

# HL MULTI-MANAGER BALANCED MANAGED 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:

Jupiter Asset Management Limited  
Zig Zag Building  
70 Victoria Street  
London SW1 6SQ

*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*

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

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

*Authorised and Regulated by the Financial Conduct Authority*

## Directory (continued)

### **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 Balanced Managed Trust (the "Trust") is to provide long term capital growth.

### Investment policy

The Trust will seek to invest, either directly or indirectly via other collective investment schemes and exchange traded funds, in a broad spectrum of equities and/or floating and fixed interest securities. In the equity segment of the portfolio, the Trust has the flexibility to invest in smaller companies and overseas markets in addition to larger companies and UK markets. In the floating and fixed interest segment of the portfolio, the Trust will pursue investments in UK and overseas government, corporate or high yield bonds. However, the Trust is not limited to these asset types and will select equities and/or floating and fixed interest securities for their long term potential. There are no overall constraints in terms of duration and credit ratings.

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.

It is intended that the assets of the Trust will be managed so that it is eligible for quotation within The Investment Association's "Mixed Investment 40-85% Shares" Sector. This means that the Trust shall target investment in a range of assets with the minimum equity exposure set at 40% and maximum equity exposure restricted to 85%. The assets should be at least 50% invested in established market currencies (US Dollar, Sterling (GBP), and Euro) of which 25% must be Sterling-denominated investments. Further details may be found on The Investment Association's website: [www.theinvestmentassociation.org](http://www.theinvestmentassociation.org).

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 has increased from 229.96 pence to 273.49 pence, which represents an increase of 18.93%. Over the same period, the IA Mixed Investment 40-85% Shares peer group returned an average of 17.05%.

Since the close of the initial offer period (5th January 2001) to 30th September 2021, the price of the accumulation units has increased from 100.00 pence to 273.49 pence, which represents a rise of 173.49%. Over the same period, the IA Mixed Investment 40-85% peer group returned an average of 166.60%.

# Manager's Investment Report (continued)

## For the year ended 30th September 2021

### Performance review (continued)

	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 Balanced Managed Trust	10.38%	4.85%	-0.34%	-4.04%	18.93%
IA Mixed Investment 40-85% Shares	9.37%	5.31%	4.13%	-0.40%	17.05%

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.*

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

Purchases	£'000	Sales	£'000
Artemis US Smaller Companies	30,159	Majedie UK Equity	66,606
Pyrford Global Total Return	20,240	Barings Europe Select	56,062
Troy Trojan	17,691	Marlborough Nano-Cap Growth	33,071
Stewart Investors Asia Pacific Leaders Sustainability	9,989	Merian UK Smaller Companies Focus	27,759
M&G Global Macro Bond	9,497	Odey Allegra International	27,365
FSSA Japan Focus	9,250	Man GLG Japan CoreAlpha	22,044
BNY Mellon Real Return	8,006	Comgest Growth Emerging Markets	8,707
Jupiter Strategic Bond	5,501	FSSA Asia All-Cap	7,024
Invesco Tactical Bond	5,005	FSSA Japan Focus	5,521
Royal Dutch Shell 'B'	4,626	Anglo American	4,967

Total purchases during the year were 424,690 Total sales during the year were 413,417

*Included within the calculation of the top ten purchases and sales figures are sub-adviser in-specie transfers.*

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 - £31,239,972

25/03/2020 – 3.9765 pence per unit - £2,105,750

26/08/2020 – 5.0869 pence per unit - £2,693,760

11/12/2020 – 2.7351 pence per unit - £1,448,368

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

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

## **For the year ended 30th September 2021**

### **Performance review** (continued)

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.

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>
	<b>UK Funds – 6.59% (15.85%)</b>		
44,668,435	AXA WF - Framlington UK	73,002	5.69
52,954,849	LF Equity Income <sup>≈</sup>	1,838	0.14
3,168,798	Marlborough Nano-Cap Growth	9,679	0.76
		<b>84,519</b>	<b>6.59</b>
	<b>Fixed Interest Funds – 15.31% (15.24%)</b>		
22,051,141	Invesco Tactical Bond	38,788	3.02
32,277,291	Jupiter Strategic Bond	38,245	2.98
26,745,417	M&G Global Macro Bond	42,729	3.33
10,330,013	M&G Optimal Income	25,603	1.99
19,750,962	Royal London Corporate Bond	25,103	1.96
25,023,178	Royal London Sterling Extra Yield Bond†	26,052	2.03
		<b>196,520</b>	<b>15.31</b>
	<b>Europe Funds – 0.00% (5.14%)</b>		
	<b>Total Return Funds – 14.86% (14.87%)</b>		
38,804,745	BNY Mellon Real Return	56,015	4.36
5,439,711	Pyrford Global Total Return	66,241	5.16
53,796,890	Troy Trojan	68,494	5.34
		<b>190,750</b>	<b>14.86</b>
	<b>Asia/Emerging Funds – 12.26% (13.04%)</b>		
1,201,272	Comgest Growth Emerging Markets	36,073	2.81
30,163,667	FSSA Asia All-Cap	58,810	4.58
5,897,704	Stewart Investors Asia Pacific Leaders Sustainability	62,410	4.87
		<b>157,293</b>	<b>12.26</b>
	<b>Japan Funds – 8.44% (9.14%)</b>		
10,305,326	FSSA Japan Focus	31,743	2.47
38,240,183	Man GLG Japan CoreAlpha	76,633	5.97
		<b>108,376</b>	<b>8.44</b>
	<b>US Funds – 10.81% (8.49%)</b>		
8,824,964	Artemis US Smaller Companies	32,685	2.55
774,266	Findlay Park American†	106,097	8.26
		<b>138,782</b>	<b>10.81</b>



# 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>
	<b>UK Equities – 17.84% (9.07%)</b>		
145,420	1Spatial	61	–
488,420	3i Group	6,242	0.49
29,200	4imprint Group	883	0.07
33,779	888 Holdings	149	0.01
360,000	Abrdn	917	0.07
80,159	Access Intelligence	120	0.01
17,211	Accesso Technology Group	157	0.01
188,141	Accrol Group	89	0.01
37,928	ActiveOps	64	–
2,814,891	AfriTin Mining	138	0.01
267,959	Agronomics	71	0.01
224,645	AJ Bell	908	0.07
25,793	Alliance Pharma	27	–
74,454	Alpha FX Group	1,474	0.11
74,721	Angling Direct	45	–
144,868	Anglo American	3,789	0.29
27,381	Aptitude Software Group	188	0.01
547,924	Arc Minerals	20	–
605,394	Ascential	2,482	0.19
290,000	Ashmore Group	1,001	0.08
31,366	Ashtead Group	1,780	0.14
31,067	AstraZeneca	2,780	0.22
210,539	Attragt Group	80	0.01
58,959	Auction Technology Group	779	0.06
127,062	Augmentum Fintech	188	0.01
239,008	Auto Trader Group	1,418	0.11
50,657	Aveva Group	1,848	0.14
1,422,988	Aviva	5,672	0.44
400,000	Babcock International Group	1,490	0.12
530,733	BAE Systems	3,022	0.23
2,365,734	Barclays	4,492	0.35
86,186	Beeks Financial Cloud Group	169	0.01
83,233	Bellway	2,712	0.21
7,139	Best of the Best	45	–
12,210	BHP Group	231	0.02
66,332	Blackbird	22	–
50,646	Blancco Technology Group	138	0.01
903,521	Boohoo Group	2,101	0.16
1,796,703	BP	6,114	0.48
50,090	Brickability Group	54	–
1,400,000	BT Group	2,280	0.18
119,349	Burberry Group	2,173	0.17
92,760	Bytes Technology Group	474	0.04
1,020,235	C&C Group	2,389	0.19
24,979	Cake Box Holdings	83	0.01
1,500,000	Capita	778	0.06

## 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>
	<b>UK Equities – 17.84% (9.07%) (continued)</b>		
590,802	Card Factory	322	0.02
8,529	CareTech Holdings	55	–
94,722	CentralNic Group	107	0.01
824,726	Centrica	469	0.04
12,244	Cerillion	93	0.01
223,978	Chemring Group	719	0.06
15,620	Chrysalis Investments	42	–
197,389	CMO Group	391	0.03
16,204	Cohort	91	0.01
96,309	Compass Group	1,495	0.12
675,426	ConvaTec Group	1,461	0.11
1,319	Craneware	32	–
40,938	Creo Medical Group	70	0.01
563,022	Currys	751	0.06
50,145	D4t4 Solutions	168	0.01
514,194	Daily Mail & General Trust	5,512	0.43
226,072	De La Rue	417	0.03
1,589,435	Deltic Energy	33	–
25,000	Derwent London	878	0.07
127,920	DFS Furniture	335	0.03
14,850	Diageo	538	0.04
7,677	Diploma	222	0.02
819,076	Direct Line Insurance Group	2,367	0.18
5,588	discoverIE Group	416	0.03
280,403	Domino's Pizza Group	1,118	0.09
202,011	Dr. Martens	779	0.06
28,426	Draper Esprit	285	0.02
84,229	Dunelm Group	1,210	0.09
910,125	DX Group	278	0.02
27,109	Eagle Eye Solutions Group	149	0.01
213,545	easyJet	1,415	0.11
214,484	Ebiquity	120	0.01
146,469	Eckoh	81	0.01
768,177	eEnergy Group	119	0.01
202,679	EKF Diagnostics	170	0.01
340,661	Electrocomponents	3,717	0.29
38,675	Ergomed	495	0.04
31,546	Essensys	85	0.01
220,374	Essentra	589	0.05
12,230	Eurocell	31	–
10,907	FD Technologies	260	0.02
70,817	Fevertree Drinks	1,675	0.13
339,450	Filtronic	36	–
34,442	Finsbury Food Group	33	–
607,575	FirstGroup	525	0.04
4,064	Focusrite	66	–

# 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>
<b>UK Equities – 17.84% (9.07%) (continued)</b>			
138,096	Foresight	602	0.05
170,000	Fresnillo	1,308	0.10
4,704	Frontier Developments	115	0.01
141,709	Frontier IP Group	149	0.01
229,743	Fulham Shore	41	–
51,407	Future	1,928	0.15
1,748	Games Workshop Group	185	0.01
72,646	Gamma Communications	1,328	0.10
109,692	Genuit Group	766	0.06
405,617	GlaxoSmithKline	5,726	0.45
10,496	GlobalData	152	0.01
2,545	Gooch & Housego	33	–
63,686	Grafton Group	830	0.07
100,589	GRC International Group	37	–
34,953	Greggs	1,057	0.08
68,539	Gresham Technologies	117	0.01
30,403	Hargreaves Services	128	0.01
538,520	Hays	882	0.07
69,723	HomeServe	637	0.05
2,421	Hotel Chocolat Group	10	–
119,666	HSBC	467	0.04
275,175	Hyve Group	308	0.02
364,736	IDOX	255	0.02
23,560	IG Design Group	113	0.01
302,685	IG Group	2,456	0.19
100,000	IMI	1,673	0.13
7,394	Impax Asset Management Group	83	0.01
357,986	Imperial Brands	5,653	0.44
244,844	Indivior	536	0.04
357,335	Informa	1,992	0.16
43,406	Inspecs Group	169	0.01
61,314	Inspiration Healthcare Group	72	0.01
27,297	Instem	243	0.02
86,400	IntegraFin Holdings	452	0.04
81,876	Intercede Group	74	0.01
188,021	IQE	89	0.01
110,810	IQGeo Group	144	0.01
1,779,047	ITV	1,920	0.15
119,070	Jadestone Energy	104	0.01
68,206	JET2	883	0.07
38,700	Joules Group	77	0.01
2,804,398	Jubilee Metals Group	435	0.03
570	Judges Scientific	43	–
4,360	K3 Business Technology Group	8	–
19,916	K3 Capital Group	70	0.01
8,283	Kainos Group	157	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>
<b>UK Equities – 17.84% (9.07%) (continued)</b>			
1,600	Kape Technologies	7	–
6,039	Kenmare Resources	26	–
83,939	Keystone Law Group	683	0.05
380,676	Kier Group	459	0.04
337,346	Kin & Carta	982	0.08
860,000	Kingfisher	2,973	0.23
116,280	Knights Group	501	0.04
45,335	Kooth	177	0.01
37,124	Learning Technologies Group	80	0.01
1,292,963	Legal & General Group	3,632	0.28
7,385	Lok'n Store Group	59	–
52,493	London Stock Exchange Group	3,911	0.30
134,509	Loungers	386	0.03
25,856	M&C Saatchi	40	–
500,000	M&G	1,017	0.08
37,415	Macfarlane Group	51	–
329,529	Made.com Group	452	0.04
129,924	Marks & Spencer Group	244	0.02
61,749	Marlowe	519	0.04
163,163	Marshalls	1,238	0.10
341,530	McColl's Retail Group	66	–
210,509	Mears Group	432	0.03
172,403	Mercia Asset Management	73	0.01
33,081	Michelmersh Brick Group	42	–
17,487	Mind Gym	32	–
548,525	Mitie Group	383	0.03
239,710	MJ Hudson Group	120	0.01
47,803	Mondi	869	0.07
165,275	Moneysupermarket.com Group	352	0.03
120,981	Moonpig Group	394	0.03
18,120	Mpac Group	100	0.01
41,133	MusicMagpie	70	0.01
2,053,163	NatWest Group	4,603	0.36
26,024	Next	2,152	0.17
1,190,350	NextEnergy Solar Fund	1,193	0.09
310,268	Nightcap	56	–
17,494	Norcros	52	–
157,710	Open Orphan	34	–
340,841	OSB Group	1,726	0.13
93,357	Oxford Metrics	99	0.01
32,301	Oxford Nanopore Technologies	197	0.02
471,829	Pan African Resources	72	0.01
94,017	PCI-PAL	59	–
573,464	Pearson	4,159	0.32
344,060	Petropavlovsk	70	0.01
138,559	Pets at Home Group	682	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>
<b>UK Equities – 17.84% (9.07%) (continued)</b>			
74,831	Plus500	1,050	0.08
26,894	Property Franchise Group	73	0.01
75,141	Purplebricks Group	46	–
202,741	PZ Cussons	458	0.04
653,370	QinetiQ Group	2,086	0.16
134,368	Reach	485	0.04
23,201	Reckitt Benckiser Group	1,365	0.10
141,347	Record	109	0.01
179,326	RELX	3,906	0.30
10,080	Renew Holdings	78	0.01
392,372	Restaurant Group	414	0.03
443,633	Revolution Beauty Group	652	0.05
10,394	Rio Tinto	510	0.04
322,158	Royal Dutch Shell 'B'	5,352	0.42
360,000	Royal Mail	1,559	0.12
39,134	RWS Holdings	249	0.02
203,792	S4 Capital	1,689	0.13
208,235	Sage Group	1,488	0.12
20,765	Science Group	96	0.01
42,309	SDI Group	78	0.01
506,767	Secure Income REIT	2,126	0.17
159,987	Seraphine Group	304	0.02
1,084,878	Serco Group	1,460	0.11
75,900	Serica Energy	180	0.01
546,392	Shanta Gold	68	0.01
161,738	SigmaRoc	170	0.01
12,079	Smart Metering Systems	100	0.01
39,993	Smith & Nephew	521	0.04
345,832	Smiths Group	4,992	0.39
11,053	Sopheon	102	0.01
248,121	Sosandar	71	0.01
900,000	South32	1,681	0.13
171,663	Spirent Communications	483	0.04
47,541	Springfield Properties	70	0.01
589,234	SSP Group	1,635	0.13
146,425	St James's Place	2,219	0.17
601,636	Standard Chartered	2,632	0.20
108,164	SThree	627	0.05
69,373	Supreme	132	0.01
149,513	Surface Transforms	97	0.01
97,039	Synthomer	483	0.04
117,485	SysGroup	41	–
11,890	Tatton Asset Management	58	–
923,678	Taylor Wimpey	1,444	0.11
500,000	Ted Baker	730	0.06
87,038	Telecom Plus	1,060	0.08

# 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>
<b>UK Equities – 17.84% (9.07%) (continued)</b>			
80,716	Ten Lifestyle Group	80	0.01
2,509,823	Tesco	6,444	0.50
118,406	THG	623	0.05
86,801	Time out Group	49	–
31,130	Tortilla Mexican Grill	56	–
278,822	Totally	99	0.01
700,000	TP ICAP	1,131	0.09
38,621	TPXimpact Holdings	97	0.01
24,385	Trackwise Designs	51	–
10,903	Tracsis	109	0.01
46,700	Travis Perkins	723	0.06
6,782	Treatt	67	0.01
74,600	Trifast	106	0.01
46,948	Trinity Exploration & Production	64	–
24,435	Trustpilot Group	92	0.01
50,861	Unilever	2,061	0.16
93,487	Various Eateries	76	0.01
92,280	Vesuvius	448	0.03
6,512	Vianet Group	7	–
42,040	Vistry Group	504	0.04
1,800,000	Vodafone Group	2,061	0.16
40,016	Volex	171	0.01
309	Watches of Switzerland Group	3	–
11,634	Water Intelligence	145	0.01
82,728	Weir Group	1,387	0.11
1,880	WH Smith	32	–
5,083	Whitbread	171	0.01
142,768	Wickes Group	327	0.03
14,100	Wizz Air	719	0.06
204,696	Wm Morrison Supermarkets	600	0.05
308,442	WPP	3,098	0.24
38,886	Xeros Technology Group	51	–
208,553	XLMedia	92	0.01
89,864	Zoo Digital Group	105	0.01
		<b>229,466</b>	<b>17.84</b>
<b>Australia Equities – 0.00% (0.00%)</b>			
736,887	CAP-XX	<b>41</b>	<b>–</b>
<b>Austria Equities – 0.46% (0.25%)</b>			
41,271	AMS	555	0.04
12,224	Andritz	494	0.04
86,046	BAWAG Group	4,030	0.31

# 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>
	<b>Austria Equities – 0.46% (0.25%) (continued)</b>		
36,945	Wienerberger	939	0.07
		<b>6,018</b>	<b>0.46</b>
	<b>Belgium Equities – 0.15% (0.00%)</b>		
1,838	Ackermans & van Haaren	237	0.02
9,522	D'ieteren	1,060	0.08
22,681	Telenet Holding	645	0.05
		<b>1,942</b>	<b>0.15</b>
	<b>Canada Equities – 0.02% (0.00%)</b>		
22,756	Barrick Gold	<b>297</b>	<b>0.02</b>
	<b>China Equities – 0.06% (0.14%)</b>		
7,475	Alibaba Group	<b>820</b>	<b>0.06</b>
	<b>Denmark Equities – 0.76% (0.38%)</b>		
986	ALK-Abello	306	0.02
229	AP Moller - Maersk	469	0.04
3,396	Chemometec	384	0.03
8,359	DSV Panalpina	1,501	0.12
24,400	GN Store Nord	1,262	0.10
35,248	Novo Nordisk	2,540	0.20
2,793	Rockwool International	886	0.07
8,221	Royal Unibrew	739	0.06
7,325	SimCorp	653	0.05
24,665	Topdanmark	942	0.07
		<b>9,682</b>	<b>0.76</b>
	<b>Finland Equities – 0.77% (0.18%)</b>		
22,655	Cargotec	844	0.07
30,662	Huhtamaki	1,030	0.08
64,883	Metsa Board	455	0.04
118,446	Metso Outotec	803	0.06
18,045	Neles	183	0.01
380,000	Nokia	1,568	0.12
33,629	Nokian Renkaat	900	0.07
106,361	Nordea Bank Abp	1,018	0.08
59,429	Sampo	2,194	0.17
12,089	Sanoma	140	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>
	<b>Finland Equities – 0.77% (0.18%) (continued)</b>		
30,246	Valmet	811	0.06
		<b>9,946</b>	<b>0.77</b>
	<b>France Equities – 1.39% (1.14%)</b>		
56,025	Bureau Veritas	1,290	0.10
15,756	Cie Plastic Omnium	300	0.02
71,395	Elis	1,016	0.08
14,635	EssilorLuxottica	2,138	0.17
13,913	Eurazeo	976	0.08
3,672	Gaztransport Et Technigaz	203	0.02
2,655	LVMH Moet Hennessy Louis Vuitton	1,435	0.11
8,707	Maisons du Monde	134	0.01
7,099	Orpea	616	0.05
13,760	Publicis Groupe	694	0.05
73,943	Rexel	1,072	0.08
22,622	Rubis	586	0.05
20,460	Schneider Electric	2,520	0.20
32,818	SCOR SE	714	0.06
3,929	Soitec	630	0.05
125,732	SPIE	2,132	0.17
9,649	Total	345	0.03
2,796	Trigano	392	0.03
40,517	Vivendi	380	0.03
		<b>17,573</b>	<b>1.39</b>
	<b>Germany Equities – 1.61% (1.34%)</b>		
176,159	Aroundtown	914	0.07
30,000	Bayer	1,221	0.10
33,199	Brenntag	2,284	0.18
4,982	Dermapharm	359	0.03
16,850	Deutsche Boerse	2,049	0.16
14,611	Duerr	464	0.04
9,614	Evotec	344	0.03
15,405	GEA Group	521	0.04
8,743	Gerresheimer	643	0.05
9,336	HelloFresh	646	0.05
14,667	KION Group	1,025	0.08
8,040	Norma Group	249	0.02
8,307	Porsche Automobil	613	0.05
60,811	ProSiebenSat.1 Media	841	0.07
10,303	SAP	1,047	0.08
12,859	Scout24	670	0.05
2,518	Siltronic	297	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>
<b>Germany Equities – 1.61% (1.34%) (continued)</b>			
5,144	Sixt SE	581	0.05
36,691	Software AG	1,258	0.10
16,658	Stabilus	861	0.07
36,708	Stroeer	2,257	0.18
7,000	Volkswagen (Preference Shares)	1,171	0.09
		<b>20,315</b>	<b>1.61</b>
<b>Iceland Equities – 0.01% (0.00%)</b>			
31,690	Marel HF	<b>155</b>	<b>0.01</b>
<b>Ireland Equities – 0.37% (0.28%)</b>			
496,097	Origin Enterprises	1,344	0.10
28,212	Ryanair	402	0.03
78,285	Smurfit Kappa Group	3,065	0.24
		<b>4,811</b>	<b>0.37</b>
<b>Israel Equities – 0.01% (0.00%)</b>			
84,953	BATM Advanced Communications	<b>78</b>	<b>0.01</b>
<b>Italy Equities – 0.80% (0.24%)</b>			
17,583	ACEA	280	0.02
34,575	Amplifon	1,251	0.10
124,927	Autogrill	740	0.06
30,383	Banca Generali	997	0.08
22,003	BFF Bank	160	0.01
19,541	De' Longhi	527	0.04
5,187	DiaSorin SpA	820	0.06
264,966	FinecoBank Banca Fineco	3,590	0.28
313,135	Hera	964	0.07
21,460	Interpump Group	1,036	0.08
		<b>10,365</b>	<b>0.80</b>
<b>Japan Equities – 0.16% (0.00%)</b>			
5,900	Nintendo	<b>2,108</b>	<b>0.16</b>
<b>Luxembourg Equities – 0.02% (0.00%)</b>			
28,413	Global Fashion Group	<b>241</b>	<b>0.02</b>
<b>Netherlands Equities – 2.19% (1.35%)</b>			
46,433	Aalberts	2,002	0.16
31,917	Arcadis	1,185	0.09

## 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>
<b>Netherlands Equities – 2.19% (1.35%) (continued)</b>			
3,859	ASM International	1,136	0.09
38,033	ASR Nederland	1,295	0.10
10,869	BE Semiconductor Industries	650	0.05
60,874	Corbion	2,199	0.17
15,327	Euronext	1,300	0.10
11,945	Flow Traders	346	0.03
49,226	Fugro	384	0.03
9,511	IMCD	1,361	0.11
37,192	Just Eat Takeaway.com	2,079	0.16
172,070	Koninklijke KPN	405	0.03
15,504	Koninklijke Philips	519	0.04
2,013	NXP Semiconductors	297	0.02
282,088	PostNL	1,016	0.08
43,026	Prosus	2,568	0.20
27,950	Signify	1,039	0.08
40,469	STMicroelectronics	1,309	0.10
40,517	Universal Music Group	804	0.06
50,844	Van Lanschot Kempen	1,165	0.09
64,381	Wolters Kluwer	5,137	0.40
		<b>28,196</b>	<b>2.19</b>
<b>Norway Equities – 0.19% (0.09%)</b>			
85,959	Atea	1,128	0.09
9,319	Bakkafrost P/F	581	0.05
18,525	Borregaard	330	0.03
9,425	Nordic Semiconductor	212	0.02
		<b>2,251</b>	<b>0.19</b>
<b>South Africa Equities – 0.00% (0.00%)</b>			
2,534	Caledonia Mining	22	–
56,684	Tharisa	55	–
		<b>77</b>	<b>–</b>
<b>Spain Equities – 0.34% (0.18%)</b>			
77,570	Applus Services	550	0.04
19,024	CIE Automotive	357	0.03
70,007	Ebro Foods	989	0.08
27,174	Fluidra	804	0.06

# 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>
<b>Spain Equities – 0.34% (0.18%) (continued)</b>			
148,151	Grifols	1,626	0.13
		<b>4,326</b>	<b>0.34</b>
<b>Sweden Equities – 0.98% (0.47%)</b>			
48,805	AAK	780	0.06
182,310	Bravida	1,812	0.14
126,506	Coor Service Management	878	0.07
54,034	Dometic Group	601	0.05
172,674	Dustin	1,364	0.11
32,849	Getinge	988	0.08
74,120	Hexpol	630	0.05
100,010	Husqvarna	893	0.07
15,686	Intrum AB	315	0.02
15,601	Lindab International	292	0.02
8,439	Loomis	170	0.01
44,283	Nolato AB	391	0.03
70,749	Nordnet	928	0.07
47,683	Stillfront Group	220	0.02
20,146	Thule Group	747	0.06
99,480	Trelleborg	1,570	0.12
		<b>12,579</b>	<b>0.98</b>
<b>Switzerland Equities – 1.41% (1.28%)</b>			
1,809	Bucher Industries	639	0.05
11,119	DKSH	646	0.05
599	Givaudan	2,027	0.16
11,391	Kuehne & Nagel International	2,929	0.23
35,754	Novartis	2,200	0.17
6,944	Roche	1,892	0.15
1,066	SGS	2,308	0.18
62,979	SIG Combibloc Group	1,242	0.10
87,456	Softwareone	1,432	0.11
2,028	Tecan Group	858	0.07
8,716	Temenos	886	0.07
2,804	Zurich Insurance Group	860	0.07
		<b>17,919</b>	<b>1.41</b>
<b>US Equities – 1.23% (1.01%)</b>			
1,948	Alphabet	3,895	0.30
4,470	Autodesk	956	0.08
82,891	Boku	162	0.01
58,931	Cargurus	1,364	0.11
24,806	Dianomi	115	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>
<b>US Equities – 1.23% (1.01%) (continued)</b>			
4,719	eBay	245	0.02
4,966	Equifax	947	0.07
4,166	Etsy	635	0.05
8,222	Facebook	2,075	0.16
85,000	H&R Block	1,592	0.12
42,000	Harley-Davidson	1,175	0.09
7,608	Newmont	304	0.02
27,837	PureTech Health	99	0.01
12,000	Ralph Lauren	1,042	0.08
10,718	Somero Enterprises	57	–
7,393	Visa	1,245	0.10
		<b>15,908</b>	<b>1.23</b>
<b>Forward FX Currency Contracts – 0.00% (0.00%)</b>			
EUR (8,119,000)	Sold EUR, Bought GBP 6,983,639 for settlement on 10/12/2021	(21)	–
JPY (282,740,000)	Sold JPY, Bought GBP 1,865,126 for settlement on 10/12/2021	(13)	–
		<b>(34)</b>	<b>–</b>
<b>Portfolio of investments – 99.04% (99.17%)</b>		<b>1,271,320</b>	<b>99.04</b>
Net other assets – 0.96% (0.83%)		12,271	0.96
<b>Net assets</b>		<b>1,283,591</b>	<b>100.00</b>

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

All investments are in accumulation shares/units unless otherwise stated.

† Income 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".

## **Portfolio Statement (continued)**

**As at 30th September 2021**

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.

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:	22nd December 2000
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 – 0.72%

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

The Trustee and Depositary's fee is 0.01% of the first £100 million and 0.0075% thereafter of the net asset value of the Trust 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](http://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](http://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 100.32% and the maximum commitment leverage was 100.00% (30th September 2020: gross 101.35%, commitment 102.11%).



## 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 money market sentiment.

## Trust Information (continued)

### Comparative Tables

Class A Accumulation Units

#### Change in Net Asset Value per Unit

	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>	<i>30/09/19</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	230.15	239.63	240.75
Return before operating charges*	46.69	(6.24)	2.07
Operating charges (calculated on average price)	(3.45)	(3.24)	(3.19)
Return after operating charges*	43.24	(9.48)	(1.12)
Distributions	(2.63)	(2.89)	(3.55)
Distributions on accumulation units	2.63	2.89	3.55
Closing net asset value per unit	273.39	230.15	239.63

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

	0.11	0.10	0.02
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#### Performance

Return after charges	18.79%	(3.96)%	(0.47)%
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#### Other information

Closing net asset value (£'000)	925,140	818,546	946,352
Closing number of units	338,396,277	355,659,915	394,926,134
Operating charges†	1.34%	1.41%	1.43%
Direct transaction costs	0.04%	0.05%	0.01%

#### Prices<sup>^</sup>

Highest offer price	–	–	253.85
Lowest bid price	–	–	227.52
Highest mid price	278.25	249.56	244.17
Lowest mid price	225.93	187.73	217.58

\*\* 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.

<sup>^</sup> 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

	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>	<i>30/09/19</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	230.16	239.64	240.76
Return before operating charges*	46.70	(6.24)	2.18
Operating charges (calculated on average price)	(3.46)	(3.24)	(3.30)
Return after operating charges*	43.24	(9.48)	(1.12)
Distributions	(2.63)	(2.89)	(3.55)
Distributions on accumulation units	2.63	2.89	3.55
Closing net asset value per unit	273.40	230.16	239.64

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

	0.11	0.10	0.02
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#### Performance

Return after charges	18.79%	(3.96)%	(0.47)%
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#### Other information

Closing net asset value (£'000)	358,451	252,809	253,665
Closing number of units	131,107,645	109,841,321	105,853,211
Operating charges†	1.34%	1.41%	1.43%
Direct transaction costs	0.04%	0.05%	0.01%

#### Prices<sup>^</sup>

Highest offer price	–	–	253.86
Lowest bid price	–	–	227.53
Highest mid price	278.26	249.57	244.18
Lowest mid price	225.94	187.74	217.59

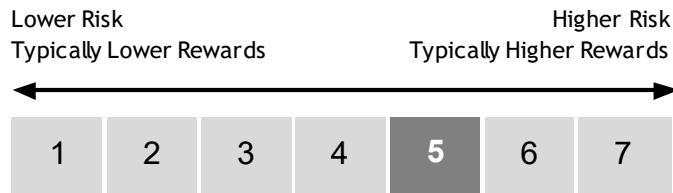
\*\* Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments/dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of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

<sup>^</sup> 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 Balanced Managed 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 Balanced Managed Trust

## Opinion

We have audited the financial statements of HL Multi-Manager Balanced Managed 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 a 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 Balanced Managed 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 Balanced Managed 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 Balanced Managed 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		<b>188,334</b>		(63,070)
Revenue	7	<b>23,478</b>		22,964	
Expenses	8	<b>(10,796)</b>		(9,019)	
Interest payable and similar charges	10	<b>(35)</b>		(43)	
Net revenue before taxation		<b>12,647</b>		13,902	
Taxation	9	<b>(415)</b>		(45)	
Net revenue after taxation			<b>12,232</b>		13,857
<b>Total return before distributions</b>			<b>200,566</b>		(49,213)
Distributions	10		<b>(12,272)</b>		(13,880)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>188,294</b>		(63,093)

## 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
<b>Opening net assets attributable to unitholders</b>		<b>1,071,355</b>		1,200,017
Amounts receivable on issue of units	<b>172,716</b>		109,941	
Amounts payable on cancellation of units	<b>(161,071)</b>		(189,069)	
		<b>11,645</b>		(79,128)
Dilution levy		<b>2</b>		3
Change in net assets attributable to unitholders from investment activities		<b>188,294</b>		(63,093)
Retained distribution on accumulation units		<b>12,295</b>		13,556
<b>Closing net assets attributable to unitholders</b>		<b>1,283,591</b>		1,071,355

# Balance Sheet

## As at 30th September 2021

	<i>Notes</i>	<i>30/09/21</i> <i>£'000</i>	<i>30/09/20</i> <i>£'000</i>
<b>ASSETS</b>			
<b>Fixed assets:</b>			
Investments		<b>1,271,354</b>	1,062,507
<b>Current assets:</b>			
Debtors	11	<b>4,991</b>	5,831
Cash and cash equivalents	12	<b>11,125</b>	7,212
<b>Total assets</b>		<b><u>1,287,470</u></b>	<u>1,075,550</u>
<b>LIABILITIES</b>			
Investment liabilities		<b>(34)</b>	(39)
<b>Creditors:</b>			
Bank overdraft	12	<b>(861)</b>	–
Other creditors	13	<b>(2,984)</b>	(4,156)
<b>Total liabilities</b>		<b><u>(3,879)</u></b>	<u>(4,195)</u>
<b>Net assets attributable to unitholders</b>		<b><u>1,283,591</u></b>	<u>1,071,355</u>

# 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.

Where forward positions in currencies are held, these are translated at the appropriate forward rate. Any resulting exchange differences in these forward positions are disclosed in 'Net capital gains' on investments 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 recognized 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 from the underlying investments has been treated as a reduction in the book cost of the investments and not distributed. 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, forward contracts 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, 89.28% (30th September 2020: 88.40%) of the portfolio could be sold under normal conditions and 85.09% (30th September 2020: 86.82%) under stressed conditions.

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 the majority of 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	<b>188,648</b>	(63,832)
Currency (losses)/gains	<b>(1,117)</b>	1,333
Forward currency contracts	<b>624</b>	(677)
Transaction charges	<b>(21)</b>	(7)
Annual management charge rebates	<b>200</b>	113
<b>Total Net Capital Gains/(Losses)</b>	<b>188,334</b>	(63,070)

The net capital gains/(losses) figure above includes movement of unrealised gains/(losses) and realised gains of £84,511,219 and £104,136,543 respectively. (30th September 2020: £(124,000,618) and £60,169,386 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
<b>Purchases</b>						
Collective Investment Schemes	<b>132,561</b>	–	–	<b>132,561</b>	–	–
Equities	<b>291,724</b>	<b>25</b>	<b>380</b>	<b>292,129</b>	<b>0.01</b>	<b>0.13</b>
Transaction cost % of purchases		<b>0.01</b>	<b>0.09</b>			
<b>Sales</b>						
Collective Investment Schemes	<b>264,208</b>	<b>(11)</b>	<b>(38)</b>	<b>264,159</b>	–	<b>0.01</b>
Equities	<b>149,318</b>	<b>(12)</b>	<b>(48)</b>	<b>149,258</b>	<b>0.01</b>	<b>0.03</b>
Transaction cost % of sales		<b>0.01</b>	<b>0.02</b>			
Total cost of the Fund's average NAV (%)		–	<b>0.04</b>			

## 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
<b>Purchases</b>						
Collective Investment Schemes	248,385	–	–	248,385	–	–
Equities	174,368	35	398	174,801	0.02	0.23
Transaction cost % of purchases		0.01	0.10			
<b>Sales</b>						
Collective Investment Schemes	449,756	–	(62)	449,694	–	0.02
Equities	25,072	(9)	–	25,063	0.04	–
Transaction cost % of sales		–	0.01			
Total cost of the Fund's average NAV (%)		–	0.04			

#### Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.07% (30th September 2020: 0.02%). 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.

# Notes to the Financial Statements (continued)

For the year ended 30th September 2021

## 7 Revenue

	30/09/21	30/09/20
	£'000	£'000
Annual management charge rebates	1,540	2,160
Bank interest	1	1
Distributions from underlying funds	6,725	12,074
Franked PID revenue	4	35
Franked stock dividends	42	–
Franked UK dividends	5,859	3,053
Offshore dividend CIS revenue	1,050	3,424
Offshore interest CIS revenue	4,559	1,574
Overseas dividends	3,598	519
Unfranked PID revenue	100	124
<b>Total Revenue</b>	<b>23,478</b>	<b>22,964</b>

## 8 Expenses

	30/09/21	30/09/20
	£'000	£'000
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Manager's periodic charge	8,851	8,244
<b>Payable to the Trustee, associates of the Trustee and agents of either of them:</b>		
Trustee and Depositary's fee	105	102
Safe custody fee	21	6
	<b>126</b>	<b>108</b>
<b>Other expenses:</b>		
Audit fee	8	9
VAT on audit fee	2	2
Accounting and administration fee	65	74
Automated transaction provider fee	19	18
Publication costs	6	7
Registrar fees	74	32
Sub-adviser fee	1,645	525
	<b>1,819</b>	<b>667</b>
<b>Total Expenses</b>	<b>10,796</b>	<b>9,019</b>

## Notes to the Financial Statements (continued)

### For the year ended 30th September 2021

#### 9 Taxation

	30/09/21 £'000	30/09/20 £'000
<b>(a) Analysis of charge for the year</b>		
Overseas withholding tax	397	39
Irrecoverable CIS income tax	18	6
Total current tax charge (note 9b)	<u>415</u>	<u>45</u>
Deferred tax (note 9c)	–	–
<b>Total Taxation</b>	<u>415</u>	<u>45</u>

#### (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	<u>12,647</u>	<u>13,902</u>
Corporation Tax at 20%	2,529	2,780
Effects of:		
Excess management expenses not utilised	151	266
Non-taxable dividends	(1,999)	(2,967)
Income tax related to interest distributions	18	6
Non-taxable overseas dividends	(720)	(104)
Overseas withholding tax	397	39
Tax effect on capital management charge rebates	40	23
Tax payable in different periods	(1)	2
<b>Total tax charge for the year (note 9a)</b>	<u>415</u>	<u>45</u>

#### (c) Deferred tax charge for the year

Provision at the start of the year	–	–
Deferred tax charge in the year	–	–
<b>Provision at the end of the year</b>	<u>–</u>	<u>–</u>

The Trust has not recognised a deferred tax asset of £1,255,003 (30th September 2020: £1,104,366) as a result of excess management expenses of £6,275,016 (30th September 2020: £5,521,830). 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	2,241	4,902
Final accumulation	<b>10,054</b>	8,654
	<b>12,295</b>	13,556
Add: Revenue deducted on cancellation of units	<b>325</b>	690
Deduct: Revenue received on issue of units	<b>(348)</b>	(366)
Net distribution for the year	<b>12,272</b>	13,880
Interest	<b>35</b>	43
<b>Total Distribution</b>	<b>12,307</b>	13,923

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

Net revenue after taxation	<b>12,232</b>	13,857
Tax effect on expenses offset against capital	<b>40</b>	23
	<b>12,272</b>	13,880

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	<b>1,812</b>	858
Annual management charge rebates	<b>1,043</b>	1,280
Distributions from underlying funds	–	1,510
Franked UK dividends receivable	<b>517</b>	–
Income tax recoverable	<b>117</b>	40
Overseas dividends receivable	<b>159</b>	–
Overseas tax recoverable	<b>308</b>	72
Sales awaiting settlement	<b>1,030</b>	2,071
Unfranked PID recoverable	<b>5</b>	–
<b>Total Debtors</b>	<b>4,991</b>	5,831

## 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	8,237	7,212
Overseas balances	2,888	–
<b>Total bank balances</b>	<b>11,125</b>	7,212
Bank overdrafts	(861)	–
<b>Total bank overdrafts</b>	<b>(861)</b>	–

#### 13 Other Creditors

	30/09/21	30/09/20
	£'000	£'000
Accrued expenses	1,005	868
Amounts payable for cancellation of units	1,319	1,092
Purchases awaiting settlement	660	2,196
<b>Total Other Creditors</b>	<b>2,984</b>	4,156

#### 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 Asset 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 £753,049 (30th September 2020: £654,921).

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

	30/09/2021	30/09/2020
Class A Accumulation units	98.14%	98.44%
Class M Accumulation units	99.96%	99.75%

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 six 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	0.72%
Equal to or greater than £1 billion but less than £2 billion	0.67%
Equal to or greater than £2 billion but less than £3 billion	0.62%
Equal to or greater than £3 billion	0.58%

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	355,659,915	31,202,935	(48,466,573)	–	338,396,277
Class M Accumulation	109,841,321	35,600,886	(14,334,562)	–	131,107,645

#### 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 £63,565,999 (30th September 2020: £53,123,424). 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</i>	<i>Non- Monetary Exposure</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Danish Kroner	30	9,683	9,713
Euro	250	95,012	95,262
Japanese Yen	–	230	230
Norwegian Krone	411	2,251	2,662
Sterling	9,937	973,015	982,952
Swedish Krona	338	13,597	13,935
Swiss Franc	1,305	18,474	19,779
US Dollar	–	159,058	159,058
	<u>12,271</u>	<u>1,271,320</u>	<u>1,283,591</u>

Currency exposure as at 30th September 2020

	<i>Monetary Exposure</i>	<i>Non- Monetary Exposure</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Danish Kroner	7	4,111	4,118
Euro	11	54,337	54,348
Norwegian Krone	–	949	949
Sterling	8,869	838,095	846,964
Swedish Krona	–	5,050	5,050
Swiss Franc	–	13,714	13,714
US Dollar	–	146,212	146,212
	<u>8,887</u>	<u>1,062,468</u>	<u>1,071,355</u>

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 £15,031,971 (30th September 2020: £11,219,572). 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, 89.28 % (30th September 2020: 88.40%) of the investments could be disposed under normal conditions and 85.09% (30th September 2020: 86.82%) under stressed market conditions.

#### Counterparty Risk

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

Counterparty Name	30/09/2021 £'000	30/09/2020 £'000
<b>Forward Currency Contracts</b>		
Northern Trust	(34)	(39)
<b>Total</b>	<b>(34)</b>	<b>(39)</b>

#### 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
<b>Assets</b>				
Collective Investment Schemes	–	874,402	1,838	876,240
Equities	395,114	–	–	395,114
<b>Total</b>	<b>395,114</b>	<b>874,402</b>	<b>1,838</b>	<b>1,271,354</b>
<b>Liabilities</b>				
Forward Currency Contracts	–	(34)	–	(34)
<b>Total</b>	<b>–</b>	<b>(34)</b>	<b>–</b>	<b>(34)</b>

##### Valuation technique as at 30th September 2020

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Assets</b>				
Collective Investment Schemes	–	871,913	4,199	876,112
Equities	186,395	–	–	186,395
<b>Total</b>	<b>186,395</b>	<b>871,913</b>	<b>4,199</b>	<b>1,062,507</b>
<b>Liabilities</b>				
Forward Currency Contracts	–	(39)	–	(39)
<b>Total</b>	<b>–</b>	<b>(39)</b>	<b>–</b>	<b>(39)</b>

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 as at 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 Balance 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	273.49	273.77	0.10
M Acc	273.50	273.78	0.10

## Distribution Tables

### For the year ended 30th September 2021

In pence per unit

#### Interim distribution for the period ended 31st March 2021

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2021</i>	<i>31st May 2020</i>
Group 1	0.4847	–	0.4847	1.0291
Group 2	0.1334	0.3513	0.4847	1.0291

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2021</i>	<i>31st May 2020</i>
Group 1	0.4847	–	0.4847	1.0297
Group 2	0.1287	0.3560	0.4847	1.0297

Group 1 - Units created prior to 1st October 2020

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

#### Final distribution for the year ended 30th September 2021

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2021</i>	<i>30th Nov 2020</i>
Group 1	2.1413	–	2.1413	1.8589
Group 2	1.4950	0.6463	2.1413	1.8589

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2021</i>	<i>30th Nov 2020</i>
Group 1	2.1414	–	2.1414	1.8594
Group 2	1.4592	0.6822	2.1414	1.8594

Group 1 - Units created prior to 1st April 2021

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





Hargreaves Lansdown  
One College Square South  
Anchor Road Bristol BS1 5HL

0117 900 9000  
[www.hl.co.uk](http://www.hl.co.uk)

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