

# HL INCOME FUND

## **Interim Report & Financial Statements**

for the sixth month period ended 31st March 2024 (unaudited)

# Directory

## **Manager and AIFM:**

Hargreaves Lansdown Fund Managers Limited  
One College Square South  
Anchor Road  
Bristol BS1 5HL  
Telephone: 0117 900 9000 (Enquiries)

*Authorised and Regulated by the Financial Conduct Authority*

## **Directors of the Manager:**

P A Dimambro  
S E Gamble  
J Misselbrook\*  
A E Stirling (resigned 9th October 2023)  
J A Troiano\*  
T Vaughan

\*Non-Executive Directors

## **Sub-Advisers:**

Jupiter Asset Management Limited (terminated 4th October 2023)  
Zig Zag Building  
70 Victoria Street  
London SW1 6SQ

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Artemis Investment Management LLP (terminated 4th October 2023)  
Cassini House  
57 St. James's Street  
London SW1A 1LD

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Troy Asset Management Limited (terminated 4th October 2023)  
33 Davies Street  
London W1K 4BP

*Authorised and Regulated by the Financial Conduct Authority*

## **Trustee and Depositary:**

Northern Trust Investor Services Limited  
50 Bank Street  
Canary Wharf  
London E14 5NT

*Authorised and Regulated by the Financial Conduct Authority*

## **Dealing and Registration:**

Hargreaves Lansdown Fund Managers Limited  
Sunderland  
SR43 4AS  
Telephone: 0333 300 0360  
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## **Auditor:**

Ernst & Young LLP  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

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# Manager's Investment Report

## For the half year ended 31st March 2024

### Investment objective

The investment objective of the HL Income Fund (the "Fund") is to provide a monthly income and capital returns consistent with a specified level of risk, over rolling 5-year periods.

The level of risk ranges between 50% and 70% of the forecasted long-term volatility of global equities as represented by the MSCI All Countries World Index (GBP Total Return, Net) over rolling 5-year periods.

The Fund's volatility is assessed using forecasted volatility figures at least monthly. The Fund's volatility may not remain within the risk range and, accordingly, there may be periods, for example in extreme market conditions, when the Fund's volatility either exceeds or falls below this range.

### Investment policy

The Fund will invest in a variety of asset classes globally. At least 80% of the Fund will be invested in assets through other collective investment schemes; it may also invest in assets directly. Such asset classes are: equity securities (such as shares), fixed income securities (such as corporate bonds and government bonds), money market instruments, cash and near cash. The Fund may be exposed to both investment grade and non-investment grade fixed income securities.

Due to the risk profile, the expectation is that the Fund will typically have an exposure to shares between 45% and 65%, however this is not guaranteed. To enable the Fund to meet its investment objective, the exposure to shares may be lower or higher than the stated range in extraordinary market conditions (where there is not a steady and constant flow of investment activity and where there is high volatility and a lack of regular pricing information available).

The Fund is actively managed and uses a mixture of asset allocation techniques to blend asset classes for diversification, aiming to provide returns consistent with the Fund's "Balanced" risk profile and return aim. Due to the income objective, the expectation is that at least 80% of the Fund will be invested in assets that pay a dividend or coupon.

As part of the investment process, the Manager will use strategic asset allocation to determine the Fund's longer-term allocation to different asset classes.

The Manager will look to adjust the strategic asset allocation periodically, to take into account revised assumptions around the expected return and risk of different asset classes, as well as changing market conditions.

In seeking to improve the Fund's performance, or reduce risk, the Manager may also engage in tactical asset allocation decisions. This involves adjusting the Fund's allocations to take advantage of shorter-term market trends, market forecasts, or economic conditions.

The collective investment schemes in which the Fund invests will include those managed or operated by Hargreaves Lansdown Fund Managers Ltd., as well as those provided by third parties. The collective investment schemes will be established in Europe, UK, Jersey and Guernsey.

Subject to the requirements above, the Fund aims to meet its objective by diversifying across different asset classes, geographies, sectors and industries.

The Fund may use exchange traded derivative instruments and foreign exchange forward transactions for the purposes of efficient portfolio management, including hedging (these are methods of managing the Fund in a way that is designed to reduce risk or cost). On giving 60 days' notice to Unitholders, the Fund may, in addition to its other investment powers, use derivatives and forward transactions for investment purposes.

Where the Fund invests in assets through collective investment schemes, those schemes may use derivative instruments for efficient portfolio management or investment purposes.

# Manager's Investment Report (continued)

## For the half year ended 31st March 2024

### Performance review

Over the six month period to 31st March 2024, the price of the Fund's accumulation units increased from 174.84 pence to 189.83 pence per unit, which represents a rise of 8.57%. Over the same period, the IA Mixed Investment 20-60% Shares peer group recorded an average of -8.34%.

Since close of the initial offer period (2nd June 2006) to 31st March 2024, the price of the accumulation units has increased from 95 pence to 189.83 pence, a rise of 99.82%. Over the same period, the IA Mixed Investment 20-60% Shares peer group recorded an average gain of 95.36%.

	31/03/19 to 31/03/20	31/03/20 to 31/03/21	31/03/21 to 31/03/22	31/03/22 to 31/03/23	31/03/23 to 31/03/24
HL Income Fund	-13.78%	21.93%	4.23%	-3.21%	7.78%
IA Mixed Investment 20-60% Shares	-7.21%	20.32%	2.94%	-5.13%	7.77%

Past performance is not a guide to future returns.

*Source: Lipper for Investment Management to 31/03/2024, Total Return Net Distribution Re-invested, NAV from 31/03/2019.*

The top ten purchases and sales during the period were as follows:

Purchases	£'000	Sales	£'000
HL UK Income	45,889	JPMorgan US Equity Income	35,741
Legal & General US Index Trust	32,222	HL UK Income	17,260
HL Global Corporate Bond	13,750	iShares Global Government Bond	
iShares USD Treasury Bond 20+yr		UCITS ETF	16,606
UCITS ETF	11,573	M&G Global Macro Bond Income	
iShares Core FTSE 100 UCITS ETF	9,180	Shares	13,744
iShares Core MSCI Emerging Markets		J O Hambro UK Equity Income	7,912
UCITS ETF	8,265	Legal & General UK 100 Index Trust	6,154
BlueBay Emerging Market Aggregate		Polar Capital - European ex-UK Income	4,513
Bond	5,004	PGIM Global High Yield Bond	3,504
Polar Capital - European ex-UK Income	4,523	M&G Emerging Markets Bond 'H'	2,560
PGIM Global High Yield Bond	4,504	iShares Core MSCI Emerging Markets	
Legal & General UK 100 Index Trust	3,343	UCITS ETF	2,452
Total purchases during the period were	146,457	Total sales during the period were	159,088

**Hargreaves Lansdown Fund Managers Limited**  
24th May 2024

# Portfolio Statement

(Unaudited) as at 31st March 2024

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
	<b>UK Funds – 18.33% (4.94%)</b>		
33,526,389	HL UK Income~	31,659	14.00
1,230,321	iShares Core FTSE 100 UCITS ETF	9,560	4.23
25,613,408	LF Equity Income≠	212	0.10
		<b>41,431</b>	<b>18.33</b>
	<b>Fixed Interest Funds – 48.24% (44.95%)</b>		
109,384	BlueBay Emerging Market Aggregate Bond	11,387	5.04
621,921	Capital Group Emerging Markets Local Currency Debt	6,232	2.76
52,852,771	HL Global Corporate Bond~	54,459	24.08
1,701,155	iShares Core MSCI Emerging Markets UCITS ETF	6,173	2.73
1,103,341	iShares Global Government Bond UCITS ETF	5,088	2.25
2,861,979	iShares USD Treasury Bond 20YR UCITS ETF	9,326	4.12
158,674	PGIM Global High Yield Bond	16,414	7.26
		<b>109,079</b>	<b>48.24</b>
	<b>Europe Funds – 4.04% (3.95%)</b>		
3,519,882	BlackRock Continental European Income	4,484	1.98
437,219	Polar Capital - European ex-UK Income	4,657	2.06
		<b>9,141</b>	<b>4.04</b>
	<b>Asia/Emerging Funds – 7.88% (6.99%)</b>		
515,298	HSBC MSCI China UCITS ETF	2,219	0.98
3,608,069	iShares Japan Equity Index	4,107	1.82
6,667,966	Jupiter Asian Income	11,485	5.08
		<b>17,811</b>	<b>7.88</b>
	<b>US Funds – 21.54% (21.91%)</b>		
2,456,854	JPMorgan US Equity Income	11,479	5.08
4,449,248	Legal & General US Index Trust	37,231	16.46
		<b>48,710</b>	<b>21.54</b>
	<b>UK Equities – 0.00% (14.88%)</b>		
	<b>Finland Equities – 0.00% (0.08%)</b>		
	<b>Germany Equities – 0.00% (0.19%)</b>		
	<b>Ireland Equities – 0.00% (0.15%)</b>		

## Portfolio Statement (continued)

(Unaudited) as at 31st March 2024

<i> Holding</i>	<i> Investment</i>	<i> Bid market valuation £'000</i>	<i> Percentage of total net assets %</i>
	<b>Japan Equities – 0.00% (0.22%)</b>		
	<b>Netherlands Equities – 0.00% (0.47%)</b>		
	<b>Switzerland Equities – 0.00% (0.21%)</b>		
	<b>US Equities – 0.00% (0.70%)</b>		
	<b>Portfolio of investments – 100.03% (99.64%)</b>	<b>226,172</b>	<b>100.03</b>
	Net other (liabilities)/assets – (0.03%) (0.36%)	(63)	(0.03)
	<b>Net assets</b>	<b>226,109</b>	<b>100.00</b>

The percentages in brackets show the equivalent sector comparatives as at 30th September 2023.

All Collective Investment Schemes are in income shares/units unless otherwise stated.

– Related party holding.

≠ Suspended security since 3rd June 2019. The Fund remains in the process of winding up and returning resulting cash to investors at the earliest opportunity.

## General Information

Launch Date:	15th May 2006
Accounting Periods:	First Interim – 31st October Second Interim – 30th November Third Interim – 31st December Fourth Interim – 31st January Fifth Interim – 28th February* Sixth Interim – 31st March Seventh Interim – 30th April Eighth Interim – 31st May Ninth Interim – 30th June Tenth Interim – 31st July Eleventh Interim – 31st August Final - 30th September
Distribution Dates:	First Interim - 30th November Second Interim - 31st December Third Interim - 31st January Fourth Interim - 28th February* Fifth Interim - 31st March Sixth Interim - 30th April Seventh Interim - 31st May Eighth Interim - 30th June Ninth Interim - 31st July Tenth Interim - 31st August Eleventh Interim - 30th September Final - 31st October
Minimum Initial Investment:	£150,000**
Management Charges:	Initial – 3%** Annual – 0.55%

Fund name changed from HL MM Equity & Bond Trust to HL Income Fund on 22nd January 2024.

\* 29th February in a leap year.

\*\*Lower amounts may be permitted when investing via platforms or other nominee companies.

The Trustee and Depositary's fee is 0.01% of the first £100 million and 0.0075% thereafter of the net asset value of the Fund per annum, plus VAT.

The Manager is not permitted to levy a redemption charge or increase the rates of its initial or annual charges unless 60 days' prior written notice of the introduction of the new charge and the date of its commencement has been given to all unitholders and the Prospectus has been amended to reflect the change.

Full details of the underlying charges are set out in the Key Investor Information for the Fund which is published on Hargreaves Lansdown's website, <http://www.hl.co.uk/funds/hl-funds/multi-manager-funds>. Copies may be obtained from Hargreaves Lansdown Fund Managers Limited, Sunderland SR43 4AS or directly from the Manager - Hargreaves Lansdown Fund Managers Limited, One College Square South, Anchor Road, Bristol, BS1 5HL.



## General Information (continued)

### Unit Price

Units in the Fund are single-priced. This means that (subject to any dilution adjustment and initial charge) the price of each unit for both buying and selling purposes will be the same and determined by reference to the particular valuation point. The price of each unit of any class will be calculated by reference to the proportion of the net asset value of the Fund attributable to units of that class by:

- taking the proportion of the net asset value of the relevant Fund attributable to the units of the class concerned at the valuation point of that Fund;
- dividing the result by the number of units of the relevant class in issue immediately before the valuation point concerned; and
- increasing or decreasing the result by any dilution adjustment determined by the Manager.

The Fund is normally valued at 10:30 pm each day for the purpose of determining the unit price. With the agreement of the Trustee and Depositary, the Fund may be valued at other times.

### Dealing in Units

Dealing confirmations are issued for all purchases and sales of units and will be posted within 24 hours of the next valuation point following receipt of your application.

The units of the Fund are non-certificated.

Units may be sold back to the Manager at any time at the price applicable at the valuation point following receipt of instructions.

You will receive a dealing confirmation setting out the details and payment will follow, normally within four working days of receipt of the signed form of renunciation.

Daily prices are currently available from the Hargreaves Lansdown website ([www.hl.co.uk](http://www.hl.co.uk)), HL App (HL Live) and our Helpdesk on 0117 900 9000.

### Cancellation Rights

If you receive financial advice on a face-to-face basis regarding your investment, you will have a right to change your mind. If you receive financial advice on a non face-to-face basis, we will also allow you the right to cancel your investment. If you decide to cancel your contract during the 14 days after the date on which you receive a cancellation notice from us and the value of your investment has fallen at the time we receive your completed cancellation notice, you will not receive a full refund of your investment and an amount equal to any fall in value will be deducted from the sum you originally invested.

### Taxation - Income

Income earned by unitholders from the Fund is liable to UK Income Tax at the rate applicable for the individual unitholders.

### Taxation - Capital Gains

There is no tax on capital gains within the Fund. Gains realised on disposal of units by unitholders who are UK resident for taxation purposes may be liable to Capital Gains Tax.

All taxation information in this Report is based on current legislation and may be subject to change. Any tax reliefs referred to are those currently applying. Their value depends on the individual circumstances of the unitholder.

## General Information (continued)

### Report and Scheme Particulars

Copies of the Scheme Particulars and Interim and Annual Report and Financial Statements may be obtained from the Manager at the address shown at the beginning of this Report.

The maintenance and integrity of the Hargreaves Lansdown Plc website is the responsibility of the Directors of Hargreaves Lansdown Plc; the work carried out by the Auditor does not involve consideration of these matters and, accordingly, the Auditor accepts no responsibility for any changes that may have occurred to the Financial Statements since they were initially presented on the website.

### Commission

Commission may be payable to authorised intermediaries, rates are available on request and details are set out on the dealing confirmation.

### Status

The Manager can only provide information on its own range of Funds to retail clients.

### Assessment of Value

For each of its funds, Hargreaves Lansdown Fund Managers Limited (HLFM) published an Assessment of Value covering the financial year ended 30th September 2023. These statements are available at [www.hl.co.uk/funds/hl-funds/multi-manager-funds/other-documents](http://www.hl.co.uk/funds/hl-funds/multi-manager-funds/other-documents).

## Important Investment Notes

You should be aware of the risks involved in investing in the Fund. These risk warnings must not be taken to be comprehensive, as new risks may arise in the future which could not have been anticipated in advance. If you have any doubts over the suitability of an investment please contact a financial adviser for advice.

The price of units (and the income from them) can go down as well as up, and are not guaranteed. You may not receive back the amount you invest in the Fund.

An investment in the Fund is not intended to be a complete investment programme. Units should be regarded by you as a medium-to-long term investment.

Past performance is not a guide to future performance. The Fund's investment objective is an intended result but there is no guarantee that such a result will be achieved. There are no express or implied assurances as to the likelihood of achieving the Fund's investment objectives, as this will depend (in part) on evolving market conditions and the available investment opportunities over time.

The Fund's net asset value can be influenced by factors such as stock market fluctuations, political and economic events, corporate earnings reports and catastrophic events. This means that in any particular period, the Fund may suffer losses and should not be regarded as a short term investment.

In extreme liquidity conditions, redemptions in the underlying assets, and/or a Fund itself, may need to be deferred or suspended.

Economic factors such as changes in interest rates, inflation, deflation and supply and demand can affect the price of all investments, and so affect the value of your investment in the Fund. As with any investment, inflation will reduce the real value (i.e. purchasing power) of the capital over time.

The Fund is potentially exposed to adverse movements in equity, bond, commodity, currency and other market prices, indices or rates (market risk) or changes in the anticipated or calculated volatility of these movements (volatility risk). This could result in the Fund losing value.

The Fund may deduct charges from capital rather than income. Whilst this policy may allow more income to be distributed to unitholders, it may also have the effect of reducing capital and potential capital growth, as well as potentially increasing capital losses.

The Fund conducts transactions with various counterparties and there is a risk that a counterparty will not deliver an investment (for purchases by the Fund) or cash (for sales by the Fund) after the Fund has fulfilled its responsibilities.

This document is provided solely to enable investors to make their own investment decisions. It is not personal advice. These investments are not suitable for everyone. If you are in any doubt about suitability, you should seek expert advice. Please ensure you read the full Key Investor Information before placing any investment instruction.

## Authorised Status

The Fund is an authorised unit trust scheme under Section 243 of the Financial Services and Markets Act 2000.

The Fund is a 'Non-UCITS Retail Scheme' under the Financial Conduct Authority's Collective Investment Schemes Sourcebook ("COLL") Regulations.

The Fund is categorised as an alternative investment fund under Directive 2011/61/EU of the European Parliament and of the Council of 8th June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 and Commission Delegated Regulation (EU) No 231/2013 of 19th December 2012 supplementing the AIFM Directive with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision (the "AIFMD"). The Manager undertakes portfolio and risk management for the Fund and is therefore an alternative investment fund manager (AIFM) within the terms of AIFMD. The Manager will manage the Fund in accordance with the provisions of the AIFMD, The Alternative Investment Fund Managers Regulations 2013 and the FCA Rules.

## Fund Information

The Comparative Tables on pages 11 to 14 give the performance of each active unit class in the Fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per unit divided by the opening net asset value per unit. It differs from the Fund's performance disclosed in the Manager's Investment report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

## Fund Information (continued)

### Comparative Tables

Class A Accumulation Units

#### Change in Net Asset Value per Unit

<i>For the period ended</i>	<i>31/03/24 (pence per unit)</i>	<i>30/09/23 (pence per unit)</i>	<i>30/09/22 (pence per unit)</i>
Opening net asset value per unit	174.78	166.28	181.39
Return before operating charges*	15.36	10.52	(12.85)
Operating charges (calculated on average price)	(0.44)	(2.02)	(2.26)
Return after operating charges*	14.92	8.50	(15.11)
Distributions	(2.84)	(5.80)	(4.72)
Distributions on accumulation units	2.84	5.80	4.72
Closing net asset value per unit	189.70	174.78	166.28

\* after direct transaction costs of\*\*: 0.02                      0.05                      0.05

#### Performance

Return after charges    8.54%                      5.11%                      (8.33)%

#### Other information

Closing net asset value (£'000)	151,337	119,036	119,696
Closing number of units	79,778,182	68,106,269	71,986,689
Operating charges†	0.49%	1.15%	1.26%
Direct transaction costs	0.01%	0.03%	0.03%

#### Prices

Highest mid price	189.83	183.10	185.61
Lowest mid price	170.37	163.51	166.37

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. It includes the annual management fee as well as the administrative costs incurred by the Fund. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. The annualised OCF for the current period is 0.98%.

## Fund Information (continued)

### Comparative Tables (continued)

Class M Accumulation Units

#### Change in Net Asset Value per Unit

<i>For the period ended</i>	<i>31/03/24 (pence per unit)<sup>^</sup></i>	<i>30/09/23 (pence per unit)</i>	<i>30/09/22 (pence per unit)</i>
Opening net asset value per unit	174.78	166.28	181.40
Return before operating charges*	1.36	10.52	(12.86)
Operating charges (calculated on average price)	(0.05)	(2.02)	(2.26)
Return after operating charges*	1.31	8.50	(15.12)
Distributions	(0.47)	(5.80)	(4.72)
Distributions on accumulation units	0.47	5.80	4.72
Last quoted unit price	176.09	–	–
Closing net asset value per unit	–	174.78	166.28
* after direct transaction costs of**:	0.02	0.05	0.05

#### Performance

Return after charges	0.75%	5.11%	(8.34)%
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#### Other information

Closing net asset value (£'000)	–	31,934	35,558
Closing number of units	–	18,270,735	21,384,707
Operating charges†	0.21%	1.15%	1.26%
Direct transaction costs	–%	0.03%	0.03%

#### Prices

Highest mid price	176.09	183.10	185.62
Lowest mid price	170.37	163.41	166.37

<sup>^</sup> Class M units have been converted to Class A units on 21st November 2023.

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. It includes the annual management fee as well as the administrative costs incurred by the Fund. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. The prorated OCF for the current period is 0.21%.

## Fund Information (continued)

### Comparative Tables (continued)

Class A Income Units

#### Change in Net Asset Value per Unit

<i>For the period ended</i>	<i>31/03/24 (pence per unit)</i>	<i>30/09/23 (pence per unit)</i>	<i>30/09/22 (pence per unit)</i>
Opening net asset value per unit	104.24	102.51	114.85
Return before operating charges*	9.08	6.49	(7.97)
Operating charges (calculated on average price)	(0.26)	(1.23)	(1.41)
Return after operating charges*	8.82	5.26	(9.38)
Distributions on income units	(1.68)	(3.53)	(2.96)
Closing net asset value per unit	111.38	104.24	102.51
* after direct transaction costs of**:	0.01	0.03	0.03

#### Performance

Return after charges	8.46%	5.13%	(8.17)%
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#### Other information

Closing net asset value (€'000)	74,772	31,525	33,073
Closing number of units	67,133,804	30,243,047	32,264,557
Operating charges†	0.49%	1.15%	1.26%
Direct transaction costs	0.01%	0.03%	0.03%

#### Prices

Highest mid price	111.73	111.76	116.82
Lowest mid price	101.53	100.80	103.04

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. It includes the annual management fee as well as the administrative costs incurred by the Fund. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. The annualised OCF for the current period is 0.98%.



## Fund Information (continued)

### Comparative Tables (continued)

Class M Income Units

#### Change in Net Asset Value per Unit

<i>For the period ended</i>	<i>31/03/24 (pence per unit)<sup>^</sup></i>	<i>30/09/23 (pence per unit)</i>	<i>30/09/22 (pence per unit)</i>
Opening net asset value per unit	104.25	102.51	114.86
Return before operating charges*	0.80	6.50	(7.98)
Operating charges (calculated on average price)	(0.03)	(1.23)	(1.41)
Return after operating charges*	0.77	5.27	(9.39)
Distributions on income units	(0.28)	(3.53)	(2.96)
Last quoted unit price	104.74	–	–
Closing net asset value per unit	–	104.25	102.51

\* after direct transaction costs of\*\*:

	0.01	0.03	0.03
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#### Performance

Return after charges	0.74%	5.14%	(8.18)%
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#### Other information

Closing net asset value (£'000)	–	42,649	47,647
Closing number of units	–	40,912,285	46,479,286
Operating charges†	0.21%	1.15%	1.26%
Direct transaction costs	–%	0.03%	0.03%

#### Prices

Highest mid price	104.74	111.77	116.83
Lowest mid price	101.53	100.80	103.04

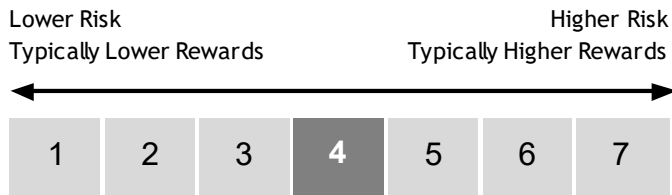
<sup>^</sup> Class M units have been converted to Class A units on 21st November 2023.

\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

† Operating charges, otherwise known as the OCF is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund. It includes the annual management fee as well as the administrative costs incurred by the Fund. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. The prorated OCF for the current period is 0.21%.

## Fund Information (continued)

### Synthetic Risk and Reward Indicator (“SRRI”)



The Fund is ranked at 4 because funds of this type have experienced moderate rises and falls in value in the past.

The Fund's risk category has been calculated using historical data, which may not be a reliable indication of the future risk profile of the Fund. The risk and reward rating remain the same from the last reporting period.

The Fund's category is not guaranteed to remain the same and may change over time.

Even a fund in the lowest category is not a risk-free investment.

The value of your investment and any income you take from it may fall as well as rise and is not guaranteed.

## **Certification of the Financial Statements by Directors of the Manager**

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook, we hereby certify the financial statements on behalf of the Directors of Hargreaves Lansdown Fund Managers Limited.

**P A Dimambro**  
(Director)  
*24th May 2024*

**T Vaughan**  
(Director)

## Statement of Total Return

(Unaudited) for the half year ended 31st March 2024

	31/03/24		31/03/23	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>14,654</b>		10,737
Revenue	<b>4,835</b>		4,468	
Expenses	<b>(817)</b>		(957)	
Interest payable and similar charges	<b>(4)</b>		(5)	
Net revenue before taxation	<b>4,014</b>		3,506	
Taxation	<b>(448)</b>		(324)	
Net revenue after taxation		<b>3,566</b>		3,182
<b>Total return before distributions</b>		<b>18,220</b>		13,919
Distributions		<b>(3,537)</b>		(3,644)
<b>Change in net assets attributable to unitholders from investment activities</b>		<b>14,683</b>		10,275

## Statement of Change in Net Assets Attributable to Unitholders

(Unaudited) for the half year ended 31st March 2024

	31/03/24		31/03/23	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to unitholders†</b>		<b>225,144</b>		235,974
Amounts receivable on issue of units	<b>6,203</b>		8,590	
Amounts payable on cancellation of units	<b>(22,258)</b>		(15,352)	
		<b>(16,055)</b>		(6,762)
Change in net assets attributable to unitholders from investment activities		<b>14,683</b>		10,275
Retained distribution on accumulation units		<b>2,336</b>		2,400
Unclaimed distributions		<b>1</b>		1
<b>Closing net assets attributable to unitholders</b>		<b>226,109</b>		241,888

† The opening net assets attributable to unitholders for 31/03/24 differs to the closing position in 31/03/23 by the change in net assets attributable to unitholders for the second half of the comparative financial year.

## Balance Sheet

(Unaudited) as at 31st March 2024

	31/03/24 £'000	30/09/23 £'000
<b>ASSETS</b>		
<b>Fixed assets:</b>		
Investments	<b>226,172</b>	224,341
<b>Current assets:</b>		
Debtors	<b>3,204</b>	1,269
Cash and cash equivalents	<b>672</b>	1,034
<b>Total assets</b>	<b>230,048</b>	226,644
<b>LIABILITIES</b>		
Investment liabilities	–	(3)
<b>Creditors:</b>		
Distribution payable on income units	<b>(188)</b>	(396)
Bank overdraft	<b>(588)</b>	–
Other creditors	<b>(3,163)</b>	(1,101)
<b>Total liabilities</b>	<b>(3,939)</b>	(1,500)
<b>Net assets attributable to unitholders</b>	<b>226,109</b>	225,144

## Notes to the Financial Statements

(Unaudited) for the half year ended 31st March 2024

### Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

### Basis of Preparation

The Financial Statements have been prepared in accordance with the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by The Investment Association, in May 2014 and amended in June 2017.

### Post Balance Sheet Event

#### LF Equity Income

Link Fund Solutions Limited ('LFSL') as the Authorised Corporate Director of LF Equity Income Fund (formerly the LF Woodford Equity Income Fund) announced that the proposed settlement scheme ('the Scheme') was approved by the required majority of scheme creditors at a meeting held on the 13th December 2023. The Scheme became effective on 5th March 2024 and the first payment from the Scheme was paid to the fund in April 2024. As this was after the end of the reporting period, the payment will be reflected in the 30th September 2024 Annual Report & Financial Statements.

## Distribution Tables

(Unaudited) for the half year ended 31st March 2024

In pence per unit

### First interim distribution for the period ended 31st October 2023

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.4695	–	0.4695	0.4298
Group 2	0.0015	0.4680	0.4695	0.4298

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.4695	–	0.4695	0.4298
Group 2	0.0487	0.4208	0.4695	0.4298

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	0.0015	0.2785	0.2800	0.2650

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	0.0053	0.2747	0.2800	0.2650

Group 1 - Units created prior to 1st October 2023

Group 2 - Units created on or after 1st October 2023

### Second interim distribution for the period ended 30th November 2023

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Dec 2023</i>	<i>30th Dec 2022</i>
Group 1	0.4708	–	0.4708	0.4310
Group 2	0.0601	0.4107	0.4708	0.4310

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Dec 2023</i>	<i>30th Dec 2022</i>
Group 1	–	–	–	0.4310
Group 2	–	–	–	0.4310

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Dec 2023</i>	<i>30th Dec 2022</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	–	0.2800	0.2800	0.2650

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Dec 2023</i>	<i>30th Dec 2022</i>
Group 1	–	–	–	0.2650
Group 2	–	–	–	0.2650

Group 1 - Units created prior to 1st November 2023

Group 2 - Units created on or after 1st November 2023

## Distribution Tables (continued)

(Unaudited) for the half year ended 31st March 2024

In pence per unit

### Third interim distribution for the period ended 31st December 2023

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2024</i>	<i>31st Jan 2023</i>
Group 1	0.4720	–	0.4720	0.4320
Group 2	–	0.4720	0.4720	0.4320

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2024</i>	<i>31st Jan 2023</i>
Group 1	–	–	–	0.4320
Group 2	–	–	–	0.4320

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2024</i>	<i>31st Jan 2023</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	–	0.2800	0.2800	0.2650

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2024</i>	<i>31st Jan 2023</i>
Group 1	–	–	–	0.2650
Group 2	–	–	–	0.2650

Group 1 - Units created prior to 1st December 2023

Group 2 - Units created on or after 1st December 2023

### Fourth interim distribution for the period ended 31st January 2024

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Feb 2024</i>	<i>28th Feb 2023</i>
Group 1	0.4732	–	0.4732	0.4331
Group 2	0.0063	0.4669	0.4732	0.4331

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Feb 2024</i>	<i>28th Feb 2023</i>
Group 1	–	–	–	0.4331
Group 2	–	–	–	0.4331

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Feb 2024</i>	<i>28th Feb 2023</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	0.0035	0.2765	0.2800	0.2650

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units*</i>	<i>Income</i>	<i>Equalisation</i>	<i>29th Feb 2024</i>	<i>28th Feb 2023</i>
Group 1	–	–	–	0.2650
Group 2	–	–	–	0.2650

Group 1 - Units created prior to 1st January 2024

Group 2 - Units created on or after 1st January 2024

## Distribution Tables (continued)

(Unaudited) for the half year ended 31st March 2024

In pence per unit

### Fifth interim distribution for the period ended 29th February 2024

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>28th Mar 2024</i>	<i>31st Mar 2023</i>
Group 1	0.4745	–	0.4745	0.4342
Group 2	0.0075	0.4670	0.4745	0.4342

<i>Class M Accumulation Units*</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>28th Mar 2024</i>	<i>31st Mar 2023</i>
Group 1	–	–	–	0.4342
Group 2	–	–	–	0.4342

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>28th Mar 2024</i>	<i>31st Mar 2023</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	0.0056	0.2744	0.2800	0.2650

<i>Class M Income Units*</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>28th Mar 2024</i>	<i>31st Mar 2023</i>
Group 1	–	–	–	0.2650
Group 2	–	–	–	0.2650

Group 1 - Units created prior to 1st February 2024

Group 2 - Units created on or after 1st February 2024

### Sixth interim accumulation for the period ended 31st March 2024

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2024</i>	<i>28th Apr 2023</i>
Group 1	0.4757	–	0.4757	0.4352
Group 2	0.1156	0.3601	0.4757	0.4352

<i>Class M Accumulation Units*</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2024</i>	<i>28th Apr 2023</i>
Group 1	–	–	–	0.4352
Group 2	–	–	–	0.4352

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2024</i>	<i>28th Apr 2023</i>
Group 1	0.2800	–	0.2800	0.2650
Group 2	0.0659	0.2141	0.2800	0.2650



## Distribution Tables (continued)

(Unaudited) for the half year ended 31st March 2024

**In pence per unit**

<i>Class M Income Units*</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2024</i>	<i>28th Apr 2023</i>
Group 1	–	–	–	0.2650
Group 2	–	–	–	0.2650

Group 1 - Units created prior to 1st March 2024

Group 2 - Units created on or after 1st March 2024

\*Class M units have been converted to Class A units on 21st November 2023.



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