

HL MULTI-MANAGER SPECIAL SITUATIONS TRUST

Annual Report & Financial Statements
for the year ended 30th September 2021

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:

R J Byett (resigned 25th June 2021)
P A Dimambro (appointed 5th November 2021)
S E Gamble (appointed 25th June 2021)
L N Gardhouse
M P Hastings (appointed 5th November 2021)
P M Johnson (resigned 30th September 2021)
J Misselbrook*
S P Robertson (resigned 8th October 2020)*
J A Troiano*

*Non-Executive Directors

Sub-Advisers:

Franklin Templeton Fund Management Limited
Cannon Place
78 Cannon Street
London EC4N 6HL

Authorised and Regulated by the Financial Conduct Authority

Artemis Investment Management LLP
Cassini House
57 St James's Street
London SW1A 1LD

Authorised and Regulated by the Financial Conduct Authority

CRUX Asset Management Limited
48 Pall Mall
St James's
London SW1Y 5JG

Authorised and Regulated by the Financial Conduct Authority

Baring Asset Management Limited (appointed 7th October 2020)
20 Old Bailey
London EC4M 7BF

Authorised and Regulated by the Financial Conduct Authority

Jupiter Asset Management Limited (appointed 25th November 2020)
Zig Zag Building
70 Victoria Street
London SW1 6SQ

Authorised and Regulated by the Financial Conduct Authority

Majedie Asset Management Limited (appointed 14th January 2021)
10 Old Bailey
London EC4M 7NG

Authorised and Regulated by the Financial Conduct Authority

Directory (continued)

Sub-Advisers: (continued)

Marlborough Investment Management Limited (appointed 13th July 2021)
Croxall Hall
Croxall Road, Croxall
Staffordshire WS13 8RA

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 by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

* The trustee and depositary of the Trust changed from Northern Trust Global Services SE, UK Branch on 1st September 2021.

Dealing and Registration:

Hargreaves Lansdown Fund Managers Limited
Sunderland
SR43 4AS
Telephone: 0333 300 0360
Fax: 020 7982 3924

Auditor:

Ernst & Young LLP
25 Churchill Place
London E14 5EY

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Manager's Investment Report

For the year ended 30th September 2021

Investment objective

The investment objective of the HL Multi-Manager Special Situations Trust (the "Trust") is to provide long term capital growth.

Investment policy

The Trust has an unconstrained equity focus and will seek to invest, either directly or indirectly via other collective investment schemes and exchange traded funds, at least 80% in equities. The Trust is not restricted to investment in any particular geographic or market sector and therefore has the flexibility to invest in both the UK and overseas, including emerging markets. The Trust may also have exposure to floating and fixed interest securities.

The Trust may from time to time be invested principally in other (regulated and unregulated) collective investment schemes, subject to the Rules for Non-UCITS Retail Schemes. The underlying funds in which the Trust will invest will generally be established in Europe (including the UK, Jersey and Guernsey).

In addition, the Trust may, directly or indirectly, invest in other transferable securities (including closed ended funds), money market instruments, deposits and warrants to the extent permitted for Non-UCITS Retail Schemes under the Rules. The Trust may also use derivative instruments and forwards transactions for the limited purposes of efficient portfolio management, including hedging.

In order to achieve the investment objective of the Trust, the Manager may allocate all or a portion of the Trust's assets to one or more Sub-Advisers. Each Sub-Adviser will use its own methodology for managing its allocated portion of the Trust's portfolio, subject at all times to the Manager's oversight and the Trust's investment objective and policy as outlined above. The Manager may, at its discretion, choose to retain the investment management of some or all of the Trust's portfolio.

Performance review

Over the twelve month period to 30th September 2021, the price of the Trust's A accumulation units increased from 377.66 pence to 469.28 pence, an increase of 24.26%. Over the same period the IA Global peer group returned an average of 23.86%.

Since the close of the initial offer period (3rd April 2001) to 30th September 2021, the price has increased from 100.00 pence to 469.28 pence, a rise of 369.28%. Over the same period, the IA Global peer group returned an average of 301.17%.

	30/09/16 to 30/09/17	30/09/17 to 30/09/18	30/09/18 to 30/09/19	30/09/19 to 30/09/20	30/09/20 to 30/09/21
HL Multi-Manager Special Situations Trust	15.05%	8.34%	-0.63%	-1.20%	24.26%
IA Global	15.01%	11.80%	5.88%	7.38%	23.86%

Past performance is not a guide to future returns.

Source: Lipper for Investment Management to 30/09/2021, Total Return Net Distribution Re-invested, Bid to Bid from 30/09/2016 to 30/09/2018, Bid to NAV from 30/09/2018 to 30/09/2019, NAV to NAV from 30/09/2019.

Manager's Investment Report (continued)

For the year ended 30th September 2021

Performance review (continued)

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

Purchases	£'000	Sales	£'000
Artemis US Smaller Companies	59,171	Barings Europe Select	92,908
BlackRock Global Unconstrained Equity	49,157	Majedie UK Equity	74,924
Stewart Investors Asia Pacific Leaders Sustainability	14,758	Marlborough UK Micro-Cap Growth	60,430
FSSA Asia All-Cap	11,024	Odey Allegra International	56,834
FSSA Japan Focus	10,229	Merian UK Smaller Companies Focus	52,463
Lindsell Train Global Equity	10,038	Merian UK Dynamic Equity	51,398
Boohoo Group	9,862	Marlborough Nano-Cap Growth	48,624
THG	7,735	BlackRock European Dynamic	16,539
Electrocomponents	6,839	Man GLG Japan CoreAlpha	13,506
Bellway	6,521	FSSA Asia All-Cap	11,523
Total purchases during the year were	715,371	Total sales during the year were	721,868

As at 30th September 2021, the LF Equity Income Fund position was valued based on the latest available 'indicative price' produced by Link Fund Solutions available at the 11am valuation point. This price reflected relevant developments from the suspension of the Fund up to the date of the valuation and other factors pertinent to the valuation.

On 15th October 2019, Link Fund Solutions announced that, as Authorised Corporate Director, it had terminated Woodford Investment Management's contract to manage the LF Woodford Equity Income Fund with immediate effect. The Fund is in the process of winding up and returning resulting cash to investors at the earliest opportunity. This process began in January 2020 and partial distributions resulted in the Fund as a unitholder receiving proceeds as detailed below;

30/01/2020 – 58.9936 pence per unit - £51,404,326

25/03/2020 – 3.9765 pence per unit - £3,464,940

26/08/2020 – 5.0869 pence per unit - £4,432,492

11/12/2020 – 2.7351 pence per unit - £2,383,241

The capital distributions received have been accounted within the capital gains/losses reported within the statement of total return.

Specialist broker PJT Partners (UK) Limited (Park Hill) was appointed as transition manager to assist in selling the portfolio of unlisted/highly illiquid listed assets. BlackRock Advisors (UK) Limited was appointed as transition manager to prepare the listed portfolio for the winding up of the Fund, which we understand has now been realised.

Manager's Investment Report (continued)

For the year ended 30th September 2021

Performance review (continued)

The name of the LF Woodford Equity Income Fund has been amended to reflect the fact that Woodford Investment Management is no longer the investment manager to the Fund. The name of the Company, the umbrella fund of which the Fund is a sub-fund, has also been amended. Consequently, the name of the Fund changed from "LF Woodford Equity Income Fund" to "LF Equity Income Fund", and the name of the Company changed from "LF Woodford Investment Fund" to "LF Investment Fund".

Hargreaves Lansdown Fund Managers Limited
1st October 2021

Portfolio Statement

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
	UK Funds – 0.97% (15.23%)		
87,135,429	LF Equity Income [≈]	3,024	0.15
5,442,766	Marlborough Nano-Cap Growth	16,625	0.82
		19,649	0.97
	Europe Funds – 3.00% (9.22%)		
22,852,662	BlackRock European Dynamic	60,788	3.00
	Total Return Funds – 0.00% (3.44%)		
	Global Funds – 18.13% (15.54%)		
41,626,323	BlackRock Global Unconstrained Equity	60,483	2.99
109,298,512	Jupiter Global Value Equity	65,787	3.25
45,275,221	Lindsell Train Global Equity [†]	132,290	6.53
57,917,040	Rathbone Global Opportunities	108,461	5.36
		367,021	18.13
	Asia/Emerging Funds – 19.85% (20.61%)		
1,412,173	Aberdeen Standard SICAV I Asian Smaller Companies	61,127	3.02
1,948,422	Comgest Growth Emerging Markets	58,509	2.89
68,768,139	FSSA Asia All-Cap	134,077	6.62
13,992,914	Stewart Investors Asia Pacific Leaders Sustainability	148,073	7.32
		401,786	19.85
	Japan Funds – 7.17% (7.23%)		
14,983,563	FSSA Japan Focus	46,152	2.28
49,436,499	Man GLG Japan CoreAlpha	99,071	4.89
		145,223	7.17
	US Funds – 19.03% (15.84%)		
17,179,593	Artemis US Smaller Companies	63,628	3.14
2,347,155	Findlay Park American [†]	321,629	15.89
		385,257	19.03
	UK Equities – 19.67% (6.50%)		
779,930	1Spatial	328	0.02
528,208	3i Group	6,750	0.33
33,025	4imprint Group	999	0.05
176,285	888 Holdings	775	0.04

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
427,970	Access Intelligence	642	0.03
90,950	Accesso Technology Group	828	0.04
995,319	Accrol Group	469	0.02
200,890	ActiveOps	341	0.02
14,810,537	AfriTin Mining	726	0.04
1,417,576	Agronomics	376	0.02
254,123	AJ Bell	1,027	0.05
132,461	Alliance Pharma	139	0.01
273,995	Alpha FX Group	5,425	0.27
402,135	Angling Direct	241	0.01
161,507	Anglo American	4,224	0.21
144,920	Aptitude Software Group	997	0.05
3,059,353	Arc Minerals	110	0.01
962,450	Ascential	3,946	0.19
330,000	Ashmore Group	1,139	0.06
35,219	Ashtead Group	1,998	0.10
35,203	AstraZeneca	3,151	0.16
1,113,810	Attraqt Group	423	0.02
208,918	Auction Technology Group	2,762	0.14
675,195	Augmentum Fintech	999	0.05
268,862	Auto Trader Group	1,595	0.08
57,099	Aveva Group	2,083	0.10
679,555	Aviva	2,709	0.13
60,000	Avon Protection	1,163	0.06
123,243	BAE Systems	702	0.03
1,778,682	Barclays	3,378	0.17
455,946	Beeks Financial Cloud Group	894	0.04
251,763	Bellway	8,202	0.41
37,600	Best of the Best	237	0.01
13,845	BHP Group	262	0.01
351,228	Blackbird	116	0.01
271,407	Blanco Technology Group	738	0.04
270,000	Bodycote	2,392	0.12
2,677,196	Boohoo Group	6,224	0.31
739,152	BP	2,515	0.13
268,693	Brickability Group	290	0.01
126,999	Burberry Group	2,313	0.11
602,492	Bytes Technology Group	3,082	0.15
1,069,437	C&C Group	2,505	0.12
132,147	Cake Box Holdings	439	0.02
612,260	Card Factory	334	0.02
45,235	CareTech Holdings	291	0.01
507,865	CentralNic Group	571	0.03
925,257	Centrica	526	0.03
65,454	Cerillion	497	0.02
798,301	Chemring Group	2,563	0.13

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
53,794	Chrysalis Investments	144	0.01
679,142	CMO Group	1,345	0.07
86,398	Cohort	486	0.02
111,700	Compass Group	1,734	0.09
207,045	ConvaTec Group	448	0.02
6,760	Craneware	162	0.01
40,000	Cranswick	1,439	0.07
216,574	Creo Medical Group	372	0.02
638,471	Currys	852	0.04
265,370	D4t4 Solutions	889	0.04
569,277	Daily Mail & General Trust	6,103	0.30
800,796	De La Rue	1,477	0.07
8,429,512	Deltic Energy	177	0.01
53,000	Derwent London	1,861	0.09
472,441	DFS Furniture	1,238	0.06
16,528	Diageo	599	0.03
8,706	Diploma	252	0.01
875,759	Direct Line Insurance Group	2,531	0.12
184,476	discoverIE Group	1,930	0.10
315,502	Domino's Pizza Group	1,258	0.06
478,233	Dr. Martens	1,845	0.09
149,588	Draper Esprit	1,499	0.07
207,058	Dunelm Group	2,973	0.15
3,098,863	DX Group	945	0.05
144,339	Eagle Eye Solutions Group	794	0.04
235,611	easyJet	1,561	0.08
1,142,057	Ebiquity	640	0.03
780,928	Eckoh	429	0.02
4,077,806	eEnergy Group	632	0.03
1,082,374	EKF Diagnostics	907	0.04
996,909	Electrocomponents	10,876	0.54
136,722	Ergomed	1,750	0.09
168,254	Essensys	454	0.02
249,890	Essentra	668	0.03
67,852	Eurocell	171	0.01
120,000	Euromoney Institutional Investor	1,226	0.06
57,594	FD Technologies	1,371	0.07
79,852	Fevertree Drinks	1,888	0.09
1,379,652	Filtronic	145	0.01
180,395	Finsbury Food Group	171	0.01
684,856	FirstGroup	592	0.03
21,801	Focusrite	353	0.02
488,757	Foresight	2,131	0.11
24,680	Frontier Developments	605	0.03
749,680	Frontier IP Group	787	0.04
1,230,261	Fulham Shore	221	0.01

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
197,358	Future	7,401	0.37
21,164	Games Workshop Group	2,237	0.11
257,323	Gamma Communications	4,704	0.23
434,134	Genuit Group	3,030	0.15
186,947	GlaxoSmithKline	2,639	0.13
55,968	GlobalData	812	0.04
13,570	Gooch & Housego	175	0.01
415,753	Grafton Group	5,421	0.27
700,000	Grainger	2,149	0.11
553,982	GRC International Group	205	0.01
96,260	Greggs	2,910	0.14
364,175	Gresham Technologies	619	0.03
160,390	Hargreaves Services	675	0.03
627,426	Hays	1,027	0.05
78,897	HomeServe	721	0.04
8,580	Hotel Chocolat Group	34	–
285,000	Howden Joinery Group	2,568	0.13
135,794	HSBC	530	0.03
957,329	Hyve Group	1,072	0.05
1,937,991	IDOX	1,357	0.07
126,657	IG Design Group	608	0.03
324,404	IG Group	2,633	0.13
39,114	Impax Asset Management Group	440	0.02
202,472	Imperial Brands	3,197	0.16
190,000	Inchcape	1,574	0.08
240,612	Indivior	527	0.03
377,757	Informa	2,106	0.10
230,276	Inspeks Group	898	0.04
322,618	Inspiration Healthcare Group	377	0.02
145,252	Instem	1,293	0.06
306,026	IntegraFin Holdings	1,602	0.08
433,148	Intercede Group	390	0.02
80,000	Intermediate Capital Group	1,641	0.08
995,159	IQE	473	0.02
586,216	IQGeo Group	762	0.04
1,360,109	ITV	1,467	0.07
94,000	JD Wetherspoon	980	0.05
634,142	Jadestone Energy	552	0.03
387,717	JET2	5,017	0.25
202,651	Joules Group	405	0.02
254,663	JTC	1,874	0.09
11,136,209	Jubilee Metals Group	1,726	0.09
2,055	Judges Scientific	155	0.01
41,390	K3 Business Technology Group	72	–
105,360	K3 Capital Group	369	0.02
43,808	Kainos Group	830	0.04

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
10,755	Kape Technologies	45	–
31,664	Kenmare Resources	136	0.01
303,959	Keystone Law Group	2,474	0.12
1,307,626	Kier Group	1,577	0.08
1,252,510	Kin & Carta	3,645	0.18
406,622	Knights Group	1,753	0.09
241,734	Kooth	943	0.05
280,000	Lancashire Holdings	1,588	0.08
195,070	Learning Technologies Group	421	0.02
1,390,869	Legal & General Group	3,907	0.19
110,000	Liontrust Asset Management	2,343	0.12
41,175	Lok'n Store Group	329	0.02
56,486	London Stock Exchange Group	4,208	0.21
610,000	LondonMetric Property REIT	1,487	0.07
543,991	Loungers	1,561	0.08
136,784	M&C Saatchi	214	0.01
203,555	Macfarlane Group	276	0.01
372,889	Made.com Group	512	0.03
144,611	Marks & Spencer Group	271	0.01
256,770	Marlowe	2,157	0.11
349,149	Marshalls	2,650	0.13
1,776,485	McColl's Retail Group	342	0.02
238,580	Mears Group	489	0.02
904,690	Mercia Asset Management	384	0.02
180,938	Michelmersh Brick Group	230	0.01
94,596	Mind Gym	175	0.01
622,032	Mitie Group	434	0.02
1,266,566	MJ Hudson Group	633	0.03
54,147	Mondi	985	0.05
136,872	Moonpig Group	445	0.02
95,861	Mpac Group	527	0.03
217,126	MusicMagpie	371	0.02
1,023,901	NatWest Group	2,296	0.11
28,478	Next	2,355	0.12
1,220,294	NextEnergy Solar Fund	1,223	0.06
1,641,404	Nightcap	295	0.01
94,088	Norcros	281	0.01
827,791	Open Orphan	178	0.01
1,205,815	OSB Group	6,107	0.30
492,502	Oxford Metrics	522	0.03
36,627	Oxford Nanopore Technologies	224	0.01
360,000	Pagegroup	2,254	0.11
2,456,233	Pan African Resources	376	0.02
350,000	Paragon Banking Group	1,920	0.10
118,550	Patisserie Holdings*	–	–
507,106	PCI-PAL	319	0.02

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
388,979	Pearson	2,821	0.14
1,809,380	Petropavlovsk	367	0.02
890,701	Pets at Home Group	4,386	0.22
96,892	Plus500	1,360	0.07
142,275	Property Franchise Group	387	0.02
398,453	Purplebricks Group	245	0.01
227,835	PZ Cussons	515	0.03
859,683	QinetiQ Group	2,744	0.14
75,000	Rathbone Brothers	1,504	0.07
584,387	Reach	2,110	0.10
26,239	Reckitt Benckiser Group	1,543	0.08
747,762	Record	579	0.03
260,000	Redrow	1,728	0.09
197,040	RELX	4,292	0.21
52,870	Renew Holdings	408	0.02
1,391,583	Restaurant Group	1,470	0.07
505,000	Restore	2,424	0.12
1,521,813	Revolution Beauty Group	2,237	0.11
11,780	Rio Tinto	578	0.03
525,000	Rotork	1,827	0.09
222,831	Royal Dutch Shell 'B'	3,702	0.18
382,039	RWS	2,430	0.12
795,797	S4 Capital	6,597	0.33
220,140	Sage Group	1,573	0.08
110,000	Science Group	506	0.02
223,828	SDI Group	414	0.02
534,380	Secure Income REIT	2,242	0.11
549,614	Seraphine Group	1,044	0.05
2,566,535	Serco Group	3,455	0.17
401,582	Serica Energy	954	0.05
2,922,149	Shanta Gold	365	0.02
858,578	SigmaRoc	901	0.04
63,762	Smart Metering Systems	529	0.03
45,382	Smith & Nephew	591	0.03
228,961	Smiths Group	3,305	0.16
58,475	Sopheon	538	0.03
1,303,971	Sosandar	372	0.02
52,500	Spectris	2,047	0.10
1,593,204	Spirent Communications	4,480	0.22
251,505	Springfield Properties	370	0.02
672,564	SSP Group	1,866	0.09
164,904	St James's Place	2,499	0.12
81,287	Standard Chartered	356	0.02
383,042	SThree	2,222	0.11
274,178	Supreme	521	0.03
790,966	Surface Transforms	514	0.03

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 19.67% (6.50%) (continued)			
344,558	Synthomer	1,716	0.08
622,383	SysGroup	218	0.01
63,328	Tatton Asset Management	306	0.02
431,597	Taylor Wimpey	675	0.03
112,697	Telecom Plus	1,373	0.07
424,998	Ten Lifestyle Group	421	0.02
2,072,838	Tesco	5,322	0.26
419,475	THG	2,209	0.11
452,345	Time out Group	258	0.01
164,604	Tortilla Mexican Grill	298	0.01
1,475,045	Totally	524	0.03
205,080	TPXimpact Holdings	513	0.03
171,665	Trackwise Designs	360	0.02
58,624	Tracsis	586	0.03
165,400	Travis Perkins	2,562	0.13
36,399	Treatt	360	0.02
402,020	Trifast	573	0.03
248,337	Trinity Exploration & Production	338	0.02
128,820	Trustpilot Group	487	0.02
57,991	Unilever	2,350	0.12
110,000	Unite Group	1,215	0.06
499,439	Various Eateries	405	0.02
711,905	Vesuvius	3,453	0.17
61,808	Vianet Group	70	–
148,891	Vistry Group	1,785	0.09
120,000	Vitec Group	1,818	0.09
210,466	Volex	901	0.04
450,000	Volution Group	2,264	0.11
203,493	Watches of Switzerland Group	1,939	0.10
61,883	Water Intelligence	774	0.04
93,839	Weir Group	1,573	0.08
9,775	WH Smith	168	0.01
5,768	Whitbread	195	0.01
505,761	Wickes Group	1,159	0.06
49,805	Wizz Air	2,540	0.13
232,274	Wm Morrison Supermarkets	681	0.03
43,622	WPP	438	0.02
205,717	Xeros Technology Group	272	0.01
1,103,302	XLMedia	485	0.02
475,407	Zoo Digital Group	556	0.03
		396,541	19.67
Australia Equities – 0.01% (0.00%)			
3,898,334	CAP-XX	218	0.01

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Austria Equities – 0.42% (0.19%)			
52,638	AMS	708	0.03
20,257	Andritz	818	0.04
116,535	BAWAG Group	5,458	0.27
61,222	Wienerberger	1,556	0.08
		8,540	0.42
Belgium Equities – 0.16% (0.00%)			
3,046	Ackermans & van Haaren	392	0.02
15,780	D'ieteren	1,757	0.09
37,587	Telenet Holding	1,068	0.05
		3,217	0.16
Canada Equities – 0.02% (0.00%)			
25,853	Barrick Gold	338	0.02
China Equities – 0.05% (0.11%)			
9,686	Alibaba Group	1,062	0.05
Denmark Equities – 0.68% (0.20%)			
1,634	ALK-Abello	507	0.02
260	AP Moller - Maersk	533	0.03
5,628	Chemometec	636	0.03
10,819	DSV Panalpina	1,943	0.10
31,597	GN Store Nord	1,635	0.08
45,619	Novo Nordisk	3,287	0.16
4,628	Rockwool International	1,468	0.07
13,624	Royal Unibrew	1,225	0.06
12,275	SimCorp	1,094	0.05
41,327	Topdanmark	1,578	0.08
		13,906	0.68
Finland Equities – 0.63% (0.14%)			
37,542	Cargotec	1,398	0.07
51,374	Huhtamaki	1,725	0.09
107,520	Metsa Board	754	0.04
196,279	Metso Outotec	1,330	0.07
29,904	Neles	304	0.01
55,728	Nokian Renkaat	1,491	0.07
137,746	Nordea Bank Abp	1,318	0.06
76,916	Sampo	2,839	0.14
20,033	Sanoma	232	0.01

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Finland Equities – 0.63% (0.14%) (continued)			
50,679	Valmet	1,358	0.07
		12,749	0.63
France Equities – 1.26% (0.89%)			
72,561	Bureau Veritas	1,671	0.08
26,396	Cie Plastic Omnium	502	0.02
118,309	Elis	1,683	0.08
18,941	EssilorLuxottica	2,767	0.14
23,056	Eurazeo	1,617	0.08
6,086	Gaztransport Et Technigaz	336	0.02
3,437	LVMH Moet Hennessy Louis Vuitton	1,857	0.09
14,429	Maisons du Monde	222	0.01
11,894	Orpea	1,032	0.05
22,801	Publicis Groupe	1,150	0.06
122,538	Rexel	1,776	0.09
29,215	Rubis	756	0.04
26,479	Schneider Electric	3,262	0.16
54,987	SCOR SE	1,196	0.06
6,585	Soitec	1,056	0.05
178,831	SPIE	3,033	0.15
10,740	Total	384	0.02
4,634	Trigano	649	0.03
52,470	Vivendi	493	0.03
		25,442	1.26
Germany Equities – 1.28% (0.87%)			
230,024	Aroundtown	1,193	0.06
46,656	Brenntag	3,210	0.16
8,256	Dermapharm	595	0.03
21,807	Deutsche Boerse	2,652	0.13
24,478	Duerr	777	0.04
15,932	Evotec	571	0.03
25,951	GEA Group	878	0.04
14,648	Gerresheimer	1,078	0.05
15,642	HelloFresh	1,082	0.05
24,307	KION Group	1,699	0.08
13,324	Norma Group	412	0.02
10,757	Porsche Automobil	793	0.04
100,775	ProSiebenSat.1 Media	1,394	0.07
13,611	SAP	1,382	0.07
21,311	Scout24	1,110	0.05
4,173	Siltronic	492	0.02
8,654	Sixt SE	978	0.05

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Germany Equities – 1.28% (0.87%) (continued)			
47,514	Software AG	1,629	0.08
21,561	Stabilus	1,115	0.05
52,927	Stroer	3,254	0.16
		26,294	1.28
Iceland Equities – 0.01% (0.00%)			
52,518	Marel HF	257	0.01
Ireland Equities – 0.31% (0.28%)			
523,898	Origin Enterprises	1,420	0.07
31,946	Ryanair	456	0.02
111,867	Smurfit Kappa Group	4,380	0.22
		6,256	0.31
Israel Equities – 0.02% (0.00%)			
452,037	BATM Advanced Communications	413	0.02
Italy Equities – 0.79% (0.19%)			
29,139	ACEA	465	0.02
57,299	Amplifon	2,074	0.10
209,273	Autogrill	1,239	0.06
50,907	Banca Generali	1,671	0.08
36,463	BFF Bank	264	0.01
32,383	De' Longhi	874	0.04
8,596	DiaSorin SpA	1,359	0.07
375,071	FinecoBank Banca Fineco	5,082	0.25
518,926	Hera	1,598	0.08
35,564	Interpump Group	1,718	0.08
		16,344	0.79
Japan Equities – 0.11% (0.00%)			
6,200	Nintendo	2,215	0.11
Luxembourg Equities – 0.02% (0.00%)			
47,084	Global Fashion Group	400	0.02
Netherlands Equities – 1.93% (0.90%)			
69,111	Aalberts	2,980	0.15
52,893	Arcadis	1,964	0.10
6,467	ASM International	1,903	0.09
63,030	ASR Nederland	2,147	0.11

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Netherlands Equities – 1.93% (0.90%) (continued)			
18,211	BE Semiconductor Industries	1,089	0.05
69,919	Corbion	2,526	0.12
25,398	Euronext	2,153	0.11
19,796	Flow Traders	573	0.03
81,573	Fugro	636	0.03
15,933	IMCD	2,280	0.11
48,167	Just Eat Takeaway.com	2,692	0.13
195,260	Koninklijke KPN	459	0.02
17,472	Koninklijke Philips	585	0.03
2,284	NXP Semiconductors	337	0.02
472,639	PostNL	1,703	0.08
55,726	Prosus	3,326	0.17
46,317	Signify	1,722	0.08
52,312	STMicroelectronics	1,693	0.09
52,470	Universal Music Group	1,041	0.05
65,821	Van Lanschot Kempen	1,509	0.07
73,823	Wolters Kluwer	5,890	0.29
		39,208	1.93
Norway Equities – 0.17% (0.07%)			
111,994	Atea	1,470	0.07
15,444	Bakkafrost P/F	964	0.05
31,039	Borregaard	553	0.03
15,619	Nordic Semiconductor	351	0.02
		3,338	0.17
South Africa Equities – 0.02% (0.00%)			
13,570	Caledonia Mining	118	0.01
299,872	Tharisa	291	0.01
		409	0.02
Spain Equities – 0.29% (0.11%)			
128,548	Applus Services	912	0.04
31,527	CIE Automotive	592	0.03
70,436	Ebro Foods	995	0.05
45,031	Fluidra	1,333	0.07
191,774	Grifols	2,105	0.10
		5,937	0.29

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Sweden Equities – 0.93% (0.36%)			
80,876	AAK	1,292	0.06
235,970	Bravida	2,345	0.12
163,835	Coor Service Management	1,137	0.06
89,542	Dometic Group	996	0.05
223,476	Dustin	1,765	0.09
55,033	Getinge	1,655	0.08
122,830	Hexpol	1,044	0.05
165,734	Husqvarna	1,480	0.07
25,994	Intrum AB	522	0.03
26,140	Lindab International	489	0.02
13,985	Loomis	282	0.01
73,384	Nolato AB	648	0.03
118,531	Nordnet	1,555	0.08
79,017	Stillfront Group	365	0.02
33,386	Thule Group	1,238	0.06
128,752	Trelleborg	2,031	0.10
		18,844	0.93
Switzerland Equities – 1.21% (0.97%)			
2,997	Bucher Industries	1,059	0.05
18,427	DKSH	1,071	0.05
776	Givaudan	2,625	0.13
14,749	Kuehne & Nagel International	3,793	0.19
46,272	Novartis	2,847	0.14
8,581	Roche	2,337	0.12
1,378	SGS	2,983	0.15
104,366	SIG Combibloc Group	2,059	0.10
113,241	Softwareone	1,854	0.09
3,398	Tecan Group	1,438	0.07
14,444	Temenos	1,468	0.07
3,629	Zurich Insurance Group	1,113	0.05
		24,647	1.21
US Equities – 0.83% (0.48%)			
2,520	Alphabet	5,038	0.25
5,791	Autodesk	1,239	0.06
439,660	Boku	857	0.04
74,185	Cargurus	1,717	0.08
131,090	Dianomi	608	0.03
5,338	eBay	278	0.01
5,617	Equifax	1,071	0.05
4,713	Etsy	719	0.04
10,653	Facebook	2,689	0.13
8,469	Newmont	338	0.02

Portfolio Statement (continued)

As at 30th September 2021

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
US Equities – 0.83% (0.48%) (continued)			
146,747	PureTech Health	522	0.03
56,703	Somero Enterprises	300	0.01
9,581	Visa	1,614	0.08
		16,990	0.83
Forward FX Currency Contracts – 0.00% (0.00%)			
EUR 559,000	Bought EUR, Sold GBP 479,144 for settlement on 10/12/2021	3	–
EUR (8,628,000)	Sold EUR, Bought GBP 7,421,460 for settlement on 10/12/2021	(23)	–
JPY (297,090,000)	Sold JPY, Bought GBP 1,959,787 for settlement on 10/12/2021	(13)	–
		(33)	–
Portfolio of investments – 98.97% (99.37%)		2,003,256	98.97
Net other assets – 1.03% (0.63%)		20,850	1.03
Net assets		2,024,106	100.00

The percentages in brackets show the equivalent sector comparatives as at 30th September 2020.

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

† Income shares/units.

* Delisted shares/units.

≠ Suspended security since 3rd June 2019.

≈ The name of the LF Woodford Equity Income Fund has been amended to reflect the fact that Woodford Investment Management is no longer the investment manager to the Fund. The name of the Company, the umbrella fund of which the Fund is a sub-fund, has also been amended. Consequently, the name of the Fund changed from "LF Woodford Equity Income Fund" to "LF Equity Income Fund", and the name of the Company changed from "LF Woodford Investment Fund" to "LF Investment Fund".

On 15th October 2019, Link Fund Solutions announced that, as Authorised Corporate Director, it had terminated Woodford Investment Management's contract to manage the LF Woodford Equity Income Fund with immediate effect. The Fund is in the process of winding up and returning resulting cash to investors at the earliest opportunity. This process began in January 2020 and partial distributions were made to unitholders on 30th January, 25th March, 26th August and 11th December 2020.

Specialist broker PJT Partners (UK) Limited (Park Hill) was appointed as transition manager to assist in selling the portfolio of unlisted/highly illiquid listed assets. BlackRock Advisors (UK) Limited was appointed as transition manager to prepare the listed portfolio for the winding up of the Fund, which we understand has now been realised.

Portfolio Statement (continued)

As at 30th September 2021

As at 30th September 2021, the LF Equity Income Fund position was valued based on the latest available price at the 11am valuation point produced by Link Fund Solutions. This price reflected relevant developments from the suspension of the Fund up to the date of the valuation and other factors pertinent to the valuation.

General Information

Launch date:	3rd April 2001
Accounting Periods:	Interim – 31st March Final – 30th September
Distribution Dates:	Interim – 31st May Final – 30th November
Minimum initial investment:	£150,000*
Management charges:	Initial – 5% Annual – 0.75%

* 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% of the net asset value of the Trust between £100 million and £1 billion; and 0.005% on balances greater than £1 billion 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 Trust 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.

Unit Price

Units in the Trust 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 Trust attributable to units of that class by:

- taking the proportion of the net asset value of the relevant Trust attributable to the units of the class concerned at the valuation point of that Trust;
- 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 Trust is normally valued at 11:00 am each day for the purpose of determining the unit price. With the agreement of the Trustee and Depositary the Trust 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 Trust 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), HL App (HL Live) and our Helpdesk on 0117 900 9000.

General Information (continued)

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 Trust 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 Trust. 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.

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; 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 Trusts to retail clients.

Assessment of Value

For each of its funds, Hargreaves Lansdown Fund Managers Limited (HLFM) published an Assessment of Value covering the previous financial year. These statements are available at www.hl.co.uk/funds/hl-funds/multi-manager-funds/other-documents. Assessment of Value covering the financial year ended 30th September 2021 will be published no later than 31 January 2022.

Remuneration

In accordance with the requirements of the Alternative Investment Fund Managers Directive (AIFMD), Hargreaves Lansdown Fund Managers Limited (HLFM) is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under AIFMD.

That legislation requires an Alternative Investment Fund Manager (AIFM) to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management and do not encourage risk taking that is inconsistent with the risk profile and the rules of the funds it manages, nor impair compliance with the AIFM's duty to act in the best interest of the funds.

General Information (continued)

Remuneration (continued)

HLFM is part of a larger group, Hargreaves Lansdown Plc (Parent), within which remuneration policies are the responsibility of a Remuneration Committee comprised entirely of non-executive directors. That committee has established a remuneration policy which sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration within the group are calculated primarily by reference to the performance of each individual, the profitability of the relevant business unit and the profitability of the Parent.

Within the group, all staff are employed by the Parent with none employed directly by the Manager. A number of staff are considered, however, to devote the whole of their time to the business of the Manager. The costs of a number of other individuals are allocated between the entities within the group based on the expected amount of time devoted to each.

The total remuneration of those individuals considered to be key risk takers as defined by AIFMD, including those whose time is allocated between group entities, for the financial year ended 30th June 2021 is analysed below:

Fixed Remuneration	£1,177,275
Variable Remuneration	£1,280,769
Total	£2,458,044
Full Time Equivalent number of staff:	6.1

The staff members included in the above analysis support the full range of Multi-Manager Funds managed by the Manager. A breakdown of these figures in relation to those funds individually does not exist.

Leverage

In accordance with the Alternative Investment Funds Management Directive (AIFMD) the Manager is required to disclose the 'leverage' of the Trust. Leverage is defined as any method by which the Trust increases its exposure through borrowing or the use of derivatives. 'Exposure' is defined by either 'gross' or 'commitment method' and the Trust must not exceed maximum exposures under both methods.

The 'gross' method shall be the sum of the absolute value of all positions and each derivative position will be converted into the equivalent position in the underlying assets. The 'gross' method shall exclude the value of any cash and cash equivalents from the sum of the absolute value of all positions. The Manager must set maximum leverage levels and operate the Trust within these levels at all times. The 'commitment' method shall be the sum of the absolute value of all positions and each derivative position (excluding forward currency positions) will be converted into the equivalent position in the underlying assets.

There are two ways in which the Manager can introduce leverage to the Trust. These are by borrowing money using its overdraft facility, and by investing in derivative positions. Neither of these are important features in terms of how the Manager manages the Trust. There are no collateral, asset re-use or guarantee arrangements involved in the Manager's current approach to leverage.

The maximum gross leverage permitted in the Trust is 220%. The maximum commitment leverage permitted in the Trust is 110%. It is expected that the Manager will operate the Trust well within these limits.

As at year end, 30th September 2021, the total leverage in the Trust did exceed 100%, the maximum gross leverage in the Trust was 101.48% and the maximum commitment leverage was 102.36% (30th September 2020: gross 100.52%, commitment 100.87%).

General Information (continued)

Change in Depositary

The depositary of the Trust has changed with effect from 1st September 2021. The depositary is the entity we are required by regulation to appoint to carry out certain services in relation to the Trust, namely, safekeeping of the assets, cash monitoring and regulatory oversight.

As you may know, the depositary of the Trust was Northern Trust Global Services SE, UK branch ("NTGS-UK"). NTGS-UK is the UK branch of Northern Trust Global Services SE, which is a bank established in Luxembourg, and was permitted to provide trustee and depositary services into the UK by virtue of having extra permissions in the UK.

As a consequence of the UK's decision to leave the European Union, however, the UK financial services regulator which regulates NTGS-UK, the Financial Conduct Authority ("FCA"), has provided that UK branches of EU banks are no longer able to provide trustee and depositary services into the UK and those services have to be provided from a UK incorporated company. The FCA has provided a grace period for firms to implement the new rules which came into force on 1st January 2021.

In order to comply with the new rules, Northern Trust has established Northern Trust Investor Services Limited ("NTISL") to be the new trustee and depositary. NTISL is a company established in England and Wales and is authorised by the FCA to be a trustee and depositary. NTISL will provide the same services as NTGS-UK with the same processes and procedures in place. The change of depositary took place on 1st September 2021 and we have amended the Prospectus of Trust to reflect the details of NTISL as from that date.

Important Investment Notes

You should be aware of the risks involved in investing in the Trust. 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 Trust.

An investment in the Trust 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 Trust'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 Trust's investment objectives, as this will depend (in part) on evolving market conditions and the available investment opportunities over time.

The Trust'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 Trust 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 Trust 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 Trust. As with any investment, inflation will reduce the real value (i.e. purchasing power) of the capital over time.

The Trust 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 Trust losing value.

The Trust 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 Trust conducts transactions with various counterparties and there is a risk that a counterparty will not deliver an investment (for purchases by the Trust) or cash (for sales by the Trust) after the Trust 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 Trust is an authorised unit trust scheme under Section 243 of the Financial Services and Markets Act 2000.

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

The Trust 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 Trust and is therefore an alternative investment fund manager (AIFM) within the terms of AIFMD. The Manager will manage the Trust in accordance with the provisions of the AIFMD, The Alternative Investment Fund Managers Regulations 2013 and the FCA Rules.

Trust Information

The Comparative Tables on pages 25 and 26 give the performance of each active unit class in the Trust.

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 Trust'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 trust 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 Trust.

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 Trust 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 market sentiment.

Trust Information (continued)

Comparative Tables

Class A Accumulation Units

Change in Net Asset Value per Unit

<i>For the year ended</i>	<i>30/09/21 (pence per unit)</i>	<i>30/09/20 (pence per unit)</i>	<i>30/09/19 (pence per unit)</i>
Opening net asset value per unit	377.62	382.20	385.73
Return before operating charges*	97.25	0.87	1.90
Operating charges (calculated on average price)	(6.03)	(5.45)	(5.43)
Return after operating charges*	91.22	(4.58)	(3.53)
Distributions	(0.67)	(3.00)	(3.63)
Distributions on accumulation units	0.67	3.00	3.63
Closing net asset value per unit	468.84	377.62	382.20

* after direct transaction costs of**: 0.20 0.13 0.05

Performance

Return after charges 24.16% (1.20)% (0.92)%

Other information

Closing net asset value (£'000)	1,401,555	1,193,213	1,345,277
Closing number of units	298,943,371	315,985,663	351,984,084
Operating charges†	1.39%	1.48%	1.47%
Direct transaction costs	0.05%	0.03%	0.01%

Prices^

Highest offer price	–	–	407.28
Lowest bid price	–	–	356.63
Highest mid price	480.93	400.92	392.42
Lowest mid price	370.43	290.62	340.03

** 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 Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. It includes the annual management fee as well as the administrative costs incurred by the Trust. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. In line with the Investment Association "Disclosure of Fund Charges and Costs" circular published July 2020, the OCF quoted includes costs associated with investment in Packaged Retail and Insurance-based Investment Products (PRIIPs) that were previously excluded from the OCF calculation.

^ On 22nd October 2018, HL Multi-Manager Funds changed from a dual pricing basis (bid and offer) to be single priced.

Trust Information (continued)

Comparative Tables (continued)

Class M Accumulation Units

Change in Net Asset Value per Unit

	30/09/21 (pence per unit)	30/09/20 (pence per unit)	30/09/19 (pence per unit)
<i>For the year ended</i>			
Opening net asset value per unit	377.60	382.19	385.72
Return before operating charges*	97.27	0.86	1.91
Operating charges (calculated on average price)	(6.05)	(5.45)	(5.44)
Return after operating charges*	91.22	(4.59)	(3.53)
Distributions	(0.69)	(3.00)	(3.63)
Distributions on accumulation units	0.69	3.00	3.63
Closing net asset value per unit	468.82	377.60	382.19

* after direct transaction costs of**: 0.20 0.13 0.05

Performance

Return after charges 24.16% (1.20)% (0.92)%

Other information

Closing net asset value (£'000)	622,551	436,767	440,472
Closing number of units	132,790,258	115,667,701	115,250,436
Operating charges†	1.39%	1.48%	1.47%
Direct transaction costs	0.05%	0.03%	0.01%

Prices^

Highest offer price	–	–	407.27
Lowest bid price	–	–	356.63
Highest mid price	480.94	400.91	392.41
Lowest mid price	370.44	290.61	340.02

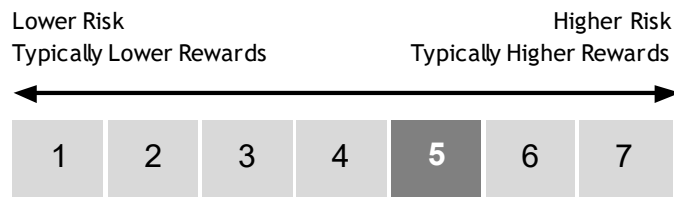
** Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the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

† Operating charges, otherwise known as the OCF is the ratio of the Trust's total disclosable costs (excluding overdraft interest) to the average net assets of the Trust. It includes the annual management fee as well as the administrative costs incurred by the Trust. Included within the OCF are synthetic costs which include the OCF of the underlying funds weighted on the basis of their investment proportion. In line with the Investment Association "Disclosure of Fund Charges and Costs" circular published July 2020, the OCF quoted includes costs associated with investment in Packaged Retail and Insurance-based Investment Products (PRIIPs) that were previously excluded from the OCF calculation.

^ On 22nd October 2018, HL Multi-Manager Funds changed from a dual pricing basis (bid and offer) to be single priced.

Trust Information (continued)

Synthetic Risk and Reward Indicator ("SRRI")



The Trust is ranked at 5 because trusts of this type have experienced moderate to high rises and falls in value in the past.

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

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

Even a trust 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.

Statement of the Manager's Responsibilities

The Collective Investment Schemes Sourcebook published by the Financial Conduct Authority (the "COLL Sourcebook") requires the Manager to prepare financial statements for each annual and interim accounting period which give a true and fair view of the financial affairs of the Trust and of the net revenue and net capital gains on the scheme property of the Trust for the year. In preparing the financial statements the Manager is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice (SORP) relating to financial statements of UK Authorised Funds as issued by The Investment Association in May 2014 and amended in June 2017;
- select suitable accounting policies and then apply them consistently;
- follow United Kingdom Generally Accepted Accounting Principles (UK GAAP) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland';
- prepare the financial statements on a going concern basis unless it is inappropriate to presume the Trust will continue in operation;
- make judgements and estimates that are reasonable and prudent; and
- keep proper accounting records which enable it to demonstrate that the financial statements, as prepared, comply with the above requirements.

The Manager is responsible for the management of the Trust in accordance with its Fund Deed, the Scheme Particulars and the COLL Sourcebook, and for ensuring that reasonable steps are taken for the prevention and detection of fraud and other irregularities within its systems.

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.

L N Gardhouse
(Director)
20th December 2021

M P Hastings
(Director)

Statement of the Corporate Trustee's Responsibilities in Respect of the Scheme and Report of the Corporate Trustee to the Unitholders of the HL Multi-Manager Special Situations Trust (the "Trust") for the year ended 30th September 2021

The Depositary in its capacity of Corporate Trustee must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD"), (together "the Regulations") the Scheme Orders and Scheme Particulars (together "the Scheme documents") as detailed below.

The Corporate Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Corporate Trustee is responsible for the safekeeping of the assets of the Trust in accordance with the Regulations.

The Corporate Trustee must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations and the Scheme documents;
- the value of units of the Trust are calculated in accordance with the Regulations and the Scheme documents;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations and the Scheme documents; and
- the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Corporate Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme Documents in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Corporate Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Trust, acting through the AIFM, has been managed in accordance with the rules in the Sourcebook, the Scheme documents and as required by the Alternative Investment Fund Managers Directive (AIFMD).

Northern Trust Investor Services Limited
UK Trustee and Depositary Services
20th December 2021

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Special Situations Trust

Opinion

We have audited the financial statements of HL Multi-Manager Special Situations Trust (the "Trust") for the year ended 30th September 2021, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes, the Distribution Tables and accounting policies of the Trust, which include a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and of the net revenue and the net capital gains on the scheme property of the Trust for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting standard applicable to the UK and Republic of Ireland'.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Special Situations Trust (continued)

Other information (continued)

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the Manager

As explained more fully in the Statement of Manager's Responsibilities set out on page 28, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to wind up or terminate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Special Situations Trust (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are United Kingdom Accounting Standards, the Investment Management Association SORP, the Financial Conduct Authority Collective Investment Schemes Sourcebook, the Trust Deed and the Prospectus.
- We understood how the Trust is complying with those frameworks through discussions with the Manager and the Trust's administrator and a review of the Trust's documented policies and procedures.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. Our procedures involved journal entry testing by specific risk criteria, with a focus on manual top side financial statement adjustments and journals indicating large or unusual transactions based on our understanding of the business. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return. We incorporated unpredictability into the nature, timing and extent of our testing.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Trust.
- Due to the regulated nature of the Trust, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Special Situations Trust (continued)

Use of our report

This report is made solely to the Trust's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Trust's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
London
20th December 2021

Statement of Total Return

For the year ended 30th September 2021

	Notes	30/09/21		30/09/20	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	5		388,084		(41,333)
Revenue	7	20,302		26,672	
Expenses	8	(16,829)		(13,228)	
Interest payable and similar charges	10	(65)		(37)	
Net revenue before taxation		3,408		13,407	
Taxation	9	(488)		(14)	
Net revenue after taxation			2,920		13,393
Total return before distributions			391,004		(27,940)
Distributions	10		(2,920)		(13,399)
Change in net assets attributable to unitholders from investment activities			388,084		(41,339)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30th September 2021

	30/09/21		30/09/20	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		1,629,980		1,785,749
Amounts receivable on issue of units	273,499		170,967	
Amounts payable on cancellation of units	(270,389)		(298,496)	
		3,110		(127,529)
Dilution levy		7		5
Change in net assets attributable to unitholders from investment activities		388,084		(41,339)
Retained distribution on accumulation units		2,925		13,094
Closing net assets attributable to unitholders		2,024,106		1,629,980

Balance Sheet

As at 30th September 2021

	Notes	30/09/21 £'000	30/09/20 £'000
ASSETS			
Fixed assets:			
Investments		2,003,292	1,619,761
Current assets:			
Debtors	11	7,206	6,176
Cash and cash equivalents	12	19,800	8,711
Total assets		2,030,298	1,634,648
LIABILITIES			
Investment liabilities		(36)	(34)
Creditors:			
Bank overdraft	12	(1,676)	—
Other creditors	13	(4,480)	(4,634)
Total liabilities		(6,192)	(4,668)
Net assets attributable to unitholders		2,024,106	1,629,980

Notes to the Financial Statements

For the year ended 30th September 2021

1 Statement of Compliance

The Financial Statements have been prepared in compliance with United Kingdom Generally Accepted Accounting Principles (UK GAAP) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 as amended in June 2017.

There are no material events that have been identified that may cast significant doubt about the Trust's ability to continue as going concern for at least the next twelve months from the date these financial statements are authorised for issue. The financial statements have been prepared on a going concern basis. This assessment is made as at the date of issue of these financial statements and is based additionally to the following:

- The ability, post the announcement of the World Health Organisation of the COVID-19 pandemic, of the Manager and its third party suppliers to continue business as usual as each entity moved their operational functionality from an office based to a hybrid working environment; and
- Whilst it is recognised that COVID-19 presents many challenges from an investment perspective, it is considered that these do not impact the ability of the Trust to continue as a going concern due to its liquid balance sheet resources that are considerably in excess of annual operating expenditure.

The principal accounting policies which have been applied consistently are set below.

2 Summary of Significant Accounting Policies

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss.

(b) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Trust operates (the "functional currency"). The financial statements are presented in Pounds Sterling, which is the Scheme's functional and presentation currency rounded to the nearest £'000.

(c) Valuation of Investments

Quoted investments have been valued at 11:00 am on the 30th September 2021, being the last business day of the accounting period. Collective investment schemes are valued at cancellation prices or quoted bid prices for dual priced funds and at quoted prices for single priced funds.

Investments which are not quoted, or suspended, are stated at the Manager's best estimate of fair value. The Manager's Fair Value Committee, which is independent of the Portfolio Manager's team, provides a recommendation of fair values based on the principles of fair value in accordance with FRS102 and recognised valuation techniques that take account of the cost of the investment, recent arm's length transactions in the same or similar investments, financial performance of the investment, latest dealing prices, achievement or not of key milestones and other relevant factors.

All realised and unrealised gains and losses on investments are recognised as a net capital gain/loss in the Statement of Total Return. Unrealised gains and losses comprise changes in the fair value of investments for the year and from reversal of prior period's unrealised gains and losses for investments which were realised in the current year. Realised gains and losses represent the difference between an investment's initial carrying amount and disposal amount. The cost of investments sold is accounted for on a weighted average basis.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

2 Summary of Significant Accounting Policies (continued)

(d) Foreign Exchange

The values of assets and liabilities denominated in foreign currencies have been translated into GBP at the exchange rates prevailing at 11:00 am on balance sheet date. Foreign currency transactions are translated into GBP at the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and those from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Total Return.

(e) Revenue

Bank and other interest receivable is recognised on an accruals basis. All distributions from collective investment schemes are recognised when the investments are declared ex-dividend. Equalisation received on distributions from underlying collective investment schemes is recognised as a return of capital. The majority of underlying investments refund a percentage of their annual management fee to the Trust, and this is recognised on an accruals basis and included within either capital or revenue depending on the underlying collective investment schemes' distribution policy in relation to the annual management fee.

Dividends from quoted equity and non-equity shares are recognised net of attributable tax credits when the security is quoted ex-dividend. Special dividends are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. Special dividends recognised as revenue are included in the amounts available for distribution. The tax treatment follows that of the principal amount.

Ordinary stock dividends are recognised wholly as revenue and form part of distribution, which are based on the market value of the shares on the date they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is taken to capital.

Dividends from suspended/unquoted holdings will be recognised when the right to receive payment is established.

Any reported revenue from an offshore fund with reporting status from HMRC, in excess of any distribution received in the reporting period, is recognised as revenue no later than the date on which the reporting fund makes this information available.

(f) Expenses

All expenses (excluding those relating to the sale and purchase of investments) are charged initially against revenue.

(g) Taxation

Corporation tax is provided at 20% on taxable revenue after deduction of allowable expenses.

(h) Deferred Taxation

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. Deferred tax liabilities are not discounted.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

3 Distribution Policies

(a) Basis of Distribution

Revenue produced by the Trust's investment decisions accumulates during each accounting year. If, at the end of the accounting year, revenue exceeds expenses, the net revenue of the Trust is available to be distributed to unitholders. In order to conduct a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion, up to a maximum of the revenue available for the period. As only accumulation units are in issue, no cash distributions are made. Distributions are rolled up to increase the value of the accumulation units. The distributions are paid as dividend distributions.

(b) Distributions from Collective Investment Schemes

Equalisation received on distributions from the underlying collective investment schemes is not included in the distribution for the year and has been treated as a reduction in the book cost of the investment. Non-dividend revenue from offshore reporting funds is recognised when declared as reportable income, and treated as revenue for taxation and distribution purposes.

(c) Equalisation

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to Income Tax but must be deducted from the cost of units for Capital Gains Tax purposes.

(d) Unclaimed Distributions

Distributions which have remained unclaimed by unitholders for over six years are credited to the capital property of the Trust.

(e) Apportionment to multiple unit classes

With the exception of the Manager's periodic charge, which is directly attributable to individual unit classes, all revenue and expenses are apportioned to the Trust's unit classes pro rata to the value of the net assets of the relevant unit class on the day the revenue or expense is recognised.

(f) Tax relief on capital expenses

Tax relief on expenses charged to capital is applied and transferred between the revenue and capital property of the Trust.

4 Risk Management Policies

In pursuing its investment objectives, the Trust holds financial instruments which comprise collective investment schemes and transferable securities, cash balances and debtors and creditors that arise directly from its operations. The Manager reviews (and agrees with the Trustee) policies for managing the risks associated with these instruments and they are summarised below. During 2020, the Manager introduced enhanced liquidity risk monitoring and management procedures; otherwise these policies have been consistent to prior year and have remained unchanged since the beginning of the accounting period to which the financial statements relate. The risk management policies of the Manager are explained in more detail in the Prospectus for the Trust.

Market Price Risk

The primary risk facing the Trust is market price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or currency movement. The Manager's policies for managing the market price risk are summarised below and have been applied consistently throughout the year.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

4 Risk Management Policies (continued)

Market Price Risk (continued)

The Trust's investment portfolio is exposed to market price fluctuations which are monitored daily by the Manager in pursuance of the investment objective and policy set out on page 1. Adherence to the investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Scheme Particulars and in the Collective Investment Schemes Sourcebook published by the Financial Conduct Authority mitigate the risk of excessive exposure to any particular type of investment or issuer and ultimately the market risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in the foreign exchange rate.

The Trust has three principal areas where it has exposure to foreign currency risk:

- i) Movements in exchange rates affecting the value of investments (being: 1) the collective investment schemes in which the funds invest where these are denominated in a currency other than GBP, 2) the underlying investments of those collective investment schemes where denominated in a currency other than GBP or 3) transferable securities held directly by the funds where denominated in a currency other than GBP);
- ii) Short-term timing differences such as exposure to exchange rate movement during the period between when a purchase or sale is entered into and the date when settlement of the investment occurs; and
- iii) Movements in exchange rates affecting revenue received in foreign currency and converted into GBP on the day of receipt.

At the year end date, a portion of the net assets of the Trust were denominated in currencies other than GBP with the effect that the Balance Sheet and the Statement of Total Return can be affected by exchange rate movements.

Currency risk comes from exposure to underlying collective investment schemes and transferable securities not denominated in GBP. The currency risk is not actively managed by the Manager but where it is indirectly exposed the currency risk is managed by the underlying collective investment scheme managers. Where there is exposure to collective investment schemes or transferable securities held directly by the Trust not denominated in GBP the exposure to these funds is measured and monitored daily.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The underlying collective investment schemes may expose the Trust indirectly to interest rate risk, as part of their investment strategy which is monitored and managed by the investment managers of those underlying collective investment schemes.

The Trust has minimal direct interest rate risk which only applies to bank balances and overdrafts. Interest on the Trust's bank balances/overdraft is calculated at a variable rate by reference to GBP bank deposit/overdraft rates or the international equivalent.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or cash equivalents.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

4 Risk Management Policies (continued)

Liquidity Risk (continued)

The main obligation of the Trust is the redemption of any units that investors wish to sell. The Trust's assets comprise readily realisable positions in collective investment schemes and direct holdings in transferable securities, the majority of which can be readily sold.

The Trust has little exposure to cash flow risk. A cash balance is held within the Trust to deal with typical redemptions and on a daily basis, the Manager is aware of the cash movements within the Trust. The Trust has the ability to borrow money - up to 10% of its NAV and the Manager retains an overdraft facility which can be used to borrow money to help with short term liquidity.

The Trust adopted enhanced liquidity risk management procedures during the financial year. Liquidity of the Trust is monitored and tested on a daily basis by assessing the liquidity of underlying fund holdings (using data provided monthly by the external managers of these funds) and directly held assets. This includes the estimated liquidity of Trust assets over various time periods (based on recent market volumes) and the time required to fully liquidate all Trust assets. Investor redemption activity is also monitored daily and analysed over various intervals of up to two years. Stress testing is undertaken periodically to identify where significant liquidity risks may exist and how changes in investor redemption behaviour and prevailing market conditions may affect the ability to readily realise the sale of Trust assets. Based on this analysis, as of 30th September 2021, 77.66% (30th September 2020: 80.33%) of the portfolio could be sold under normal conditions and 72.99% (30th September 2020: 77.50%) under stressed condition.

The Manager has the ability to defer or suspend redemptions in severe liquidity crisis scenarios.

The Trust's main liability is instructions from investors to redeem units with no notice. In order to honour such instructions the Trust holds highly liquid assets which can be redeemed at short notice.

Counterparty Risk

Certain transactions in investments that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities. The Trust only buys and sells investments through Fund Managers which have been approved by the Manager as an acceptable counterparty. These are reviewed on an ongoing basis.

Credit Risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Trust.

The Trust's maximum exposure to credit risk, in the event that the counterparties fail to perform their obligations as of 30th September 2021, in relation to each class of recognised financial assets is the carrying amount of those assets in the balance sheet. This risk is managed by appraising the credit profile of financial instruments and trade counterparties.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

5 Net Capital Gains/(Losses)

	30/09/21 £'000	30/09/20 £'000
The net capital gains/(losses) during the year comprise:		
Non-derivative securities	387,757	(52,090)
Currency (losses)/gains	(185)	11,313
Forward currency contracts	532	(577)
Transaction charges	(20)	(9)
Annual management charge rebates	–	30
Total Net Capital Gains/(Losses)	388,084	(41,333)

The net capital gains/(losses) figure above includes movement of unrealised gains/(losses) and realised gains of £176,301,706 and £211,454,692 respectively. (30th September 2020: £(186,855,540) and £134,765,889 respectively). The prior year figures were restated to show the movement of gains and losses.

6 Purchases, Sales and Transaction Costs

The following table shows portfolio transactions and their associated transaction costs. For more information about the nature of these costs, please refer to the additional portfolio transaction cost information on page 24.

Analysis of direct transaction costs for the year ended 30th September 2021:

	Principal 2021 £'000	Commissions 2021 £'000	Taxes 2021 £'000	Total Cost 2021 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Collective Investment Schemes	173,239	–	–	173,239	–	–
Equities	541,446	42	644	542,132	0.01	0.12
Transaction cost % of purchases		0.01	0.09			
Sales						
Collective Investment Schemes	504,463	(23)	(80)	504,360	–	0.02
Equities	217,603	(27)	(68)	217,508	0.01	0.03
Transaction cost % of sales		0.01	0.02			
Total cost of the Fund's average NAV (%)		–	0.04			

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

6 Purchases, Sales and Transaction Costs (continued)

Analysis of direct transaction costs for the year ended 30th September 2020:

	Principal 2020 £'000	Commissions 2020 £'000	Taxes 2020 £'000	Total Cost 2020 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Collective Investment Schemes	227,906	–	–	227,906	–	–
Equities	181,974	36	408	182,418	0.02	0.22
Transaction cost % of purchases		0.01	0.10			
Sales						
Collective Investment Schemes	440,515	–	(114)	440,401	–	0.03
Equities	49,288	(20)	–	49,268	0.04	–
Transaction cost % of sales		–	0.02			
Total cost of the Fund's average NAV (%)		–	0.03			

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.17% (30th September 2020: 0.03%). This spread represents the difference between the values determined by reference to the bid and offer prices of investments at 11:00 am on the last business day of the accounting period, expressed as a percentage of the value determined by reference to the offer price. Please note that in practice where the Trust owns dual-priced investments, it deals at cancellation and creation prices rather than bid and offer prices, and so the figure above is not fully representative of the Trust's actual dealing spread.

7 Revenue

	30/09/21 £'000	30/09/20 £'000
Annual management charge rebates	2,376	3,703
Distributions from underlying funds	4,609	13,111
Franked PID revenue	11	50
Franked stock dividends	55	–
Franked UK dividends	6,309	2,393
Offshore dividend CIS revenue	1,929	7,028
Overseas dividends	4,803	256
Unfranked PID revenue	210	131
Total Revenue	20,302	26,672

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

8 Expenses

	30/09/21 £'000	30/09/20 £'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	<u>13,808</u>	<u>12,397</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee and Depositary's fee	144	143
Safe custody fee	<u>28</u>	<u>6</u>
	172	149
Other expenses:		
Audit fee	8	12
VAT on audit fee	2	2
Accounting and administration fee	78	85
Automated transaction provider fee	21	21
Publication costs	7	8
Registrar fees	86	37
Sub-adviser fee	<u>2,647</u>	<u>517</u>
	<u>2,849</u>	<u>682</u>
Total Expenses	<u>16,829</u>	<u>13,228</u>

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

9 Taxation

	30/09/21 £'000	30/09/20 £'000
(a) Analysis of charge for the year		
Overseas withholding tax	488	14
Total current tax charge (note 9b)	488	14
Deferred tax (note 9c)	–	–
Total Taxation	488	14

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised fund (20%) (2020: 20%). The differences are explained below:

	30/09/21 £'000	30/09/20 £'000
Net revenue before taxation	3,408	13,407
Corporation Tax at 20%	682	2,681
Effects of:		
Excess management expenses not utilised	2,849	1,883
Excess non trade loans deficits	13	–
Non-taxable dividends	(2,583)	(4,516)
Non-taxable overseas dividends	(961)	(51)
Overseas withholding tax	488	14
Tax effect on capital management charge rebates	–	6
Tax payable in different periods	–	(3)
Total tax charge for the year (note 9a)	488	14

(c) Deferred tax charge for the year

Provision at the start of the year	–	–
Deferred tax charge in the year	–	–
Provision at the end of the year	–	–

The Trust has not recognised a deferred tax asset of £15,209,498 (30th September 2020: £12,361,080) as a result of excess management expenses of £76,047,488.00 (30th September 2020: £61,805,400). These expenses are not expected to be utilised in the foreseeable future unless the nature of the Trust or its investment objective changes.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

10 Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	30/09/21 £'000	30/09/20 £'000
Interim accumulation	–	4,604
Final accumulation	2,925	8,490
	2,925	13,094
Add: Revenue deducted on cancellation of units	83	608
Deduct: Revenue received on issue of units	(88)	(303)
Net distribution for the year	2,920	13,399
Interest	65	37
Total Distribution	2,985	13,436

The difference between net revenue after taxation and the amounts distributed comprise:

Net revenue after taxation	2,920	13,393
Tax effect on expenses offset against capital	–	6
	2,920	13,399

Details of the distribution per unit are set out in the distribution tables on page 52.

11 Debtors

	30/09/21 £'000	30/09/20 £'000
Amounts receivable for issue of units	3,012	1,106
Annual management charge rebates	1,275	2,026
Distributions from underlying funds	170	1,255
Franked UK dividends receivable	862	166
Overseas dividends receivable	170	17
Overseas tax recoverable	418	6
Sales awaiting settlement	1,268	1,600
Unfranked PID recoverable	31	–
Total Debtors	7,206	6,176

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

12 Cash and Cash Equivalents

	30/09/21	30/09/20
	£'000	£'000
Bank balances	14,933	8,711
Overseas balances	4,867	–
Total bank balances	19,800	8,711
Bank overdrafts	(1,676)	–
Total bank overdrafts	(1,676)	–

13 Other Creditors

	30/09/21	30/09/20
	£'000	£'000
Accrued expenses	1,340	1,237
Amounts payable for cancellation of units	2,299	2,308
Purchases awaiting settlement	841	1,089
Total Other Creditors	4,480	4,634

14 Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (30th September 2020: £Nil).

15 Related Parties

Hargreaves Lansdown Fund Managers Limited (the "Manager") is a related party by virtue of having the ability to act in respect of the operations of the Trust. It also acts as a principal in respect of all transactions of units in the Trust.

Management fees paid during the year or due to the Manager are shown in note 8 and note 13. Management fee rebates received during the year or due from the Manager are shown in note 5, note 7 and note 11. Details of the units issued and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and amounts due to or from the Manager in respect to unit transactions as at the balance sheet date are disclosed under note 11 and note 13. The balance due to the Manager at the year end in respect of management fees was £1,219,462 (30th September 2020: £993,052).

Hargreaves Lansdown Nominees Limited, a fellow subsidiary of the Manager held units in the Trust as follows:

	30/09/21	30/09/20
Class A Accumulation units	98.21%	98.81%
Class M Accumulation units	99.98%	99.71%

Hargreaves Lansdown Nominees Limited is a non-trading company which holds investments on behalf of clients of the Hargreaves Lansdown Group of Companies.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

15 Related Parties (continued)

As at year end, the Manager has seven third party sub-advisors appointed to provide investment management and advisory services to the Manager in respect of the Trust. The sub-adviser fees paid to these sub-advisors are disclosed in note 8 and amounts due to sub-advisors as the balance sheet are disclosed under note 13.

16 Unit Classes

The Trust currently has two classes of units: Class A and Class M. The distribution per unit is given in the distribution tables on page 52. All units have the same rights on winding up.

The Manager's service charge for the class of each unit up to 28th June 2021 is as follows:

Class A	0.75%
Class M	0.75%

Effective 28th June 2021, the Manager's service charge is calculated using the following tiered rates.

Less than £1 billion	0.75%
Equal to or greater than £1 billion but less than £2 billion	0.70%
Equal to or greater than £2 billion but less than £3 billion	0.65%
Equal to or greater than £3 billion	0.60%

The following table shows the units in issue during the year:

<i>Class</i>	<i>Opening Units</i>	<i>Units Created</i>	<i>Units Liquidated</i>	<i>Units Converted</i>	<i>Closing Units</i>
Class A Accumulation	315,985,663	24,940,554	(41,986,282)	3,436	298,943,371
Class M Accumulation	115,667,701	37,794,718	(20,668,725)	(3,436)	132,790,258

17 Risk Disclosures

Market Price Risk

Market price risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

A 5% increase in the value of the Trust's portfolio would have the effect of increasing the return and net assets by £100,162,807 (30th September 2020: £80,986,334). A 5% decrease would have an equal and opposite effect.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

17 Risk Disclosures (continued)

Currency Risk

Currency risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

Currency exposure as at 30th September 2021

	<i>Monetary Exposure £'000</i>	<i>Non- Monetary Exposure £'000</i>	<i>Total £'000</i>
Danish Kroner	21	13,907	13,928
Euro	1,240	135,319	136,559
Japanese Yen	–	242	242
Norwegian Krone	646	3,337	3,983
Sterling	16,111	1,408,356	1,424,467
Swedish Krona	515	20,164	20,679
Swiss Franc	2,316	25,356	27,672
US Dollar	–	396,576	396,576
	20,849	2,003,257	2,024,106

Currency exposure as at 30th September 2020

	<i>Monetary Exposure £'000</i>	<i>Non- Monetary Exposure £'000</i>	<i>Total £'000</i>
Danish Kroner	–	3,226	3,226
Euro	6	50,433	50,439
Norwegian Krone	–	1,106	1,106
Sterling	10,247	1,211,163	1,221,410
Swedish Krona	–	5,885	5,885
Swiss Franc	–	15,979	15,979
US Dollar	–	331,935	331,935
	10,253	1,619,727	1,629,980

A 5% increase in the value of the Trust's foreign currency exposure would have the effect of increasing the return and net assets by £29,981,867 (30th September 2020: £20,428,466). A 5% decrease would have an equal and opposite effect.

Interest Rate Risk

Interest rate risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

The Trust has minimal direct interest rate risk which only applies to bank balances and overdrafts. Interest on the Trust's bank balances/overdraft is calculated at a variable rate by reference to GBP bank deposit/overdraft rates or the international equivalent.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

17 Risk Disclosures (continued)

Liquidity Risk

Liquidity risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

The Manager monitors the Trust's liquidity position on a regular basis with regard to maintaining a reasonable level of liquidity. Investments in managed funds may not be readily realisable due to lock-up periods, extended settlement periods, withdrawal notice periods, or in extraordinary cases periods in which redemptions are suspended due to adverse market conditions.

In order to manage its liquidity under such circumstances, the Trust utilises its borrowing facility which allows it to borrow up to 10% of its NAV and the Manager retains an overdraft facility which can be used to borrow money to help with short term liquidity.

As discussed in Note 4, the Manager assesses how much of the investments can be realised in one day, under normal and stressed market conditions based on average daily volume for the previous 30 days for each investment. Normal conditions assume the ability to participate on 20% of daily volume for each investment whilst stressed conditions assume the ability to participate on only 10% of daily volume. Based on this analysis, as of 30th September 2021, 77.66% (30th September 2020: 80.33%) of the investments could be disposed under normal conditions and 72.99% (30th September 2020: 77.50%) under stressed market conditions.

Counterparty Risk

Counterparty risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

	30/09/2021 £'000	30/09/2020 £'000
Counterparty Name		
Forward Currency Contracts		
Northern Trust	(33)	(34)
Total	(33)	(34)

Credit Risk

Credit risk - risk management policies surrounding this risk are discussed in note 4 on pages 38 to 40.

The Trust's maximum exposure to credit in the event that the counterparties fail to perform their obligations as at 30th September 2021 in relation to each class of recognised financial assets including derivatives, is the carrying amount of those assets in the Balance Sheet.

The Trust will be exposed to credit risk of the Depository, regarding cash balances held. In the event of insolvency or bankruptcy of the Depository, the Trust will be treated as general creditors of the Trustee.

The Trust only transact with counterparties that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies. The long term credit rating of the parent company of the Trustee and Depository, Northern Trust Corporation, as at 30th September 2021 was AA- (30th September 2020: AA-) (Standard & Poor's rating).

Fair Value

Fair value - in the opinion of the Manager, there is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet and their fair value. Investments are carried at their fair value while other financial assets and liabilities are valued at amortised cost which materially equates to their fair value.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

17 Risk Disclosures (continued)

Fair Value (continued)

Valuation technique as at 30th September 2021

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Collective Investment Schemes	–	1,376,700	3,024	1,379,724
Equities	623,565	–	–	623,565
Forward Currency Contracts	–	3	–	3
Total	623,565	1,376,703	3,024	2,003,292
Liabilities				
Forward Currency Contracts	–	(36)	–	(36)
Total	–	(36)	–	(36)

Valuation technique as at 30th September 2020

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Collective Investment Schemes	–	1,412,896	6,910	1,419,806
Equities	199,955	–	–	199,955
Total	199,955	1,412,896	6,910	1,619,761
Liabilities				
Forward Currency Contracts	–	(34)	–	(34)
Total	–	(34)	–	(34)

The Trust invests into collective investment schemes which are not exchange traded. Investments in collective investment schemes are valued based on the NAV per unit/share published by their administrators and are classified as Level 2.

The Trust invested in a collective investment scheme, LF Equity Income Fund (formerly LF Woodford Equity Income Fund), which has been suspended and is categorised within Level 3 of the fair value hierarchy. The Trust's valuation is based on the NAV per unit/share published by the Authorised Corporate Director of the collective investment scheme available at the 11am valuation point on 30th September 2021 which has been adjusted to reflect the relevant developments since the suspension of the collective investment scheme and other factors pertinent to the valuation.

Level 1

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.

Level 3

Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

Notes to the Financial Statements (continued)

For the year ended 30th September 2021

18 Post Balances Sheet Events

The impact of latest published NAV per unit classes as at the close of business on 16 December 2021 compared to the published NAV per unit classes as at year end is shown below.

<i>Unit Class</i>	<i>Unit Price</i> <i>30th September 2021</i>	<i>Unit Price</i> <i>16 December 2021</i>	<i>Movement</i> <i>%</i>
A Acc	469.28	471.71	0.52
M Acc	469.27	471.70	0.52

Distribution Tables

For the year ended 30th September 2021

In pence per unit

Interim accumulation for the period ended 31st March 2021

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2021*</i>	<i>31st May 2020</i>
Group 1	—	—	—	1.0342
Group 2	—	—	—	1.0342

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2021*</i>	<i>31st May 2020</i>
Group 1	—	—	—	1.0342
Group 2	—	—	—	1.0342

Group 1 - Units created prior to 1st October 2020
Group 2 - Units created on or after 1st October 2020

Final accumulation for the year ended 30th September 2021

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2021</i>	<i>30th Nov 2020</i>
Group 1	0.6707	—	0.6707	1.9667
Group 2	0.4180	0.2527	0.6707	1.9667

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2021</i>	<i>30th Nov 2020</i>
Group 1	0.6930	—	0.6930	1.9670
Group 2	0.4260	0.2670	0.6930	1.9670

Group 1 - Units created prior to 1st April 2021
Group 2 - Units created on or after 1st April 2021

* Expenses exceeded revenue during the period, as a result no distributions were paid.



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