]	329	12,077
<b>Purchases including transaction costs</b>	<b>5,709,505</b>	<b>30,584,093</b>

Sales excluding transaction costs	7,843,177	10,811,940
Commissions: 0.08% [0.13%]	(6,135)	(13,725)
Stamp duty: 0.01% [0.00%]	(752)	(178)
Trustee transaction charges: 0.01% [0.04%]	(460)	(4,081)
<b>Sales including transaction costs</b>	<b>7,835,830</b>	<b>10,793,956</b>

### Debt Securities

Purchases excluding transaction costs	-	12,209,982
<b>Purchases including transaction costs</b>	<b>-</b>	<b>12,209,982</b>

Sales excluding transaction costs	-	12,300,932
<b>Sales including transaction costs</b>	<b>-</b>	<b>12,300,932</b>

### Collective Investment Schemes

Purchases excluding transaction costs	1,547,031	-
Trustee transaction charges: 0.00% [0.00%]	8	-
<b>Purchases including transaction costs</b>	<b>1,547,039</b>	<b>-</b>

Sales excluding transaction costs	3,226,506	-
Trustee transaction charges: 0.00% [0.00%]	(11)	-
<b>Sales including transaction costs</b>	<b>3,226,495</b>	<b>-</b>

*Trustee transaction charges have been deducted in determining net capital  
Transaction charges are displayed as percentage of purchase/sale*

<b>Total commission charge 0.03% [0.04%]</b>	<b>12,307</b>	<b>36,693</b>
<b>Total stamp duty and other charges: 0.05% [0.16%]</b>	<b>24,882</b>	<b>136,600</b>
<b>Total trustee transaction charges : 0.00% [0.01%]</b>	<b>808</b>	<b>16,158</b>

*Total charges displayed as percentage of average net asset value*

**Average portfolio dealing spread : 0.05% [0.02%]**

<b>3 Revenue</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
UK franked dividends	998,224	1,355,886
Gross bond interest	250	34,092
Overseas franked income	20,082	101
Overseas gross unfranked income	8,312	7,761
Rebate of annual management charges / renewal	5,260	-
Bank interest	(144)	302
<b>Total revenue</b>	<b>1,031,984</b>	<b>1,398,142</b>

## 4 Expenses

*Payable to the ACD, associates of the ACD and agents of either:*

ACD's periodic charge	65,270	117,559
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*Payable to the Depositary associates of the Depositary and agents of either:*

Depositary's fee	11,167	18,112
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Safe custody	12,908	14,296
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	24,075	32,408
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*Other expenses:*

Audit fee	4,990	3,962
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Registration fees	206	9
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Transfer agency fee	13,509	5,798
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Distribution costs	265	265
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Professional fees	78	-
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<b>Total expenses</b>	<b>108,393</b>	<b>160,001</b>
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## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
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Irrecoverable income tax	-	-
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Current tax charge (note 5b)	-	-
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<b>Total tax charge</b>	<b>-</b>	<b>-</b>
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b) Factors affecting the tax charge for the period:

Net income before taxation	923,440	1,224,069
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Corporation tax at 20%	184,688	244,814
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*Effects of:*

UK dividends	(203,661)	(271,197)
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Movement in income accruals	-	38
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Utilisation of excess management expenses	18,973	26,345
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Corporation tax charge	-	-
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Irrecoverable income tax	-	-
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<b>Current tax charge for the period (note 5a)</b>	<b>-</b>	<b>-</b>
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c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £870,880 (prior year £776,015). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	954,550	1,334,673
	954,550	1,334,673
Amounts deducted on cancellation of shares	16,371	7,487
Amounts received on issue of shares	(47,473)	(118,055)
Finance costs: Distributions	923,448	1,224,105
Finance costs: Interest	151	14,072
<b>Total finance costs</b>	<b>923,599</b>	<b>1,238,177</b>
<b>Represented by:</b>		
Net revenue after taxation	923,440	1,224,069
Balance of revenue brought forward	14	16
Adjustment to revenue carried forward	-	32
Balance of revenue carried forward	(6)	(12)
<b>Finance costs: Distributions</b>	<b>923,448</b>	<b>1,224,105</b>
<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	129,533	2,936
Amounts receivable for investment securities sold	124,954	9,381,906
<i>Accrued income:</i>		
UK franked dividends	390,423	193,907
Prepayments	20,235	25,788
Overseas franked dividends	4,809	-
	415,467	219,695
Other receivables	2,525	-
Taxation recoverable	31,142	35,317
<b>Total debtors</b>	<b>703,621</b>	<b>9,639,854</b>
<b>8 Creditors</b>		
Amounts payable for cancellation of shares	13	15,150,141
Amounts payable for investment securities purchased	124,954	76,911
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	11,434	12,912
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	1,957	2,123
Transaction charges	2,129	10,809
Safe custody fee	-	4,375
	4,086	17,307
Other creditors	13,436	13,462
<b>Total creditors</b>	<b>153,923</b>	<b>15,270,733</b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.



## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc	I Inc
Opening number of shares	308,267	44,730,943	-
Shares issued	589,856	7,245,468	2
Shares converted	112	(34,342)	34,230
Shares redeemed	(149,758)	(10,377,214)	(6,512)
Closing number of shares	<u>748,477</u>	<u>41,564,855</u>	<u>27,720</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

<b>i. Interest risk</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Floating rate assets (pounds sterling):	1,322,307	5,159,225
Floating rate assets (euro):	20,172	-
Floating rate assets (us dollar):	43,823	-
Floating rate liabilities (euro):	(19,818)	-
Floating rate liabilities (us dollar):	(43,761)	-
Assets on which interest is not earned (pounds sterling):	48,313,402	56,345,446
Assets on which interest is not earned (euro):	1,032,279	733,382
Liabilities on which interest is not paid (pounds sterling):	(154,548)	(15,270,733)
<b>Net Assets</b>	<b><u>50,513,856</u></b>	<b><u>46,967,320</u></b>
<b>ii. Currency risk</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
GBP	49,481,161	46,233,938
Euro	1,032,633	733,382
US Dollar	62	-
<b>Net Assets</b>	<b><u>50,513,856</u></b>	<b><u>46,967,320</u></b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	<b>£</b>	<b>£</b>
Quoted prices for identical instruments in active markets	48,642,060	47,438,974
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>48,642,060</b>	<b>47,438,974</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.96 and using the gross method was 1:0.96.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA UK Multi-Cap Growth Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	2.2546	-	2.2546	1.3449
Group 2	1.6723	0.5823	2.2546	1.3449

#### MGTS AFH DA UK Multi-Cap Growth Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	2.2557	-	2.2557	-
Group 2	1.3281	0.9276	2.2557	-

#### MGTS AFH DA UK Multi-Cap Growth Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	2.2450	-	2.2450	1.3358
Group 2	1.3254	0.9196	2.2450	1.3358

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA UK Alpha Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period

### Investment Review

MGTS AFH DA UK Alpha Fund R 11.35%

### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA UK All Companies Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA UK All Companies 14.77%

Source: Morningstar. Performance is bid to bid with income reinvested.

### Market Review

UK equities rose over the period under review, albeit amidst bouts of volatility, buoyed by a successful rollout of vaccines and continued signs of a broad-based economic rebound as the UK economy gradually reopened. Concerns about the pace of inflation grew over the period, with market spectators divided over whether inflationary pressures were likely to be transitory or longer lasting. The Bank of England's Monetary Policy Committee (MPC) said it expected inflation to overshoot its target only for a short period. The MPC kept interest rates steady at a historic low of 0.1%. The unemployment rate continued to steadily decline over the period.

Despite continued success with the COVID-19 vaccination rollout, uncertainty about the potential impact of the increasing prevalence of the Delta variant remained, even as the UK continued its programme of opening up. Investors became increasingly concerned over the proliferation of supply bottlenecks and labour shortages across the economy.

### Portfolio Review

Portfolio performance over the period was challenged by the ongoing COVID-19 outbreak and this was an extremely difficult environment for investors. However our focus on relative value meant the portfolio was able to keep pace over the period with only a marginal underperformance.

What contributed to returns:

- Stock selection in financials and energy contributed positively to relative returns.
- An overweight position in IMI, a specialist engineering company, contributed favourably to performance. The company raised both 2021 and sustainable margin guidance, as well as announcing a £200m share buyback.
- Draper Esprit, a technology-focused venture capital company, maintained positive momentum through the period.
- Not owning HSBC contributed positively to returns.

## Investment Adviser's Report (continued)

What detracted from returns:

- Stock selection in consumer staples and telecommunications contributed negatively to relative returns.
- The holding in Jet2 detracted from returns, as coronavirus restrictions forced the company to suspend flights and holidays through June.
- Performance in Associated British Foods was challenged through the period.
- Despite unchanged forward guidance, hotel and restaurant operator, Whitbread, retreated from April highs as the extension of COVID restrictions weighed on prices.

### Outlook

UK equities are attractively valued relative to other countries on an absolute basis. Underlying economic momentum remains positive, and the resumption of dividend payments is also likely to be supportive.

However, several factors, including the outlook for inflation, labour market dynamics, resilience of supply chains, and COVID-19 developments over the winter months are sources of concern that require careful navigation. Companies that build on their competitive advantages, successfully respond to challenges, and adapt to new consumer habits could help to lead the economic recovery and emerge from the pandemic stronger than before.

Lazard Asset Management Ltd  
*Delegated adviser to the fund*  
30 September 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
53,002	Burberry Group Plc	1,005,978	1.61	
320,126	Dr. Martens Plc (Wi)	1,368,219	2.19	
14,658	Ferguson Plc	1,542,755	2.47	
156,619	JD Sports Fashion Plc	1,623,356	2.60	
466,394	Made.com Group Plc (Wi)	769,550	1.23	
945,536	RESTAURANT GROUP	1,151,663	1.84	
43,858	Whitbread Plc	1,430,648	2.29	
	<b>Total Consumer, Cyclical</b>	<b>8,892,169</b>	<b>14.23</b>	<b>14.74</b>
	<b>Basic Materials</b>			
52,991	Anglo American Plc	1,614,901	2.59	
37,760	Rio Tinto Plc	2,004,301	3.21	
41,037	Smurfit Kappa Group Plc	1,718,189	2.75	
247,109	Synthomer Plc	1,314,620	2.10	
	<b>Total Basic Materials</b>	<b>6,652,011</b>	<b>10.65</b>	<b>7.96</b>
	<b>Financial</b>			
144,639	3i Group Plc	1,937,439	3.10	
1,377,631	Barclays Plc	2,562,118	4.10	
436,704	Direct Line Insurance	1,353,346	2.17	
114,447	DRAPER ESPRIT PLC	1,252,050	2.00	
4,084,418	Lloyds Banking Group Plc	1,817,566	2.91	
130,242	Prudential Plc	1,944,513	3.11	
327,072	Standard Chartered Plc	1,515,979	2.43	
1,092,609	Triam Investors 1 Ltd	1,398,540	2.24	
	<b>Total Financial</b>	<b>13,781,551</b>	<b>22.06</b>	<b>24.15</b>
	<b>Communications</b>			
1,195,992	Vodafone Group Plc	1,473,462	2.36	
158,556	WPP Plc	1,585,560	2.54	
	<b>Total Communications</b>	<b>3,059,022</b>	<b>4.90</b>	<b>7.58</b>
	<b>Energy</b>			
1,104,629	BP Plc	3,312,782	5.30	
153,698	Royal Dutch Shell Plc B Shares	2,232,617	3.57	
	<b>Total Energy</b>	<b>5,545,399</b>	<b>8.87</b>	<b>-</b>
	<b>Industrial</b>			
92,923	IMI Plc	1,694,916	2.71	
	<b>Total Industrial</b>	<b>1,694,916</b>	<b>2.71</b>	<b>15.59</b>
	<b>Consumer, Non-cyclical</b>			
83,437	Associated British Foods Plc	1,671,243	2.68	
53,444	AstraZeneca Plc	4,556,634	7.31	
63,833	British American Tobacco Plc	1,742,960	2.79	
125,546	Britvic Plc	1,226,584	1.96	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
57,162	Coca-Cola HBC AG	1,517,651	2.43	
65,268	Diageo Plc	2,311,466	3.70	
21,100	Intertek Group Plc	1,130,538	1.81	
76,393	RELX Plc	1,674,535	2.68	
429,813	Ssp Group Plc	1,197,889	1.92	
709,543	Tesco Plc	1,822,461	2.92	
66,463	Unilever Plc	2,689,425	4.31	
	<b>Total Consumer, Non-cyclical</b>	<b>21,541,386</b>	<b>34.51</b>	<b>22.44</b>
	<b>Total Healthcare</b>	-	-	<b>6.36</b>
	<b>Portfolio of Investments</b>	<b>61,166,454</b>	<b>97.93</b>	<b>98.82</b>
	<b>Net Current Assets</b>	<b>1,292,131</b>	<b>2.07</b>	<b>1.18</b>
	<b>Net Assets</b>	<b>62,458,585</b>	<b>100.00</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	102.5665	92.6717	98.6300	100.0000
Return before operating charges *	11.9864	10.7348	-5.9883	-1.3300
Operating charges	-0.5000	-0.8400	0.0300	-0.0400
Return after operating charges	11.4864	9.8948	-5.9583	-1.3700
Closing NAV per share	114.0529	102.5665	92.6717	98.6300
Retained distribution on acc shares	1.9065	2.4869	1.0748	0.0000
* After direct transaction costs of	0.2268	0.6518	0.5754	1.2064
<b>Performance</b>				
Return after charges	11.20%	10.68%	-6.04%	-1.37%
<b>Other Information</b>				
Closing net asset value (£)	7,146,655	3,690,327	136	99
Closing number of shares	6,266,091	3,597,986	47	100
OCF	0.88%	0.85%	0.85%	0.83%
Direct transaction costs	0.20%	0.68%	0.56%	1.19%
<b>Prices</b>				
Highest share price (pence)	114.33	105.25	108.54	110.42
Lowest share price (pence)	102.50	68.77	94.19	89.66

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	101.8002	91.9556	98.1968	100.0000
Return before operating charges *	11.8888	10.4146	-5.5812	-1.1532
Operating charges	-0.3800	-0.5700	-0.6600	-0.6500
Return after operating charges	11.5088	9.8446	-6.2412	-1.8032
Closing NAV per share	113.3090	101.8002	91.9556	98.1968
Retained distribution on acc shares	2.0022	2.5663	4.2791	3.1277
* After direct transaction costs of	0.2226	0.5903	0.5869	1.2419
<b>Performance</b>				
Return after charges	11.31%	10.71%	-6.36%	-1.80%
<b>Other Information</b>				
Closing net asset value (£)	55,310,817	50,830,517	65,354,476	58,580,531
Closing number of shares	48,814,146	49,931,637	71,071,811	59,656,224
OCF	0.68%	0.65%	0.65%	0.63%
Direct transaction costs	0.20%	0.67%	0.58%	1.23%
<b>Prices</b>				
Highest share price (pence)	113.57	104.44	107.72	110.52
Lowest share price (pence)	101.73	68.16	93.41	89.92



## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	101.8002
Return before operating charges *	11.9106
Operating charges	<u>-0.4200</u>
Return after operating charges	11.4906
Distribution on income shares	<u>-1.9820</u>
Closing NAV per share	111.3088

\* After direct transaction costs of 0.2293

### Performance

Return after charges 11.29%

### Other Information

Closing net asset value (£)	1,113
Closing number of shares	-
OCF	0.68%
Direct transaction costs	0.21%

### Prices

Highest share price (pence)	113.56
Lowest share price (pence)	106.69

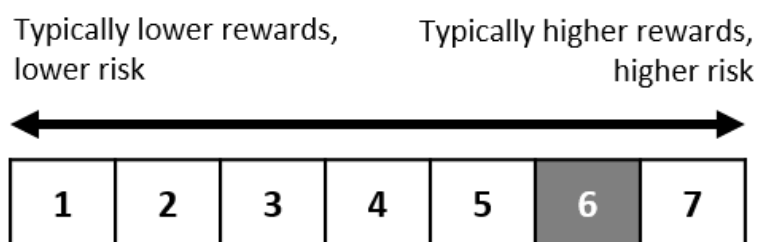
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
Income		£	£	£	£
Net capital gains/(losses)	1		5,152,194		(4,821,394)
Revenue	3	1,290,594		974,432	
Expenses	4	(211,124)		(216,594)	
Finance costs: Interest	6	-		(7,966)	
Net revenue before taxation		1,079,470		749,872	
Net revenue after taxation			1,079,470		749,872
<b>Total return before distributions</b>			<b>6,231,664</b>		<b>(4,071,522)</b>
Finance costs: Distribution	6		(1,079,509)		(749,821)
<b>Change in net assets attributable to shareholders from investment</b>			<b>5,152,155</b>		<b>(4,821,343)</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			54,481,094		65,354,612
Amounts receivable on issue of shares		4,936,883		13,650,588	
Amounts payable on cancellation of shares		(3,214,004)		(2,534,911)	
Dilution levy		5,637		67,819	
			1,728,516		11,183,496
Change in net assets attributable to shareholders from investment activities			5,152,155		(4,821,343)
Retained distribution on accumulation shares			1,096,820		800,252
<b>Closing net assets attributable to shareholders</b>			<b>62,458,585</b>		<b>72,517,017</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			61,166,454		53,837,231
Debtors	7	864,157		374,938	
Bank balances		<u>1,352,925</u>		<u>2,308,052</u>	
<b>Total other assets</b>			<b>2,217,082</b>		<b>2,682,990</b>
<b>Total assets</b>			<b>63,383,536</b>		<b>56,520,221</b>
<b>Liabilities</b>					
Creditors	8	429,771		2,039,127	
Distribution payable on income shares		20		-	
Bank overdrafts		<u>495,160</u>		<u>-</u>	
<b>Total other liabilities</b>			<b>924,951</b>		<b>2,039,127</b>
<b>Net assets attributable to shareholders</b>			<b>62,458,585</b>		<b>54,481,094</b>

# Notes to the financial statements

As at 31 August 2021

<b>1 Net capital gains/(losses)</b>	<b>31.08.21</b>	<b>31.08.20</b>
	<b>£</b>	<b>£</b>
Proceeds from sales on investments during the period	20,563,409	40,103,044
Original cost of investments sold during the period	(19,096,879)	(45,234,331)
Gains/(losses) realised on investments sold during the period	1,466,530	(5,131,287)
Net (appreciation)/depreciation thereon already recognised in prior periods	(1,255,086)	2,675,965
Net realised appreciation/(depreciation) for the period	211,444	(2,455,322)
Net unrealised appreciation/(depreciation) for the period	4,952,764	(2,366,050)
Net gains/(losses) on non-derivative securities	5,164,208	(4,821,372)
Net losses on currencies	(12,014)	(22)
<b>Net capital gains/(losses) on investments</b>	<b>5,152,194</b>	<b>(4,821,394)</b>
<b>2 Purchases, sales and transaction costs</b>		
<b>Equities/ETF schemes</b>		
Purchases excluding transaction costs	22,664,152	52,223,982
Commissions: 0.05% [0.04%]	10,803	19,998
Stamp duty: 0.43% [0.40%]	97,374	211,173
Trustee transaction charges: 0.00% [0.00%]	92	2,095
<b>Purchases including transaction costs</b>	<b>22,772,421</b>	<b>52,457,248</b>
Sales excluding transaction costs	20,575,692	40,119,662
Commissions: 0.05% [0.04%]	(9,779)	(16,617)
Stamp duty: 0.01% [0.00%]	(2,504)	(125)
Trustee transaction charges: 0.00% [0.00%]	(124)	(1,500)
<b>Sales including transaction costs</b>	<b>20,563,285</b>	<b>40,101,420</b>
<i>Trustee transaction charges have been deducted in determining net capital</i>		
<i>Transaction charges are displayed as percentage of purchase/sale</i>		
<b>Total commission charges : 0.03% [0.06%]</b>	<b>20,582</b>	<b>36,616</b>
<b>Total stamp duty and other charges: 0.17% [0.34%]</b>	<b>99,878</b>	<b>211,297</b>
<b>Total trustee transaction charges : 0.00% [0.01%]</b>	<b>216</b>	<b>3,595</b>
<i>Total charges displayed as percentage of average net asset value</i>		
<b>Average portfolio dealing spread : 0.13% [0.10%]</b>		
<b>3 Revenue</b>		
UK franked dividends	1,250,651	973,927
Overseas franked income	40,469	-
Overseas gross unfranked income	(521)	-
Bank interest	(5)	505
<b>Total revenue</b>	<b>1,290,594</b>	<b>974,432</b>

## 4 Expenses

	31.08.21	31.08.20
	£	£
<i>Payable to the ACD, associates of the ACD and agents of either:</i>		
ACD's periodic charge	170,038	187,650
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>		
Depositary's fee	13,780	15,301
Safe custody	4,822	3,961
	<u>18,602</u>	<u>19,262</u>
<i>Other expenses:</i>		
Audit fee	3,630	3,962
Registration fees	234	9
Transfer agency fee	18,355	5,446
Distribution costs	265	265
<b>Total expenses</b>	<b><u>211,124</u></b>	<b><u>216,594</u></b>

## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
Irrecoverable income tax	-	-
Current tax charge (note 5b)	-	-
<b>Total tax charge</b>	<b><u>-</u></b>	<b><u>-</u></b>

b) Factors affecting the tax charge for the period:

Net income before taxation	1,079,470	749,872
Corporation tax at 20%	215,894	149,975
<i>Effects of:</i>		
UK dividends	(258,224)	(194,785)
Utilisation of excess management expenses	42,330	44,810
Corporation tax charge	-	-
Irrecoverable income tax	-	-
<b>Current tax charge for the period (note 5a)</b>	<b><u>-</u></b>	<b><u>-</u></b>

c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £1,337,860 (prior year £1,126,210). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	1,096,840	800,252
	1,096,840	800,252
Amounts deducted on cancellation of shares	20,785	13,254
Amounts received on issue of shares	(38,116)	(63,685)
Finance costs: Distributions	1,079,509	749,821
Finance costs: Interest	-	7,966
<b>Total finance costs</b>	<b>1,079,509</b>	<b>757,787</b>
<b>Represented by:</b>		
Net revenue after taxation	1,079,470	749,872
Balance of revenue brought forward	48	39
Balance of revenue carried forward	(9)	(90)
<b>Finance costs: Distributions</b>	<b>1,079,509</b>	<b>749,821</b>
<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	68,230	54,990
Amounts receivable for investment securities sold	260,456	138,438
<i>Accrued income:</i>		
UK franked dividends	523,386	176,282
Taxation recoverable	12,085	5,228
<b>Total debtors</b>	<b>864,157</b>	<b>374,938</b>
<b>8 Creditors</b>		
Amounts payable for cancellation of shares	11,689	1,997,470
Amounts payable for investment securities purchased	376,871	-
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	29,007	23,755
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	2,318	1,980
Transaction charges	838	2,678
Safe custody fee	-	1,605
	3,156	6,263
Other creditors	9,048	11,639
<b>Total creditors</b>	<b>429,771</b>	<b>2,039,127</b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	<b>R Acc</b>	<b>I Acc</b>
Opening number of shares	3,597,986	49,931,637
Shares issued	3,372,246	3,634,741
Shares converted	550	(553)
Shares redeemed	(704,691)	(4,751,679)
Closing number of shares	<u>6,266,091</u>	<u>48,814,146</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

<b>i. Interest risk</b>	<b>31.08.21</b>	<b>28.02.21</b>
	<b>£</b>	<b>£</b>
Floating rate assets (pounds sterling):	1,352,925	2,308,052
Floating rate liabilities (pounds sterling):	(495,160)	-
Assets on which interest is not earned (pounds sterling):	60,312,422	52,940,689
Assets on which interest is not earned (euro):	1,718,189	1,271,480
Liabilities on which interest is not paid (pounds sterling):	(429,791)	(2,039,127)
<b>Net Assets</b>	<b><u>62,458,585</u></b>	<b><u>54,481,094</u></b>

<b>ii. Currency risk</b>	<b>31.08.21</b>	<b>28.02.21</b>
	<b>£</b>	<b>£</b>
GBP	60,740,396	53,209,614
Euro	1,718,189	1,271,480
<b>Net Assets</b>	<b><u>62,458,585</u></b>	<b><u>54,481,094</u></b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Quoted prices for identical instruments in active markets	61,166,454	53,837,231
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>61,166,454</b>	<b>53,837,231</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.98 and using the gross method was 1:0.98.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%



## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA UK Alpha Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	2.0022	-	2.0022	0.9374
Group 2	1.5932	0.4090	2.0022	0.9374

#### MGTS AFH DA UK Alpha Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	1.9820	-	1.9820	-
Group 2	1.9820	-	1.9820	-

#### MGTS AFH DA UK Alpha Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.9065	-	1.9065	0.9344
Group 2	1.2163	0.6902	1.9065	0.9344

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA North American Equity Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA North American Equity Fund R 17.79%

### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA North America Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA North America 16.17%

Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA North American Equity Fund ('the Fund') is a multi-managed fund. The underlying strategies are: Glenmede Quantitative US Large Cap Core Equity ('Glenmede'), T. Rowe Price US Structured Research Equity ('T. Rowe Price'), and JP Morgan US Large Cap Core ('JP Morgan').

### Overall portfolio commentary

Over the 6-month period ending 31<sup>st</sup> August, the MGTS DA North American Equity Fund underperformed the broad market by circa 2.7%.

Glenmede (whose benchmark is the Russell 1000), slightly detracting from performance, returning 19.8% (GBP) over the period. Investors favoured growth stocks over the period, which provided a headwind for Glenmede. The role of this strategy is to provide a diversified US equity exposure with a modest tilt towards value stocks to diversify from the broader US equity market currently dominated by large growth stocks.

T. Rowe Price (whose benchmark is the S&P 500) contributed to performance, returning 21.85% (GBP) over the period, similar to the S&P 500 which is expected. The fund's slight growth bias has provided a tailwind. The strategy provides a portfolio with a diversified, core exposure to US equities.

JP Morgan (whose benchmark is the S&P 500), slightly detracted from performance, returning 20.3% (GBP) over the period. The fund derives the majority of its performance from stock selection decisions, as it does not take significant factor or macro bets. Over the period stock selection in financial services, banks and software & services sectors detracted from performance. The strategy provides a portfolio with a relatively concentrated core US equity exposure.

## Investment Adviser's Report (continued)

### Key points from adviser portfolio commentaries

#### **Glenmede**

The Glenmede-managed strategy underperformed the broad market by circa 2.6% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021 as investors favoured growth, notably the largest mega-cap technology and internet-related stocks.

Relative performance was negatively impacted from underexposures to Facebook, Alphabet, Microsoft and Apple – these four companies contributed circa 27% (486 basis points) of the total return for the Russell 1000 Index.

Targeted industry group biases had net favourable effects on performance, with relative overweight positions in Financials and Real Estate versus underweight positions in Consumer Discretionary and Energy stocks. The strategy reflected stock selection outperformance in four of eleven sectors. The most positive relative contributions were in the Consumer Discretionary and Healthcare sectors, with the most negative in the Communication Services and Information Technology sectors.

For the 6-month period, the strategy had mixed contributions from multi-factor stock selection models, including biases towards stocks with lower valuations and better fundamentals. Technology and Communication Service companies, including Fortinet, Facebook, and Alphabet were the most favourable contributors. Companies within interactive home-entertainment were negative contributors, including Take-Two Interactive and Activision Blizzard.

#### **T. Rowe Price**

The T. Rowe Price-managed strategy outperformed the broad market by circa 0.2% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

The Communication Services sector was the largest contributor to relative performance due to stock selection. An overweight position in Alphabet added value, benefiting from market optimism and strong revenue growth in digital advertising. An overweight position in Facebook also aided relative returns as it announced strong quarterly results.

Security selection in the Materials sector also aided relative returns. Overweight positions in paint and coatings manufacturer, Sherwin-Williams, and Sealed Air, a materials science and packaging solutions company specialising in food care and product protection, both benefited from improving demand.

The Consumer Staples sector also added value, with a non-index position in beverage conglomerate Keurig Dr Pepper benefiting from shifting behaviours as consumers spend more time at home. An overweight position in snack company Mondelez International was beneficial as it raised its full year organic sales growth guidance and announced plans to acquire Greek food company Chipita.

Conversely, the Information Technology sector was the largest detractor from relative performance due to stock selection. Not owning Adobe hurt relative returns as the company's subscription growth increased as more people worked from home during the COVID-19 pandemic. An underweight position in NVIDIA detracted as the designer of graphics processing units and chip systems beat estimates across all of its business segments.

#### **JP Morgan**

The T. Rowe Price-managed strategy underperformed the broad market by circa 1.5% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

Stock selection in the financial services, big banks & brokers and software & services sectors detracted from performance. Within financial services, an overweight position in MasterCard was the largest detractor as despite the company reporting positive quarterly earnings results, concerns over rising cases of the COVID-19 delta variant across the globe pushes out the recovery in cross border travel.

## Investment Adviser's Report (continued)

At the security level, an overweight position in Marriott International proved lacklustre as despite the company reporting strong earnings results that exceeded estimates, the delta variant increased the risk to business travel at a time when a return of business travel was widely expected.

On the other hand, stock selection in the media and industrial cyclical sectors, as well as sector allocation in the energy space added the most value. Within media, an overweight position in Alphabet was the largest contributor due to positive earnings estimate revisions amid a strong environment for online ad sales and the company's favourable position to benefit from the ongoing economic recovery.

### **Forward-looking commentary**

#### **Glenmede**

There have been unprecedented fiscal and monetary actions taken around the globe to support economies, acceleration of vaccinations and improving business/consumer confidence but significant risks remain, including a resurgence of COVID-19, rising inflation, excessive fiscal spending and international relations. However, Glenmede expects robust corporate earnings growth for second half 2021 and 2022 as nations manage through the COVID-19 pandemic and economies strengthen. Many economists project real GDP growth of 5% to 7% for 2021 and 3.5% to 5.5% for 2022.

Glenmede believe this strategy is well positioned with its multifactor approach, favouring stocks with cheaper valuations, strong fundamentals, positive earnings and revenue estimate trends, and attractive technicals.

#### **T. Rowe Price**

T. Rowe Price note that despite the strength and speed of the global economic recovery, potential risks to growth persist. Vaccine progress remains slow in parts of the world and new variants remain a potential threat.

While the Biden administration is seeking to raise the U.S. corporate tax rate, any increase is likely to be moderate and neutral for U.S. equity markets. However, proposed increases in capital gains and dividend taxes could be negative for after-tax returns on most asset classes. Meanwhile, price/earnings multiples in some sectors and stocks imply demanding earnings expectations. Even relatively strong second-half results might fail to meet those expectations.

#### **JP Morgan**

JP Morgan continue to focus on fundamentals of the economy and company earnings. Their Core analysts' estimates for S&P 500® earnings currently project +42% growth for 2021 and +8% for 2022. While subject to revision, this forecast reflects their expectations for a recovery in the underlying economy and includes their best analysis of earnings expectations. Unemployment and other uncertainties, such as fiscal stimulus, the pace of economic growth, new variants of COVID-19 and the vaccine distribution, will be integral to investor sentiment moving forward.

While the economic recovery is underway, JP Morgan remain balanced and continue to monitor incremental risks that could represent headwinds for US stocks. Through the volatility, they maintain exposure to quality, focus on high conviction stocks, and take advantage of market dislocations for compelling stock selection opportunities.

AFH Independent Financial Services Ltd  
*Investment Adviser*  
26 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Industrials</b>			
2,263	3M Co	320,224	0.12	
10,580	Agilent Technologies Inc	1,348,719	0.52	
7,749	AMETEK Inc	765,946	0.30	
7,292	Amphenol Corp - CI A	405,882	0.16	
8,375	Arrow Electronics Inc	737,377	0.29	
4,342	Ball Corp	302,741	0.12	
1,952	Boeing Co/the	311,213	0.12	
2,000	Canadian Pacific Railway Ltd	100,012	0.04	
18,860	Carrier Global Corporation	789,351	0.31	
41,561	Csx Corp	982,241	0.38	
1,865	Cummins Inc	319,747	0.12	
4,854	Deere & Co	1,333,192	0.52	
22,068	Eaton Corp Plc	2,699,641	1.05	
1,757	FedEx Corp	339,129	0.13	
2,560	Flowserve Corporation	72,316	0.03	
4,566	Fortive Corporation	245,124	0.10	
10,444	Fortune Brands Home & Security	738,746	0.29	
9,577	General Electric Co	733,448	0.29	
1,824	Honeywell Intl	307,416	0.12	
4,011	Ingersoll Rand	154,523	0.06	
519	Johnson Controls International	28,217	0.01	
391	Keysight Technologies In	50,966	0.02	
11,607	Knight-Swift Transportation	437,709	0.17	
1,415	L3 Harris Technologies Inc	239,563	0.09	
674	Mettler-Toledo International	759,857	0.30	
15,281	Norfolk Southern Corp	2,814,103	1.10	
2,827	Northrop Grumman Corp	755,421	0.29	
3,941	Otis Worldwide Corporation	264,127	0.10	
8,366	Owens Corning	580,756	0.23	
833	Packaging Corp Of America	91,836	0.04	
3,083	Parker Hannifin Corp	664,481	0.26	
5,497	PerkinElmer Inc	738,100	0.29	
700	Raytheon Technologies Corp	43,109	0.02	
999	Roper Technologies Inc	350,507	0.14	
4,715	Sealed Air Corp	209,091	0.08	
5,189	Snap-on Inc	848,039	0.33	
3,388	Stanley Black & Decker Inc	475,650	0.19	
711	Teledyne Tech Inc	239,368	0.09	
4,739	Textron Inc	250,175	0.10	
110	Transdigm Group Inc	48,471	0.02	
1,621	Trimble Inc	110,949	0.04	
3,767	UNITED PARCEL-B	535,593	0.21	
1,108	Vulcan Materials Co	149,620	0.06	
2,569	Waste Connections Inc	241,088	0.09	
3,565	Waters Corp	1,071,417	0.42	
1,493	Westrock Co	56,443	0.02	
	<b>Total Industrials</b>	<b>25,061,644</b>	<b>9.78</b>	<b>8.97</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
3,499	Abbott Labs	321,216	0.12	
38,441	AbbVie Inc	3,373,365	1.31	
3,830	Affirm Holdings Inc	268,072	0.10	
6,061	Altria Group Inc	221,209	0.09	
5,559	Amgen Inc	911,135	0.35	
2,476	Anthem Inc	675,016	0.26	
9,848	AstraZeneca Plc ADR	417,109	0.16	
2,760	Becton Dickinson	504,502	0.20	
4,730	Biogen Inc	1,165,003	0.45	
12,540	Booz Allen Hamilton Holdings	745,930	0.29	
36,904	Boston Scientific Corp	1,210,108	0.47	
33,434	Bristol-Myers Squibb Co	1,623,590	0.63	
17,405	Cardinal Health Inc	663,819	0.26	
15,135	Centene Corp	692,734	0.27	
7,192	Church & Dwight Co Inc	437,269	0.17	
11,069	Cigna Corp	1,702,261	0.66	
58,265	Coca-cola Co/the	2,384,377	0.93	
14,940	Colgate-Palmolive Co	846,238	0.33	
2,565	Conagra Brands Inc	61,720	0.02	
1,010	CoStar Group Inc	62,200	0.02	
2,881	Cvs Health Corp	180,837	0.07	
2,124	Danaher Corp	500,468	0.19	
600	Darling Ingredients Inc	32,459	0.01	
9,672	Davita Inc	919,121	0.36	
11,665	Elanco Animal Health Inc	282,808	0.11	
11,466	Eli Lilly & Co	2,152,292	0.84	
630	EQUIFAX INC	124,649	0.05	
900	Estee Lauder Companies A	222,704	0.09	
5,900	FLEETCOR TECHNOLOGIES INC	1,128,375	0.44	
17,249	GENERAL MILLS INC	724,684	0.28	
6,814	Global Payments Inc	805,250	0.31	
1,042	HCA HEALTHCARE INC	191,566	0.07	
2,441	Hologic Inc	140,411	0.05	
741	Humana Inc	218,326	0.08	
1,467	Incyte Corp	81,538	0.03	
2,031	Intuitive Surgical Inc	1,553,995	0.60	
9,220	Johnson & Johnson	1,159,938	0.45	
7,051	Keurig Dr Pepper Inc	182,783	0.07	
1,867	Kimberly-Clark Corporation	186,985	0.07	
29,272	KROGER CO	978,995	0.38	
10,136	Lennar Corp	790,254	0.31	
8,539	Manpowergroup Inc	753,368	0.29	
230	Marketaxess Holdings Inc	79,551	0.03	
2,924	MCKESSON CORP	433,628	0.17	
1,325	Medtronic Plc	128,504	0.05	
4,221	Merck & Co. Inc	233,996	0.09	
600	Moderna Inc	164,263	0.06	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
25,778	Mondelez International Inc - A	1,162,820	0.45	
11,642	MONSTER BEVERAGE	825,601	0.32	
900	Mowi Asa - Spon Adr	17,523	0.01	
410	Organon & Co	10,089	0.00	
4,492	PayPal Holdings Inc	942,373	0.37	
3,949	PepsiCo Inc	448,826	0.17	
6,105	Philip Morris Intl	457,076	0.18	
7,285	Procter & Gamble Co	753,648	0.29	
11,518	Quanta Services Inc	854,810	0.33	
7,879	Quest Diagnostics Inc	874,878	0.34	
2,305	Regeneron Pharmaceuticals	1,127,172	0.44	
2,400	Roche Holdings Ltd Sponsored ADR	87,593	0.03	
5,190	S&P Global Inc	1,673,586	0.65	
6,851	Sanofi - ADR	257,759	0.10	
432	Seagen Inc	52,597	0.02	
1,694	Stryker Corp	340,979	0.13	
132	The Cooper Companies Inc	43,238	0.02	
9,700	The Kraft Heinz Company	253,709	0.10	
2,552	Thermo Fisher Scientific Inc	1,028,627	0.40	
2,226	Tyson Foods Inc-cl A	126,992	0.05	
100	UNITED RENTALS INC	25,631	0.01	
4,601	UnitedHealth Group Inc	1,391,167	0.54	
3,021	Vertex Pharmaceuticals Inc	439,736	0.17	
2,912	Zoetis Inc	432,546	0.17	
	<b>Total Consumer, Non-cyclical</b>	<b>46,267,597</b>	<b>17.93</b>	<b>4.50</b>
	<b>Basic Materials</b>			
383	Albemarle Corp	65,875	0.03	
1,076	CF Industries Holdings Inc	35,510	0.01	
15,674	Dow Inc	716,379	0.28	
19,153	EASTMAN CHEMICAL CO	1,574,694	0.61	
1,059	International Flavors & Fragrances	116,582	0.05	
19,563	International Paper Co	854,033	0.33	
2,262	Linde Plc	517,038	0.20	
8,399	Nucor Corp	717,150	0.28	
13,521	PPG Industries Inc	1,568,082	0.61	
1,864	RPM International Inc	111,461	0.04	
2,150	Sherwin-Williams Company	474,500	0.18	
	<b>Total Basic Materials</b>	<b>6,751,304</b>	<b>2.62</b>	<b>1.90</b>
	<b>Money Market</b>			
1,034,601	JPMorgan USD Liquidity LVNAV Fund X	751,890	0.29	
	<b>Total Money Markets</b>	<b>751,890</b>	<b>0.29</b>	<b>0.27</b>
	<b>Property</b>			
3,119	Welltower Inc	198,270	0.08	
	<b>Total Property</b>	<b>198,270</b>	<b>0.08</b>	<b>-</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Energy</b>			
53,718	BAKER HUGHES CO	888,143	0.35	
3,653	Chevron Corp	256,825	0.10	
10,427	Conocophillips	420,642	0.16	
2,300	Devon Energy Co	49,360	0.02	
4,579	Eog Resources Inc	224,624	0.09	
21,625	Exxon Mobil Corp	856,513	0.33	
14,696	Halliburton Co	213,391	0.08	
2,709	Marathon Petroleum Corp	116,648	0.05	
2,153	PIONEER NATURAL RESOURCES CO	234,154	0.09	
6,669	TotalEnergies SE ADR	214,610	0.08	
	<b>Total Energy</b>	<b>3,474,910</b>	<b>1.35</b>	<b>1.45</b>
	<b>Communications</b>			
231	Airbnb Inc - Class A	26,019	0.01	
1,269	Alphabet Inc - Cl C	2,683,160	1.04	
4,455	Alphabet Inc A	9,369,616	3.66	
3,227	Amazon.com Inc	8,139,568	3.17	
2,343	Arista Networks Inc	629,153	0.24	
54,806	AT&T Inc	1,092,137	0.42	
178	Booking Holdings Inc	297,492	0.12	
1,008	Cdw Corp/de	146,951	0.06	
1,537	Charter Communications Inc-a	911,968	0.35	
19,363	CIENA CORP	803,790	0.31	
34,823	Cisco Systems Inc	1,493,644	0.58	
40,644	Comcast Corp - Class A	1,792,353	0.70	
570	Dish Network Corporation Class A	18,053	0.01	
367	Doordash Inc	51,017	0.02	
16,160	Ebay Inc	901,249	0.35	
4,900	F5 Networks Inc	724,958	0.28	
16,773	Facebook Inc-A	4,623,546	1.80	
30,610	Fox Corp - A	833,099	0.32	
1,919	Liberty Broadband-c	266,819	0.10	
1,224	Motorola Solutions Inc	217,278	0.08	
1,720	Netflix Inc	711,488	0.28	
44,633	News Corp - Class A	728,854	0.28	
12,520	Nortonlifelock Inc	241,574	0.09	
15,350	OMNICOM GROUP	816,807	0.32	
3,449	Opendoor Technologies Inc	44,366	0.02	
343	Shopify Inc - Class A	379,110	0.15	
30,895	THE INTERPUBLIC GROUP OF COMPANIES INC	835,916	0.33	
2,486	T-Mobile US Inc	247,408	0.10	
1,167	VERISIGN INC	183,455	0.07	
26,786	Verizon Communications Inc	1,070,856	0.42	
3,629	Walt Disney Co	477,994	0.19	
	<b>Total Communications</b>	<b>40,759,698</b>	<b>15.87</b>	<b>14.52</b>



## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Technology</b>			
5,969	Accenture Plc A	1,459,976	0.57	
11,714	Activision Blizzard Inc	701,223	0.27	
17,885	ADV MICRO DEVICE	1,438,859	0.56	
9,462	AKAMAI TECHNOLOGIES INC	778,758	0.30	
14,132	Amdocs Ltd	791,022	0.31	
22,493	Analog Devices Inc	2,663,688	1.04	
97,952	Apple Inc	10,808,177	4.22	
11,674	Applied Materials Inc	1,146,360	0.45	
1,916	ASML Holding NV NY Reg Shares	1,159,960	0.45	
1,331	Broadcom Inc	480,969	0.19	
5,782	Cadence Design Systems Inc	686,991	0.27	
6,784	Ceridian HCM Holding Inc	554,060	0.22	
8,274	CIRRUS LOGIC INC	503,115	0.20	
2,483	Citrix Systems Inc	185,630	0.07	
3,191	Clarivate Plc	58,440	0.02	
16,993	Cognizant Tech Solutions - A	942,395	0.37	
38,103	Dropbox Inc Class A	877,809	0.34	
9,327	Electronic Arts Inc	984,283	0.38	
11,819	Fidelity Nationa	1,097,380	0.43	
8,562	FISERV INC	732,997	0.29	
5,063	Fortinet Inc	1,159,412	0.45	
80,371	HEWLETT PACKA	902,421	0.35	
37,210	HP INC	804,234	0.31	
9,705	Intel Corp	381,359	0.15	
1,103	Intuit Inc	453,497	0.18	
89	Lam Research Corporation	39,120	0.02	
20,072	LEIDOS HOLDINGS	1,431,005	0.56	
140	Marvell Technology Inc	6,227	0.00	
1,430	Microchip Technology Inc	163,535	0.06	
60,637	Microsoft Corp	13,303,122	5.18	
6,182	Nvidia Corp	1,005,384	0.39	
9,035	NXP SEMICONDUCTO	1,412,047	0.55	
14,277	Oracle Corp	924,685	0.36	
6,080	Qorvo Inc	830,874	0.32	
5,276	Qualcomm Inc	562,492	0.22	
7,178	Salesforce.com Inc	1,383,486	0.54	
15,098	SS&C TECHNOLOGIES HOLDINGS	830,171	0.32	
4,015	Synopsys Inc	969,436	0.38	
8,423	Teradyne Inc	743,440	0.29	
6,585	Texas Instruments Inc	913,717	0.36	
1,231	Workday Inc - Class A	244,375	0.10	
3,449	XILINX INC	389,792	0.15	
911	Zoom Video Communications	191,648	0.07	
	<b>Total Technology</b>	<b>57,097,571</b>	<b>22.24</b>	<b>23.15</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
1,373	Aptiv PLC	151,738	0.06	
111	Autozone Inc	124,827	0.05	
10,063	Best Buy Co Inc	851,552	0.33	
23,212	Borgwarner Inc	719,639	0.28	
853	Burlington Stores Inc	185,490	0.07	
479	Carmax Inc	43,597	0.02	
193	CHIPOTLE MEXICAN GRILL INC	266,964	0.10	
1,466	Costco Wholesale Corp	485,282	0.19	
5,535	Dolby Labs - A	398,472	0.16	
1,180	DOLLAR GENERAL C	191,175	0.07	
1,252	Dollar Tree Inc	82,381	0.03	
1,283	Ferrari N.V.	202,567	0.08	
9,379	Foot Locker Inc	386,407	0.15	
20,142	General Motors Co	717,266	0.28	
1,942	Hilton Worldwide Holdings Inc	176,163	0.07	
3,644	Home Depot Inc	863,623	0.34	
1,900	Las Vegas Sands Corp	61,584	0.02	
17,526	Lowe's Cos Inc	2,595,401	1.02	
421	Lululemon Athletica Inc	122,387	0.05	
2,096	Magna International Inc	120,457	0.05	
17,903	Marriott Intl - CI A	1,758,293	0.68	
10,541	McDonald's Corporation	1,818,629	0.71	
3,900	MGM Resorts International	120,770	0.05	
4,409	Nike Inc - CI B	527,766	0.21	
34	NVR INC	127,871	0.05	
2,632	O'Reilly Automotive Inc	1,136,102	0.44	
4,982	Paccar Inc	296,458	0.12	
4,035	Playtika Holding Corp	77,328	0.03	
19,303	PULTEGROUP INC	755,426	0.29	
8,920	Ross Stores Inc	767,535	0.30	
3,400	Southwest Airlines Co	122,978	0.05	
4,650	Starbucks Corp	397,041	0.15	
5,379	Target Corp	965,288	0.38	
4,691	TESLA INC	2,506,924	0.98	
19,554	TJX Companies Inc	1,032,980	0.40	
2,475	TRACTOR SUPPLY COMPANY	349,396	0.14	
368	Ulta Beauty Inc	103,529	0.04	
2,242	UNITED CONTINENTAL HOLDINGS INC	75,765	0.03	
2,138	VF CORP	118,771	0.05	
2,143	Walmart Inc	230,528	0.09	
2,539	Whirlpool Corp	407,070	0.16	
890	Wynn Resorts Ltd	65,767	0.03	
8,907	YUM! BRANDS INC	847,719	0.33	
	<b>Total Consumer, Cyclical</b>	<b>23,356,906</b>	<b>9.13</b>	<b>8.49</b>
	<b>Total Healthcare</b>	-	-	<b>11.87</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Financial</b>			
14,374	Aflac Inc	592,092	0.23	
568	Alexandria Real Estate Equity	85,018	0.03	
11,107	American International Group	440,244	0.17	
6,165	American Tower Corp	1,309,166	0.51	
6,587	Ameriprise Financial Inc	1,305,863	0.51	
575	Apartment Income REIT Corp	21,216	0.01	
1,200	Apollo Global Management Inc	52,090	0.02	
970	Assurant Inc	119,918	0.05	
1,051	Avalonbay Communities Inc REIT	175,210	0.07	
20,733	BANK NY MELLON	831,580	0.32	
35,376	Bank of America Corp	1,072,335	0.42	
4,370	Berkshire Hathaway Inc-CI B	907,124	0.35	
999	Camden Property Trust	108,975	0.04	
7,747	Capital One Financial Corp	934,369	0.36	
1,420	CBOE GLOBAL MARKETS INC	129,947	0.05	
12,800	CBRE GROUP INC-A	895,535	0.35	
2,925	Chubb Ltd	390,900	0.15	
2,444	Citigroup Inc	127,724	0.05	
34,096	Citizens Financial Group	1,084,580	0.42	
2,448	CME Group Inc	358,838	0.14	
4,601	Crown Castle Intl Corp	650,761	0.25	
9,809	East West Bancorp Inc	522,814	0.20	
386	Equinix Inc	236,554	0.09	
7,696	Equitable Holdings Inc	173,384	0.07	
7,304	Equity Lifestyle Properties	451,617	0.18	
1,554	Equity Residential	94,923	0.04	
202	Essex Property Trust Inc	48,527	0.02	
12,319	Fidelity National Financial	436,984	0.17	
31,350	Fifth Third Bancorp	885,364	0.34	
27,887	First Horizon Corp	332,171	0.13	
1,790	Goldman Sachs Group Inc	537,794	0.21	
6,006	Hartford Financial Services Group	293,404	0.11	
37,416	Huntington Bancshares Inc	422,290	0.16	
3,305	Intercontinental Exchange Inc	287,122	0.11	
1,400	INVESCO LTD	25,772	0.01	
24,668	Janus Henderson Group Plc	777,150	0.30	
16,521	Jefferies Financial Group Inc	443,522	0.17	
2,839	JPMorgan Chase & Co	330,054	0.13	
55,767	Keycorp	823,131	0.32	
3,152	KKR & Co Inc - A Share	147,246	0.06	
1,314	Marsh & McLennan Companies Inc	150,069	0.06	
15,851	Mastercard Inc - A	3,987,862	1.55	
21,274	Metlife Inc	958,412	0.37	
33,280	Morgan Stanley	2,525,265	0.98	
2,750	PNC Financial Services Group	381,942	0.15	
11,158	Progressive Corp	781,222	0.30	
38,324	Prologis Inc	3,749,402	1.46	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
136	Public Storage	31,985	0.01	
294	Raymond James Financial Inc	29,883	0.01	
49,896	REGIONS FINANCIA	740,825	0.29	
1,831	Renaissancere Holdings Ltd	208,596	0.08	
96	SBA Communications Corp	25,042	0.01	
7,586	Schwab (Charles) Corp	401,573	0.16	
992	SIGNATURE BANK	186,800	0.07	
588	Simon Property Group Inc	57,441	0.02	
59,258	SLM Corp	807,476	0.31	
12,259	State Street Corporation	827,661	0.32	
278	Sun Communities Inc	40,700	0.02	
943	SVB Financial Group	383,436	0.15	
24,879	Synchrony Financial	899,332	0.35	
528	Tradeweb Markets Inc - Class A	33,357	0.01	
56,901	Truist Financial Corp	2,358,745	0.92	
62,444	US Bancorp	2,604,405	1.02	
6,961	Visa Inc - Class A Shares	1,158,430	0.45	
800	Voya Financial Inc	37,721	0.01	
32,883	Wells Fargo & Co	1,091,400	0.42	
16,733	Weyerhaeuser Co	437,539	0.17	
	<b>Total Financial</b>	<b>43,759,829</b>	<b>16.99</b>	<b>17.37</b>
	<b>Utilities</b>			
36,252	Aes Corp	628,614	0.24	
5,247	Ameren Corporation	334,458	0.13	
1,983	CMS Energy Corp	92,391	0.04	
5,526	Dominion Energy Inc	312,524	0.12	
841	Entergy Corporation	67,604	0.03	
2,504	Eversource Energy	165,126	0.06	
43,422	Nextera Energy Inc	2,650,130	1.04	
11,793	Public Service Enterprise Gp	547,912	0.21	
3,767	Sempra Energy	362,273	0.14	
6,855	Southern Co/the	327,406	0.13	
23,999	Ugi Corp	807,524	0.31	
1,400	WEC ENERGY GROUP INC	96,047	0.04	
28,952	Xcel Energy Inc	1,446,547	0.56	
	<b>Total Utilities</b>	<b>7,838,556</b>	<b>3.05</b>	<b>3.16</b>
	<b>Total Healthcare</b>	<b>-</b>	<b>-</b>	<b>0.10</b>
	<b>Portfolio of Investments</b>	<b>255,318,175</b>	<b>99.35</b>	<b>95.75</b>
	<b>Net Current Assets</b>	<b>1,672,607</b>	<b>0.65</b>	<b>4.25</b>
	<b>Forward Contracts</b>	<b>12</b>	<b>-</b>	<b>-</b>
	<b>Net Assets</b>	<b>256,990,794</b>	<b>100.00</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>	<b>28/02/2021</b>	<b>29/02/2020</b>	<b>28/02/2019</b>
Opening net asset value per share	132.0546	109.7987	106.3379	100.0000
Return before operating charges *	25.9778	22.3459	3.5308	6.3879
Operating charges	-0.6900	-0.0900	-0.0700	-0.0500
Return after operating charges	25.2878	22.2559	3.4608	6.3379
Closing NAV per share	157.3425	132.0546	109.7987	106.3379
Retained distribution on acc shares	0.2162	0.6042	0.2600	0.0000
* After direct transaction costs of	0.0361	0.0085	0.2091	0.1555
<b>Performance</b>				
Return after charges	19.15%	20.27%	3.25%	6.34%
<b>Other Information</b>				
Closing net asset value (£)	36,796,303	27,753,723	612	106
Closing number of shares	23,386,124	21,016,852	557	100
OCF	0.94%	0.94%	0.93%	0.93%
Direct transaction costs	0.02%	0.09%	0.16%	0.15%
<b>Prices</b>				
Highest share price (pence)	157.69	137.19	125.08	111.86
Lowest share price (pence)	131.78	92.06	103.94	90.13

### I accumulation share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>	<b>28/02/2021</b>	<b>29/02/2020</b>	<b>28/02/2019</b>
Opening net asset value per share	129.5810	107.6306	105.0939	100.0000
Return before operating charges *	25.4914	38.3504	3.8367	6.3339
Operating charges	-0.6000	-16.4000	-1.3000	-1.2400
Return after operating charges	24.8914	21.9504	2.5367	5.0939
Closing NAV per share	154.4724	129.5810	107.6306	105.0939
Retained distribution on acc shares	0.2841	0.6623	0.8944	1.3569
* After direct transaction costs of	0.0358	2.2550	0.2747	0.1760
<b>Performance</b>				
Return after charges	19.21%	20.39%	2.41%	5.09%
<b>Other Information</b>				
Closing net asset value (£)	220,194,491	173,724,518	111,222,624	94,732,702
Closing number of shares	142,546,131	134,066,310	103,337,404	90,141,034
OCF	0.84%	0.84%	0.83%	0.83%
Direct transaction costs	0.02%	0.12%	0.17%	0.17%
<b>Prices</b>				
Highest share price (pence)	154.81	134.62	122.85	110.95
Lowest share price (pence)	129.31	90.28	102.69	89.82

## Net Asset Value per Share and Comparative Tables (continued)

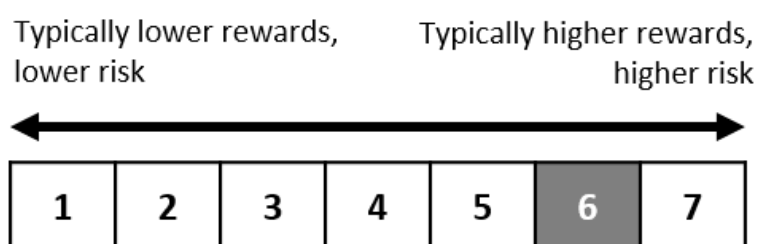
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
		£	£	£	£
<b>Income</b>					
Net capital gains/(losses)	1		39,970,776		14,197,081
Revenue	3	1,440,036		990,436	
Expenses	4	(994,655)		(536,395)	
Finance costs: Interest	6	(67)		(6)	
Net revenue before taxation		445,314		454,035	
Net revenue after taxation			445,314		454,035
<b>Total return before distributions</b>			<b>40,416,090</b>		<b>14,651,116</b>
Finance costs: Distribution	6		(445,270)		(454,030)
<b>Change in net assets attributable to shareholders from investment</b>			<b>39,970,820</b>		<b>14,197,086</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			201,478,241		111,223,236
Amounts receivable on issue of shares		26,184,637		29,257,704	
Amounts payable on cancellation of shares		(11,126,906)		(1,744,624)	
Dilution levy		28,468		(52,205)	
			15,086,199		27,460,875
Change in net assets attributable to shareholders from investment activities			39,970,820		14,197,086
Retained distribution on accumulation shares			455,534		510,054
<b>Closing net assets attributable to shareholders</b>			<b>256,990,794</b>		<b>153,391,251</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			255,318,187		192,914,563
Debtors	7	1,193,030		9,585,279	
Bank balances		<u>3,979,261</u>		<u>2,698,739</u>	
<b>Total other assets</b>			<b>5,172,291</b>		<b>12,284,018</b>
<b>Total assets</b>			<b>260,490,478</b>		<b>205,198,581</b>
<b>Liabilities</b>					
Creditors	8	796,956		1,704,216	
Bank overdrafts		<u>2,702,728</u>		<u>2,016,124</u>	
<b>Total other liabilities</b>			<b>3,499,684</b>		<b>3,720,340</b>
<b>Net assets attributable to shareholders</b>			<b>256,990,794</b>		<b>201,478,241</b>



## Notes to the financial statements

As at 31 August 2021

### 1 Net capital gains

	31.08.21	31.08.20
	£	£
Proceeds from sales on investments during the period	59,068,787	45,432,584
Original cost of investments sold during the period	(51,177,784)	(49,124,485)
Gains/(losses) realised on investments sold during the period	7,891,003	(3,691,901)
Net (appreciation)/depreciation thereon already recognised in prior periods	(3,813,712)	3,311,259
Net realised appreciation/(depreciation) for the period	4,077,291	(380,642)
Net unrealised appreciation for the period	36,002,133	14,591,558
Net gains on non-derivative securities	40,079,424	14,210,916
Net losses on currencies	(108,648)	(13,835)
<b>Net capital gains on investments</b>	<b>39,970,776</b>	<b>14,197,081</b>

### 2 Purchases, sales and transaction costs

#### Equities/ETF Schemes

Purchases excluding transaction costs	78,601,465	72,542,309
Commissions: 0.04% [0.03%]	33,651	22,409
Stamp duty and other charges: 0.00% [0.00%]	673	525
Trustee transaction charges: 0.00% [0.02%]	1,185	52,802
<b>Purchases including transaction costs</b>	<b>78,636,974</b>	<b>72,618,045</b>

Sales excluding transaction costs	56,515,462	45,453,215
Commissions: 0.04% [0.04%]	(20,785)	(20,046)
Stamp duty and other charges: 0.00% [0.00%]	(723)	(585)
Trustee transaction charges: 0.00% [0.03%]	(1,036)	(15,670)
<b>Sales including transaction costs</b>	<b>56,492,918</b>	<b>45,416,914</b>

#### Collective Investment Schemes

Purchases excluding transaction costs	2,761,162	-
Trustee transaction charges: 0.00% [0.00%]	6	-
<b>Purchases including transaction costs</b>	<b>2,761,168</b>	<b>-</b>

Sales excluding transaction costs	2,574,833	-
Stamp duty and other charges: 0.00% [0.00%]	(54)	-
Trustee transaction charges: 0.00% [0.00%]	(7)	-
<b>Sales including transaction costs</b>	<b>2,574,772</b>	<b>-</b>

*Trustee transaction charges have been deducted in determining net capital*

*Transaction charges are displayed as percentage of purchase/sale*

<b>Total commission charges: 0.02% [0.03%]</b>	<b>54,436</b>	<b>42,455</b>
<b>Total stamp duty and other charges: 0.00% [0.00%]</b>	<b>1,450</b>	<b>1,110</b>
<b>Total trustee transaction charges: 0.00% [0.05%]</b>	<b>2,284</b>	<b>68,472</b>

*Total charges displayed as percentage of average net asset value*

**Average portfolio dealing spread : 0.04% [0.05%]**

<b>3 Revenue</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
UK franked dividends	-	5,675
Gross bond interest	449	2,542
Overseas franked income	1,415,954	986,189
Overseas gross unfranked income	15,048	(2,769)
Bank interest	8,585	(1,201)
<b>Total revenue</b>	<b>1,440,036</b>	<b>990,436</b>

## 4 Expenses

*Payable to the ACD, associates of the ACD and agents of either:*

ACD's periodic charge	898,453	482,780
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*Payable to the Depositary associates of the Depositary and agents of either:*

Depositary's fee	32,231	24,796
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Safe custody	23,588	18,778
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	55,819	43,574
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*Other expenses:*

Audit fee	4,990	3,962
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Registration fees	386	18
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Transfer agency fee	34,664	5,796
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Distribution costs	265	265
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Professional fees	78	-
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<b>Total expenses</b>	<b>994,655</b>	<b>536,395</b>
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## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
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Irrecoverable income tax	-	-
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Current tax charge (note 5b)	-	-
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<b>Total tax charge</b>	<b>-</b>	<b>-</b>
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b) Factors affecting the tax charge for the period:

Net income before taxation	445,314	454,035
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Corporation tax at 20%	89,063	90,807
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*Effects of:*

UK dividends	(283,191)	(198,373)
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Movement in income accruals	-	651
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Utilisation of excess management expenses	194,128	106,915
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Corporation tax charge	-	-
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Irrecoverable income tax	-	-
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<b>Current tax charge for the period (note 5a)</b>	<b>-</b>	<b>-</b>
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c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £4,083,540 (prior year £3,112,900). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	455,534	510,054
	455,534	510,054
Amounts deducted on cancellation of shares	9,647	3,589
Amounts received on issue of shares	(19,911)	(59,613)
Finance costs: Distributions	445,270	454,030
Finance costs: Interest	67	6
<b>Total finance costs</b>	<b>445,337</b>	<b>454,036</b>

#### **Represented by:**

Net revenue after taxation	445,314	454,035
Balance of revenue brought forward	102	85
Balance of revenue carried forward	(146)	(90)
<b>Finance costs: Distributions</b>	<b>445,270</b>	<b>454,030</b>

<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	223,509	8,737,345
Amounts receivable for investment securities sold	730,141	652,264
<i>Accrued income:</i>		
UK franked dividends	100,006	77,030
Overseas franked dividends	132,077	115,788
	232,083	192,818
Taxation recoverable	7,297	2,852
<b>Total debtors</b>	<b>1,193,030</b>	<b>9,585,279</b>

<b>8 Creditors</b>		
Amounts payable for cancellation of shares	56,109	-
Amounts payable for investment securities purchased	540,486	1,518,944
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	158,137	115,275
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	5,458	4,579
Transaction charges	13,519	38,049
Safe custody fee	-	8,124
	18,977	50,752
Other creditors	23,247	19,245
<b>Total creditors</b>	<b>796,956</b>	<b>1,704,216</b>

## **9 Contingent liabilities and commitments**

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc
Opening number of shares	21,016,852	134,066,310
Shares issued	5,359,884	23,615,048
Shares converted	15,062	(15,347)
Shares redeemed	(3,005,674)	(15,119,880)
Closing number of shares	<u>23,386,124</u>	<u>142,546,131</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	28.02.21 £
Floating rate assets (pounds sterling):	2,582,961	2,283,496
Floating rate assets (us dollar):	1,396,222	415,243
Floating rate assets (euro):	78	-
Floating rate liabilities (pounds sterling):	(3,067,539)	(2,016,124)
Floating rate liabilities (us dollar):	364,811	-
Assets on which interest is not earned (pounds sterling):	1,193,042	9,585,279
Assets on which interest is not earned (us dollars):	254,477,507	192,368,193
Assets on which interest is not earned (canadian dollar):	840,667	546,370
Assets on which interest is paid (pounds sterling):	260,966	-
Liabilities on which interest is not paid (pounds sterling):	(1,057,922)	(834,165)
Liabilities on which interest is not paid (us dollar):	-	(749,867)
Liabilities on which interest is not paid (canadian dollar):	-	(120,184)
<b>Net Assets</b>	<b><u>256,990,794</u></b>	<b><u>201,478,241</u></b>

ii. Currency risk	31.08.21 £	28.02.21 £
GBP	(88,492)	9,018,487
US Dollars	256,238,540	192,033,569
Canadian Dollars	840,667	426,186
Euro	78	-
<b>Net Assets</b>	<b><u>256,990,794</u></b>	<b><u>201,478,241</u></b>

## 12 Risk disclosures (continued)

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Quoted prices for identical instruments in active markets	255,318,187	192,914,563
Prices of recent transactions for identical instruments	12	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>255,318,199</b>	<b>192,914,563</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.99 and using the gross method was 1:0.99.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

### Distribution Table

*For the period ended 31 August 2021 – in pence per share*

#### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA North American Equity Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.2841	-	0.2841	0.3991
Group 2	0.2108	0.0733	0.2841	0.3991

#### MGTS AFH DA North American Equity Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.2162	-	0.2162	0.3962
Group 2	0.1670	0.0492	0.2162	0.3962

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA European Equity Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA European Equity Fund R 19.02%

### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA Europe Ex UK Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group..

IA Europe Ex-UK 17.43%

Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA European Equity Fund ('the Fund') is a multi-managed fund. The underlying strategies are: Wellington Strategic European Equity ex UK ('Wellington'), MFS Meridian Continental European Equity ('MFS') and Goldman Sachs Europe ex UK Core Equity ('Goldman Sachs'). The Goldman Sachs strategy was appointed to the Fund on 7<sup>th</sup> April 2021.

### Overall portfolio commentary

Over the 6-month period ending 31<sup>st</sup> August 2021, the MGTS AFH DA European Equity Fund returned 18.61% (GBP), outperforming the MSCI Europe ex UK Index, which returned 17.84% (GBP) over the same period.

During the period in review, manager diversification was increased with the addition of the Goldman Sachs Europe ex UK Core Equity. Goldman Sachs has a core investment style with a slight value tilt, which acts as a balance to the growth bias in the existing portfolio. The Strategy invests in European large and mid-cap stocks, seeking to achieve consistent relative outperformance by adding value from bottom-up stock selection rather than size allocations or market timing. The Strategy is highly diversified and benchmark aware, being managed relative to the MSCI Europe ex UK Index.

The MFS portfolio style is large blend, with a modest tilt towards larger growth stocks. The portfolio maintains its overweight position to consumer staples and information technology and its underweight position to the financials, industrials, and utilities sectors. The outperformance over the period was driven by stock selection.

The Wellington portfolio style is large blend, with a tilt to growth. The portfolio remains overweight to healthcare, industrials and financials, and underweight consumer discretionary, information technology and materials. The portfolio continues to have zero weighting in the energy, real estate and utilities sectors.

European markets performed strongly over the period in review. All three managers outperformed the MSCI Europe ex UK Index, with Wellington and MFS outperforming over the full period in review and Goldman Sachs outperforming since their management commenced on 7<sup>th</sup> April 2021.

## Investment Adviser's Report (continued)

### Key points from adviser portfolio commentaries

#### **Wellington**

The Wellington-managed strategy outperformed the broad market by circa 0.6% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

Sector allocation, a result of Wellington's bottom-up stock selection process, was the primary driver of relative outperformance. The positive allocation effect was driven by an overweight to Healthcare, underweight to Consumer Discretionary and zero exposure in Energy and Utilities. This was partially offset by an underweight to Information Technology which was the best performing sector in the index. Stock selection overall detracted from returns, with strong selection in Industrials and Financials offset by stock selection in Communication Services, Consumer Discretionary and Healthcare.

At an individual stock level, Alfa Laval, a Swedish manufacturer of heat exchangers and separation equipment, and Wolters Kluwer were the largest contributors to relative performance due to better-than-expected earnings updates and rising estimates by the market. While nominally an information services publisher, Wolters Kluwer has been successfully transforming into a vertical software and digital subscription provider, leveraging its relationships and content in key industries.

The biggest detractors for the period were a zero weighting in ASML, a Dutch photolithography company for the semiconductor industry, and the portfolio's position in Trelleborg, a Swedish sealing solutions company. ASML delivered better-than expected results and Trelleborg faced some volatility driven by end market weakness in their aerospace business, although it is still up for the year.

#### **MFS**

The MFS-managed strategy outperformed the broad market by circa 3% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

Stock selection and an underweight to Financials contributed to relative returns. Good stock selection in Industrials, Materials and Consumer Discretionary also contributed positively. Stock selection in healthcare detracted from relative performance, as did the portfolio's position in cash, which is held for transactional purposes.

At an individual stock level, positions in the French IT consulting firm, Capgemini, and US industrial gas supplier, Linde, contributed to relative returns due to better-than-expected trading updates. German real estate company, Deutsche Wohnen, delivered solid first-quarter financial results and agreed to a takeover bid from German residential property company, Vonovia, which aided portfolio returns.

A position in Spanish tourism and travel IT solutions provider, Amadeus IT, weighed on relative returns due to disappointing quarterly revenues. Not owning shares in Dutch lithography systems manufacturer, ASML, and Danish pharmaceutical company, Novo Nordisk, detracted from relative returns as both companies delivered better-than-expected results.

#### **Goldman Sachs**

The Goldman Sachs-managed strategy outperformed the broad market by circa 1.4% since being added to the Fund on 7<sup>th</sup> April 2021 until 31<sup>st</sup> August 2021.

Among investment themes, factors within the High-Quality Business Models theme contributed most positively to relative returns, followed by factors within the Sentiment Analysis and Themes and Trends themes. Fundamental Mispricings related factors detracted the most from relative returns.

At a sector level, holdings within the Healthcare sector, especially an overweight position in the Life Sciences Tools & Services industry, contributed most positively to relative returns. Conversely, holdings within the Consumer Discretionary sector, especially an overweight position in the Textiles, Apparel & Luxury Goods industry, detracted the most from relative returns.



## Investment Adviser's Report (continued)

At an individual stock level, an overweight position in Lonza Group AG was among the largest positive contributors to relative returns, and an overweight position in Volkswagen AG was among the largest detractors from relative returns.

### Forward-looking commentary

#### **Wellington**

Concerns in Europe around the spread of the COVID-19 Delta variant continue to be eased by the slowing of infection rates in addition to several countries signalling their intent to offer booster shots to combat any potential dampening of vaccine efficacy. A strong corporate earnings season and the continued accommodative monetary policy environment has also supported the overall bullish outlook for European equities.

While tech and recovery names have been in the limelight, valuations for many of these companies have run up too much, reflecting unrealistic expectations. In the case of tech names in particular, the uncertainty of the business models, especially in consumer discretionary names that have some technology content, cannot justify the current valuations.

The market rally continues to be driven by two primary forces: the ongoing economic recovery and the rally of disruptive technology. The tug of war between the two has caused market volatility in rewarding value or growth stocks at times, a volatility that Wellington expect to continue.

Wellington continue to use volatility to opportunistically adjust portfolio positioning. They are optimistic about the future, despite potential for near-term volatility.

#### **MFS**

There have been no material changes to MFS' investment strategy and portfolio positioning during the period. The long-term impacts of the COVID-19 pandemic remains difficult to quantify with any degree of certainty. Sources of risk have expanded from companies with exposure to Chinese consumption and supply chains to the effectiveness of vaccination programmes and potential economic overheating.

Macro dislocations from pandemics, political turmoil, natural disasters, civil unrest and similar events are hard to predict. Therefore, MFS continue to monitor potential impact on a company-by-company basis, incorporating macro, market and tail-risk events into their analysis while being cognisant that rising volatility and market drawdowns can produce opportunities for long-term investors.

#### **Goldman Sachs**

Looking ahead, Goldman Sachs continue to believe that cheaper stocks should outpace more expensive ones and good momentum stocks should do better than poor momentum stocks. They also prefer names that fundamental research analysts are becoming more positive about, and companies that are profitable, have sustainable earnings and use their capital to enhance shareholder value. As such, they anticipate remaining fully invested and expect that the value they may add over time will be due to stock selection, as opposed to size allocations.

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
<b>Basic Materials</b>				
71,372	Acerinox Sa	700,477	0.32	
6,890	Arkema	654,908	0.30	
10,860	Basf Se	606,764	0.28	
38,117	Brenntag Ag	2,763,573	1.25	
15,584	Covestro Ag	734,420	0.33	
20,802	Fuchs Petrolub SE	598,632	0.27	
15,011	Linde Plc	3,431,148	1.56	
158,879	Norsk Hydro Asa	806,643	0.37	
132,124	SSAB AB - B Shares	453,828	0.21	
38,454	SSAB AB - A Shares	150,412	0.07	
17,893	Yara International Asa	653,206	0.30	
	<b>Total Basic Materials</b>	<b>11,554,011</b>	<b>5.26</b>	<b>3.97</b>
<b>Communications</b>				
46,077	DEUTSCHE TELEKOM	720,782	0.33	
138,326	ERICSSON LM-B	1,200,931	0.55	
47,497	Nokia Oyj	208,496	0.10	
69,848	Publicis Groupe SA	3,369,696	1.53	
4,977	Reply Spa	737,508	0.34	
12,641	Scout24 Ag	782,285	0.36	
82,459	United Internet AG - Regular Share	2,603,894	1.19	
23,474	Wolters Kluwer	1,958,418	0.89	
	<b>Total Communications</b>	<b>11,582,010</b>	<b>5.29</b>	<b>5.59</b>
<b>Technology</b>				
288	Adesso Se	45,522	0.02	
1,057	Allgeier Se	22,882	0.01	
20,768	Amadeus IT Group SA	942,686	0.43	
3,174	Asm International Nv	905,221	0.41	
5,492	ASML Holding NV	3,366,156	1.53	
21,120	Capgemini SE	3,461,641	1.57	
61,308	Dassault Systemes SE	2,557,704	1.17	
108,975	Hensoldt Ag	1,331,178	0.61	
23,397	Infineon Technologies Ag	733,606	0.33	
48,417	Jenoptik Ag	1,281,027	0.58	
10,707	Novo Nordisk A/S - B	777,375	0.35	
48,385	SAP SE	5,336,025	2.43	
11,287	STMICROELECTRONI	368,105	0.17	
987	Suess Microtec Se	21,154	0.01	
1,685	Tietoevry Oyj	43,598	0.02	
7,095	X-Fab Silicon Foundries SE	55,036	0.03	
	<b>Total Technology</b>	<b>21,248,916</b>	<b>9.67</b>	<b>8.61</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
<b>Consumer, Cyclical</b>				
4,304	Adidas Ag	1,122,308	0.51	
2,435	Bayerische Motoren Werke Ag	166,900	0.08	
2,146	Bayerische Motoren Werke - Pref Share	128,399	0.06	
1,108	Cewe Stiftung & Co Kgaa	121,641	0.06	
490	Cie Financière Richemont - Reg	40,234	0.02	
7,846	Continental AG	753,529	0.34	
1,474	D'Ieteren SA NV	166,887	0.08	
20,963	Econocom Group	64,468	0.03	
186,790	Elior Group	967,566	0.44	
1,582	Ferronordic AB	32,039	0.01	
10,081	Flutter Entertainment PLC	1,460,233	0.67	
19,269	Hennes & Mauritz AB - B	290,577	0.13	
28	Hermes International	30,487	0.01	
5,038	Industria de Diseno Textil	128,319	0.06	
4,072	Kering SA	2,409,410	1.10	
3,400	Kid Asa	35,309	0.02	
8,805	LVMH Moet Hennessy Louis Vuitton	4,871,833	2.21	
25,615	Marr Spa	449,764	0.21	
1,447	Mekonomen Ab	19,715	0.01	
5,896	New Wave Group Ab-b Shs	66,828	0.03	
76	PANDORA A/S	6,867	0.00	
842	Porsche Automobil Holding - Pref Share	61,741	0.03	
63,762	Prysmian Spa	1,767,546	0.81	
2,809	Puma Se	250,954	0.11	
38,603	Rexel Sa	582,643	0.27	
588	Salvatore Ferragamo Spa	8,839	0.00	
63,697	Stellantis NV	926,754	0.42	
2,192	The Swatch Group AG Bearer Shares	454,183	0.21	
5,794	Volkswagen AG - Pref Share	999,927	0.46	
	<b>Total Consumer, Cyclical</b>	<b>18,385,900</b>	<b>8.39</b>	<b>10.52</b>
<b>Utilities</b>				
37,355	E.ON SE	362,223	0.17	
22,108	Electricité de France (EDF)	216,598	0.10	
84,787	Enel SPA	570,879	0.25	
13,624	Engie SA	143,531	0.07	
1,826	Evn Ag	35,529	0.02	
31,856	Fortum Oyj	716,425	0.33	
135,954	Iberdrola Sa	1,239,131	0.56	
	<b>Total Utilities</b>	<b>3,284,316</b>	<b>1.50</b>	<b>1.42</b>
<b>Energy</b>				
15,385	Aker Bp Asa	290,987	0.13	
20,884	Equinor ASA	327,310	0.15	
64,647	Galp Energia Sgps Sa	490,253	0.21	
8,614	Total SA	279,228	0.13	
	<b>Total Energy</b>	<b>1,387,778</b>	<b>0.62</b>	<b>1.26</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
3,709	Adecco Group Ag-Reg	152,172	0.07	
9,134	Alcon Inc	552,197	0.25	
2,042	ALK-Abello AS B	726,076	0.33	
10,440	Allfunds Group Plc	136,175	0.06	
144,276	Almirall Sa	1,794,619	0.82	
1,171	Bachem Holding Ag-Reg B	613,774	0.28	
35,327	Bayer AG - Reg	1,445,885	0.66	
8,689	Beiersdorf Ag	771,418	0.35	
2,532	Brunel International	24,187	0.01	
67,013	Bureau Veritas Sa	1,627,977	0.74	
2	Chocoladefabriken Lindt	173,024	0.08	
81,843	Cloetta AB - Class B	203,310	0.09	
29,275	Danone	1,562,205	0.71	
198,096	Elis SA	2,566,178	1.17	
18,600	Essilor International	2,681,749	1.22	
8,023	Eurofins Scientific	829,110	0.38	
76,122	Fresenius SE & Co KGaA	2,908,278	1.33	
13,791	Getinge AB Class B	414,242	0.19	
15,938	Global Dominion Access Sa	62,364	0.03	
10,240	Grifols Sa	184,375	0.08	
22,663	Heineken N.V.	1,834,299	0.84	
10,888	Henkel AG & Co KGaA Vorzug Pref	778,182	0.35	
3,063	Humana Ab	18,958	0.01	
3,763	Ica Gruppen Ab	135,591	0.06	
440	Ipsen	31,841	0.01	
121,489	Jeronimo Martins	1,877,491	0.86	
7,890	Just Eat Takeaway	540,120	0.25	
26,597	Kesko Oyj-b Shs	797,613	0.36	
37,343	Koninklijke Ahold Delhaize	911,360	0.42	
4,826	Laboratorios Farmaceuticos Rovi SA	232,159	0.11	
1,760	Lonza Group Ag-Reg	1,067,081	0.49	
5,995	L'oreal	2,048,631	0.93	
10,806	Merck KgaA	1,873,250	0.85	
11,858	Metro Ag	114,444	0.05	
69,077	Nestle SA - Reg	6,350,636	2.91	
138,580	Novartis AG-Reg	9,328,409	4.24	
20,805	Orkla Asa	135,376	0.06	
18,263	Pernod Ricard Sa	2,878,058	1.31	
104,090	Qiagen N.V.	4,220,335	1.92	
23,125	Roche Holding AG - Genusschein	6,767,331	3.09	
574	Royal Unibrew	54,837	0.03	
2,017	Sartorius Stedim Biotech	897,176	0.41	
46,528	Scandinavian Tobacco Group A	688,527	0.31	
40,804	Siemens Healthineers AG	2,049,893	0.93	
645,451	Swedish Match Ab	4,343,843	1.98	
41,694	UCB SA	3,475,634	1.58	
494	Virbac Sa	151,497	0.07	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
26,584	Viscofan SA	1,379,326	0.63	
16,122	Zealand Pharma A/S	369,876	0.17	
	<b>Total Consumer, Non-cyclical</b>	<b>74,781,089</b>	<b>34.08</b>	<b>30.62</b>
	<b>Financial</b>			
395,298	Allied Irish Bank Group Plc	851,651	0.39	
33,037	Amundi Sa	2,284,579	1.03	
51,525	AXA SA	1,057,854	0.48	
14,173	Azimut Holding Spa	289,158	0.13	
213,613	Banco Bilbao Vizcaya Argentia	1,036,044	0.47	
117,266	Bank Of Ireland Group Plc	530,674	0.24	
20,369	BNP Paribas	958,346	0.44	
1,873	Corporacion Financiera Alba	80,046	0.04	
38,797	Credit Agricole Sa	411,400	0.19	
10,242	Deutsche Boerse Ag	1,289,818	0.59	
27,660	Deutsche Wohnen AG-BR	1,247,920	0.57	
3,301	Dws Group Gmbh & Co Kga	101,744	0.05	
70,644	Erste Group Bank AG	2,083,333	0.95	
1,240	Gimv Nv	59,225	0.03	
3,612	Groupe Bruxelles Lambert Sa	303,705	0.14	
15,489	Hannover Rueck Se	2,090,968	0.95	
6,430	Industrivarden Ab-a Shares	172,509	0.08	
13,093	Industrivarden Ab-c Shs	333,849	0.15	
108,388	ING Groep NV	1,105,947	0.50	
291,657	Intesa Sanpaolo	604,310	0.28	
3,936	Investment Ab Oresund	55,219	0.03	
39,108	Investor Ab-A Shs	684,990	0.31	
17,411	Investor Ab-B Shs	304,960	0.14	
47,973	Julius Baer Group Ltd	2,422,425	1.11	
5,334	Kinnevik AB	154,469	0.07	
60,995	Komercni Banka As	1,712,238	0.78	
3,557	Muenchener Rueckver AG	758,700	0.35	
4,562	NN Group Nv	171,531	0.08	
41,646	Rothschild & Co	1,203,838	0.55	
36,484	Societe Generale SA	847,146	0.39	
28,795	SWEDBANK AB-A	408,042	0.19	
514,514	UBS Group Ag-Reg	6,256,500	2.85	
45,641	Vienna Insurance Group Ag	966,455	0.44	
	<b>Total Financial</b>	<b>32,839,593</b>	<b>14.99</b>	<b>14.52</b>
	<b>Total Healthcare</b>	-	-	<b>5.00</b>
	<b>Total Real Estate</b>	-	-	<b>0.12</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Industrial</b>			
3,526	Aalberts Nv	161,928	0.07	
31,079	ABB Ltd-Reg	834,212	0.38	
91,297	Alfa Laval AB	2,744,607	1.26	
396	AP Moller-Maersk A	774,937	0.35	
55	AP Moller-Maersk B	113,062	0.05	
24,623	Arcadis N.V.	896,843	0.41	
145,488	Assa Abloy AB - Class B	3,404,639	1.54	
9,032	Atlas Copco AB - Class A	450,105	0.21	
7,831	Bekaert Nv	267,873	0.12	
1,286	Dassault Aviation Sa	1,066,603	0.49	
24,215	Deutsche Post Ag-Reg	1,228,535	0.56	
4,095	Dfds AS	170,394	0.08	
3,665	DS Norden	69,011	0.03	
23,156	Fluidra SA	708,147	0.32	
36,276	Gea Group Ag	1,239,324	0.56	
29,985	Golden Ocean Group Ltd	244,451	0.11	
1,961	Hapag-Lloyd Ag	323,099	0.15	
155,345	Hexpol Ab	1,435,679	0.65	
2,007	Jungheinrich - Prfd	80,377	0.04	
3,236	Kuehne + Nagel Intl Ag-Reg	855,252	0.39	
29,677	Legrand Sa	2,460,863	1.12	
23,622	Porr AG	345,371	0.16	
61,639	Postnl Nv	234,145	0.11	
1,056	Rheinmetall Ag	74,549	0.03	
20,277	Safran S.A.	1,881,210	0.86	
18,265	Saint Gobain	959,301	0.44	
25,926	Sandvik AB	480,083	0.22	
3,950	Schindler Holding-Part Cert	929,946	0.42	
44,651	Schneider Electric SE	5,839,420	2.66	
16,047	Signify Nv	654,093	0.30	
9,563	Sika AG-reg	2,484,970	1.13	
14,258	SKF Ab-b Shares	260,299	0.12	
1,715	Solar AS	134,125	0.06	
5,027	Stolt-Nielsen Ltd	46,068	0.02	
67,587	Tenaris Sa	499,195	0.23	
148,750	Trelleborg AB - Class B	2,604,155	1.19	
11,977	Washtec Ag	607,029	0.28	
	<b>Total Industrial</b>	<b>37,563,900</b>	<b>17.12</b>	<b>16.95</b>
	<b>Portfolio of Investments</b>	<b>212,627,513</b>	<b>96.92</b>	<b>98.58</b>
	<b>Forward contracts</b>	<b>109</b>	<b>-</b>	<b>-</b>
	<b>Net Current Assets</b>	<b>6,748,670</b>	<b>3.08</b>	<b>1.42</b>
	<b>Net Assets</b>	<b>219,376,292</b>	<b>100.00</b>	<b>100.00</b>

## Portfolio statement (continued)

As at 31 August 2021

### FX Forward Holdings

Contract Name

Exposure (£)

Unrealised  
Gain/Loss (£)

Currency Fwd - Short GBP for EUR - 2021-09-02	33537.60	57.11
Currency Fwd - Short GBP for EUR - 2021-09-03	4151.29	11.23
Currency Fwd - Short GBP for EUR - 2021-09-06	22968.14	13.80

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	94.7023	84.2642	88.6300	100.0000
Return before operating charges *	18.5392	11.3781	-4.3658	-11.3200
Operating charges	-0.5300	-0.9400	0.0000	-0.0500
Return after operating charges	18.0092	10.4381	-4.3658	-11.3700
Closing NAV per share	112.7116	94.7023	84.2642	88.6300
Retained distribution on acc shares	0.9244	0.8164	0.0196	0.0000
* After direct transaction costs of	0.0888	0.1193	0.4054	0.0586
<b>Performance</b>				
Return after charges	19.02%	12.39%	-4.93%	-11.37%
<b>Other Information</b>				
Closing net asset value (£)	29,569,389	20,433,972	127	89
Closing number of shares	26,234,558	21,577,060	151	100
OCF	0.99%	0.80%	0.97%	0.97%
Direct transaction costs	0.08%	0.13%	0.44%	0.06%
<b>Prices</b>				
Highest share price (pence)	112.93	98.24	97.73	101.20
Lowest share price (pence)	94.88	65.45	84.12	81.65

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	93.0303	82.7017	87.6356	100.0000
Return before operating charges *	18.2218	11.0386	-4.2339	-11.3944
Operating charges	-0.4200	-0.7100	-0.7000	-0.9700
Return after operating charges	17.8018	10.3286	-4.9339	-12.3644
Closing NAV per share	110.8322	93.0303	82.7017	87.6356
Retained distribution on acc shares	1.0115	0.8311	2.3205	2.2344
* After direct transaction costs of	0.0871	0.1278	0.3996	0.1068
<b>Performance</b>				
Return after charges	19.14%	12.49%	-5.63%	-12.36%
<b>Other Information</b>				
Closing net asset value (£)	189,729,380	150,459,701	107,015,260	91,402,649
Closing number of shares	171,186,121	161,731,875	129,399,031	104,298,550
OCF	0.79%	1.00%	0.77%	0.77%
Direct transaction costs	0.08%	0.15%	0.44%	0.12%
<b>Prices</b>				
Highest share price (pence)	111.04	100.03	96.02	101.04
Lowest share price (pence)	93.21	66.73	82.57	80.92



## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	93.0303
Return before operating charges *	18.4207
Operating charges	<u>-0.4300</u>
Return after operating charges	17.9907
Distribution on income shares	<u>-1.0211</u>
Closing NAV per share	109.9999

\* After direct transaction costs of 0.0895

### Performance

Return after charges 19.34%

### Other Information

Closing net asset value (£)	77,523
Closing number of shares	70,475
OCF	0.79%
Direct transaction costs	0.08%

### Prices

Highest share price (pence)	110.89
Lowest share price (pence)	99.74

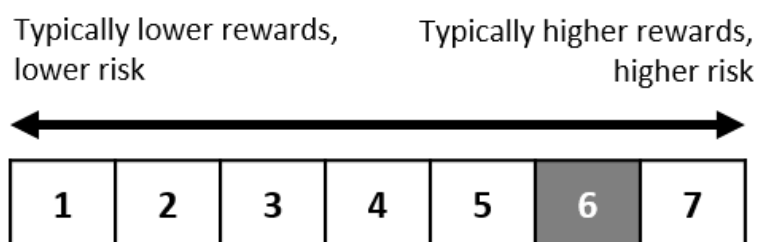
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
Income		£	£	£	£
Net capital gains/(losses)	1		32,529,507		7,683,571
Revenue	3	2,776,259		1,695,806	
Expenses	4	(834,721)		(510,688)	
Finance costs: Interest	6	(15,024)		(14,449)	
Net revenue before taxation		1,926,514		1,170,669	
Net revenue after taxation			1,926,514		1,170,669
<b>Total return before distributions</b>			<b>34,456,021</b>		<b>8,854,240</b>
Finance costs: Distribution	6		(1,926,398)		(1,170,520)
<b>Change in net assets attributable to shareholders from investment</b>			<b>32,529,623</b>		<b>7,683,720</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			170,893,673		107,017,202
Amounts receivable on issue of shares		23,620,119		30,756,756	
Amounts payable on cancellation of shares		(9,675,840)		(2,609,335)	
Dilution levy		34,657		(51,724)	
			13,978,936		28,095,697
Change in net assets attributable to shareholders from investment activities			32,529,623		7,683,720
Retained distribution on accumulation shares			1,974,060		1,360,404
<b>Closing net assets attributable to shareholders</b>			<b>219,376,292</b>		<b>144,157,023</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			212,627,622		168,462,533
Debtors	7	1,805,220		3,772,677	
Bank balances		<u>11,540,040</u>		<u>10,825,486</u>	
<b>Total other assets</b>			<b>13,345,260</b>		<b>14,598,163</b>
<b>Total assets</b>			<b>225,972,882</b>		<b>183,060,696</b>
<b>Liabilities</b>					
Creditors	8	304,930		7,510,472	
Distribution payable on income shares		720		-	
Bank overdrafts		<u>6,290,940</u>		<u>4,656,551</u>	
<b>Total other liabilities</b>			<b>6,596,590</b>		<b>12,167,023</b>
<b>Net assets attributable to shareholders</b>			<b>219,376,292</b>		<b>170,893,673</b>

# Notes to the financial statements

As at 31 August 2021

<b>1 Net capital gains</b>	<b>31.08.21</b>	<b>31.08.20</b>
	<b>£</b>	<b>£</b>
Proceeds from sales on investments during the period	101,987,690	37,498,849
Original cost of investments sold during the period	(90,959,232)	(48,474,642)
Gains/(losses) realised on investments sold during the period	11,028,458	(10,975,793)
Net (appreciation)/depreciation thereon already recognised in prior periods	(9,488,606)	7,003,244
Net realised appreciation/(depreciation) for the period	1,539,852	(3,972,549)
Net unrealised appreciation for the period	30,981,983	11,724,985
Net gains on non-derivative securities	32,521,835	7,752,436
Net gains/(losses) on currencies	7,672	(68,865)
<b>Net capital gains on investments</b>	<b>32,529,507</b>	<b>7,683,571</b>
<b>2 Purchases, sales and transaction costs</b>		
<b>Equities/ ETF's</b>		
Purchases excluding transaction costs	113,042,956	66,716,206
Commissions: 0.02% [0.03%]	23,087	20,011
Stamp duty and other charges: 0.07% [0.06%]	83,498	38,494
Trustee transaction charges: 0.02% [0.05%]	23,559	32,361
<b>Purchases including transaction costs</b>	<b>113,173,100</b>	<b>66,807,073</b>
Sales excluding transaction costs	101,345,936	37,510,997
Commissions: 0.02% [0.03%]	(18,511)	(12,146)
Stamp duty and other charges: 0.00% [0.00%]	(1,235)	(3)
Trustee transaction charges: 0.02% [0.03%]	(19,049)	(13,012)
<b>Sales including transaction costs</b>	<b>101,307,141</b>	<b>37,485,837</b>
<b>Collective Investment Scheme's</b>		
Purchases excluding transaction costs	661,496	-
Trustee transaction charges: 0.03% [0.00%]	222	-
<b>Purchases including transaction costs</b>	<b>661,718</b>	<b>-</b>
Sales excluding transaction costs	661,500	-
Trustee transaction charges: 0.02% [0.00%]	(162)	-
<b>Sales including transaction costs</b>	<b>661,338</b>	<b>-</b>
<i>Trustee transaction charges have been deducted in determining net capital</i>		
<i>Transaction charges are displayed as percentage of purchase/sale</i>		
<b>Total commission charges: 0.02% [0.03%]</b>	<b>41,598</b>	<b>32,157</b>
<b>Total stamp duty and other charges: 0.04% [0.03%]</b>	<b>84,733</b>	<b>38,497</b>
<b>Total trustee transaction charges : 0.02% [0.04%]</b>	<b>42,992</b>	<b>45,373</b>
<i>Total charges displayed as percentage of average net asset value</i>		
<b>Average portfolio dealing spread : 0.06% [0.15%]</b>		

<b>3 Revenue</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
UK franked dividends	5,418	7,717
Overseas franked income	2,767,549	1,599,272
Overseas gross unfranked income	2,329	85,452
Bank interest	963	3,366
<b>Total revenue</b>	<b>2,776,259</b>	<b>1,695,806</b>
<b>4 Expenses</b>		
<i>Payable to the ACD, associates of the ACD and agents of either:</i>		
ACD's periodic charge	681,129	404,222
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>		
Depositary's fee	30,180	24,236
Safe custody	81,744	72,196
	111,924	96,432
<i>Other expenses:</i>		
Audit fee	7,709	3,962
Registration fees	382	9
Transfer agency fee	33,234	5,798
Professional fees	78	-
Distribution costs	265	265
<b>Total expenses</b>	<b>834,721</b>	<b>510,688</b>
<b>5 Taxation</b>		
a) Analysis of the tax charge for the period:		
UK Corporation tax	-	-
Irrecoverable income tax	-	-
Current tax charge (note 5b)	-	-
<b>Total tax charge</b>	<b>-</b>	<b>-</b>
b) Factors affecting the tax charge for the period:		
Net income before taxation	1,926,514	1,170,669
Corporation tax at 20%	385,303	234,134
<i>Effects of:</i>		
UK dividends	(554,593)	(321,398)
Movement in income accruals	230	-
Utilisation of excess management expenses	169,060	87,264
Corporation tax charge	-	-
Irrecoverable income tax	-	-
<b>Current tax charge for the period (note 5a)</b>	<b>-</b>	<b>-</b>

### c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

### d) Factors that may affect future tax changes

The fund has unutilised management expenses of £3,386,810 (prior year £2,541,510). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	1,974,779	1,360,404
	1,974,779	1,360,404
Amounts deducted on cancellation of shares	74,455	23,940
Amounts received on issue of shares	(122,836)	(213,824)
Finance costs: Distributions	1,926,398	1,170,520
Finance costs: Interest	15,024	14,449
<b>Total finance costs</b>	<b>1,941,422</b>	<b>1,184,969</b>
<b>Represented by:</b>		
Net revenue after taxation	1,926,514	1,170,669
Balance of revenue brought forward	(65)	5
Balance of revenue carried forward	(51)	(154)
<b>Finance costs: Distributions</b>	<b>1,926,398</b>	<b>1,170,520</b>
<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	251,509	428,861
Amounts receivable for investment securities sold	757,944	2,829,849
<i>Accrued income:</i>		
UK franked dividends	-	2,637
Overseas franked dividends	12,525	5,883
Bank interest	-	1,148
	12,525	9,668
Other receivables	3,098	608
Taxation recoverable	780,144	503,691
<b>Total debtors</b>	<b>1,805,220</b>	<b>3,772,677</b>
<b>8 Creditors</b>		
Amounts payable for cancellation of shares	47,005	7,064,772
Amounts payable for investment securities purchased	54,274	300,928
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	120,267	91,971
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	5,091	4,419
Transaction charges	25,536	11,008
Safe custody fee	-	21,589
	30,627	37,016
Other creditors	52,757	15,785
<b>Total creditors</b>	<b>304,930</b>	<b>7,510,472</b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc	I Inc
Opening number of shares	21,577,060	161,731,875	-
Shares issued	7,692,909	29,879,257	3
Shares converted	-	(76,684)	76,555
Shares redeemed	(3,035,411)	(20,348,327)	(6,083)
Closing number of shares	<u>26,234,558</u>	<u>171,186,121</u>	<u>70,475</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	28.02.21 £
Floating rate assets (pounds sterling):	5,745,038	5,052,448
Floating rate assets (euro):	4,159,628	5,772,149
Floating rate assets (denmark krone):	23,764	608
Floating rate assets (swedish krona):	367,435	281
Floating rate assets (swiss franc):	477,892	-
Floating rate assets (czech koruna):	198,360	-
Floating rate assets (norwegian krone):	133,565	-
Floating rate assets (us dollars):	434,358	-
Floating rate liabilities (pounds sterling):	(5,499,743)	(4,655,843)
Floating rate liabilities (us dollars):	-	(19)
Floating rate liabilities (czech koruna):	-	(75)
Floating rate liabilities (norwegian krone):	-	(614)
Floating rate liabilities (swiss franc):	(454,771)	-
Floating rate liabilities (swedish krona):	(336,426)	-
Assets on which interest is not earned (pounds sterling):	3,265,562	7,202,444
Assets on which interest is not earned (us dollars):	8,578,237	6,366,045
Assets on which interest is not earned (euro):	134,346,139	108,197,345
Assets on which interest is not earned (swiss franc):	39,282,346	32,924,764
Assets on which interest is not earned (swedish krona):	20,823,880	18,321,154
Assets on which interest is not earned (norwegian krone):	2,539,351	450,115
Assets on which interest is not earned (denmark krone):	3,885,089	2,870,133
Assets on which interest is not earned (czech koruna):	1,712,238	1,284,810
Assets on which interest is earned (euro):	614,406	-
Assets on which interest is earned (swedish krona):	33,017	-
Assets on which interest is earned (us dollar):	56,247	-

## 12 Risk disclosures (continued)

Liabilities on which interest is not paid (pounds sterling):	(1,009,320)	(7,227,057)
Liabilities on which interest is not paid (euro):	-	(4,940,017)
Liabilities on which interest is not paid (swedish krona):	-	(300,830)
Liabilities on which interest is not paid (swiss franc):	-	(418,647)
Liabilities on which interest is not paid (czech koruna):	-	(5,521)
<b>Net Assets</b>	<b>219,376,292</b>	<b>170,893,673</b>

<b>ii. Currency risk</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
GBP	2,501,538	371,992
US Dollars	9,068,842	6,366,026
Euro	139,120,173	109,029,477
Swiss Franc	39,305,467	32,506,117
Swedish Krona	20,887,906	18,020,605
Norwegian Krone	2,672,916	449,501
Denmark Krone	3,908,853	2,870,741
Czech Koruna	1,910,598	1,279,214
<b>Net Assets</b>	<b>219,376,292</b>	<b>170,893,673</b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Quoted prices for identical instruments in active markets	212,627,622	168,460,849
Prices of recent transactions for identical instruments	109	1,684
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>212,627,731</b>	<b>168,462,533</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.



## **14 Periodic Disclosure (continued)**

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.97 and using the gross method was 1:0.97.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## **15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)**

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA European Equity Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.0115	-	1.0115	0.8311
Group 2	0.7125	0.2990	1.0115	0.8311

#### MGTS AFH DA European Equity Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	1.0211	-	1.0211	-
Group 2	0.1637	0.8574	1.0211	-

#### MGTS AFH DA European Equity Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.9244	-	0.9244	0.8164
Group 2	0.4747	0.4297	0.9244	0.8164

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA Global Emerging Markets Equity Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA Global Emerging Markets Equity Fund R 0.66%

### Benchmarks

The Sub-fund does not have a performance target and is not constrained by any index, IA sector or similar factor. The IA (Investment Association) Global Emerging Markets Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance this sector is made up of funds with a similar strategy as defined by the IA. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA Global Emerging Markets 0.08%

Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA Global Emerging Markets Equity Fund ('the Fund') is a multi-managed fund. The underlying strategies are: Goldman Sachs Emerging Markets Core Equity Portfolio ('Goldman Sachs') and Wellington Emerging Markets Research Equity Core ('Wellington').

### Overall portfolio commentary

Over the 6-month period ending 31<sup>st</sup> August 2021, the MGTS AFH DA Global Emerging Markets Equity Fund modestly outperformed the broad market.

The Wellington portfolio style is large blend, without any inherently systematic tilts or biases. Wellington detracted from performance, returning -0.61% (gross, GBP) over the period, with both stock selection and sector allocation detracting from relative returns. Since Wellington's approach is driven by fundamental research, the recent volatile market environment which has been driven by macro events has been a headwind.

The Goldman Sachs portfolio is a quantitative based strategy with a style of large value, Goldman Sachs performed strongly over the period, returning 4.2% (gross, GBP) with their stock selection and country selection strategies contributing positively to relative returns during the period.

### Key points from adviser portfolio commentaries

#### Goldman Sachs

The Goldman Sachs-managed strategy outperformed the broad market by circa 3.9% over the 6-month period between 1st March 2021 until 31st August 2021.

Among investment themes, factors within the Themes and Trends themes contributed most positively to relative returns, followed by factors within the Sentiment Analysis theme. Fundamental Mispricing related factors detracted the most from relative returns, and High-Quality Business Models related factors were relatively flat.

## **Investment Adviser's Report (continued)**

At a sector level, holdings within the Industrials sector, especially an overweight position in the Marine industry, contributed most positively to relative returns. Holdings within the Financials sector, especially an overweight position in the Banks industry, detracted the most from relative returns.

At an individual stock level, an overweight position in Evergreen Marine Corp Taiwan Ltd was among the largest positive contributors to relative returns. Meanwhile, an overweight position in Taiwan Semiconductor Manufacturing was among the largest detractors from relative returns.

Among countries, an underweight position in China contributed most positively to relative returns. Conversely, an underweight position in India was among the largest detractors from relative returns.

### **Wellington**

The Wellington-managed strategy underperformed the broad market by circa 1.4% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

Strong stock selection within the Consumer Discretionary, Materials and Communications Services sectors was more than offset by weaker selection in Financials and Consumer Staples. Some detractors in Consumer Staples such as baijiu maker, Kweichow Moutai, and cosmetics company, Yatsen, were linked to investors' concerns about increased regulatory oversight from Chinese lawmakers. Others were driven by weaker-than-expected results. In Financials, Kasikornbank and Ping An Insurance were notably impacted during this period, with Kasikornbank selling off due to the COVID-19 resurgence and lockdowns in Thailand, and perceived lower growth expectations weighing on Ping An Insurance.

From a country perspective, strong stock selection in China was partially offset by weaker selection in Taiwan and South Korea. An overweight allocation to Russia was a positive contributor while an underweight to India and zero exposure to Saudi Arabia weighed on relative results.

From a sector allocation perspective, an average underweight to Materials and overweight to Information Technology weighed most notably on relative returns. This was partially offset by an average underweight to Consumer Discretionary and overweight to Utilities.

On an individual stock level, leading Chinese internet companies Alibaba and Tencent were the most notable detractors from relative performance. Both stocks sold off significantly due to concerns of increasing regulatory scrutiny from the Chinese government. The portfolio's top relative contributors were Chinese lithium battery companies, Yunnan Energy New Material and Contemporary Amperex, where demand for their products continued to increase.

### **Forward-looking commentary**

#### **Goldman Sachs**

Looking ahead, Goldman Sachs continue to believe that cheaper stocks should outpace more expensive ones, and good momentum stocks should do better than poor momentum stocks. They also prefer names that fundamental research analysts are becoming more positive about, and companies that are profitable, have sustainable earnings and use their capital to enhance shareholder value. As such, they anticipate remaining fully invested and expect that the value they may add over time will be due to stock selection, as opposed to size allocations.

#### **Wellington**

While the current market environment certainly brings challenges to investors, it also offers opportunities, such as when the market overemphasises short term negatives while discounting long-term fundamentals. Wellington remain confident in their ability to generate strong alpha over the long-term, doing so with relatively less risk (as measured by tracking risk) versus their peers.

## **Investment Adviser's Report (continued)**

Wellington's team of Global Industry Analysts continues to identify themes and opportunities across the broad emerging market universe that will shape future investment decisions and client outcomes over time. They continue to believe emerging market equities present attractive opportunities for alpha generation over the long-term given enviable demographics, rising middle class, and opportunities for continued productivity-driven growth. The universe is highly inefficient, and valuations look attractive.

AFH Independent Financial Services Ltd  
*Investment adviser*  
26 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
<b>Communications</b>				
31,216	Alibaba Group - ADR	3,790,612	3.00	
65,649	Alibaba Group Holding Ltd	1,012,863	0.80	
588,887	America Movil Sab De CV - L	420,446	0.33	
49,200	America Movil Sponsored ADR - L	699,026	0.55	
6,050	Baidu Inc - Class A	87,406	0.07	
1,078	Baidu Inc - Sponsored ADR	123,006	0.10	
125,779	Bharti Airtel	833,436	0.66	
879,000	Citic Telecom International Holdings Limited	220,140	0.17	
6,492	Coupang Inc	141,352	0.11	
14,888	Hellenic Telecommunications Organization	210,895	0.17	
2,700	JD.com Inc ADR	154,112	0.12	
316,400	Link Net Tbk Pt	66,004	0.05	
13,300	Megacable Holdings SAB de CV	33,662	0.03	
11,300	Meituan Dianping - Class B	267,162	0.21	
30,481	Mobile Telesystems - SP ADR	207,563	0.16	
417	Naspers Ltd Class N	53,565	0.04	
1,896	NAVER CORP	529,351	0.42	
5,481	Ozon Holdings Plc - ADR	209,481	0.17	
4,300	Pinduoduo Inc ADR	312,500	0.25	
2,374	PLDT Inc - SP ADR	50,051	0.04	
4,468	Saudi Telecom Company	115,676	0.09	
6,870	Sk Telecom	1,348,468	1.07	
16,040	Tata Communications Ltd	220,721	0.17	
2,779,300	Telekomunikasi Indonesia Per	472,312	0.37	
122,662	Tencent Holdings Ltd	5,598,367	4.42	
4,450	Trip.com Group Ltd	99,055	0.08	
16,241	Trip.com Group Ltd ADR	359,875	0.28	
33,100	Vipshop Holdings Ltd - ADR	355,055	0.28	
144,691	Vodafone Qatar	45,901	0.04	
11,564	Yandex Nv	645,937	0.51	
72,091	Yatsen Holding Ltd - Adr	265,102	0.21	
	<b>Total Communications</b>	<b>18,949,102</b>	<b>14.97</b>	<b>25.69</b>
<b>Financial</b>				
2,115,000	Agricultural Bank of China - H	521,783	0.41	
62,432	AIA Group Ltd	545,500	0.43	
15,506	Al Rajhi Bank	362,387	0.29	
55,468	Axis Bank Ltd	440,531	0.35	
413,224	Ayala Land Inc	198,291	0.16	
268,100	B3 SA Brasil Bolsa Balcao	531,539	0.42	
92,980	Banco Bradesco Adr	302,050	0.24	
5,800	Banco Santander Brasil - ADR	33,932	0.03	
7,905	Banco Santander Chile Adr	120,701	0.10	
38,400	Banco Bradesco SA	107,669	0.09	
124,520	Banco Bradesco SA Pref Share	406,070	0.32	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
326,433	Bank Central Asia Tbk PT	545,188	0.43	
132,700	Bank Mandiri Persero Tbk PT	40,511	0.03	
4,499,000	Bank of China Ltd - H	1,147,768	0.91	
1,141,700	BANK RAKYAT INDO	225,969	0.18	
218,800	BDO Unibank Inc	358,981	0.28	
1,778,600	Bpd Jawa Barat Dan Banten Tb	110,857	0.09	
3,727,600	BPD Jawa Timur Tbk PT	134,659	0.11	
56,000	Capital Securities Corp	23,167	0.02	
53,765	Central Pattana Pub Co - Foreign Sh	63,401	0.05	
4,265,249	China Construction Bank - H	2,255,986	1.79	
94,000	China Everbright Bank Co Ltd	25,123	0.02	
88,466	China Merchants Bank Co Ltd Clss H	538,187	0.43	
127,271	China Pacific Insurance Gr-H	273,548	0.22	
276,000	ChongQing Rural Commercial - H	76,860	0.06	
445,545	Cifi Holdings Group Co Ltd	217,755	0.17	
70,869	Coronation Fund Managers Ltd	177,862	0.14	
17,427	Country Garden Services Holdings Co Ltd	98,771	0.08	
4,116	Credicorp Ltd	318,541	0.25	
395,349	CSC Financial Co Ltd-H	331,028	0.26	
18,800	Cyrela Brazil Realty SA Emprdts	53,642	0.04	
12,880	DGB Financial Group Inc	74,752	0.06	
438,872	E.sun Financial Holding Company Ltd	299,340	0.24	
27,986	Esr Cayman Ltd	62,636	0.05	
135,056	Fibra Terrafina	154,016	0.12	
196,183	Firststrand Ltd	610,073	0.48	
25,737	Hana Financial Group	728,260	0.58	
27,990	Icici Bank Ltd	199,972	0.16	
35,003	Icici Bank Ltd - SP ADR	499,098	0.39	
3,880,000	Industrial & Cml Bank of China	1,588,113	1.26	
166,600	Industrial Bank Co Ltd	358,767	0.28	
3,240	JSE Limited	17,317	0.01	
223,827	Kasikornbank Public Co Ltd - Foreign Sh	608,320	0.48	
45,400	Kasikornbank Pcl - NVDR	123,389	0.10	
19,129	KB Financial Group Inc	636,798	0.50	
28,900	Kerry Properties Ltd	71,838	0.06	
16,756	Komerčni Banka As	470,371	0.37	
333	Korea Investment Holdings Co. Ltd	19,849	0.02	
22,192	Kotak Mahindra Bank Ltd	385,533	0.30	
2,626	Kruk SA	157,579	0.12	
74,997	Longfor Group Holdings Ltd	247,397	0.20	
193,340	Masraf Al Rayan	174,469	0.14	
198,200	METRO BANK & TR	130,217	0.10	
15,080	Moscow Exchange Micex - RTS PJ	27,647	0.02	
12,766	Ninety One Ltd	32,399	0.03	
512,351	Old Mutual Ltd	416,577	0.33	
330,000	Picc Property & Casualty	219,568	0.17	
105,414	Ping An Insurance Group Co	606,813	0.48	
65,725	Power Finance Corporation	84,199	0.07	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
11,907	PSG Group Ltd	45,461	0.04	
173,643	Rand Merchant Investment Holdings Ltd	282,018	0.22	
712,940	Sberbank Of Russia Pjsc	2,339,648	1.85	
125,182	Shimao Property Holdings Ltd	193,955	0.15	
14,876	SHINHAN FINANCIARIA	366,274	0.29	
61,500	Siam Commercial Bank - Foreign Share	145,044	0.11	
86,080	Standard Bank Group Ltd	633,284	0.50	
	<b>Total Financial</b>	<b>23,599,248</b>	<b>18.68</b>	<b>17.65</b>
	<b>Energy</b>			
561,573	CHINA LONGYUAN-H	812,368	0.64	
312,000	China Oilfield Services - H	195,055	0.15	
243,900	China Petroleum & Chemical Corp	116,779	0.09	
2,730,000	CHINA PETROLEUM & CHEMICAL-H	964,340	0.76	
360,000	China Shenhua Energy Co - H	563,835	0.45	
1,290,000	Concord New Energy Group Ltd	91,618	0.07	
102,598	Gazprom PJSC - Adr	631,992	0.50	
372,000	Kunlun Energy Co Ltd	286,796	0.23	
6,577	Lukoil PJSC - Sponsored ADR	411,732	0.33	
1,456	Novatek PJSC - Spons GDR Reg Share	253,424	0.20	
191,200	Petrobras Distribuidora SA	730,362	0.59	
121,301	Petroleo Brasileiro SA	477,905	0.38	
32,100	Petroleo Brasileiro SA - Petrobras	123,162	0.10	
153,333	Polskie Gornictwo Naftowe I Gazownictwo	184,898	0.15	
23,500	Reliance Industries Ltd	530,524	0.42	
10,200	Sao Martinho Sa	46,260	0.04	
120	SK Holdings Co Ltd	19,861	0.02	
2,234	Sk Innovation Co Ltd	343,080	0.27	
	<b>Total Energy</b>	<b>6,783,991</b>	<b>5.39</b>	<b>3.70</b>
	<b>Utilities</b>			
28,307	Adani Power Ltd	29,112	0.02	
155,000	China Gas Holdings Ltd	324,456	0.27	
5,956	China Yangtze Power Co Ltd	129,855	0.10	
24,400	China Yangtze Power Co Ltd	54,327	0.04	
23,200	Cia de Transmissao de Energia Electrica Paulista	80,535	0.06	
20,300	Cia Energetica De Minas - Adr	37,620	0.03	
21,500	Energisa Sa - Units	134,614	0.11	
188,832	Enerjisa Enerji AS	186,520	0.15	
21,600	Enn Energy Holdings Ltd	310,446	0.25	
244,200	First Gen Corporation	113,991	0.09	
341,746	Gail India Ltd	492,188	0.39	
283,969	NHPC Ltd	76,824	0.06	
152,383	NTPC Ltd	174,829	0.14	
116,021	Power Grid Corp Of India Ltd	202,638	0.16	
97,077	Tata Power Co Ltd	128,805	0.10	
425,720	Turk Telekomunikasyon As	274,990	0.22	
	<b>Total Utilities</b>	<b>2,751,750</b>	<b>2.19</b>	<b>1.98</b>



## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Basic Materials</b>			
49,056	Aksa	83,840	0.07	
9,866	Anglo American Plc	300,666	0.24	
1,398	Asian Paints Ltd	45,924	0.04	
13,283	CAP Sa	136,272	0.11	
227,000	China Steel Corporation	224,369	0.18	
97,500	Cia Siderurgica Nacional Sa	479,479	0.38	
4,095	Ciech Sa	36,524	0.03	
19,361	Coromandel International Ltd	152,515	0.12	
5,100	Daqo New Energy Corp-Adr	226,794	0.18	
21,521	Ganfeng Lithium Co Ltd	339,477	0.27	
43,900	Gerdau Sa - Pref Share	175,436	0.14	
54,182	Gold Fields Ltd	373,147	0.30	
48,000	Grupo Mexico SAB De CV Class B	162,093	0.13	
59,892	Hindustan Zinc Ltd	192,262	0.15	
13,262	Impala Platinum Holdings Ltd	146,271	0.12	
25,124	Industries Qatar	65,206	0.05	
24,371	Kardemir Karabuk Demir	16,639	0.01	
143,000	Kingboard Holdings Ltd	506,467	0.40	
4,745	Kumba Iron Ore Ltd	154,165	0.12	
2,088	Kumho Petrochemical Co Ltd	251,806	0.20	
2,793	LG Chem Ltd	1,264,853	1.00	
15,700	Luxi Chemical Group Co Ltd	36,792	0.03	
98,520	Magnitogorsk Iron & Steel Works	72,487	0.06	
6,425	MMC Norilsk Nickel PJSC ADR	153,481	0.12	
18,000	Nantex Industry Co Ltd	50,664	0.04	
32,380	National Aluminium Co Ltd	28,502	0.02	
3,464,900	Nickel Asia Corp	285,246	0.23	
232,951	Nmdc Ltd	352,646	0.28	
24,990	Novolipetsk Steel PJSC-GDR	603,320	0.48	
4,178	POSCO	885,678	0.70	
43,365	Severstal - GDR Reg S	700,269	0.55	
63,557	Shandong Sinocera Function	328,168	0.26	
55,106	Sibanye Stillwater Ltd	163,619	0.13	
238,765	Steel Authority Of India	284,266	0.22	
41,728	Tata Steel Ltd	585,783	0.46	
15,440	Unipar Carbocloro SA	197,025	0.16	
30,961	Vale Sa	430,778	0.34	
90,256	Vale Sa Adr	1,248,891	0.99	
20,300	Wanhua Chemical Group Co	244,107	0.19	
	<b>Total Basic Materials</b>	<b>11,985,927</b>	<b>9.50</b>	<b>8.32</b>
	<b>Property</b>			
22,800	Fibra Uno Administracion SA	18,717	0.01	
	<b>Total Property</b>	<b>18,717</b>	<b>0.01</b>	<b>-</b>
	<b>Global Emerging Markets</b>			
37,109	iShares Core MSCI EM IMI UCITS ETF Acc	1,004,170	0.79	
	<b>Total Global Emerging Markets</b>	<b>1,004,170</b>	<b>0.79</b>	<b>0.35</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
41,435	Alpargatas Sa - Pref	350,642	0.28	
31,358	Anta Sports Products Ltd	476,187	0.38	
5,200	Arezzo Industria E Comercio	65,615	0.05	
418,000	Bosideng International Holdings Ltd	249,214	0.20	
12,227	Brilliance China Automotive Holdings - ADR	34,300	0.03	
3,798	Byd Company Limited - Class H	91,002	0.07	
10,800	China Tourism Group Duty Free Corporation Ltd	286,809	0.23	
278,000	China Yongda Automobiles Services Holdings Limited	340,323	0.27	
197,600	CP All Pcl - Foreign Sh	287,383	0.23	
43,800	CP All Public Co Ltd - NVDR	63,701	0.05	
2,865	Dom Development Sa	75,815	0.06	
16,500	El Puerto De Liverpool SAB de CV	53,398	0.04	
1,193	E-Mart Inc	134,505	0.11	
72,403	Falabella Sa	207,895	0.16	
30,377	Ford Otomotiv Sanayi As	455,001	0.36	
11,000	Galaxy Entertainment Group Limited	52,271	0.04	
43,200	Grendene Sa	65,044	0.05	
7,489	Hankook Tire & T	222,965	0.18	
21,600	Huizhou Desay Sv Automotiv	214,075	0.17	
592	Hyosung Tnc Corp	291,522	0.23	
170,500	Jnby Design Ltd	296,355	0.23	
5,503	Kangwon Land Inc	96,436	0.08	
27,320	Kia Motors Corporation	1,472,319	1.16	
1,610	LF Corp	18,860	0.01	
1,586	LG Corporation	93,840	0.07	
3,323	LG Electronics Inc	294,295	0.23	
5	LG Electronics - Pref	219	-	
65,368	Li Ning Co Ltd	642,013	0.51	
13,100	Lojas Renner SA	70,227	0.06	
54,952	Magazine Luiza SA	141,284	0.11	
55,797	Mahindra & Mahindra Ltd	427,272	0.34	
7,821	Mr Price Group Ltd	85,197	0.07	
7,200	Nio Inc - ADR	205,744	0.16	
989,000	Pou Sheng International Holdings Ltd	142,329	0.11	
49,826	Raia Drogasil Sa	179,713	0.14	
155,600	SANDS CHINA LTD	369,334	0.29	
7,600	Shanghai Jinjiang International Hotel Dev	39,523	0.03	
67,400	Shenzhou International Group	1,063,183	0.84	
54,600	Siam Global House Pcl - Foreign Sh	26,367	0.02	
26,000	Sinotruk Hong Kong Ltd	38,097	0.03	
11,000	Tah Hsin Industrial Co Ltd	18,548	0.01	
100,000	Tainan Spinning	61,661	0.05	
30,096	Tata Motors Ltd - SP ADR	430,005	0.34	
348,000	Topsports International Hold	338,211	0.27	
29,662	Xpeng Inc - Adr	915,944	0.72	
6,700	Xpeng Inc - Class A Shares	102,682	0.08	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
35,780	Yifeng Pharmacy Chain Co Ltd	225,161	0.18	
651,030	Zhejiang Semir Garment Co Ltd	667,325	0.53	
146,000	Zhongsheng Group Holdings	899,794	0.71	
	<b>Total Consumer, Cyclical</b>	<b>13,379,605</b>	<b>10.57</b>	<b>6.68</b>
	<b>Industrial</b>			
7,423	AIRTAC	170,062	0.13	
21,000	Atlas Corp	229,077	0.18	
660,000	Au Optronics Corp	307,598	0.24	
3,088	BLUE DART EXPRES	180,462	0.14	
10,800	Century Plyboards India Ltd	42,748	0.03	
67,300	China International Marine Containers Group	111,821	0.09	
62,000	China National Building Material Co Ltd	65,702	0.05	
20,800	Contemporary Ampere Tech - A	1,142,455	0.91	
190,260	COSCO Shipping Holdings CO-A	439,869	0.35	
157,000	COSCO Shipping Holdings CO-H	207,162	0.16	
8,000	Costamare Inc	83,605	0.07	
35,000	DELTA ELEC	184,826	0.15	
715,200	Dmci Holdings Inc	66,251	0.05	
134,798	Enka Insaat Ve Sanayi As	126,650	0.10	
133,000	Evergreen Marine Corp Ltd	447,481	0.35	
23,857	Finolex Industries Ltd	39,627	0.03	
32,000	Hon Hai Precision Industry Co Ltd	93,002	0.07	
1,799	Kajaria Ceramics Ltd	20,577	0.02	
4,600	KCE Electronics Pcl Foreign Sh	8,059	0.01	
31,035	Najran Cement Co	127,501	0.10	
40,200	Polyplex PCL Foreign Sh	23,025	0.02	
69,900	Regional Container Lines Public	90,277	0.07	
136,000	Sinotrans Limited H	40,161	0.03	
217,000	SITC International Holdings	659,051	0.52	
102,900	Sri Trang Agro-Industry Plc Foreign Sh	86,672	0.07	
18,000	Syncmold Enterprise Corporation	32,943	0.03	
1,635	Thermax Ltd	22,767	0.02	
13,787	Turk Traktor Ve Ziraat Makin	208,200	0.16	
93,000	Wan Hai Lines Ltd	571,012	0.45	
16,000	Xinyi Glass Holdings Ltd	46,500	0.04	
6,000	Yageo Corporation	76,742	0.06	
10,000	Yunnan Energy New Material	305,362	0.24	
152,548	Zhuzhou Kibing Group Co Ltd	451,782	0.36	
	<b>Total Industrial</b>	<b>6,709,029</b>	<b>5.30</b>	<b>7.64</b>
	<b>Diversified</b>			
326,600	Alfa SAB de CV	166,981	0.13	
	<b>Total Diversified</b>	<b>166,981</b>	<b>0.13</b>	<b>0.13</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
41,806	Adani Ports And Special Econ Zone	309,219	0.24	
16,100	Amoy Diagnostics Co Ltd	135,715	0.11	
741	BeiGene Ltd - Adr	165,616	0.13	
4,044	Bidvest Group Ltd	41,433	0.03	
32,915	Cencosud Sa	45,562	0.04	
77,600	Centre Testing Intl Group	236,795	0.19	
182,000	China Feihe Ltd	242,871	0.19	
16,000	China Merchants Port Holding	20,155	0.02	
1,854,500	Chularat Hospital Pcl - FS	152,455	0.12	
29,400	Cia Brasileira De Distribuicao	117,532	0.09	
17,646	Cia Cervecerias Unidas - Adr	260,073	0.21	
197	CJ Cheiljedang Corp	55,249	0.04	
7,169	Coca-cola Icecek As	55,041	0.04	
1,382,000	CP Pokphand Co Ltd	114,941	0.09	
362,010	CSPC Pharmaceutical Group Lt	338,972	0.27	
29,901	Dabur India Ltd	184,687	0.15	
1,467	Dentium Co Ltd	80,625	0.06	
3,141	Emami Ltd	18,589	0.01	
4,860	Eris Lifesciences Ltd	35,046	0.03	
14,801	Fomento Economico Mexicano - SP ADR	933,022	0.74	
85,900	Grupo Bimbo Sab de CV	157,981	0.12	
14,000	Guangzhou Baiyunshan Pharmaceutical Holdings	26,362	0.02	
14,000	Hangzhou Tigermed Consulting Co Ltd	178,451	0.14	
4,802	Hikma Pharmaceuticals Plc	122,787	0.10	
13,761	Hindustan Unilever Ltd	371,877	0.29	
32,600	Hualan Biological Engineering Inc	109,445	0.09	
273,160	Intl Container Terminal Services Inc	713,896	0.56	
1,400	KWEICHOW MOUTAI CO LTD-A	255,225	0.20	
12,000	Localiza Rent A Car	93,912	0.07	
323,500	Lt Group Inc	39,971	0.03	
2,104	Magnit PJSC	116,320	0.09	
982,200	Mitra Keluarga Karyasehat Tbk	118,939	0.09	
15,234	Motus Holdings Ltd	72,062	0.06	
7,686	Mouwasat Medical Services	289,549	0.23	
19,766	New Oriental ADR	32,321	0.03	
13,900	Notre Dame Intermedica Participacoes SA	155,935	0.12	
27,700	Pharmaron Beijing Co Ltd - A	442,382	0.35	
497	Pharmaron Beijing Co Ltd	10,749	0.01	
37,064	Pko Bank Polski SA	299,535	0.24	
20,800	Proya Cosmetics Co Ltd	370,095	0.29	
261,800	PT Unilever Indonesia Tbk	54,614	0.04	
200,808	Shandong Weigao Group Medical Polymer Co Ltd H	252,206	0.20	
278,500	Shanghai International Port A	181,549	0.14	
27,298	Shenzhen Mindray Class A	1,015,548	0.80	
162,000	Sino Biopharmaceutical	101,581	0.08	
5,193	Tal Education Group Adr	20,040	0.02	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
4,395	The Spar Group Limited	45,330	0.04	
24,000	Tsingtao Brewery Company Limited Class H	144,884	0.11	
7,765	Value Added Technology Co Ltd	212,161	0.17	
741,900	Vibhavadi Medical Center Foreign Sh	37,327	0.03	
16,272	Woolworths Holdings Ltd	51,093	0.04	
10,500	Wuliangye Yibin Co Ltd	245,125	0.19	
16,224	Wuxi Apptec Co Ltd	233,482	0.18	
10,700	Wuxi Apptec Co Ltd	159,671	0.13	
64,145	Wuxi Biologics Cayman Inc	697,736	0.55	
128,816	Yihai International Holding	561,561	0.44	
1,100	Zai Lab Ltd	114,718	0.09	
2,070	Zai Lab Ltd - Adr	217,380	0.17	
71,132	Zeder Investments Ltd	11,216	0.01	
87,477	Zhejiang Nhu Company Ltd	290,531	0.23	
	<b>Total Consumer, Non-cyclical</b>	<b>12,169,145</b>	<b>9.59</b>	<b>3.58</b>
	<b>Technology</b>			
144,000	Ase Technology Holding Co Ltd	476,950	0.38	
2,000	Asmedia Technology Inc	118,347	0.09	
676	ASML Holding NV	414,334	0.33	
22,000	Asustek Computer Inc	184,904	0.15	
2,659	Bilibili Inc - Class Z	158,407	0.13	
7,379	Coforge Limited	379,264	0.30	
20,000	Focaltech Systems Co Ltd	102,376	0.08	
14,623	GlobalWafers Co Ltd	331,952	0.26	
16,700	Glodon Company Ltd	109,953	0.09	
25,000	Greatek Electronics Inc	60,548	0.05	
14,200	Himax Technologies Inc - Adr	121,257	0.10	
122,012	Infosys Ltd - SP ADR	2,111,269	1.68	
948,000	Lenovo Group Ltd	753,900	0.60	
245,000	Lite-On Technology Corporation	390,022	0.31	
49,257	MediaTek Inc	1,195,549	0.95	
830	Mindtree Ltd	29,732	0.02	
5,300	NetEase Inc - ADR	375,275	0.30	
91,000	Novatek Microelectronics Corp	1,101,978	0.87	
5,581	Parade Technologies Ltd	275,450	0.22	
33,086	Realtek Semiconductor Corporation	499,850	0.40	
114,981	Samsung Electronic Co Ltd	5,546,528	4.39	
34,005	Samsung Electronics - Pref Share	1,514,338	1.20	
1,258	Sea Ltd - Adr	309,307	0.24	
10,000	Sitronix Technology Corp	78,418	0.06	
2,853	SK Hynix Inc	192,639	0.15	
439,846	Taiwan Semiconductor Manufacturing	7,059,612	5.58	
27,176	Tata Consultancy Services Ltd	1,004,148	0.79	
929	Tokyo Electron Ltd	290,538	0.23	
134,000	United Microelectronics Corp	224,896	0.18	
131,887	Wipro Ltd	842,229	0.67	
	<b>Total Technology</b>	<b>26,253,970</b>	<b>20.80</b>	<b>20.94</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	31.08.21 %	28.02.21 %
	Total Healthcare	-	-	1.96
	Portfolio of Investments	123,771,635	97.92	98.62
	Net Current Assets	2,633,476	2.08	1.39
	Forwards	-615	-	-0.01
	Net Assets	126,404,496	100.00	100.00

### FX Forward Holdings

Contract Name	Exposure (£)	Unrealised Gain/Loss (£)
Currency Fwd - Short GBP for USD - 2021-09-02	148814.89	-546.66
Currency Fwd - Short GBP for USD - 2021-09-03	53829.47	24.79
Currency Fwd - Short GBP for USD - 2021-09-07	81684.38	-34.11

### Derivatives Holdings

Contract Name	Exposure (£)	Unrealised Gain/Loss (£)
<b>Futures</b>		
Msci Emgmt Sep 21	47,476	-3,982

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	106.9886	85.3204	83.6700	100.0000
Return before operating charges *	1.0315	23.0182	1.7104	-15.1500
Operating charges	-0.6900	-1.3500	-0.0600	-1.1800
Return after operating charges	0.3415	21.6682	1.6504	-16.3300
Closing NAV per share	107.3301	106.9886	85.3204	83.6700
Retained distribution on acc shares	1.2954	0.9246	0.1699	0.0000
* After direct transaction costs of	0.3350	0.6224	0.3249	0.3378
<b>Performance</b>				
Return after charges	0.32%	25.40%	1.97%	-16.33%
<b>Other Information</b>				
Closing net asset value (£)	17,841,126	12,244,541	131	83
Closing number of shares	16,622,663	11,444,715	153	100
OCF	1.27%	1.22%	1.26%	1.21%
Direct transaction costs	0.31%	0.63%	0.37%	0.36%
<b>Prices</b>				
Highest share price (pence)	113.07	113.36	96.15	100.70
Lowest share price (pence)	102.24	68.23	81.80	73.66

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	104.9129	83.5205	82.5437	100.0000
Return before operating charges *	1.0154	22.3324	1.8568	-16.5163
Operating charges	-0.5500	-0.9400	-0.8800	-0.9400
Return after operating charges	0.4654	21.3924	0.9768	-17.4563
Closing NAV per share	105.3783	104.9129	83.5205	82.5437
Retained distribution on acc shares	1.4033	0.9457	1.5920	1.4049
* After direct transaction costs of	0.3323	0.5577	0.3947	0.3763
<b>Performance</b>				
Return after charges	0.44%	25.61%	1.18%	-17.46%
<b>Other Information</b>				
Closing net asset value (£)	108,531,528	97,795,127	76,032,214	65,824,381
Closing number of shares	102,992,340	93,215,506	91,034,196	79,744,899
OCF	1.02%	0.97%	1.01%	0.96%
Direct transaction costs	0.31%	0.62%	0.46%	0.44%
<b>Prices</b>				
Highest share price (pence)	110.97	115.61	94.27	100.70
Lowest share price (pence)	100.37	69.73	80.77	73.12

## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	104.9129
Return before operating charges *	1.1779
Operating charges	<u>-0.5500</u>
Return after operating charges	0.6279
Distribution on income shares	<u>-1.4127</u>
Closing NAV per share	104.1281

\* After direct transaction costs of 0.2979

### Performance

Return after charges 0.60%

### Other Information

Closing net asset value (£)	31,842
Closing number of shares	30,579
OCF	1.02%
Direct transaction costs	0.28%

### Prices

Highest share price (pence)	111.14
Lowest share price (pence)	100.53

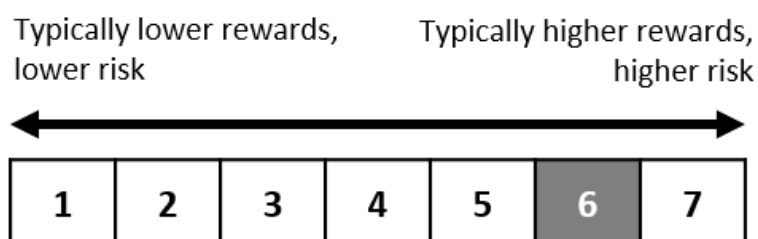
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.



## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
Income		£	£	£	£
Net capital gains/(losses)	1		(1,083,743)		3,270,040
Revenue	3	2,210,097		1,323,328	
Expenses	4	(635,614)		(404,512)	
Finance costs: Interest	6	(654)		(23)	
Net revenue before taxation		1,573,829		918,793	
Net revenue after taxation			1,573,829		918,793
<b>Total return before distributions</b>			<b>490,086</b>		<b>4,188,833</b>
Finance costs: Distribution	6		(1,573,806)		(918,699)
<b>Change in net assets attributable to shareholders from investment</b>			<b>(1,083,720)</b>		<b>3,270,134</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			110,039,668		76,032,345
Amounts receivable on issue of shares		16,578,626		13,167,630	
Amounts payable on cancellation of shares		(812,766)		(5,394,314)	
Dilution levy		22,067		36,062	
			15,787,927		7,809,378
Change in net assets attributable to shareholders from investment activities			(1,083,720)		3,270,134
Retained distribution on accumulation shares			1,660,621		956,415
<b>Closing net assets attributable to shareholders</b>			<b>126,404,496</b>		<b>88,068,272</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			123,771,020		108,506,886
Debtors	7	1,779,918		4,560,402	
Bank balances		<u>4,029,861</u>		<u>3,302,515</u>	
<b>Total other assets</b>			<b>5,809,779</b>		<b>7,862,917</b>
<b>Total assets</b>			<b>129,580,799</b>		<b>116,369,803</b>
<b>Liabilities</b>					
Creditors	8	1,663,329		5,888,228	
Distribution payable on income shares		432		-	
Bank overdrafts		<u>1,512,542</u>		<u>441,907</u>	
<b>Total other liabilities</b>			<b>3,176,303</b>		<b>6,330,135</b>
<b>Net assets attributable to shareholders</b>			<b>126,404,496</b>		<b>110,039,668</b>

# Notes to the financial statements

As at 31 August 2021

<b>1 Net capital (losses)/gains</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
Proceeds from sales on investments during the period	97,866,782	71,066,536
Original cost of investments sold during the period	(90,332,464)	(75,913,436)
Gains/(losses) realised on investments sold during the period	7,534,318	(4,846,900)
Net (appreciation)/depreciation thereon already recognised in prior periods	(8,861,652)	4,390,009
Net realised depreciation for the period	(1,327,334)	(456,891)
Net unrealised appreciation for the period	436,341	1,062,669
Net (losses)/gains on non-derivative securities	(890,993)	605,778
Net (losses)/gains on currencies	(192,750)	2,664,262
<b>Net capital losses on investments</b>	<b>(1,083,743)</b>	<b>3,270,040</b>

## 2 Purchases, sales and transaction costs

### Equities/ ETF Schemes

Purchases excluding transaction costs	113,822,780	81,820,141
Commissions: 0.04% [0.04%]	50,418	36,333
Stamp duty and other charges: 0.04% [0.03%]	45,941	23,187
Trustee transaction charges: 0.08% [0.06%]	95,118	46,431
<b>Purchases including transaction costs</b>	<b>114,014,257</b>	<b>81,926,092</b>

Sales excluding transaction costs	98,003,373	71,152,520
Commissions: 0.04% [0.05%]	(42,068)	(38,816)
Stamp duty and other charges: 0.10% [0.07%]	(94,523)	(47,168)
Trustee transaction charges: 0.05% [0.06%]	(46,079)	(44,884)
<b>Sales including transaction costs</b>	<b>97,820,703</b>	<b>71,021,651</b>

*Trustee transaction charges have been deducted in determining net capital*

*Transaction charges are displayed as percentage of purchase/sale*

<b>Total commission charges : 0.08% [0.09%]</b>	<b>92,486</b>	<b>75,149</b>
<b>Total stamp duty and other charges : 0.12% [0.09%]</b>	<b>140,464</b>	<b>70,355</b>
<b>Total trustee transaction charges : 0.12% [0.11%]</b>	<b>141,197</b>	<b>91,315</b>

*Total charges displayed as percentage of average net asset value*

**Average portfolio dealing spread : 0.16% [0.14%]**

## 3 Revenue

UK franked dividends	24,753	8,343
Gross bond interest	36,280	(1,433)
Overseas franked income	2,129,465	1,321,213
Overseas gross unfranked income	19,957	(4,076)
Bank interest	(359)	(719)
<b>Total revenue</b>	<b>2,210,097</b>	<b>1,323,328</b>

<b>4 Expenses</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<i>Payable to the ACD, associates of the ACD and agents of either:</i>		
ACD's periodic charge	439,098	281,712
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>		
Depositary's fee	23,431	17,374
Safe custody	133,370	95,216
	<b>156,801</b>	<b>112,590</b>
<i>Other expenses:</i>		
Audit fee	4,990	3,962
Registration fees	286	24
Transfer agency fee	30,626	5,676
Property management	1,954	-
Professional fee	1,594	-
Tax and markets fee	-	283
Distribution costs	265	265
<b>Total expenses</b>	<b>635,614</b>	<b>404,512</b>

## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
Irrecoverable income tax	-	-
Current tax charge (note 5b)	-	-
<b>Total tax charge</b>	<b>-</b>	<b>-</b>

b) Factors affecting the tax charge for the period:

Net income before taxation	1,573,829	918,793
Corporation tax at 20%	314,766	183,759
<i>Effects of:</i>		
UK dividends	(430,844)	(265,911)
Movement in income accruals	172	36
Utilisation of excess management expenses	115,906	82,116
Corporation tax charge	-	-
Irrecoverable income tax	-	-
<b>Current tax charge for the period (note 5a)</b>	<b>-</b>	<b>-</b>

c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £2,905,310 (prior year £2,325,780). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	1,661,053	956,415
	1,661,053	956,415
Amounts deducted on cancellation of shares	4,784	60,317
Amounts received on issue of shares	(92,031)	(98,033)
Finance costs: Distributions	1,573,806	918,699
Finance costs: Interest	654	23
<b>Total finance costs</b>	<b>1,574,460</b>	<b>918,722</b>
<b>Represented by:</b>		
Net revenue after taxation	1,573,829	918,793
Balance of revenue brought forward	(7)	1
Balance of revenue carried forward	(16)	(95)
<b>Finance costs: Distributions</b>	<b>1,573,806</b>	<b>918,699</b>

<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	326,588	57,206
Amounts receivable for investment securities sold	1,059,999	4,160,769
<i>Accrued income:</i>		
UK franked dividends	160,676	-
Overseas franked dividends	98,097	243,746
Bank interest	-	860
	258,773	244,606
Other receivables	4,769	437
Taxation recoverable	129,789	97,384
<b>Total debtors</b>	<b>1,779,918</b>	<b>4,560,402</b>

<b>8 Creditors</b>		
Amounts payable for cancellation of shares	8,730	3,469,389
Amounts payable for investment securities purchased	1,433,218	2,238,629
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	74,268	65,815
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	3,909	3,569
Transaction charges	70,800	45,672
Safe custody fee	-	38,349
	74,709	87,590
Other creditors	72,404	26,805
<b>Total creditors</b>	<b>1,663,329</b>	<b>5,888,228</b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc	I Inc
Opening number of shares	11,444,715	93,215,506	-
Shares issued	6,589,306	15,362,231	2,060
Shares converted	916	(29,496)	28,520
Shares redeemed	(1,412,274)	(5,555,901)	(1)
Closing number of shares	<u>16,622,663</u>	<u>102,992,340</u>	<u>30,579</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	28.02.21 £
Floating rate assets (pounds sterling):	2,704,889	1,013,621
Floating rate assets (us dollars):	-	925,416
Floating rate assets (euro):	9,633	3,706
Floating rate assets (brazilian real):	236,028	-
Floating rate assets (colombian peso):	9,108	-
Floating rate assets (hong kong dollar):	429,179	2,573
Floating rate assets (indian rupee):	302,991	21,653
Floating rate assets (mexican peso):	-	11,951
Floating rate assets (turkish lira):	-	3,569
Floating rate assets (south african rand):	-	3,579
Floating rate assets (new taiwan dollar):	-	32,610
Floating rate assets (hungarian forint):	3,595	3,615
Floating rate assets (nigerian naira):	-	1,157,358
Floating rate assets (poland zloty):	-	5,282
Floating rate assets (saudi real):	-	117,616
Floating rate assets (thai baht):	-	(34)
Floating rate assets (chinese yen):	334,438	-
Floating rate liabilities (pounds sterling):	(571,243)	(441,907)
Floating rate liabilities (brazilian real):	(224,156)	-
Floating rate liabilities (colombian peso):	(13,900)	-
Floating rate liabilities (chinese yen):	(271,862)	-
Floating rate liabilities (euro):	(5,128)	-
Floating rate liabilities (hong kong dollar):	(426,253)	-

## 12 Risk disclosures (continued)

Assets on which interest is not earned (pounds sterling):	3,206,926	1,249,794
Assets on which interest is not earned (euro):	625,229	685,685
Assets on which interest is not earned (us dollars):	19,429,606	27,187,291
Assets on which interest is not earned (brazilian real):	5,214,382	4,601,111
Assets on which interest is not earned (colombian peso):	389,729	124,509
Assets on which interest is not earned (chinese yen):	8,031,702	6,366,206
Assets on which interest is not earned (hong kong dollar):	31,463,208	24,091,209
Assets on which interest is not earned (indonesian rupee):	1,769,052	2,847,638
Assets on which interest is not earned (indian rupee):	9,349,454	1,636,184
Assets on which interest is not earned (south korean won):	16,695,532	15,436,333
Assets on which interest is not earned (mexican peso):	1,167,295	1,784,248
Assets on which interest is not earned (philippine peso):	1,906,844	1,334,690
Assets on which interest is not earned (pakistan rupee):	-	181,447
Assets on which interest is not earned (poland zloty):	754,351	794,033
Assets on which interest is not earned (qatari real):	285,576	557,270
Assets on which interest is not earned (russian ruble):	2,556,101	1,817,068
Assets on which interest is not earned (saudi riyal):	895,112	537,498
Assets on which interest is not earned (thai baht):	1,715,420	2,197,443
Assets on which interest is not earned (turkish lira):	1,406,882	2,004,566
Assets on which interest is not earned (new taiwan dollar):	14,515,539	12,997,156
Assets on which interest is not earned (south african rand):	3,412,088	4,056,694
Assets on which interest is not earned (czech koruna):	470,371	241,431
Assets on which interest is not earned (japanese yen):	290,538	347,715
Assets on which interest is earned (pounds sterling):	477,813	-
Assets on which interest is earned (south korean won):	30,721	-
Assets on which interest is earned (philippine peso):	38,395	-
Assets on which interest is earned (south african rand):	87,493	-
Liabilities on which interest is not paid (pounds sterling):	(1,289,845)	(3,659,530)
Liabilities on which interest is not paid (us dollars):	(15,624)	(500,337)
Liabilities on which interest is not paid (brazilian real):	-	(93,131)
Liabilities on which interest is not paid (hong kong dollar):	(563,420)	(227,928)
Liabilities on which interest is not paid (mexican peso):	-	(41,453)
Liabilities on which interest is not paid (indian rupee):	(103,417)	(15,084)
Liabilities on which interest is not paid (philippine peso):	-	(345,097)
Liabilities on which interest is not paid (south korean won):	-	(370,830)
Liabilities on which interest is not paid (chinese yen):	-	(456,850)
Liabilities on which interest is not paid (czech koruna):	(8,113)	(13,919)
Liabilities on which interest is not paid (poland zloty):	-	(91,964)
Liabilities on which interest is not paid (new taiwan dollar):	(141,580)	(82,036)
Liabilities on which interest is not paid (euro):	(11,005)	-
Liabilities on which interest is not paid (indonesian rupee):	(63,456)	-
Liabilities on which interest is not paid (russian ruble):	(17,338)	-
Liabilities on which interest is not paid (south african rand):	(83,300)	-
Liabilities on which interest is not paid (thai baht):	(1,085)	-
<b>Net Assets</b>	<b>126,404,496</b>	<b>110,039,668</b>

## 12 Risk disclosures (continued)

ii. Currency risk	31.08.21	28.02.21
	£	£
GBP	4,528,540	(1,838,022)
Euro	618,729	689,391
US Dollars	19,413,982	27,612,370
Brazilian Real	5,226,254	4,507,980
Colombian Peso	384,937	124,509
Chinese Yen	8,094,278	5,909,356
Hong Kong Dollar	30,902,714	23,865,854
Indonesian Rupee	1,705,596	2,847,638
Indian Rupee	9,549,028	1,642,753
South Korean Won	16,726,253	15,065,503
Mexican Peso	1,167,295	1,754,746
Nigerian Naira	-	1,157,358
Phillipine Peso	1,945,239	989,593
Pakistan Rupee	-	181,447
Poland Zloty	754,351	707,351
Qatari real	285,576	557,270
Russian Ruble	2,538,763	1,817,068
Saudi Riyal	895,112	655,115
Thai bath	1,714,335	2,197,409
Turkish Lira	1,406,882	2,008,135
New Taiwan Dollar	14,373,959	12,947,730
South African Rand	3,416,281	4,060,273
Hungarian Forint	3,595	3,615
Czeck Koruna	462,258	227,512
Japanese Yen	290,538	347,715
<b>Net Assets</b>	<b>126,404,496</b>	<b>110,039,668</b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

Assets	31.08.21	28.02.21
	£	£
Quoted prices for identical instruments in active markets	123,771,635	108,516,818
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>123,771,635</b>	<b>108,516,818</b>
Liabilities	£	£
Quoted prices for identical instruments in active markets	-	-
Prices of recent transactions for identical instruments	615	9,931
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>615</b>	<b>9,931</b>



## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.98 and using the gross method was 1:0.98.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA Global Emerging Markets Equity Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.4033	-	1.4033	0.9457
Group 2	0.9526	0.4507	1.4033	0.9457

#### MGTS AFH DA Global Emerging Markets Equity Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	1.4127	-	1.4127	-
Group 2	0.9478	0.4649	1.4127	-

#### MGTS AFH DA Global Emerging Markets Equity Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.2954	-	1.2954	0.9246
Group 2	0.9485	0.3469	1.2954	0.9246

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA UK Equity Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 6-year period.

### Investment Review

MGTS AFH DA UK Equity Fund R	15.50%
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### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA UK All Companies Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA UK All Companies Sector	14.80%
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Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA UK Equity Fund ('the Fund') is a multi-managed fund. The underlying strategies are: Liontrust UK Growth ('Liontrust') and River & Mercantile UK Equity High Alpha ('River & Mercantile').

### Overall portfolio commentary

The Fund successfully launched in September 2020 to provide additional diversification to the UK equity portfolios by incorporating two high alpha strategies with differentiated approaches: the Liontrust strategy focuses on higher growth companies typically trading at a premium but still undervalued due to intangible advantages such as brand loyalty or intellectual property (a classic 'growth' strategy), whilst the River & Mercantile strategy targets companies trading at a discount that are poised to recover (a typical 'value' strategy).

The philosophy behind the manager selection is to blend two high quality managers together that would, in combination, perform well in most market environments.

Over the 6-month period ending 31<sup>st</sup> August 2021, the MGTS AFH DA UK Equity Fund outperformed the broad market by circa 1.9%.

In Q4 2020 and Q1 2021 there was a rapid rotation to value stocks following the announcement of COVID-19 vaccine developments and the market pricing in a benefit to cheaper companies from a general economic recovery. Q2 2021 saw a reverse of the previous two quarters, with the market rotating to favour large cap growth and quality equities.

While the value rally suited the River and Mercantile strategy, the subsequent growth and quality rotation and improving economic backdrop was beneficial for the Liontrust strategy, boosting the relatively flat performance of the River and Mercantile strategy over the review period.

Overall, the diversified portfolio with a growth and value component has performed pleasingly well and has validated the multi-manager and multi-style approach to portfolio construction.

## Investment Adviser's Report (continued)

### Key points from adviser portfolio commentaries

#### **Liontrust**

The Liontrust-managed strategy outperformed the broad market by circa 5% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. At a stock level, Future, Next Fifteen Communications and Spirax-Sarco Engineering performed well on the back of better-than-expected trading updates. Disappointing trading updates from Petrofac and John Wood Group detracted from performance.

Aside from trading updates, portfolio performance was also boosted by takeover activity around some of its holdings, including WM Morrison Supermarkets which became subject of a bidding war, and Ultra Electronics which confirmed the receipt of an improved share takeover offer. Aggreko exited the portfolio after the completion of its £2.3bn takeover.

#### **River & Mercantile**

The River & Mercantile-managed strategy outperformed the broad market by circa 0.5% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. M&A activity continues to benefit the portfolio and has acted as a catalyst for capital realisations, such as with Avast and Meggitt. Balfour Beatty was sold following a lackluster trading update.

Several small cap stocks contributed to performance, most notably Reach and Xaar. An underweight position in Reckitt Benckiser aided returns which underperformed following a weak update, as well as HSBC which was weak on dampening interest rate expectations. Underweight positions in Growth and Quality stocks such as RELX, Experian, AstraZeneca and Ashtead detracted from returns as they benefited from rotation.

River & Mercantile have been increasing their exposure to Value stocks, adding to banks such as Lloyds, and Recovery stocks, starting to build exposure to London Property and Casualty Insurance stocks such as Hiscox and Lancashire Holdings. They have also added to: re-opening beneficiaries such as Restaurant Group and On-the-Beach; domestic-facing stocks such as Serco; reflation plays, notably Anglo American and Centamin; and out-of-favour or undiscovered Growth and Quality stocks such as Tribal and FD Technologies.

### Forward-looking commentary

#### **Liontrust**

The portfolio's companies have strong barriers to competition, attractive market positions and a history of high returns, so they should emerge from the pandemic in a healthy position to take advantage of any subsequent upturn and take share from weaker competitors who have suffered more or ceased trading altogether. Some of these companies in the portfolio have already been able to invest in acquisitions or other means of accelerating market share gains. Another tailwind that is likely to benefit several of the portfolio's holdings is the increasing digitalisation of the economy, a process that has been accelerated by the pandemic.

The portfolio has largely proven resilient during the pandemic and has continued to generate growth. Despite this, Liontrust still expect it to benefit from a more benign backdrop if efforts to combat COVID-19 are successful in achieving something closer to economic normality.

#### **River & Mercantile**

High levels of liquidity are supportive of equities in general, encouraging higher valuations for Growth stocks. However, an extended consolidation in the share prices of the portfolio's Value and Recovery stocks has been encouraged by caution regarding the economic outlook and a new consensus that the best point of the cycle has passed.

## **Investment Adviser's Report (continued)**

Despite this, River & Mercantile believe the view that Value has already had its 'day in the sun' is very premature, especially as it has recreated an extreme spread of valuations between loved stocks and those left behind, many of which are still closer to the beginning of the positive profit cycle than the end. They expect Value, Recovery, reflation and broader geographical exposure to outperform through the rest of the year.

AFH Independent Financial Services Ltd  
*Investment adviser*  
26 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Industrials</b>			
294,523	BAE Systems Plc	1,682,315	1.02	
48,100	Biffa Plc	186,147	0.11	
31,390	Bodycote Plc	302,600	0.18	
156,300	Breedon Group Plc	164,740	0.10	
67,600	CHEMRING GROUP	222,742	0.13	
247,300	Costain Group Plc	148,380	0.09	
7,960	CRH Plc	307,911	0.19	
7,084	Dialight Plc	26,069	0.02	
24,110	FISHER (JAMES)	239,171	0.14	
118,500	Flowtech Fluidpower Plc	149,903	0.09	
82,300	Galliford Try Holdings Plc	139,992	0.08	
65,650	Halma Plc	1,979,347	1.20	
28,900	Hays Plc	45,864	0.03	
76,350	Helios Towers Plc	134,834	0.08	
2,700	HILL & SMITH HLD	49,896	0.03	
64,200	Ibstock Plc	152,539	0.09	
98,079	IMI Plc	1,788,961	1.08	
9,200	Keller Group Plc	93,656	0.06	
260,381	KIER GROUP PLC	335,371	0.20	
67,590	Menzies (John) Plc	222,709	0.13	
95,100	Morgan Advanced Materials Plc	382,778	0.23	
56,100	Mpac Group Plc	325,380	0.19	
52,400	Norcros Plc	154,580	0.09	
6,100	Oxford Instruments Plc	158,600	0.10	
260,805	PageGroup Plc	1,667,848	1.01	
225,700	PHOTO-ME INTL	155,733	0.09	
18,700	Polypipe Group Plc	149,600	0.09	
85,440	Renewi Plc	469,920	0.28	
21,362	Renishaw Plc	1,162,093	0.70	
1,365,258	Renold Plc	331,758	0.20	
9,600	RHI Magnesita NV	370,176	0.22	
65,800	Ricardo Plc	246,092	0.15	
542,043	Rolls-Royce Holdings Plc	631,697	0.38	
454,849	Rotork Plc	1,527,383	0.92	
246,564	RWS Holdings Plc	1,606,364	0.97	
387,000	Safestyle UK Plc	209,754	0.13	
128,600	Senior Plc	227,751	0.14	
54,000	Severfield Plc	42,228	0.03	
618,800	SIG Plc	329,511	0.20	
26,200	SMART METERING S	251,782	0.15	
70,808	Smiths Group Plc	1,029,902	0.61	
189,598	Somero Enterprises Inc	891,111	0.54	
45,902	Spectris Plc	1,810,834	1.09	
15,583	Spirax-Sarco Engineering	2,522,888	1.53	
324,000	STAGECOACH GROUP	234,090	0.14	
107,400	Strix Group Plc	405,971	0.26	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
188,700	Topps Tiles Plc	137,751	0.08	
89,440	TRIFAST PLC	130,582	0.08	
92,800	TT Electronics Plc	261,232	0.16	
49,830	Tyman Plc	222,989	0.13	
67,147	Ultra Electronics Holdings Plc	2,148,704	1.30	
7,800	Vesuvius Plc	43,992	0.03	
112,000	Volex Plc	486,080	0.29	
93,425	WEIR GROUP PLC	1,624,661	0.98	
	<b>Total Industrial</b>	<b>30,724,962</b>	<b>18.54</b>	<b>17.25</b>
	<b>Basic Materials</b>			
57,200	Anglo American Plc	1,743,170	1.05	
44,470	Antofagasta Plc	633,920	0.38	
56,500	BHP Group Plc	1,257,407	0.76	
280,100	Capital Ltd	226,881	0.14	
178,200	CENTAMIN PLC	178,200	0.11	
119,200	CENTRAL ASIA METALS PLC	285,484	0.17	
211,120	Elementis Plc	317,313	0.19	
117,946	Essentra Plc	349,120	0.21	
35,900	Fresnillo Plc	303,068	0.18	
281,100	Glencore Plc	919,478	0.56	
198,990	HOCHSCHILD MININ	298,087	0.18	
13,600	Johnson Matthey Plc	394,944	0.24	
17,900	POLYMETAL	260,893	0.16	
25,250	Rio Tinto Plc	1,340,270	0.81	
223,595	Synthomer Plc	1,189,525	0.72	
4,600	Victrex Plc	121,256	0.07	
42,900	Zotefoams Plc	182,754	0.11	
	<b>Total Basic Materials</b>	<b>10,001,770</b>	<b>6.04</b>	<b>6.40</b>
	<b>Technology</b>			
146,867	Alfa Financial Software Holdings Ltd	215,894	0.13	
23,555	Bango Plc	48,759	0.03	
38,390	BLANCCO TECHNOLO	92,904	0.06	
21,800	Blue Prism Group Plc	244,378	0.15	
306,400	Eckoh Plc	177,712	0.11	
65,104	EMIS GROUP PLC	919,268	0.56	
5,600	FIRST DERIVATIVE	131,040	0.08	
591,418	IQE Plc	303,989	0.18	
105,500	Learning Technologies Group	242,228	0.16	
37,540	Micro Focus Intl	167,578	0.10	
67,310	NCC Group Plc	219,094	0.13	
165,000	PLAYTECH PLC	695,310	0.42	
288,386	Sage Group	2,155,396	1.30	
140,800	SERCO GROUP	188,954	0.11	
218,648	Xaar Plc	474,466	0.29	
	<b>Total Technology</b>	<b>6,276,970</b>	<b>3.81</b>	<b>6.25</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Financial</b>			
15,200	3i Group Plc	203,604	0.12	
53,100	ASHMORE GROUP PLC	210,382	0.13	
111,400	Aviva Plc	455,960	0.28	
98,200	Bank Of Ireland Group Plc	444,393	0.27	
867,400	Barclays Plc	1,613,191	0.98	
11,200	Beazley Plc	44,038	0.03	
314,400	Boku Inc	603,648	0.37	
48,900	Boot (Henry) Plc	136,920	0.08	
57,700	Brewin Dolphin	229,358	0.14	
28,400	British Land Co Plc	154,269	0.09	
32,639	Brooks Macdonald Group Plc	802,919	0.49	
252,200	CAPITAL & COUNTI	443,368	0.27	
149,800	Cenkos Securities Plc	116,844	0.07	
8,500	Close Brothers Group Plc	132,855	0.08	
400,100	Foxtons Group Plc	214,054	0.13	
49,500	Grainger Plc	159,687	0.10	
114,920	Hargreaves Lansdown Plc	1,730,695	1.05	
4,700	HISCOX LTD	43,710	0.03	
550,960	HSBC Holdings Plc	2,151,222	1.31	
40,200	IG Group Holdings Plc	378,684	0.23	
216,400	International Personal Finance Plc	318,541	0.19	
98,480	IP GROUP PLC	130,388	0.08	
7,000	LANCASHIRE HOLDINGS LTD	44,555	0.03	
205,440	Legal & General Group	561,057	0.34	
4,206,100	Lloyds Banking Group Plc	1,871,715	1.14	
47,500	Man Group Plc/je	103,503	0.06	
291,897	Melrose Industries Plc	493,890	0.30	
777,800	Mercia Asset Management Plc	287,786	0.17	
9,300	Mortgage Advice Bureau Holdings	130,665	0.08	
628,400	Natwest Group PLC	1,344,776	0.81	
29,440	Network International Holdings PLC	114,257	0.07	
671,600	Old Mutual Ltd	546,058	0.32	
59,825	PAYPOINT PLC	429,544	0.26	
18,580	POLAR CAPITAL HOLDINGS PLC	161,832	0.10	
193,400	Premier Miton Group Plc	348,120	0.21	
71,355	PROVIDENT FIN	258,876	0.16	
117,600	Prudential Plc	1,755,768	1.06	
2,300	RATHBONE BROS	47,035	0.03	
26,900	Secure Trust Bank Plc	340,285	0.21	
37,043	SHAFTESBURY	243,187	0.15	
230,700	Standard Chartered Plc	1,069,295	0.65	
22,000	Temple Bar Investment Trust Plc	238,040	0.14	
748,248	Tp Icap Group Plc	1,528,671	0.92	
160,000	U And I Group Plc	139,200	0.08	
164,200	Virgin Money UK Plc	354,508	0.21	
	<b>Total Financial</b>	<b>23,131,353</b>	<b>14.02</b>	<b>13.47</b>



## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
37,230	A.G. Barr Plc	208,116	0.13	
58,900	Ascential Plc	247,969	0.15	
20,200	Associated British Foods Plc	404,606	0.24	
72,226	AstraZeneca Plc	6,157,988	3.72	
139,516	British American Tobacco Plc	3,809,484	2.30	
90,891	Cake Box Holdings Ltd	314,483	0.19	
911,435	Capita Plc	453,439	0.27	
58,311	CLIPPER LOGISTICS PLC	483,398	0.29	
4,900	Coca-Cola HBC AG	130,095	0.08	
46,600	CONVATEC GROUP PLC	106,900	0.06	
134,200	DE LA RUE PLC	237,802	0.14	
154,700	Devro Plc	344,208	0.21	
128,583	Diageo Plc	4,553,767	2.75	
292,829	GlaxoSmithKline Plc	4,308,100	2.62	
165,500	GREENCORE GROUP	234,183	0.14	
6,400	GREGGS PLC	197,440	0.12	
199,380	Hyve Group Plc	240,452	0.15	
25,450	Imperial Brands Plc	394,475	0.24	
1,085,249	INDIVIOR PLC	2,147,707	1.30	
18,017	Intertek Group Plc	965,351	0.58	
91,140	JOHNSON SERVICE GROUP PLC	135,616	0.08	
49,200	MARSTON'S PLC	43,148	0.03	
45,900	Mediclinic International Plc	144,769	0.09	
57,900	Mind Gym Ltd	107,115	0.06	
13,800	NICHOLS PLC	179,400	0.11	
11,900	Ocado Group Plc	246,449	0.15	
31,496	Ocean Wilsons Holdings Ltd	318,110	0.19	
55,900	PZ CUSSONS PLC	135,558	0.08	
31,118	Reckitt Benckiser Group	1,737,007	1.05	
85,903	RELX Plc	1,882,994	1.14	
249,180	RPS GROUP PLC	280,078	0.17	
100,123	Savills Plc	1,369,683	0.83	
28,475	Smith & Nephew Plc	405,626	0.25	
293,000	Speedy Hire Plc	204,807	0.12	
109,776	Ssp Group Plc	305,946	0.19	
200,123	Staffline Group Plc	161,299	0.10	
5,900	Tate & Lyle	41,937	0.03	
85,184	Tesco Plc	218,795	0.13	
166,270	Tribal Group Plc	171,258	0.10	
136,869	Unilever Plc	5,538,404	3.35	
474,008	WM MORRISON SUP	1,374,623	0.83	
	<b>Total Consumer, Non-cyclical</b>	<b>40,942,585</b>	<b>24.76</b>	<b>13.82</b>
	<b>Diversified</b>			
60,690	MITIE GROUP	46,670	0.03	
	<b>Total Diversified</b>	<b>46,670</b>	<b>0.03</b>	<b>-</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
67,260	888 HOLDINGS PLC	284,510	0.17	
88,070	Ao World Plc	209,078	0.13	
18,004	Aston Martin Lagonda Global	361,700	0.22	
4,300	BERKELEY GROUP	208,980	0.13	
35,326	Bunzl Plc	934,373	0.57	
26,500	Burberry Group Plc	502,970	0.30	
128,000	Cairn Homes Plc	125,056	0.08	
125,200	Cambria Automobiles Plc	100,786	0.06	
342,240	Card Factory Plc	220,745	0.13	
28,880	Carnival Plc	463,986	0.28	
2,290,375	Coats Group Plc	1,740,685	1.05	
128,238	Compass Group Plc	1,946,012	1.19	
62,500	Crest Nicholson Holdings	260,250	0.16	
23,700	Dart Group Plc	282,860	0.17	
91,400	DFS Furniture Plc	246,323	0.15	
195,400	DIXONS CARPHONE	272,778	0.16	
405,531	Domino's Pizza Group Plc	1,683,765	1.02	
494,271	DP Eurasia NV	361,806	0.22	
36,780	EasyJet Plc	296,447	0.18	
19,240	ENTAIN PLC	380,760	0.23	
99,973	Everyman Media Group Plc	122,967	0.07	
1,900	Flutter Entertainment PLC	275,215	0.17	
56,700	Gym Group Plc	160,745	0.10	
3,300	Intercontinental Hotels Group	154,869	0.09	
292,760	International Consolidated Airlines Group SA	472,163	0.28	
17,280	Joules Group Plc	43,718	0.03	
44,830	Kingfisher Plc	159,460	0.10	
165,330	M&S Group Plc	301,479	0.18	
14,668	Naked Wines Plc	125,118	0.08	
1,900	Next Plc	152,228	0.09	
93,800	On The Beach Group PLC	335,804	0.20	
1,346,900	Pendragon Plc	245,136	0.15	
131,500	RANK GROUP PLC	238,541	0.14	
639,893	RESTAURANT GROUP	779,390	0.46	
74,710	Saga Plc	270,151	0.16	
320,300	Science In Sport Plc	230,616	0.14	
100,900	SUPERDRY PLC	351,637	0.21	
226,200	Taylor Wimpey Plc	415,416	0.25	
250,330	Ted Baker Plc	395,021	0.24	
502,411	TI Fluid Systems Plc	1,524,816	0.92	
27,751	Travis Perkins Plc	503,126	0.30	
25,500	Vistry Group PLC	310,718	0.19	
21,370	Wetherspoon (J.D.) Plc	242,977	0.15	
19,186	Whitbread Plc	625,847	0.38	
78,640	WHSmith Plc	1,228,357	0.74	
228,830	Wickes Group Plc	557,430	0.34	
	<b>Total Consumer, Cyclical</b>	<b>21,106,815</b>	<b>12.76</b>	<b>13.90</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Communications</b>			
44,600	ACCESSO TECHNOLO	356,800	0.22	
9,490	ASOS PLC	366,219	0.22	
30,200	Auto Trader Group Plc	191,710	0.12	
511,200	BT Group Plc	872,107	0.53	
627,347	Centaur Media Plc	307,400	0.19	
150,000	Ebiquity Plc	90,000	0.05	
9,400	EUROMONEY INSTL	99,264	0.06	
16,737	Future Plc	647,052	0.39	
36,219	Gamma Communications Plc	840,281	0.51	
39,900	Informa Plc	221,206	0.13	
51,100	IOMART GROUP PLC	123,662	0.07	
276,300	ITV Plc	322,995	0.20	
65,650	Kin And Carta Plc	179,225	0.11	
54,973	M&C Saatchi Plc	73,389	0.04	
46,740	MONEYSUPERMARKET.COM	119,094	0.07	
111,945	Moonpig Group Plc	430,764	0.26	
1,700,000	Mysale Group Plc	115,600	0.07	
160,615	Next 15 Communications	1,710,550	1.03	
199,914	Pearson Plc	1,558,530	0.94	
125,800	Pebble Group Plc	182,410	0.11	
298,400	Purplebricks Group Plc	170,088	0.10	
187,692	Reach Plc	764,845	0.46	
193,731	Rightmove Plc	1,385,951	0.85	
284,900	Smiths News Plc	114,245	0.07	
66,347	Trainline Plc	250,659	0.15	
51,900	Tremor International Ltd	393,402	0.24	
292,300	ULS Technology Plc	232,671	0.14	
395,610	Vodafone Group Plc	487,392	0.29	
35,290	WPP Plc	352,900	0.21	
881,076	XLMEDIA PLC	519,835	0.31	
	<b>Total Communications</b>	<b>13,480,246</b>	<b>8.14</b>	<b>5.63</b>
	<b>Energy</b>			
1,635,713	BP Plc	4,905,503	2.98	
125,669	Cairn Energy Plc	244,552	0.15	
750,000	ENQUEST PLC	186,750	0.11	
81,800	Harbour Energy Plc	299,388	0.18	
205,100	Hunting Plc	425,583	0.26	
1,071,600	Inspired Energy Plc	216,463	0.13	
391,100	JKX Oil & Gas Plc	113,419	0.07	
327,420	Petrofac Ltd	344,446	0.21	
429,237	Royal Dutch Shell Plc B Shares	6,235,096	3.77	
215,600	Serica Energy Plc	358,758	0.22	
508,190	Tullow Oil Plc	227,212	0.14	
494,808	WOOD GROUP (JOHN) PLC	1,259,781	0.76	
	<b>Total Energy</b>	<b>14,816,951</b>	<b>8.98</b>	<b>9.92</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Utilities</b>			
667,400	Centrica Plc	354,523	0.21	
62,400	Drax Group Plc	262,204	0.16	
700,000	OPG Power Ventures Plc	87,500	0.05	
	<b>Total Utilities</b>	<b>704,227</b>	<b>0.42</b>	<b>0.54</b>
	<b>Global Equity</b>			
2,093	Majedie Investments Plc - Ordinary	4,688	-	
	<b>Total Global Equity</b>	<b>4,688</b>	<b>-</b>	<b>-</b>
	<b>UK Smaller Companies</b>			
12,360	Gresham House Strategic Plc	197,760	0.12	
	<b>Total UK Smaller Companies</b>	<b>197,760</b>	<b>0.12</b>	<b>-</b>
	<b>China/Greater China</b>			
65,050	Fidelity China Special Situation Plc	229,301	0.14	
	<b>Total China/Greater China</b>	<b>229,301</b>	<b>0.14</b>	<b>-</b>
	<b>Total Healthcare</b>	<b>-</b>	<b>-</b>	<b>7.94</b>
	<b>Total Real Estate</b>	<b>-</b>	<b>-</b>	<b>2.09</b>
	<b>Portfolio of Investments</b>	<b>161,664,298</b>	<b>97.76</b>	<b>97.21</b>
	<b>Net Current Assets</b>	<b>3,710,379</b>	<b>2.24</b>	<b>2.79</b>
	<b>Net Assets</b>	<b>165,374,677</b>	<b>100.00</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021
Opening net asset value per share	119.6430	100.0000
Return before operating charges *	18.0483	20.1330
Operating charges	-0.5400	-0.4900
Return after operating charges	17.5083	19.6430
Closing NAV per share	137.1513	119.6430
Retained distribution on acc shares	1.4560	0.7772
* After direct transaction costs of	0.1521	0.6737
<b>Performance</b>		
Return after charges	14.63%	19.64%
<b>Other Information</b>		
Closing net asset value (£)	18,377,048	7,885,757
Closing number of shares	13,399,109	6,591,074
OCF	0.83%	0.85%
Direct transaction costs	0.12%	0.60%
<b>Prices</b>		
Highest share price (pence)	138.23	120.96
Lowest share price (pence)	119.65	95.72

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021
Opening net asset value per share	119.6435	100.0000
Return before operating charges *	18.0364	20.0935
Operating charges	-0.5000	-0.4500
Return after operating charges	17.5364	19.6435
Closing NAV per share	137.1798	119.6435
Retained distribution on acc shares	1.4865	0.7460
* After direct transaction costs of	0.1484	0.6597
<b>Performance</b>		
Return after charges	14.66%	19.64%
<b>Other Information</b>		
Closing net asset value (£)	146,929,890	122,046,405
Closing number of shares	107,107,493	102,008,404
OCF	0.78%	0.80%
Direct transaction costs	0.11%	0.60%
<b>Prices</b>		
Highest share price (pence)	138.26	120.96
Lowest share price (pence)	119.65	95.71

## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	119.6435
Return before operating charges *	18.8829
Operating charges	<u>-0.5100</u>
Return after operating charges	18.3729
Distribution on income shares	<u>-1.5137</u>
Closing NAV per share	136.5026

\* After direct transaction costs of 0.1596

### Performance

Return after charges 15.36%

### Other Information

Closing net asset value (£)	67,739
Closing number of shares	49,624
OCF	0.78%
Direct transaction costs	0.12%

### Prices

Highest share price (pence)	138.02
Lowest share price (pence)	127.74

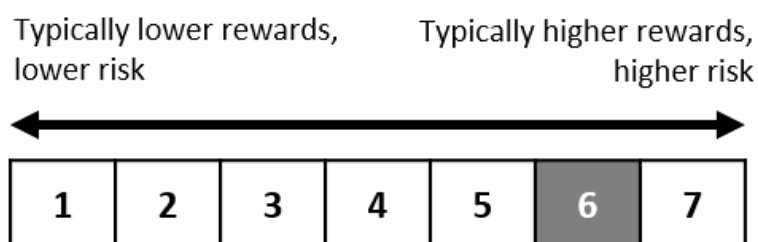
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21
Income		£	£
Net capital gains/(losses)	1		18,049,082
Revenue	3	2,276,687	
Expenses	4	(578,263)	
Finance costs: Interest	6	(7)	
Net revenue before taxation		1,698,417	
Net revenue after taxation			1,698,417
<b>Total return before distributions</b>			<b>19,747,499</b>
Finance costs: Distribution	6		(1,698,389)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>18,049,110</b>

### Statement of change in net assets attributable to

For the period ended 31 August 2021

		£	£
<b>Opening net assets attributable to shareholders</b>			129,932,162
Amounts receivable on issue of shares	21,876,707		
Amounts payable on cancellation of shares	(6,394,613)		
Dilution levy	124,067		
			15,606,161
Change in net assets attributable to shareholders from investment activities			18,049,110
Retained distribution on accumulation shares			1,787,244
<b>Closing net assets attributable to shareholders</b>			<b>165,374,677</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			161,664,298		126,304,201
Debtors	7	1,512,886		3,969,270	
Bank balances		<u>2,869,956</u>		<u>4,445,929</u>	
<b>Total other assets</b>			<b>4,382,842</b>		<b>8,415,199</b>
<b>Total assets</b>			<b><u>166,047,140</u></b>		<b><u>134,719,400</u></b>
<b>Liabilities</b>					
Creditors	8	671,712		3,757,590	
Distribution payable on income shares		751		-	
Bank overdrafts		<u>-</u>		<u>1,029,648</u>	
<b>Total other liabilities</b>			<b>672,463</b>		<b>4,787,238</b>
<b>Net assets attributable to shareholders</b>			<b><u>165,374,677</u></b>		<b><u>129,932,162</u></b>



# Notes to the financial statements

As at 31 August 2021

<b>1 Net capital gains</b>	<b>31.08.21</b>
	£
Proceeds from sales on investments during the period	17,206,106
Original cost of investments sold during the period	(13,347,413)
Gains realised on investments sold during the period	3,858,693
Net appreciation thereon already recognised in prior periods	(7,135,388)
Net realised depreciation for the period	(3,276,695)
Net unrealised appreciation for the period	21,326,440
Net gains on non-derivative securities	18,049,745
Net losses on currencies	(663)
<b>Net capital gains on investments</b>	<b>18,049,082</b>

## 2 Purchases, sales and transaction costs

<b>Equities/ETF Schemes</b>	
Purchases excluding transaction costs	34,476,365
Commissions: 0.05%	17,212
Stamp duty and other charges: 0.40%	137,633
Trustee transaction charges: 0.01%	3,413
<b>Purchases including transaction costs</b>	<b>34,634,623</b>
Sales excluding transaction costs	17,216,781
Commissions: 0.06%	(9,911)
Stamp duty and other charges: 0.00%	(764)
Trustee transaction charges: 0.01%	(1,053)
<b>Sales including transaction costs</b>	<b>17,205,053</b>

*Trustee transaction charges have been deducted in determining net capital*

*Transaction charges are displayed as percentage of purchase/sale*

<b>Total commission charges: 0.02%</b>	27,123
<b>Total stamp duty and other charges charges: 0.09%</b>	138,397
<b>Total trustee transaction charges: 0.00%</b>	4,466

*Total charges displayed as percentage of average net asset value*

**Average portfolio dealing spread : 0.37%**

## 3 Revenue

UK franked dividends	2,109,221
Overseas franked income	166,835
Overseas gross unfranked income	(1,249)
Property rental income	1,886
Bank interest	(6)
<b>Total revenue</b>	<b>2,276,687</b>

<b>4 Expenses</b>	<b>31.08.21</b>
	<b>£</b>
<i>Payable to the ACD, associates of the ACD and agents of either:</i>	
ACD's periodic charge	526,949
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>	
Depositary's fee	26,743
<i>Other expenses:</i>	
Audit fee	4,990
Registration fees	257
Transfer agency fee	19,324
<b>Total expenses</b>	<b><u>578,263</u></b>

## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-
Irrecoverable income tax	-
Current tax charge (note 5b)	-
<b>Total tax charge</b>	<b><u>-</u></b>

b) Factors affecting the tax charge for the period:

Net income before taxation	1,698,417
Corporation tax at 20%	339,684
<i>Effects of:</i>	
UK dividends	(455,211)
Utilisation of excess management expenses	115,527
Corporation tax charge	-
Irrecoverable income tax	-
<b>Current tax charge for the period (note 5a)</b>	<b><u>-</u></b>

c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £993,890 (prior year £416,255). The fund does not expect to be able to utilise this in the foreseeable future.

## 6 Finance costs

31.08.21

£

### Distributions

Interim	1,787,995
	<u>1,787,995</u>
Amounts deducted on cancellation of shares	25,080
Amounts received on issue of shares	<u>(114,686)</u>
Finance costs: Distributions	1,698,389
Finance costs: Interest	7
<b>Total finance costs</b>	<b><u>1,698,396</u></b>

### Represented by:

Net revenue after taxation	1,698,417
Balance of revenue brought forward	57
Balance of revenue carried forward	<u>(85)</u>
<b>Finance costs: Distributions</b>	<b><u>1,698,389</u></b>

## 7 Debtors

31.08.21

28.02.21

£

£

Amounts receivable for issue of shares	296,824	2,834,491
Amounts receivable for investment securities sold	380,178	766,216
<i>Accrued income:</i>		
UK franked dividends	813,999	367,345
Overseas franked dividends	<u>15,639</u>	-
	829,638	367,345
Other receivables	1,261	-
Taxation recoverable	4,985	1,218
<b>Total debtors</b>	<b><u>1,512,886</u></b>	<b><u>3,969,270</u></b>

## 8 Creditors

Amounts payable for cancellation of shares	10,184	3,201,153
Amounts payable for investment securities purchased	541,663	446,731
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	93,813	68,749
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	4,555	3,732
Transaction charges	<u>14,325</u>	18,790
	18,880	22,522
Other creditors	7,172	18,435
<b>Total creditors</b>	<b><u>671,712</u></b>	<b><u>3,757,590</u></b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc	I Inc
Opening number of shares	6,591,074	102,008,404	-
Shares issued	7,724,758	16,014,005	3
Shares converted	-	(53,480)	53,158
Shares redeemed	(916,723)	(10,861,436)	(3,537)
Closing number of shares	<u>13,399,109</u>	<u>107,107,493</u>	<u>49,624</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	28.02.21 £
Floating rate assets (pounds sterling):	2,869,705	4,445,909
Floating rate assets (euro):	5,979	20
Floating rate assets (dollars):	54,210	-
Floating rate liabilities (pounds sterling):	-	(1,029,648)
Floating rate liabilities (euro):	(5,960)	-
Floating rate liabilities (dollars):	(53,978)	-
Assets on which interest is not earned (pounds sterling):	161,878,823	129,040,673
Assets on which interest is not earned (euro):	752,303	560,185
Assets on which interest is not earned (australian dollar):	-	411,502
Assets on which interest is not earned (south african rand):	546,058	261,111
Liabilities on which interest is not paid (pounds sterling):	(672,463)	(3,757,590)
<b>Net Assets</b>	<b><u>165,374,677</u></b>	<b><u>129,932,162</u></b>

ii. Currency risk	31.08.21 £	28.02.21 £
GBP	164,076,065	128,699,344
Euros	752,322	560,205
Dollars	232	411,502
South african rand	546,058	261,111
<b>Net Assets</b>	<b><u>165,374,677</u></b>	<b><u>129,932,162</u></b>

## 12 Risk disclosures (continued)

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Quoted prices for identical instruments in active markets	161,664,298	126,304,201
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>161,664,298</b>	<b>126,304,201</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.98 and using the gross method was 1:0.98.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

### Distribution Table

*For the period ended 31 August 2021 – in pence per share*

#### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA UK Equity Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.4865	-	1.4865	-
Group 2	1.0418	0.4447	1.4865	-

#### MGTS AFH DA UK Equity Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	1.5137	-	1.5137	-
Group 2	0.7708	0.7429	1.5137	-

#### MGTS AFH DA UK Equity Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	1.4560	-	1.4560	-
Group 2	0.8959	0.5601	1.4560	-

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA UK Smaller Companies Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA UK Smaller Companies Fund R	23.41%
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### Benchmarks

The Sub-fund does not have a performance target and is not constrained by any index, IA sector or similar factor. The IA (Investment Association) UK Smaller Companies Sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the Sub-fund is a member of this sector, which is made up of funds with a similar strategy as defined by the IA. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA UK Smaller Companies	19.61%
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Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA UK Smaller Companies Fund ('the Fund') is a multi-managed fund. The underlying strategies are: Janus Henderson UK Smaller Companies ('Janus Henderson') and BMO UK Smaller Companies ('BMO').

### Overall portfolio commentary

Manager diversification was increased by complementing the Janus Henderson strategy with BMO, which was successfully added to the Fund in October 2020.

Over the 6-month period ending 31<sup>st</sup> August 2021, the MGTS AFH DA UK Smaller Companies Fund outperformed the broad market by circa 4.1%. Both managers outperformed their portfolio benchmarks during the period.

Both managers' outperformance resulted from stock selection, with UK Smaller Companies outperforming UK Large Companies over the review period, a relative tailwind for the Fund as both managers focus on the more liquid, higher market capitalisation stocks within the overall portfolio set. These stocks outperformed over the period, resulting in the Fund outperforming its peer group which contains funds investing primarily in highly illiquid microcap and AIM-listed shares.

Overall, both managers performed well in relation to their internal benchmarks. This is pleasing in a period driven by the Coronavirus outbreak and policy responses rather than company fundamentals. As markets normalise, we expect both managers to continue to deliver positive results.

### Key points from adviser portfolio commentaries

#### Janus Henderson

The Janus Henderson-managed strategy outperformed the broad market by circa 2.4% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

## Investment Adviser's Report (continued)

Positive contributors to performance included special interest media group Future, ethical fund manager Impax Asset Management and Ultra Electronics. Future announced earnings upgrades driven by strong underlying trading and the acquisition of Go Compare. Impax Asset Management reported extremely strong fund inflows as investors continue to allocate to ESG strategies. Ultra Electronics rallied following a cash offer for the company at a material premium to the prevailing share price.

On the negative side, specialist pharmaceutical group Clinigen fell as issued a profits warning after disruption to in-hospital cancer treatments caused by COVID-19 led to lower-than-expected sales of its high margin Proleukin drug. UK pub operator Mitchells and Butlers fell as investors worried about supply chain pressures and potential wage inflation and labour availability.

Janus Henderson initiated positions in EMIS, Wickes, Bridgepoint and Sigmaroc. EMIS is a software provider to the healthcare industry with modest growth, high margins and good cashflows. Wickes is a home improvement product retailer that recently de-merged from Travis Perkins and its prospects look strong, aided by increased D-I-Y spending. Bridgepoint is an international, mid-market alternative asset manager forecast to deliver strong revenue growth. Sigmaroc is a specialist construction material company whose strategy is built around acquiring assets, then improving and integrating them. Janus Henderson took the opportunity to invest as part of a large equity raise to fund the acquisition of Nordkalk, the leading limestone provider in Northern Europe.

To finance these purchases, BMO sold: cinema operator Cineworld as its recovery is open to question; infrastructure investment company John Laing after an agreed bid from KKR; property developer St Modwen after an agreed bid from Blackstone; and Rotork, a provider of actuation solutions to the valve industry, due to its muted long-term outlook and disappointing loss of a highly regarded CEO.

### **BMO**

The BMO-managed strategy outperformed the broad market by circa 2.6% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

From a sector point of view, Travel & Leisure was the portfolio's largest positive contributor, followed by Media and Waste & Disposal Services. The largest negative contributors were Electronic and Electrical Equipment, Construction & Materials, and Industrial Metals & Mining.

The stock that contributed most to performance was media agency, Next Fifteen Communications. It was up over 70% as it showed good growth and earnings upgrades ensued. BMO participated in the IPO of CMO Group, an online provider of building products, which rose by over 50% following the transaction. Waste management business Biffa also rose by more than 50% after a solid second half of the year and a confident outlook which led to analysts upgrading their earnings expectations.

The stock that detracted most negatively was bus and rail company Go-Ahead, reversing strong gains from the prior months. Other detractors include pharmaceutical services business Clinigen, which warned on profits due to weaker-than-expected demand for a key drug, and marine services business James Fisher, which posted a weak first quarter with sales down year-on year.

BMO participated in IPOs of fast-growing and innovative beauty brand, Revolution Beauty, and Baltic Classifieds, a digital classifieds business operating in the Baltic region with excellent growth prospects and very high margins and returns on capital. They participated in a placing in chocolate maker Hotel Chocolat, who raised money to expand capacity given a strong outlook for demand both in the UK and internationally. BMO sold pensions consultancy XPS Pensions Group which has a less attractive profile than their new purchases, hazardous waste services business Augean following a takeover offer, and B2B media company Ascential following a period of strong performance.



## Investment Adviser's Report (continued)

### Forward-looking commentary

#### **Janus Henderson**

Government actions have softened the impact of COVID-19, but this can only be short-term given the scale of the bail-out required. Although short-term economic conditions remain uncertain, the global economy is recovering. The shape and magnitude of recovery is uncertain, but confidence is rising that it will be pronounced and swift. The successful vaccination programme has raised the possibility that life may return to some normality in 2021, with a consequent sharp recovery in economic activity.

The threat of higher inflation and need for central banks to tighten monetary policy are key concerns. There is much debate as to whether current indications of inflation led by commodities and logistic costs are temporary or more permanent, with central bankers tending to lean towards temporary.

In the corporate sector, conditions are intrinsically stronger than during the 2008-9 financial crisis; notably, balance sheets are more robust. So far, the UK corporate sector has overall performed well during the crisis and most companies are beating initial post COVID-19 earnings and cash expectations.

There is a noticeable pickup in the IPO market, as well as M&A activity, with private equity in particular looking to exploit opportunities arising from COVID-19. BMO expect this upsurge to continue in the coming months as UK equity market valuations remain markedly depressed versus other developed markets. In terms of valuations, confidence in a sharp recovery in 2021 and beyond are rising.

Outside of COVID-19, there has been positive progress on other key matters. The EU and the UK finally agreed on a trade deal, removing the threat of a hard deal Brexit, and a Biden presidency should hopefully see a more conciliatory and pragmatic approach to US foreign and trade policy.

Movements in equity markets have created attractive buying opportunities, and Janus Henderson expect many listed companies to emerge stronger from the downturn. Recovery will be uneven however, with business strength, market positioning and balance sheet quality determining which companies do well post COVID-19.

#### **BMO**

With continuing loose fiscal policy from central banks and a successful vaccination scheme reducing the likelihood of further lockdowns, there are certainly supportive factors for UK Small Caps heading into the fourth quarter. M&A also continues to be strong, especially for businesses with valuable franchises.

However, inflation and supply chain difficulties are increasingly important issues for companies. Some are choosing to pass on increasing costs in full, while others are taking the view that these headwinds are transitory and are taking a hit to earnings, believed to be short term. There has been an increase in profit warnings due to these factors and BMO expect more to come. There are also the effects of the recent spike in gas prices to consider.

Overall, given these factors and strong equity market performance, BMO believes that the outlook is more balanced than it has been previously.

AFH Independent Financial Services Ltd  
*Investment adviser*  
26 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Cyclical</b>			
60,936	Bellway Plc	2,142,510	1.28	
551,946	CMO Group Plc	1,103,892	0.66	
622,007	Coats Group Plc	472,725	0.28	
160,839	COUNTRYSIDE PROP	901,503	0.54	
377,254	Crest Nicholson Holdings	1,570,886	0.94	
154,169	Dalata Hotel Group Plc	501,933	0.30	
304,365	DFS Furniture Plc	820,264	0.49	
396,761	DIXONS CARPHONE	553,878	0.33	
607,077	Gym Group Plc	1,721,063	1.02	
531,728	Hollywood Bowl Group Plc	1,265,513	0.75	
66,751	Howden Joinery Group Plc	636,805	0.38	
120,925	IG DESIGN GROUP PLC	672,343	0.40	
202,597	Joules Group Plc	512,570	0.31	
393,091	Loungers Plc	1,061,346	0.63	
187,088	MARSHALL MOTOR H	478,945	0.29	
531,829	MITCHELLS & BUTL	1,590,169	0.95	
176,587	On The Beach Group PLC	632,181	0.38	
1,451,328	RESTAURANT GROUP	1,767,718	1.05	
711,107	TI Fluid Systems Plc	2,158,210	1.29	
372,379	Watches Of Sw-wi	3,783,371	2.2	
288,156	Wickes Group Plc	701,948	0.42	
	<b>Total Consumer, Cyclical</b>	<b>25,049,773</b>	<b>14.89</b>	<b>20.14</b>
	<b>Communications</b>			
50,015	Auction Technology Group Plc	800,240	0.48	
398,536	Baltic Classifieds Group Plc (Wi)	988,369	0.59	
178,495	EUROMONEY INSTL	1,884,907	1.12	
78,113	Future Plc	3,019,849	1.80	
79,654	Gamma Communications Plc	1,847,973	1.10	
21,151	Gooch & Housego Plc	292,941	0.17	
290,998	In The Style Group Plc	611,096	0.36	
502,177	MONEYSUPERMARKET.COM	1,279,547	0.76	
130,925	Moonpig Group Plc	503,799	0.30	
250,187	Next 15 Communications	2,664,492	1.59	
778,277	Pebble Group Plc	1,128,502	0.67	
56,608	TELECOM PLUS PLC	592,120	0.35	
	<b>Total Communications</b>	<b>15,613,835</b>	<b>9.29</b>	<b>3.43</b>
	<b>Energy</b>			
475,318	Cairn Energy Plc	924,969	0.55	
142,256	Energiean Plc	968,052	0.58	
53,037	Harbour Energy Plc	194,115	0.12	
214,659	Hunting Plc	445,417	0.27	
294,824	Serica Energy Plc	490,587	0.29	
531,839	Vivo Energy Plc-wi	576,513	0.34	
	<b>Total Energy</b>	<b>3,599,653</b>	<b>2.15</b>	<b>2.82</b>
	<b>Total Healthcare</b>	-	-	<b>5.39</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Consumer, Non-cyclical</b>			
30,935	4IMPRINT GROUP	895,568	0.53	
13,168	Ab Dynamics Plc	223,856	0.13	
99,975	ADVANCED MEDICAL SOLUTIONS	264,434	0.16	
1,345,669	Alliance Pharma Plc	1,453,323	0.87	
220,668	Alpha Financial Markets Consulting PLC	772,338	0.46	
156,903	Anpario Plc	1,066,940	0.64	
274,581	Ascential Plc	1,155,986	0.69	
483,269	Benchmark Holdings Plc	280,296	0.17	
259,958	C&C Group Plc	651,455	0.39	
129,709	Caretech Holdings Plc	836,623	0.50	
347,889	Clinigen Group Plc	2,188,222	1.30	
199,152	CLIPPER LOGISTICS PLC	1,650,970	0.98	
208,878	DE LA RUE PLC	370,132	0.22	
28,753	Dechra Pharmaceuticals Plc	1,503,782	0.90	
153,026	HOTEL CHOCOLAT GROUP	566,196	0.34	
353,543	Hyve Group Plc	426,373	0.25	
237,286	Inspecc Group PLC	901,687	0.54	
168,271	JOHNSON SERVICE GROUP PLC	250,387	0.15	
469,131	Kitwave Group Plc	715,425	0.43	
175,387	Knights Group Holdings Plc	701,548	0.42	
470,373	Northgate Plc	2,067,288	1.23	
143,822	Restore Plc	675,963	0.40	
542,202	Revolution Beauty Group Ltd	878,367	0.52	
909,794	RPS GROUP PLC	1,022,608	0.61	
96,410	Savills Plc	1,318,889	0.79	
102,601	SThree Plc	538,655	0.32	
295,322	STOCK SPIRITS GROUP PLC	1,157,662	0.69	
439,157	Thruvision Group Plc	104,519	0.06	
466,885	Tribal Group Plc	480,892	0.29	
19,290	Young & Co's Brewery Plc - A	308,640	0.18	
26,774	Young & Co's Brewery Plc - NV	249,534	0.15	
	<b>Total Consumer, Non-cyclical</b>	<b>25,678,558</b>	<b>15.31</b>	<b>2.86</b>
	<b>Basic Materials</b>			
632,063	CENTAMIN PLC	632,063	0.38	
939,479	Elementis Plc	1,412,037	0.84	
239,623	Essentra Plc	709,284	0.42	
3,259,305	Shanta Gold Ltd	413,932	0.25	
271,333	Synthomer Plc	1,443,492	0.86	
186,742	Treatt Plc	1,970,128	1.17	
35,251	Victrex Plc	929,216	0.55	
217,582	Zotefoams Plc	926,899	0.55	
	<b>Total Basic Materials</b>	<b>8,437,051</b>	<b>5.02</b>	<b>11.19</b>
	<b>Utilities</b>			
38,190	XP Power Ltd	2,115,726	1.26	
	<b>Total Utilities</b>	<b>2,115,726</b>	<b>1.26</b>	<b>0.50</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Industrial</b>			
26,227	Avon Rubber Plc	487,298	0.29	
380,813	Balfour Beatty Plc	1,108,166	0.66	
414,106	Biffa Plc	1,602,590	0.95	
98,752	Bodycote Plc	951,969	0.57	
1,265,111	Breedon Group Plc	1,333,427	0.79	
259,901	CHEMRING GROUP	856,374	0.51	
20,596	CLARKSON PLC	793,976	0.47	
148,813	Eurocell Plc	392,866	0.23	
111,414	FISHER (JAMES)	1,105,227	0.66	
147,877	GO-AHEAD GROUP	1,441,061	0.86	
77,717	Headlam Group Plc	396,357	0.24	
332,011	Helios Towers Plc	586,331	0.35	
268,476	Ibstock Plc	637,899	0.38	
101,317	Keller Group Plc	1,031,407	0.61	
593,007	KIER GROUP PLC	763,793	0.45	
311,713	Luceco Plc	1,433,880	0.85	
374,323	Morgan Advanced Materials Plc	1,506,650	0.90	
75,320	Oxford Instruments Plc	1,958,320	1.17	
60,000	PageGroup Plc	383,700	0.23	
252,141	Polypipe Group Plc	2,017,128	1.20	
22,236	Renishaw Plc	1,209,638	0.72	
426,452	RWS Holdings Plc	2,778,334	1.65	
685,195	Safestyle UK Plc	371,376	0.22	
266,250	Severfield Plc	208,208	0.12	
539,657	Sigmaroc Plc	588,226	0.35	
49,260	SMART METERING S	473,389	0.28	
21,453	Spectris Plc	846,321	0.50	
516,818	TRIFAST PLC	754,554	0.45	
343,127	TT Electronics Plc	965,903	0.58	
509,451	Tyman Plc	2,279,793	1.36	
62,846	Ultra Electronics Holdings Plc	2,011,072	1.20	
362,007	Vesuvius Plc	2,041,719	1.22	
54,946	VITEC GROUP PLC/THE	868,147	0.52	
73,317	Volex Plc	318,196	0.19	
215,074	VOLUTION GROUP	1,146,344	0.68	
	<b>Total Industrial</b>	<b>37,649,639</b>	<b>22.41</b>	<b>17.91</b>
	<b>Technology</b>			
221,952	Access Intelligence Plc	297,416	0.18	
506,682	Alfa Financial Software Holdings Ltd	744,823	0.44	
147,155	Alphawave IP Group Plc (Wi)	480,608	0.29	
66,402	Aptitude Software	458,174	0.27	
104,057	BLANCCO TECHNOLO	251,818	0.15	
281,824	Bytes Technology Group Plc	1,458,439	0.87	
39,144	Computacenter Plc	1,161,011	0.69	
21,949	EMIS GROUP PLC	309,920	0.18	
71,877	FDM Group Holdings Plc	917,151	0.55	

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
23,538	FRONTIER DEVELOPMENTS PLC	664,949	0.40	
154,647	GB Group Plc	1,416,567	0.84	
882,710	Learning Technologies Group	2,026,701	1.21	
131,412	Midwich Group Plc	798,985	0.48	
541,398	Quixant Plc	942,033	0.56	
157,758	RM Plc	364,421	0.22	
456,146	SERCO GROUP	612,148	0.36	
67,166	Softcat Plc	1,431,979	0.85	
416,606	Team17 Group Ltd	3,291,187	1.96	
	<b>Total Technology</b>	<b>17,628,330</b>	<b>10.50</b>	<b>16.05</b>
	<b>Financial</b>			
628,074	Begbies Traynor Group Plc	898,146	0.53	
370,625	Boku Inc	711,600	0.42	
612,759	Brewin Dolphin	2,435,716	1.45	
81,626	Bridgepoint Group - Regs Wi	406,987	0.24	
41,367	Burford Capital Ltd	362,168	0.22	
807,949	CLS Holdings Plc	1,939,078	1.15	
112,180	DRAPER ESPRIT PLC	1,227,249	0.73	
307,027	Empiric Student Property Plc	295,360	0.18	
174,035	Foresight Group Holdings Ltd	723,986	0.43	
98,740	Grainger Plc	318,535	0.19	
27,900	Gresham House Plc	251,100	0.15	
116,201	Helical Plc	547,888	0.33	
222,224	Impax Asset Management Group	2,631,132	1.57	
201,796	Integrafin Holdings Plc - WI	1,175,462	0.70	
993,999	JRP Group Plc	934,856	0.56	
54,993	Liontrust Asset Management	1,314,333	0.78	
102,075	Mattioli Woods Plc	765,563	0.46	
259,195	McKay Securities REIT Plc	578,005	0.34	
2,759,293	Mercia Asset Management Plc	1,020,938	0.61	
549,332	Osb Group Plc	2,807,087	1.68	
271,429	Paragon Group Companies Plc	1,540,360	0.92	
24,033	PAYPOINT PLC	172,557	0.10	
304,474	Sanne Group Plc	2,831,608	1.69	
411,566	Sherborne Investors Guernsey NPV	251,055	0.15	
1,242,479	SIRIUS REAL ESTA	1,568,009	0.93	
245,242	Tp Icap Group Plc	501,029	0.30	
570,340	U And I Group Plc	496,196	0.30	
551,225	Warehouse REIT Plc	889,677	0.53	
	<b>Total Financial</b>	<b>29,595,680</b>	<b>17.64</b>	<b>12.77</b>
	<b>Total Healthcare</b>	-	-	<b>6.29</b>
	<b>Portfolio of Investments</b>	<b>165,368,245</b>	<b>98.47</b>	<b>99.35</b>
	<b>Net Current Assets</b>	<b>2,571,958</b>	<b>1.53</b>	<b>0.65</b>
	<b>Net Assets</b>	<b>167,940,203</b>	<b>100.00</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	126.1883	108.3317	102.6500	100.0000
Return before operating charges *	29.1210	18.8167	6.5617	2.6800
Operating charges	-0.6100	-0.9600	-0.8800	-0.0300
Return after operating charges	28.5110	17.8567	5.6817	2.6500
Closing NAV per share	154.6993	126.1883	108.3317	102.6500
Retained distribution on acc shares	0.6934	0.6696	0.6267	0.0000
* After direct transaction costs of	0.0928	0.2637	0.1578	0.7321
<b>Performance</b>				
Return after charges	22.59%	16.48%	5.53%	2.65%
<b>Other Information</b>				
Closing net asset value (£)	32,312,142	21,308,605	18,756	102
Closing number of shares	20,887,061	16,886,350	17,213	100
OCF	0.86%	0.84%	0.84%	0.84%
Direct transaction costs	0.07%	0.23%	0.13%	0.70%
<b>Prices</b>				
Highest share price (pence)	155.99	128.28	124.14	115.34
Lowest share price (pence)	126.40	72.47	98.77	91.92

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	124.6987	106.9612	101.5984	100.0000
Return before operating charges *	28.7883	18.4875	6.1428	2.7284
Operating charges	-0.5200	-0.7500	-0.7800	-1.1300
Return after operating charges	28.2683	17.7375	5.3628	1.5984
Closing NAV per share	152.9670	124.6987	106.9612	101.5984
Retained distribution on acc shares	0.7728	0.7798	2.0819	2.6762
* After direct transaction costs of	0.0895	0.2523	0.1493	0.7246
<b>Performance</b>				
Return after charges	22.67%	16.58%	5.28%	1.60%
<b>Other Information</b>				
Closing net asset value (£)	135,567,771	110,257,648	81,899,851	70,833,356
Closing number of shares	88,625,507	88,419,266	76,569,672	69,718,947
OCF	0.73%	0.72%	0.71%	0.72%
Direct transaction costs	0.06%	0.24%	0.14%	0.70%
<b>Prices</b>				
Highest share price (pence)	154.24	126.76	125.66	114.94
Lowest share price (pence)	124.91	71.55	99.72	91.30

## Net Asset Value per Share and Comparative Tables (continued)

### I income share class

<b>Change in net assets per share</b>	<b>31/08/2021</b>
Opening net asset value per share	124.6987
Return before operating charges *	29.5216
Operating charges	<u>-0.5400</u>
Return after operating charges	28.9816
Distribution on income shares	<u>-0.8030</u>
Closing NAV per share	152.8772

\* After direct transaction costs of 0.1131

### Performance

Return after charges 23.24%

### Other Information

Closing net asset value (£)	60,290
Closing number of shares	39,437
OCF	0.73%
Direct transaction costs	0.08%

### Prices

Highest share price (pence)	154.15
Lowest share price (pence)	135.18

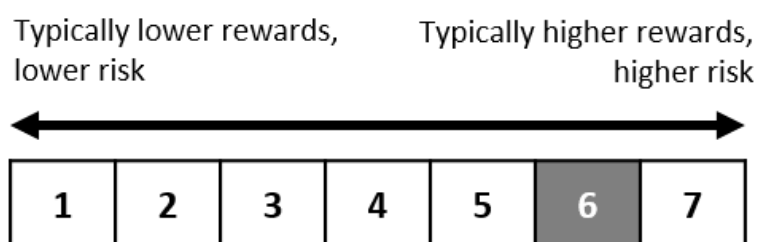
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

### Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.

## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
Income		£	£	£	£
Net capital gains/(losses)	1		29,645,872		(265,060)
Revenue	3	1,394,922		560,452	
Expenses	4	(576,994)		(344,529)	
Finance costs: Interest	6	-		(178)	
Net revenue before taxation		817,928		215,745	
Net revenue after taxation			817,928		215,745
<b>Total return before distributions</b>			<b>30,463,800</b>		<b>(49,315)</b>
Finance costs: Distribution	6		(817,972)		(215,656)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>29,645,828</b>		<b>(264,971)</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			131,566,253		81,918,607
Amounts receivable on issue of shares		17,938,645		44,673,558	
Amounts payable on cancellation of shares		(12,122,561)		(1,697,985)	
Dilution levy		82,309		280,559	
			5,898,393		43,256,132
Change in net assets attributable to shareholders from investment activities			29,645,828		(264,971)
Retained distribution on accumulation shares			829,729		279,941
<b>Closing net assets attributable to shareholders</b>			<b>167,940,203</b>		<b>125,189,709</b>



## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			165,368,244		130,711,472
Debtors	7	340,082		4,266,881	
Bank balances		<u>2,498,582</u>		<u>3,381,642</u>	
<b>Total other assets</b>			<b>2,838,665</b>		<b>7,648,523</b>
<b>Total assets</b>			<b>168,206,909</b>		<b>138,359,995</b>
<b>Liabilities</b>					
Creditors	8	266,389		6,793,742	
Distribution payable on income shares		<u>317</u>		-	
<b>Total other liabilities</b>			<b>266,706</b>		<b>6,793,742</b>
<b>Net assets attributable to shareholders</b>			<b>167,940,203</b>		<b>131,566,253</b>

# Notes to the financial statements

As at 31 August 2021

## 1 Net capital gains/(losses)

	31.08.21	31.08.20
	£	£
Proceeds from sales on investments during the period	23,263,763	6,217,666
Original cost of investments sold during the period	(18,806,431)	(7,726,473)
Gains/(losses) realised on investments sold during the period	4,457,332	(1,508,807)
Net appreciation/(depreciation) thereon already recognised in	(3,227,393)	2,553,401
Net realised appreciation for the period	1,229,939	1,044,594
Net unrealised appreciation/(depreciation) for the period	28,415,929	(1,308,884)
Net gains/(losses) on non-derivative securities	29,645,868	(264,290)
Net gains/(losses) on currencies	4	(770)
<b>Net capital gains/(losses) on investments</b>	<b>29,645,872</b>	<b>(265,060)</b>

## 2 Purchases, sales and transaction costs

Equities/ETFs		
Purchases excluding transaction costs	28,210,876	47,942,497
Commissions: 0.03% [0.03%]	7,631	16,420
Stamp duty and other charges: 0.23% [0.04%]	65,577	168,881
Trustee transaction charges: 0.02% [0.00%]	6,130	13,767
<b>Purchases including transaction costs</b>	<b>28,290,214</b>	<b>48,141,565</b>
Sales excluding transaction costs	23,278,436	(6,219,668)
Commissions: 0.04% [0.03%]	(8,645)	(2,002)
Stamp duty and other charges: 0.03% [0.00%]	(6,028)	-
Trustee transaction charges: 0.01% [0.00%]	(3,246)	(2,128)
<b>Sales including transaction costs</b>	<b>23,260,517</b>	<b>(6,223,798)</b>

*Trustee transaction charges have been deducted in determining net capital  
Transaction charges are displayed as percentage of purchase/sale*

<b>Total commission charge 0.02% [0.02%]</b>	<b>16,276</b>	<b>18,422</b>
<b>Total stamp duty 0.05% [0.17%]</b>	<b>71,605</b>	<b>168,881</b>
<b>Total trustee transaction charges : 0.01% [0.00%]</b>	<b>9,376</b>	<b>15,895</b>

*Total charges displayed as percentage of average net asset value*

**Average portfolio dealing spread : 0.76% [0.01%]**

## 3 Revenue

UK franked dividends	999,666	557,233
UK unfranked dividends	-	3,061
Overseas franked income	380,455	-
Overseas gross unfranked income	14,794	-
Bank interest	7	158
<b>Total revenue</b>	<b>1,394,922</b>	<b>560,452</b>

<b>4 Expenses</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<i>Payable to the ACD, associates of the ACD and agents of either:</i>		
ACD's periodic charge	493,707	306,578
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>		
Depositary's fee	26,997	20,078
Safe custody	14,817	8,008
	<u>41,814</u>	<u>28,086</u>
<i>Other expenses:</i>		
Audit fee	4,990	3,962
Registration fees	353	9
Transfer agency fee	35,787	5,629
Professional fees	78	-
Distribution costs	265	265
<b>Total expenses</b>	<b><u>576,994</u></b>	<b><u>344,529</u></b>

## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
Irrecoverable income tax	-	-
Current tax charge (note 5b)	-	-
<b>Total tax charge</b>	<b><u>-</u></b>	<b><u>-</u></b>

b) Factors affecting the tax charge for the period:

Net income before taxation	817,928	215,745
Corporation tax at 20%	163,586	43,149
<i>Effects of:</i>		
UK dividends	(276,024)	(111,447)
Utilisation of excess management expenses	112,438	68,298
Corporation tax charge	-	-
Irrecoverable income tax	-	-
<b>Current tax charge for the period (note 5a)</b>	<b><u>-</u></b>	<b><u>-</u></b>

c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £2,475,540 (prior year £1,913,350). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	830,045	279,941
	<u>830,045</u>	<u>279,941</u>
Amounts deducted on cancellation of shares	29,615	2,854
Amounts received on issue of shares	(41,688)	(67,139)
Finance costs: Distributions	817,972	215,656
Finance costs: Interest	-	178
<b>Total finance costs</b>	<b><u>817,972</u></b>	<b><u>215,834</u></b>
<b>Represented by:</b>		
Net revenue after taxation	817,928	215,745
Balance of revenue brought forward	71	4
Adjustment to revenue	-	2
Balance of revenue carried forward	(27)	(95)
<b>Finance costs: Distributions</b>	<b><u>817,972</u></b>	<b><u>215,656</u></b>

<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	104,152	114,081
Amounts receivable for investment securities sold	3,653	4,116,929
<i>Accrued income:</i>		
UK franked dividends	188,154	20,417
Overseas franked dividends	35,461	8,419
	<u>223,615</u>	<u>28,836</u>
Other receivables	-	22
Taxation recoverable	8,662	7,013
<b>Total debtors</b>	<b><u>340,082</u></b>	<b><u>4,266,881</u></b>

## 8 Creditors

Amounts payable for cancellation of shares	91,809	6,130,898
Amounts payable for investment securities purchased	58,909	553,809
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	88,000	67,053
<i>Amounts payable to the Depositary, associates and agents:</i>		
Depositary's fees	4,586	3,887
Transaction charges	2,073	16,826
Safe custody fee	-	2,016
	<u>6,659</u>	<u>22,729</u>
Other creditors	21,012	19,253
<b>Total creditors</b>	<b><u>266,389</u></b>	<b><u>6,793,742</u></b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	<b>R Acc</b>	<b>I Acc</b>	<b>I Inc</b>
Opening number of shares	16,886,350	88,419,266	-
Shares issued	8,498,565	12,952,768	3
Shares converted	12,201	(57,023)	44,473
Shares redeemed	(4,510,055)	(12,689,504)	(5,039)
Closing number of shares	<u>20,887,061</u>	<u>88,625,507</u>	<u>39,437</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	28.02.21 £
Floating rate assets (pounds sterling):	2,394,747	3,352,777
Floating rate assets (euro):	39,805	19,124
Floating rate assets (us dollars):	64,030	9,742
Assets on which interest is not paid (pounds sterling):	165,206,393	134,407,500
Assets on which interest is not paid (euro):	501,933	570,853
Liabilities on which interest is not paid (pounds sterling):	(266,706)	(6,793,742)
<b>Net Assets</b>	<b>167,940,203</b>	<b>131,566,253</b>

ii. Currency risk	31.08.21 £	28.02.21 £
GBP	167,334,434	130,966,534
Euro	541,738	589,977
US Dollars	64,030	9,742
<b>Net Assets</b>	<b>167,940,203</b>	<b>131,566,253</b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

Assets	31.08.21 £	28.02.21 £
Quoted prices for identical instruments in active markets	165,368,244	130,711,472
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>165,368,244</b>	<b>130,711,472</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

## **14 Periodic Disclosure (continued)**

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.98 and using the gross method was 1:0.98.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## **15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)**

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%

## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA UK Smaller Companies Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.7728	-	0.7728	0.2334
Group 2	0.5816	0.1912	0.7728	0.2334

#### MGTS AFH DA UK Smaller Companies Fund I Inc Shares

Units	Net Income	Equalisation	Payable 31.10.2021	Paid 31.10.2020
Group 1	0.8030	-	0.8030	-
Group 2	0.4390	0.3640	0.8030	-

#### MGTS AFH DA UK Smaller Companies Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.6934	-	0.6934	0.1845
Group 2	0.4948	0.1986	0.6934	0.1845

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

# MGTS AFH DA Asia ex Japan Equity Fund Report & Accounts

## Investment Adviser's Report

For the period ended 31 August 2021

### Investment Objective

To provide capital growth over any 7 year period.

### Investment Review

MGTS AFH DA Asia ex Japan Equity Fund R -2.70%

### Benchmarks

The Sub-fund does not have a performance target and is not constrained by an index, IA sector or similar factor. The IA Asia Pacific excluding Japan Sector is used as a comparator. This is considered appropriate for investors to use when comparing performance as the strategy results in the Sub-Fund meeting the definition of this sector. The sector is not constructed as an Index, therefore as funds enter or leave the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

IA Asia Pacific excluding Japan -3.66%

Source: Morningstar. Performance is bid to bid with income reinvested.

### Fund structure synopsis

This report covers the period between and including 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. The MGTS AFH DA Asia ex Japan Equity Fund ('the Fund') is a multi-managed fund. The underlying strategies are: MFS Asia Pacific ex Japan ('MFS') and JP Morgan Asia Pacific Equity ('JP Morgan').

### Overall portfolio commentary

Over the 6-month period ending 31<sup>st</sup> August 2021, the Fund returned -2.7%, underperforming the benchmark, by 1.41%.

MFS outperformed the benchmark, driven by stock selection, returning -0.77% over the period vs -1.29%. The fund invests in large cap stocks and has a quality bias, therefore, even though there is no set style bias, the portfolio does tend to have a growth tilt. The fund underweights China in comparison to the benchmark, which has been beneficial over the review period as China was one of the weakest regional markets, impacted by ongoing changes in the regulatory environment as well as by some macro weakness caused by a resurgence of COVID and associated restrictions.

JPM underperformed the benchmark, returning -2.83% over the period, vs -1.29%. The strategy invests in companies with value, momentum, and quality style traits and therefore struggled due to intra-period volatility and divergence between markets. Over the period, sector allocation contributed to returns, stock selection detracted value and country effects were broadly neutral.

### Key points from adviser portfolio commentaries

#### **MFS**

The MFS-managed strategy outperformed the broad market by circa 0.3% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021.

Stock selection in Consumer Cyclical and Financial Services contributed to relative performance, while stock selection in Technology detracted.



## Investment Adviser's Report (continued)

On an individual stock level, Taiwanese financing services company Chailease contributed to relative results on the back of strong revenue and earnings growth. An overweight position in Australian industrial property and business space management firm Goodman Group helped relative performance as the company reported better-than-expected results. Not owning Chinese online retail and group purchasing platform Meituan also contributed as new rules by Chinese regulators to protect delivery drivers' working conditions sparked concerns about a potential rise in employment costs.

On the other hand, Chinese companies OneConnect, Kingsoft and Tencent detracted from portfolio performance after the introduction of new laws across multiple industries by Chinese regulators.

### **JP Morgan**

The JP Morgan-managed strategy underperformed the broad market by circa 1.5% over the 6-month period between 1<sup>st</sup> March 2021 until 31<sup>st</sup> August 2021. While the sector allocation effect was positive, stock selection detracted from performance. Country effects were broadly neutral.

At a country level, underweight exposure to China and Australia and overweight exposure to India added value, while underweight exposure to Taiwan and Thailand detracted. At a sector level, being underweight the Consumer Discretionary sector and overweight the Industrial sector proved beneficial, while underweights in the Utilities and Financials sectors detracted from performance.

At a stock level, selectively owned Industrial and Consumer names that have reported strong numbers added value. The underperformance in Technology names in general is due to a combination of higher yields and the rotation trade, but also China specific concerns about tighter regulation, and increased competition and capex in some areas such as E-commerce.

Chailease Holding was the top contributor over the period. Its China portfolio growth remains on track, and their customer base is diversified and more immune from current regulatory tightening in real estate and local government financing. Overweight positions in Xinyi Glass Holdings also outperformed the broader market and added value on the back of strong demands. Contemporary Amperex Technology was also one of the top contributors as it continues to benefit from strong sentiment and business momentum in the electric vehicle space.

Key detractors included overweight positions in New Oriental Education & Technology Group and SK Hynix. New Oriental Education & Technology Group has faced regulatory challenges which have impacted the education sector, and SK Hynix's share price declined on concerns over rising capex and elevated inventory at some server customers. Not holding Commonwealth Bank of Australia hurt performance as Australian banks performed well.

### **Forward-looking commentary**

#### **MFS**

Asian markets had a good start to 2021 as Asian economies recovered from the lows of the COVID-19 pandemic. However, market sentiment turned weak towards the latter half of the second quarter as investors grew increasingly concerned about a series of regulatory measures in China as the Chinese government signalled a shift in policy from growth to balancing growth and social equality. Soon after, the focus shifted to China Evergrande and its mounting debt problems. Views in the marketplace range from a more contained property developer problem to a far-reaching China's 'Lehman Moment'.

The situation with Evergrande is constantly evolving and MFS continue to monitor it closely. At the same time, they are simulating downside scenarios for their key holdings and working through the second-degree impact across the broader portfolio of a property slowdown, which is their base case.

MFS believe that the stocks in the portfolio are less leveraged and should therefore be able to withstand a slowdown in the Chinese residential market without materially affecting their balance sheets. They are looking for incremental adds to stocks that have been sold down far more than their intrinsic value due to the collapse of Evergrande.

## Investment Adviser's Report (continued)

### JP Morgan

Over the near term, COVID-19 will continue to dominate headlines. However, recently released Chinese economic data underscores JP Morgan's robust view that the broader macroeconomic outlook is robust. Different countries and sectors will recover at different rates, leading to margin pressure in certain parts of the supply chain, but JP Morgan believe that overall inflationary forces will be transitory. This reinforces the importance of finding companies which have pricing power under any eventuality, and the danger of having too much cash in portfolios.

While valuations are not overtly expensive, the impact of when central banks start to tighten will be something to closely monitor. Equities whose fundamentals do not justify their valuations could come under pressure. For now, however, most central banks seem to be in no hurry to act.

AFH Independent Financial Services Ltd  
*Investment adviser*  
26 October 2021

## Portfolio statement

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
<b>Basic Materials</b>				
162,902	Bhp Group Ltd	3,913,924	1.92	
390,582	Evolution Mining Ltd	829,429	0.41	
2,436	LG Chem Ltd	1,103,180	0.54	
72,305	Newcrest Mining Ltd	968,336	0.47	
77,396	Oz Minerals Ltd	989,853	0.49	
5,837	POSCO	1,237,364	0.61	
21,056	Rio Tinto Ltd	1,227,948	0.60	
60,263	UPL Ltd	448,734	0.22	
	<b>Total Basic Materials</b>	<b>10,718,768</b>	<b>5.26</b>	<b>5.78</b>
<b>Communications</b>				
21,820	51job Inc - ADR	1,217,860	0.60	
34,000	Accton Technology Corp	249,262	0.12	
310,600	Advanced Info Service - Foreign Share	1,297,623	0.64	
575,388	Alibaba Group Holding Ltd	8,877,353	4.35	
119,281	Carsales.com Ltd	1,591,092	0.78	
106,519	Jd.com Inc - CI A	3,095,730	1.52	
5,635	NAVER CORP	1,573,257	0.77	
90,205	Seek Ltd	1,568,071	0.77	
2,899	Sk Telecom	569,026	0.28	
12,030,80	Telekomunikasi Indonesia Per	2,044,506	1.00	
249,500	Tencent Holdings Ltd	11,387,328	5.58	
	<b>Total Communications</b>	<b>33,471,108</b>	<b>16.41</b>	<b>17.92</b>
<b>Consumer, Cyclical</b>				
39,401	Arb Corp Ltd	1,073,216	0.53	
112,016	Aristocrat Leisure Ltd	2,727,783	1.34	
780,500	China Yongda Automobiles Services Holdings Limited	955,476	0.47	
155,100	Gree Electric Appliances Inc of Zhuhai	726,228	0.36	
720,000	Guangzhou Automobile Group Class H	510,008	0.25	
158,200	Haier Smart H-h	467,903	0.23	
24,659	Hankook Tire & T	734,155	0.36	
20,013	Kia Motors Corporation	1,078,533	0.53	
147,743	Mahindra & Mahindra Ltd	1,131,359	0.55	
77,416	Seven Group Hold	869,908	0.43	
27,200	Shenzhou International Group	429,059	0.21	
301,410	Tabcorp Holdings Ltd	771,939	0.38	
1,207,800	United Tractors Tbk Pt	1,232,131	0.60	
86,041	Yum China Holdings Inc	3,848,084	1.89	
	<b>Total Consumer, Cyclical</b>	<b>16,555,781</b>	<b>8.13</b>	<b>6.33</b>
<b>Energy</b>				
47,349	Ampol Ltd	704,601	0.35	
1,388,000	China Oilfield Services - H	867,743	0.43	
771,470	Oil Search Ltd	1,551,831	0.76	
104,391	Reliance Industries Ltd	2,356,679	1.16	
386,000	Xinyi Solar Holdings Ltd	643,514	0.32	
	<b>Total Energy</b>	<b>6,124,368</b>	<b>3.02</b>	<b>2.83</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	<b>Financial</b>			
21,275	Afterpay Ltd	1,498,513	0.73	
869,400	AIA Group Ltd	7,596,384	3.72	
14,236	Asx Limited	658,098	0.32	
61,635	Aub Group Ltd	759,667	0.37	
125,595	Aust And NZ Banking Group	1,869,651	0.92	
1,131,000	Bank Central Asia Tbk PT	1,888,926	0.93	
92,200	BOC Aviation Ltd	506,191	0.25	
470,150	Chailease Holding Co Ltd	3,200,585	1.57	
4,218,000	China Construction Bank - H	2,230,995	1.09	
249,500	China Merchants Bank Co Ltd Clss H	1,517,844	0.74	
53,272	Commonwealth Bank Of Australia	2,864,557	1.40	
178,000	Country Garden Services Holdings Co Ltd	1,008,850	0.49	
126,394	DBS Group Holdings Ltd	2,062,336	1.01	
826,600	Esr Cayman Ltd	1,850,021	0.91	
195,904	Goodman Group	2,389,481	1.17	
42,127	Hana Financial Group	1,192,036	0.58	
79,774	HDFC Bank Limited	1,252,940	0.61	
29,795	HDFC Bank Ltd - ADR	1,695,673	0.83	
50,500	HKEX	2,330,334	1.14	
204,800	HSBC Holdings Plc	799,642	0.39	
6,154	Kakaobank Corp	342,859	0.17	
57,720	Kotak Mahindra Bank Ltd	1,002,748	0.49	
38,024	Macquarie Group	3,371,886	1.65	
14,871	National Australia Bank Ltd	224,231	0.11	
585,600	Ping An Bank-a	1,176,821	0.58	
99,500	Ping An Insurance Group Co	572,769	0.28	
7,478,400	PT Bank BTPN Syariah Tbk	1,092,039	0.54	
115,680	SBI Cards & Payment Services Ltd.	1,295,671	0.64	
63,500	SHK PPT	650,963	0.32	
191,100	Tisco Financial - Foreign Share	399,188	0.20	
	<b>Total Financial</b>	<b>49,301,899</b>	<b>24.15</b>	<b>19.53</b>
	<b>Industrial</b>			
130,500	Anhui Conch Cement Co Ltd	540,244	0.26	
300,590	Auckland Intl Airport Ltd	1,112,954	0.55	
488,000	China Lesso Group Holdings Ltd	729,651	0.36	
25,800	Contemporary Amperex Tech - A	1,417,081	0.69	
391,000	Hon Hai Precision Industry Co Ltd	1,136,369	0.56	
5,871	Hyundai Glovis Co Ltd	709,867	0.35	
41,409	James Hardie Industries - CDI	1,170,331	0.57	
2,215,000	Lonking Holdings Ltd	517,475	0.25	
448,600	Singapore Tech Engineering	922,527	0.45	
1,851	SK Materials Co Ltd	470,283	0.23	
72,500	Techtronic Industries Co Ltd	1,151,084	0.56	
440,000	Xinyi Glass Holdings Ltd	1,278,759	0.62	
95,000	Yageo Corporation	1,215,088	0.60	
	<b>Total Industrial</b>	<b>12,371,713</b>	<b>6.05</b>	<b>5.77</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
<b>Consumer, Non-cyclical</b>				
112,228	Adani Ports And Special Econ Zone	830,098	0.41	
6,640	Amorepacific Corp	946,734	0.46	
122,819	Ansell Ltd	2,405,003	1.18	
154,279	Brambles Ltd	992,746	0.49	
24,459	Burning Rock Biotech Ltd - ADR	325,113	0.16	
286,000	China Resources Beer Holding	1,737,221	0.85	
10,595	Csl Limited	1,746,801	0.86	
7,309	Hugel Inc	925,513	0.45	
328,500	Inner Mongolia Yili Industrial Group	1,335,813	0.65	
62,180	Jiangsu Yanghe Brewery Co Ltd	1,195,057	0.59	
5,000	KWEICHOW MOUTAI CO LTD-A	911,518	0.45	
608	LG HOUSEHOLD & H	557,940	0.27	
43,189	Sonic Healthcare Ltd	992,273	0.49	
85,500	Venus Medtech (Hangzhou) Inc	307,212	0.15	
150,000	Wuxi Biologics Cayman Inc	1,631,623	0.80	
	<b>Total Consumer, Non-cyclical</b>	<b>16,840,665</b>	<b>8.26</b>	<b>3.93</b>
<b>Technology</b>				
62,000	Advantech Co Ltd	622,554	0.31	
11,672	Beijing Kingsoft Office Software	316,565	0.16	
1,228,300	Boe Technology-a	796,566	0.39	
50,000	GlobalWafers Co Ltd	1,135,034	0.56	
102,406	Infosys Ltd	1,708,882	0.84	
121,975	Infosys Ltd - SP ADR	2,110,628	1.03	
97,834	Oneconnect Financial Technology	332,038	0.16	
317,600	Kingsoft Corp Ltd	914,128	0.45	
187,745	Netease Inc	2,645,729	1.30	
49,000	Novatek Microelectronics Corp	593,373	0.29	
232,446	Samsung Electronic Co Ltd	11,212,880	5.50	
5,203	Sea Ltd - Adr	1,279,273	0.63	
17,326	SK Hynix Inc	1,169,878	0.57	
995,000	Taiwan Semiconductor Manufacturing	15,969,937	7.83	
11,882	Xero Ltd	955,721	0.47	
	<b>Total Technology</b>	<b>41,763,186</b>	<b>20.49</b>	<b>20.07</b>
<b>Utilities</b>				
354,000	China Resources Gas Group Lt	1,554,808	0.76	
79,000	Clp Holdings Ltd	576,572	0.28	
	<b>Total Utilities</b>	<b>2,131,380</b>	<b>1.04</b>	<b>0.85</b>
<b>Diversified</b>				
14,100	Jardine Matheson Holdings Ltd	579,371	0.28	
	<b>Total Diversified</b>	<b>579,371</b>	<b>0.28</b>	<b>-</b>
	<b>Total Healthcare</b>	<b>-</b>	<b>-</b>	<b>3.97</b>
	<b>Total Real Estate</b>	<b>-</b>	<b>-</b>	<b>1.15</b>

## Portfolio statement (continued)

As at 31 August 2021

Holding	Portfolio of Investments	Value (£)	Total Net Assets	
			31.08.21 %	28.02.21 %
	Portfolio of Investments	189,858,239	93.09	88.13
	Net Current Assets	14,095,059	6.91	11.88
	Forwards	-	-	-0.01
	<b>Net Assets</b>	<b>203,953,298</b>	<b>100.00</b>	<b>100.00</b>

### Derivatives Holdings

Contract Name	Exposure (£)	Unrealised Gain/Loss (£)
<b>Futures</b>		
Sgx Nifty 50 Sep21	8,226,769	234,918

The investments have been valued in accordance with note 1(b).

## Net Asset Value per Share and Comparative Tables

### R accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	125.9958	100.1066	91.6500	100.0000
Return before operating charges *	-4.0087	27.0092	9.3166	-8.3400
Operating charges	-0.5700	-1.1200	-0.8600	-0.0100
Return after operating charges	-4.5787	25.8892	8.4566	-8.3500
Closing NAV per share	121.4171	125.9958	100.1066	91.6500
Retained distribution on acc shares	0.9431	0.8256	0.0020	0.0000
* After direct transaction costs of	0.1036	0.6565	0.3609	0.3430
<b>Performance</b>				
Return after charges	-3.63%	25.86%	9.23%	-8.35%
<b>Other Information</b>				
Closing net asset value (£)	24,075,672	22,059,738	17,605	92
Closing number of shares	19,828,903	17,508,315	17,586	100
OCF	0.93%	0.88%	0.91%	0.89%
Direct transaction costs	0.08%	0.56%	0.35%	0.38%
<b>Prices</b>				
Highest share price (pence)	128.09	132.10	107.50	100.00
Lowest share price (pence)	116.33	83.30	91.51	79.95

### I accumulation share class

Change in net assets per share	31/08/2021	28/02/2021	29/02/2020	28/02/2019
Opening net asset value per share	123.6767	98.2050	90.6626	100.0000
Return before operating charges *	-3.9331	26.4217	8.4224	-8.4774
Operating charges	-0.5300	-0.9500	-0.8800	-0.8600
Return after operating charges	-4.4631	25.4717	7.5424	-9.3374
Closing NAV per share	119.2136	123.6767	98.2050	90.6626
Retained distribution on acc shares	0.9571	0.8510	0.9880	0.9765
* After direct transaction costs of	0.1006	0.5959	0.3288	0.4741
<b>Performance</b>				
Return after charges	-3.61%	25.94%	8.32%	-9.34%
<b>Other Information</b>				
Closing net asset value (£)	179,877,626	131,479,226	85,377,956	68,919,811
Closing number of shares	150,886,854	106,308,803	86,938,483	76,017,900
OCF	0.88%	0.93%	0.96%	0.94%
Direct transaction costs	0.08%	0.56%	0.34%	0.53%
<b>Prices</b>				
Highest share price (pence)	125.73	134.58	105.55	100.00
Lowest share price (pence)	114.22	84.88	90.39	79.45

## Net Asset Value per Share and Comparative Tables

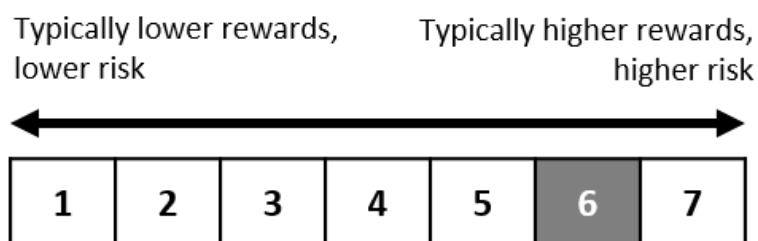
### Risk Warning

An investment in an open-ended investment company (OEIC) should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates, which can be favourable or unfavourable.

### Fund Performance

The performance of the fund is shown in the Investment Adviser's Report.

## Synthetic Risk and Reward Indicator



The risk and reward score is based on past performance and calculated in accordance with European legislation. It may not be a reliable indication of the future risk profile.



## Financial statements

### Statement of total return

For the period ended 31 August 2021

	Notes		31.08.21		31.08.20
		£	£	£	£
<b>Income</b>					
Net capital gains/(losses)	1		(8,664,800)		4,052,877
Revenue	3	2,339,780		1,102,665	
Expenses	4	(838,751)		(377,730)	
Finance costs: Interest	6	(124)		-	
Net revenue before taxation		1,500,905		724,935	
Net revenue after taxation			1,500,905		724,935
<b>Total return before distributions</b>			<b>(7,163,895)</b>		<b>4,777,812</b>
Finance costs: Distribution	6		(1,500,868)		(724,974)
<b>Change in net assets attributable to shareholders from investment</b>			<b>(8,664,763)</b>		<b>4,052,838</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

		£	£	£	£
<b>Opening net assets attributable to shareholders</b>			153,538,964		85,395,561
Amounts receivable on issue of shares		59,026,972		14,010,913	
Amounts payable on cancellation of shares		(1,682,935)		(8,898,536)	
Dilution levy		103,916		40,835	
			57,447,953		5,153,212
Change in net assets attributable to shareholders from investment activities			(8,664,763)		4,052,838
Retained distribution on accumulation shares			1,631,144		743,052
<b>Closing net assets attributable to shareholders</b>			<b>203,953,298</b>		<b>95,344,663</b>

## Balance sheet

As at 31 August 2021

	Notes		31.08.21		28.02.21
Assets		£	£	£	£
Investment assets			189,858,239		135,302,956
Debtors	7	1,043,888		25,983,025	
Bank balances		<u>16,607,060</u>		<u>9,382,876</u>	
<b>Total other assets</b>			<b>17,650,948</b>		<b>35,365,901</b>
<b>Total assets</b>			<b>207,509,187</b>		<b>170,668,857</b>
<b>Liabilities</b>					
Creditors	8	237,246		14,441,090	
Bank overdrafts		<u>3,318,643</u>		<u>2,688,803</u>	
<b>Total other liabilities</b>			<b>3,555,889</b>		<b>17,129,893</b>
<b>Net assets attributable to shareholders</b>			<b>203,953,298</b>		<b>153,538,964</b>

## Notes to the financial statements

As at 31 August 2021

<b>1 Net capital (losses)/gains</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
Proceeds from sales on investments during the period	26,153,617	69,088,851
Original cost of investments sold during the period	(28,689,623)	(66,969,003)
(Losses)/gains realised on investments sold during the period	(2,536,006)	2,119,848
Net appreciation thereon already recognised in prior periods	(622,514)	(2,596,384)
Net realised depreciation for the period	(3,158,520)	(476,536)
Net unrealised (depreciation)/appreciation for the period	(5,407,710)	4,541,896
Net (losses)/gains on non-derivative securities	(8,566,230)	4,065,360
Net losses on currencies	(98,570)	(12,483)
<b>Net capital (losses)/gains on investments</b>	<b>(8,664,800)</b>	<b>4,052,877</b>
<b>2 Purchases, sales and transaction costs</b>		
<b>Equities/ETF's</b>		
Purchases excluding transaction costs	82,411,551	38,774,060
Commissions: 0.05% [0.05%]	41,798	17,666
Stamp duty and other charges: 0.05% [0.07%]	37,730	25,765
Trustee transaction charges: 0.05% [0.05%]	39,149	21,095
<b>Purchases including transaction costs</b>	<b>82,530,228</b>	<b>38,838,586</b>
Sales excluding transaction costs	26,190,625	33,241,620
Commissions: 0.05% [0.04%]	(12,398)	(13,940)
Stamp duty and other charges: 0.07% [0.10%]	(24,610)	(34,467)
Trustee transaction charges: 0.01% [0.05%]	(3,302)	(16,965)
<b>Sales including transaction costs</b>	<b>26,150,315</b>	<b>33,176,248</b>
<b>Debt Securities</b>		
Purchases excluding transaction costs	-	36,297,878
<b>Purchases including transaction costs</b>	<b>-</b>	<b>36,297,878</b>
Sales excluding transaction costs	-	35,895,638
<b>Sales including transaction costs</b>	<b>-</b>	<b>35,895,638</b>
<i>Trustee transaction charges have been deducted in determining net capital</i>		
<i>Transaction charges are displayed as percentage of purchase/sale</i>		
<b>Total commission charges: 0.03% [0.04%]</b>	<b>54,196</b>	<b>31,606</b>
<b>Total stamp duty and other charges: 0.03% [0.07%]</b>	<b>62,340</b>	<b>60,232</b>
<b>Total trustee transaction charges : 0.02% [0.04%]</b>	<b>42,451</b>	<b>38,060</b>
<i>Total charges displayed as percentage of average net asset value</i>		
<b>Average portfolio dealing spread : 0.21% [0.22%]</b>		
<b>3 Revenue</b>		
UK franked dividends	36,018	31,794
Gross bond interest	-	4,021
Overseas franked income	2,313,000	1,072,092
Overseas gross unfranked income	(10,818)	(5,016)
Bank interest	1,580	(226)
<b>Total revenue</b>	<b>2,339,780</b>	<b>1,102,665</b>

<b>4 Expenses</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<i>Payable to the ACD, associates of the ACD and agents of either:</i>		
ACD's periodic charge	680,463	304,316
<i>Payable to the Depositary associates of the Depositary and agents of either:</i>		
Depositary's fee	29,654	18,640
Safe custody	86,262	44,862
	<hr/>	<hr/>
	115,916	63,502
<i>Other expenses:</i>		
Audit fee	4,990	3,962
Registration fees	332	9
Transfer agency fee	33,129	5,676
Professional fees	1,377	-
Property management fee	2,279	-
Distribution costs	265	265
<b>Total expenses</b>	<hr/> <b>838,751</b> <hr/>	<hr/> <b>377,730</b> <hr/>

## 5 Taxation

a) Analysis of the tax charge for the period:

UK Corporation tax	-	-
Irrecoverable income tax	-	-
Current tax charge (note 5b)	-	-
<b>Total tax charge</b>	<hr/> <b>-</b> <hr/>	<hr/> <b>-</b> <hr/>

b) Factors affecting the tax charge for the period:

Net income before taxation	1,500,905	724,935
Corporation tax at 20%	300,181	144,987
<i>Effects of:</i>		
UK dividends	(469,804)	(220,777)
Movement in income accruals	-	18
Utilisation of excess management expenses	169,623	75,772
Corporation tax charge	-	-
Irrecoverable income tax	-	-
<b>Current tax charge for the period (note 5a)</b>	<hr/> <b>-</b> <hr/>	<hr/> <b>-</b> <hr/>

c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior accounting period.

d) Factors that may affect future tax changes

The fund has unutilised management expenses of £2,938,295 (prior year £2,090,180). The fund does not expect to be able to utilise this in the foreseeable future.

<b>6 Finance costs</b>	<b>31.08.21</b>	<b>31.08.20</b>
	£	£
<b>Distributions</b>		
Interim	1,631,144	743,052
	1,631,144	743,052
Amounts deducted on cancellation of shares	8,261	38,092
Amounts received on issue of shares	(138,537)	(56,170)
Finance costs: Distributions	1,500,868	724,974
Finance costs: Interest	124	-
<b>Total finance costs</b>	<b>1,500,992</b>	<b>724,974</b>
<b>Represented by:</b>		
Net revenue after taxation	1,500,905	724,935
Balance of revenue brought forward	69	44
Balance of revenue carried forward	(106)	(5)
<b>Finance costs: Distributions</b>	<b>1,500,868</b>	<b>724,974</b>

<b>7 Debtors</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Amounts receivable for issue of shares	522,679	24,943,644
Amounts receivable for investment securities sold	-	616,081
<i>Accrued income:</i>		
UK franked dividends	90,197	-
Prepayments	(12,388)	-
Overseas franked dividends	230,926	216,522
	308,735	216,522
Prepayments	-	103,429
Other receivables	75,637	3,159
Taxation recoverable	136,837	100,190
<b>Total debtors</b>	<b>1,043,888</b>	<b>25,983,025</b>

<b>8 Creditors</b>		
Amounts payable for cancellation of shares	19,543	-
Amounts payable for investment securities purchased	-	14,290,697
<i>Accrued expenses:</i>		
<i>Amounts payable to the ACD, associates and agents:</i>		
ACD's periodic charge	115,138	72,264
<i>Amounts payable to the Depository, associates and agents:</i>		
Depository's fees	4,929	3,838
Transaction charges	22,968	36,213
Safe custody fee	-	19,156
	27,897	59,207
Other creditors	74,668	18,922
<b>Total creditors</b>	<b>237,246</b>	<b>14,441,090</b>

## 9 Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date.

## 10 Related party transactions

Margetts Fund Management Ltd as ACD, is a related party, and acts as principal in respect of all transactions of shares in the Company. The aggregate monies received through issues, and paid on cancellations are disclosed in the statement of change in net assets attributable to shareholders and note 6.

Amounts paid to Margetts Fund Management Ltd in respect of management services are disclosed in note 4 and amounts due at the end of the year in note 8.

## 11 Shareholders' funds

	R Acc	I Acc
Opening number of shares	17,508,315	106,308,803
Shares issued	4,908,826	50,680,651
Shares converted	-	-
Shares redeemed	(2,588,238)	(6,102,600)
Closing number of shares	<u>19,828,903</u>	<u>150,886,854</u>

## 12 Risk disclosures

Debt securities may be held by the underlying investments of the fund. The Interest Rate Risk of these securities is managed by the relevant manager. The table below shows the Interest Rate Risk profile at the balance sheet date:

i. Interest risk	31.08.21 £	31.08.20 £
Floating rate assets (pounds sterling):	15,593,468	5,291,333
Floating rate assets (indian rupee):	23,146	190,709
Floating rate assets (taiwan dollar):	-	224,642
Floating rate assets (hong kong dollars):	492,115	106,568
Floating rate assets (us dollars):	-	3,558,006
Floating rate assets (chinese yuan):	-	11,618
Floating rate assets (australian dollar):	418,917	-
Floating rate assets (singapore dollar):	79,414	-
Floating rate liabilities (pounds sterling):	(2,338,390)	(2,688,803)
Floating rate liabilities (hong kong dollars):	(491,180)	-
Floating rate liabilities (australian dollar):	(421,758)	-
Floating rate liabilities (indian rupee)	(22,971)	-
Floating rate liabilities (singapore dollar):	(44,344)	-
Assets on which interest is not earned (pounds sterling):	1,843,530	25,808,684
Assets on which interest is not earned (us dollars):	11,388,040	8,412,120
Assets on which interest is not earned (chinese yuan):	7,875,650	5,665,635
Assets on which interest is not earned (hong kong dollars):	59,082,971	49,385,270
Assets on which interest is not earned (indonesian rupiah):	6,257,602	3,707,637
Assets on which interest is not earned (indian rupee):	10,027,111	7,030,009
Assets on which interest is not earned (korean won):	23,823,502	15,970,890
Assets on which interest is not earned (singapore dollar):	2,984,864	1,747,958
Assets on which interest is not earned (thai baht):	1,696,811	1,916,984
Assets on which interest is not earned (taiwan dollar):	24,122,201	15,007,987
Assets on which interest is not earned (australian dollar):	40,686,892	25,844,731
Assets on which interest is not earned (new zealand dollar):	1,112,954	797,077

## 12 Risk disclosures (continued)

Liabilities on which interest is not paid (pounds sterling):	(237,246)	(363,107)
Liabilities on which interest is not paid (taiwan dollar):	-	(1,540,861)
Liabilities on which interest is not paid (indian rupee):	-	(772,291)
Liabilities on which interest is not paid (australian dollar):	-	(2,980,273)
Liabilities on which interest is not paid (hong kong dollars):	-	(5,021,401)
Liabilities on which interest is not paid (singapore dollar):	-	(238,734)
Liabilities on which interest is not paid (us dollars):	-	(1,056,618)
Liabilities on which interest is not paid (chinese yuan):	-	(286,181)
Liabilities on which interest is not paid (indonesian rupiah):	-	(447,045)
Liabilities on which interest is not paid (korean won):	-	(1,628,972)
Liabilities on which interest is not paid (new zealand dollar):	-	(85,162)
Liabilities on which interest is not paid (thai baht):	-	(29,445)
<b>Net Assets</b>	<b>203,953,298</b>	<b>153,538,964</b>

ii. Currency risk	31.08.21	28.02.21
	£	£
GBP	14,861,362	28,048,107
US Dollars	11,388,040	10,913,508
Chinese Yuan	7,875,650	5,391,072
Hong Kong Dollars	59,083,906	44,470,437
Indonesian Rupiah	6,257,602	3,260,592
Indian Rupee	10,027,286	6,448,427
Korean Won	23,823,502	14,341,918
Singapore Dollar	3,019,934	1,509,224
Thai Baht	1,696,811	1,887,539
Taiwan Dollars	24,122,201	13,691,768
Australian Dollar	40,684,051	22,864,458
New Zealand Dollar	1,112,954	711,915
<b>Net Assets</b>	<b>203,953,298</b>	<b>153,538,964</b>

The floating rate financial assets and liabilities comprise bank balances, which earn or pay interest at rates linked to the UK base rate.

There are no material amounts of non-interest bearing financial assets and liabilities, other than collective investment schemes, which do not have maturity dates.

## 13 Fair Value Techniques

<b>Assets</b>	<b>31.08.21</b>	<b>28.02.21</b>
	£	£
Quoted prices for identical instruments in active markets	189,858,239	135,311,956
Prices of recent transactions for identical instruments	-	-
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	<b>189,858,239</b>	<b>135,311,956</b>
<b>Liabilities</b>		
	£	£
Quoted prices for identical instruments in active markets	-	-
Prices of recent transactions for identical instruments	-	9,001
Valuation techniques using observable data	-	-
Valuation techniques using non-observable data	-	-
	-	<b>9,001</b>

## 14 Periodic Disclosure

As required by FUND 3.2.5R the ACD is required to disclose certain information periodically in relation to the Fund which is shown below.

At the end of the reporting period the percentage of the Fund's assets subject to special arrangements arising from their illiquid nature was 0% of the NAV.

There have been no new arrangements introduced for managing the liquidity of the Fund.

The risk characteristics of the Fund are explained in the Prospectus.

In order to assess the sensitivity of the Fund's portfolio to the risks to which the Fund is or could be exposed, Margetts Fund Management Ltd monitors relative value at risk, commitment, gross leverage and the results of stress tests.

The ACD has set limits considered appropriate to the risk profile of the fund. Any breaches of these limits are investigated by the Margetts risk committee and appropriate action taken if necessary.

During the reporting period there have been no changes to the maximum level of leverage that the Fund can employ or any right of reuse of collateral or any guarantee granted under leveraging arrangements.

At the end of the reporting period the total amount of leverage, expressed as a ratio, calculated using the commitment approach was 1:0.93 and using the gross method was 1:0.93.

Leverage is limited to overdraft use and the gross exposure from EPM techniques. Although the ACD may use derivatives for EPM, no collateral arrangements are currently in place and no asset re-use arrangements are in place.

The maximum leverage expressed as the ratio of the exposure to net asset value using the commitment method is 1.1:1.0 and using the gross method 3.3:1.0. Please note that the maximum leverage under the gross method is theoretical and would only occur if market risk and currency risk were hedged across the entire Fund whilst it was using the maximum borrowing facility of 10%. It is not anticipated that both market risk and currency risk would be simultaneously hedged and therefore the likely maximum leverage which would be used in normal circumstances using the commitment method is 1.1:1.0 and using the gross method 2.2:1.0.

The fund does not engage in securities financing transactions or loan securities or commodities to third parties.

There have been no arrangements made by the Depositary to discharge itself of contractual liability.

## 15 Securities Financing Transactions (SFT) and Total Return Swaps (TRS)

As at the Balance Sheet date, the amount of securities and commodities on loan as a proportion of total lendable assets is 0.00%



## Distribution Table

For the period ended 31 August 2021 – in pence per share

### Interim payment/allocation date 31 October 2021

Group 1 – shares purchased prior to 01 March 2021

Group 2 – shares purchased on or after 01 March 2021

#### MGTS AFH DA Asia ex Japan Equity Fund I Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.9571	-	0.9571	0.8063
Group 2	0.7100	0.2471	0.9571	0.8063

#### MGTS AFH DA Asia ex Japan Equity Fund R Acc Shares

Units	Net Income	Equalisation	Allocating 31.10.2021	Allocated 31.10.2020
Group 1	0.9431	-	0.9431	0.8068
Group 2	0.6694	0.2737	0.9431	0.8068

Equalisation only applies to shares purchased during the distribution period (group 2 shares). It represents the accrued income included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

## General Information

### Valuation Point

The Valuation Point of the fund is at 12 noon each business day. Valuations may be made at other times with the Depositary's approval.

### Buying and Selling of Shares

The ACD will accept orders to buy or sell shares on normal business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be made either in writing to: Margetts Fund Management Ltd, PO Box 17067, Birmingham, B2 2HL or by telephone on 0345 607 6808. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

### Prices

The most recent prices of shares are published on the Margetts website at [www.mgtsfunds.com](http://www.mgtsfunds.com).

### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document, Supplementary Information Document and the latest annual and interim reports may be inspected at the offices of the ACD, with a copy available, free of charge, on written request.

The register of shareholders can be inspected by shareholders during normal business hours at the offices of the Administrator.

The Head Office of the Company is at 1 Sovereign Court, Graham Street, Birmingham B1 3JR and is also the address of the place in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

The base currency of the Company is pounds (£) sterling.

The maximum share capital of the Company is currently £10,000,000,000 and the minimum is £1,000. Shares in the Company have no par value and therefore the share capital of the Company at all times equals the Company's current net asset value.

Shareholders who have any complaints about the operation of the fund should contact the ACD or the Depositary in the first instance. In the event that a unitholder finds the response unsatisfactory, they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR or email to: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk) or by telephone to 0800 023 4567.