

HL MULTI-MANAGER EQUITY & BOND TRUST

Annual Report & Financial Statements
for the year ended 30th September 2022

Directory

Manager and AIFM:

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

Authorised and Regulated by the Financial Conduct Authority

Directors of the Manager:

P A Dimambro (appointed 5th November 2021)
S E Gamble
L N Gardhouse
M P Hastings (appointed 5th November 2021)
J Misselbrook*
A E Stirling (appointed 21st March 2022)
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

Troy Asset Management Limited
33 Davies Street
London W1K 4BP

Authorised and Regulated by the Financial Conduct Authority

Trustee and Depositary:

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

Authorised and Regulated by the Financial Conduct Authority

Dealing and Registration:

Hargreaves Lansdown Fund Managers Limited
Sunderland
SR43 4AS
Telephone: 0333 300 0360
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 2022

Investment objective

The investment objective of the HL Multi-Manager Equity & Bond Trust (the "Trust") is to provide income and 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 fixed interest securities and equities. In the fixed interest segment of the portfolio, the Trust will pursue investments in UK and overseas government, corporate or high yield bonds, and there are no overall constraints in terms of duration and credit ratings. 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. However, the Trust is not limited to these asset types and will select equities and/or fixed interest securities for their income and/or growth potential.

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 20-60% Shares Sector". This means that the Trust shall target investment in a range of assets with the minimum equity exposure set at 20%, the maximum equity exposure restricted to 60% and with at least 30% invested in fixed interest and cash. The assets should be at least 30% invested in Sterling denominated investments with at least 60% in established market currencies (US Dollar, Sterling (GBP), and Euro). Further details may be found on The Investment Association's website: 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 2022, the price of the Trust's accumulation units decreased from 181.41 pence to 166.42 pence which represents a fall of 8.26%. Over the same period, the IA Mixed Investment 20-60% Shares peer group recorded an average loss of 10.95%.

Since close of the initial offer period (2nd June 2006) to 30th September 2022, the price of the accumulation units has increased from 95.00 pence to 166.42 pence, a rise of 75.18%. Over the same period, the IA Mixed Investment 20-60% Shares peer group recorded an average 69.11% return.

Manager's Investment Report (continued)

For the year ended 30th September 2022

Performance review (continued)

	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	30/09/21 to 30/09/22
HL Multi-Manager Equity & Bond Trust	1.34%	-1.50%	-7.93%	16.62%	-8.26%
IA Mixed Investment 20-60% Shares	2.71%	4.13%	-1.46%	12.75%	-10.95%

Past performance is not a guide to future returns.

Source: Lipper for Investment Management to 30/09/2022, Total Return Net Distribution Re-invested, Bid to Bid from 30/09/2017 to 30/09/2018, NAV to NAV from 30/09/2018.

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

Purchases	£'000	Sales	£'000
Artemis Corporate Bond	11,269	Fidelity MoneyBuilder Income	8,065
Jupiter Strategic Bond	1,501	Royal London Sterling Extra Yield Bond	2,798
M&G Optimal Income	801	Troy Trojan	1,998
J O Hambro UK Equity Income	761	Man GLG Japan CoreAlpha	1,707
M&G Global Macro Bond	752	J O Hambro UK Equity Income	1,496
Unilever	688	M&G Global Macro Bond	1,346
easyJet	662	Jupiter Asian Income	1,252
Travis Perkins	572	Pyrford Global Total Return	1,001
ITV	532	H&R Block	905
Dr. Martens	527	Daily Mail & General Trust	725
Total purchases during the year were	31,963	Total sales during the year were	38,705

Hargreaves Lansdown Fund Managers Limited
1st October 2022

Portfolio Statement

As at 30th September 2022

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
	UK Funds – 12.15% (13.31%)		
11,812,632	J O Hambro UK Equity Income	18,062	7.65
25,613,408	LF Equity Income≠	466	0.20
8,626,964	Marlborough Multi Cap Income	10,142	4.30
		28,670	12.15
	Fixed Interest Funds – 31.23% (31.51%)		
10,720,927	Artemis Corporate Bond	8,978	3.80
12,792,751	Invesco Tactical Bond	14,818	6.28
30,908,862	Jupiter Strategic Bond	16,382	6.94
8,000,665	M&G Global Macro Bond	10,253	4.35
9,303,852	M&G Optimal Income	11,779	4.99
7,705,679	Morgan Stanley Sterling Corporate Bond	6,697	2.84
5,331,288	Royal London Sterling Extra Yield Bond	4,799	2.03
		73,706	31.23
	Europe Funds – 2.92% (2.98%)		
3,281,823	TM CRUX European Special Situations	6,899	2.92
	Total Return Funds – 19.89% (18.84%)		
6,066,745	Artemis Strategic Assets†	5,401	2.29
11,005,702	BNY Mellon Real Return	11,698	4.96
1,543,243	Pyrford Global Total Return	15,000	6.35
11,864,315	Troy Trojan	14,843	6.29
		46,942	19.89
	Asia/Emerging Funds – 6.39% (5.73%)		
9,602,464	Jupiter Asian Income	15,070	6.39
	Japan Funds – 4.12% (4.19%)		
3,979,529	Man GLG Japan CoreAlpha	9,718	4.12
	UK Equities – 18.99% (19.54%)		
94,604	3i Group	1,024	0.43
69,704	3i Infrastructure	206	0.09
16,793	Admiral Group	323	0.14
85,188	AJ Bell	224	0.10
22,606	Anglo American	627	0.26
120,000	Ashmore Group	237	0.10
392,654	Assura	207	0.09
6,641	AstraZeneca	663	0.28
7,485	Aveva Group	235	0.10

Portfolio Statement (continued)

As at 30th September 2022

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
UK Equities – 18.99% (19.54%) (continued)			
285,594	Aviva	1,104	0.47
130,000	Babcock International Group	366	0.15
60,000	BAE Systems	484	0.21
555,928	Barclays	808	0.34
16,409	Big Yellow Group	170	0.07
483,004	BP	2,106	0.89
23,432	British American Tobacco	767	0.32
300,000	BT Group	370	0.16
17,781	Bunzl	485	0.21
34,003	Burberry Group	603	0.26
289,318	C&C Group	425	0.18
605,474	Card Factory	265	0.11
5,266	Cazoo Group	2	–
500,000	Centrica	363	0.15
39,804	Compass Group	720	0.30
9,661	Croda International	611	0.26
39,471	Diageo	1,484	0.63
18,029	Diploma	404	0.17
166,715	Direct Line Insurance Group	308	0.13
133,264	Domino's Pizza Group	298	0.13
204,737	Dr. Martens	455	0.19
157,674	easyJet	480	0.20
29,453	Experian	770	0.33
15,233	Fevertree Drinks	126	0.05
220,000	FirstGroup	233	0.10
50,000	Fresnillo	373	0.16
40,000	Go-Ahead	617	0.26
54,664	Haleon	151	0.06
85,000	HSBC	401	0.17
160,000	Hunting	378	0.16
89,738	IG Group	680	0.29
102,580	Imperial Brands	1,934	0.82
51,414	Indivior	144	0.06
115,935	Informa	595	0.25
46,722	IntegraFin Holdings	104	0.04
9,258	InterContinental Hotels Group	407	0.17
138,557	International Public Partnerships	208	0.09
4,605	Intertek Group	170	0.07
1,196,445	ITV	682	0.29
140,000	Kingfisher	310	0.13
60,000	Land Securities Group	309	0.13
244,393	Legal & General Group	534	0.23
11,836	London Stock Exchange Group	900	0.38
160,234	LondonMetric Property REIT	274	0.12
298,836	LXI REIT	366	0.16
291,867	M&G	482	0.20

Portfolio Statement (continued)

As at 30th September 2022

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
UK Equities – 18.99% (19.54%) (continued)			
100,000	Mitchells & Butlers	120	0.05
100,000	Moneysupermarket.com Group	180	0.08
56,528	National Grid	537	0.23
180,000	NatWest Group	406	0.17
14,695	Next	721	0.31
297,118	NextEnergy Solar Fund	320	0.14
110,628	Pearson	956	0.41
178,536	Primary Health Properties	200	0.08
80,000	QinetiQ Group	263	0.11
19,538	Reckitt Benckiser Group	1,178	0.50
78,870	RELX	1,730	0.73
7,000	Rio Tinto	343	0.15
130,000	Royal Mail	246	0.10
7,200	Safestore	59	0.03
67,612	Sage Group	466	0.20
76,135	Schroders	297	0.13
40,000	Shell	906	0.38
35,000	Smith & Nephew	366	0.15
62,401	Smiths Group	942	0.40
219,635	SSP Group	436	0.19
37,449	St James's Place	380	0.16
155,000	Standard Chartered	880	0.37
527,373	Tesco	1,081	0.46
280,000	TP ICAP	533	0.23
53,069	Travis Perkins	408	0.17
43,065	Unilever	1,724	0.73
10,309	Victrex	169	0.07
500,000	Vodafone Group	511	0.22
65,000	WPP	483	0.20
		44,813	18.99
Finland Equities – 0.16% (0.18%)			
100,000	Nokia	385	0.16
Germany Equities – 0.33% (0.27%)			
12,000	Bayer	511	0.22
6,500	Continental	259	0.11
		770	0.33
Ireland Equities – 0.20% (0.15%)			
147,122	Origin Enterprises	474	0.20

Portfolio Statement (continued)

As at 30th September 2022

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
	Japan Equities – 0.26% (0.22%)		
17,000	Nintendo	617	0.26
	Netherlands Equities – 0.58% (0.55%)		
21,020	Corbion	466	0.20
10,176	Wolters Kluwer	890	0.38
		1,356	0.58
	Spain Equities – 0.00% (0.11%)		
	Switzerland Equities – 0.18% (0.26%)		
4,318	Nestle	421	0.18
	US Equities – 2.15% (1.73%)		
3,635	CME Group	582	0.25
141,803	GlaxoSmithKline	1,864	0.79
13,000	Harley-Davidson	417	0.18
14,000	Intel	331	0.14
5,095	Medtronic	376	0.16
6,372	Paychex	647	0.27
5,048	Procter & Gamble	582	0.25
22,000	Western Union	268	0.11
		5,067	2.15
	Forward Currency Contracts – 0.02% (0.00%)		
EUR (1,917,000)	Sold EUR, Bought GBP 1,658,876 for settlement on 29/11/2022	(31)	(0.01)
JPY (5,340,000)	Sold JPY, Bought GBP 32,235 for settlement on 29/11/2022	(1)	–
JPY (89,841,000)	Sold JPY, Bought GBP 546,087 for settlement on 29/11/2022	(14)	(0.01)
USD (180)	Sold USD, Bought GBP 166 for settlement on 29/11/2022	–	–
USD (7,377)	Sold USD, Bought GBP 6,411 for settlement on 29/11/2022	–	–
JPY 5,610,000	Bought JPY, Sold GBP 34,955 for settlement on 29/11/2022	–	–
USD 195	Bought USD, Sold GBP 169 for settlement on 29/11/2022	–	–
USD 174	Bought USD, Sold GBP 151 for settlement on 29/11/2022	–	–
USD 674	Bought USD, Sold GBP 630 for settlement on 29/11/2022	–	–
USD 4,070	Bought USD, Sold GBP 3,494 for settlement on 29/11/2022	–	–

Portfolio Statement (continued)

As at 30th September 2022

<i> Holding </i>	<i> Investment </i>	<i> Bid market valuation £'000 </i>	<i> Percentage of total net assets % </i>
	Forward Currency Contracts – 0.02% (0.00%) (continued)		
USD 169	Bought USD, Sold GBP 151 for settlement on 29/11/2022	–	–
		(46)	(0.02)
	Portfolio of investments – 99.53% (99.57%)	234,862	99.53
	Net other assets – 0.47% (0.43%)	1,112	0.47
	Net assets	235,974	100.00

The percentages in brackets show the equivalent sector comparatives as at 30th September 2021.

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

† Accumulation shares/units.

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

General Information

Launch Date:	15th May 2006
Accounting Periods:	First Interim – 31st October Second Interim – 30th November Third Interim – 31st December Fourth Interim – 31st January Fifth Interim – 28th February* Sixth Interim – 31st March Seventh Interim – 30th April Eighth Interim – 31st May Ninth Interim – 30th June Tenth Interim – 31st July Eleventh Interim – 31st August Final - 30th September
Distribution Dates:	First Interim - 30th November Second Interim - 31st December Third Interim - 31st January Fourth Interim - 28th February* Fifth Interim - 31st March Sixth Interim - 30th April Seventh Interim - 31st May Eighth Interim - 30th June Ninth Interim - 31st July Tenth Interim - 31st August Eleventh Interim - 30th September Final - 31st October
Minimum Initial Investment:	£150,000**
Management Charges:	Less than £1 billion – 0.69% Equal to or greater than £1 billion but less than £2 billion – 0.64% Equal to or greater than £2 billion but less than £3 billion – 0.60% Equal to or greater than £3 billion – 0.55%

* 29th February in a leap year.

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

The Trustee and Depositary's fee is 0.01% of the first £100 million and 0.0075% thereafter of the net asset value of the 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.

General Information (continued)

Unit Price

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

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

The Trust is normally valued at 11:00 am each day for the purpose of determining the unit price. With the agreement of the Trustee and Depositary the Trust may be valued at other times.

Dealing in Units

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

The units of the Trust are non-certificated.

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

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

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

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.

General Information (continued)

Report and Scheme Particulars

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

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

Commission

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

Status

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

Assessment of Value

For each of its funds, Hargreaves Lansdown Fund Managers Limited (HLFM) published an Assessment of Value covering the previous financial year. These statements are available at www.hl.co.uk/funds/hl-funds/multi-manager-funds/other-documents. Assessment of Value covering the financial year ended 30th September 2022 will be published no later than 31 January 2023.

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.

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 2022 is analysed below:

Fixed Remuneration	£1,604,775
Variable Remuneration	£1,343,173
Total	£2,947,948
Full Time Equivalent number of staff:	8.9

General Information (continued)

Remuneration (continued)

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 2022, the total leverage in the Trust exceeded 100%, the maximum gross leverage in the Trust was 100.50% and the maximum commitment leverage was 101.01% (30th September 2021: gross 101.32%, commitment 100.00%).

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 15 to 18 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>30/09/22</i> <i>(pence per unit)</i>	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	181.39	155.55	168.93
Return before operating charges*	(12.85)	28.13	(11.24)
Operating charges (calculated on average price)	(2.26)	(2.29)	(2.14)
Return after operating charges*	(15.11)	25.84	(13.38)
Distributions	(4.72)	(4.01)	(4.29)
Distributions on accumulation units	4.72	4.01	4.29
Closing net asset value per unit	166.28	181.39	155.55

* after direct transaction costs of**: 0.05 0.05 0.12

Performance

Return after charges (8.33)% 16.61% (7.92)%

Other information

Closing net asset value (£'000)	119,696	136,415	123,981
Closing number of units	71,986,689	75,203,976	79,706,340
Operating charges†	1.26%	1.32%	1.32%
Direct transaction costs	0.03%	0.03%	0.07%

Prices

Highest mid price	185.61	183.70	175.94
Lowest mid price	166.37	152.97	134.72

** 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.

Trust Information (continued)

Comparative Tables (continued)

Class M Accumulation Units

Change in Net Asset Value per Unit

	<i>30/09/22</i> <i>(pence per unit)</i>	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	181.40	155.55	168.93
Return before operating charges*	(12.86)	28.14	(11.24)
Operating charges (calculated on average price)	(2.26)	(2.29)	(2.14)
Return after operating charges*	(15.12)	25.85	(13.38)
Distributions	(4.72)	(4.01)	(4.29)
Distributions on accumulation units	4.72	4.01	4.29
Closing net asset value per unit	166.28	181.40	155.55
* after direct transaction costs of**:	0.05	0.05	0.12

Performance

Return after charges	(8.34)%	16.62%	(7.92)%
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Other information

Closing net asset value (£'000)	35,558	40,317	31,891
Closing number of units	21,384,707	22,225,411	20,502,507
Operating charges†	1.26%	1.32%	1.32%
Direct transaction costs	0.03%	0.03%	0.07%

Prices

Highest mid price	185.62	183.70	175.94
Lowest mid price	166.37	152.97	134.72

** 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.

Trust Information (continued)

Comparative Tables (continued)

Class A Income Units

Change in Net Asset Value per Unit

	<i>30/09/22</i> <i>(pence per unit)</i>	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	114.85	100.78	112.43
Return before operating charges*	(7.97)	18.11	(7.38)
Operating charges (calculated on average price)	(1.41)	(1.47)	(1.40)
Return after operating charges*	(9.38)	16.64	(8.78)
Distributions on income units	(2.96)	(2.57)	(2.87)
Closing net asset value per unit	102.51	114.85	100.78
* after direct transaction costs of**:	0.03	0.03	0.08

Performance

Return after charges	(8.17)%	16.51%	(7.81)%
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Other information

Closing net asset value (£'000)	33,073	38,396	37,481
Closing number of units	32,264,557	33,431,825	37,190,092
Operating charges†	1.26%	1.32%	1.32%
Direct transaction costs	0.03%	0.03%	0.07%

Prices

Highest mid price	116.82	116.77	116.42
Lowest mid price	103.04	98.94	88.63

** 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.

Trust Information (continued)

Comparative Tables (continued)

Class M Income Units

Change in Net Asset Value per Unit

	<i>30/09/22</i> <i>(pence per unit)</i>	<i>30/09/21</i> <i>(pence per unit)</i>	<i>30/09/20</i> <i>(pence per unit)</i>
<i>For the year ended</i>			
Opening net asset value per unit	114.86	100.79	112.43
Return before operating charges*	(7.98)	18.11	(7.41)
Operating charges (calculated on average price)	(1.41)	(1.47)	(1.40)
Return after operating charges*	(9.39)	16.64	(8.81)
Distributions on income units	(2.96)	(2.57)	(2.83)
Closing net asset value per unit	102.51	114.86	100.79

* after direct transaction costs of**:

	0.03	0.03	0.08
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Performance

Return after charges	(8.18)%	16.51%	(7.84)%
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Other information

Closing net asset value (£'000)	47,647	55,895	47,201
Closing number of units	46,479,286	48,664,678	46,831,790
Operating charges†	1.26%	1.32%	1.32%
Direct transaction costs	0.03%	0.03%	0.07%

Prices

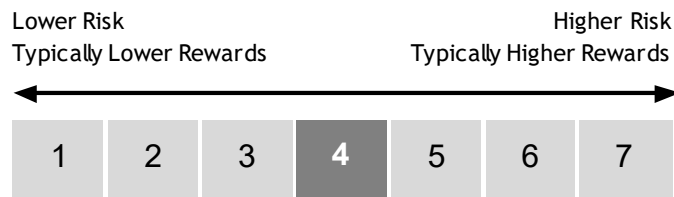
Highest mid price	116.83	116.77	116.43
Lowest mid price	103.04	98.94	88.64

** 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.

Trust Information (continued)

Synthetic Risk and Reward Indicator ("SRRI")



The Trust is ranked at 4 because trusts of this type have experienced moderate 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)
25th January 2023

P A Dimambro
(Director)

Statement of the Corporate Trustee's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the HL Multi-Manager Equity & Bond Trust (the "Trust") for the year ended 30th September 2022

The Corporate Trustee in its capacity as Trustee of HL Multi-Manager Equity & Bond Trust must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, and, from 22 July 2014 the Investment Funds Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (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 all custodial assets and maintaining a record of all other 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;
- the value of units of the Trust are calculated in accordance with the Regulations;
- 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 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 Trust is managed in accordance with the Scheme documents and the Regulations in relation to the investment and borrowing powers applicable to the Trust.

Statement of the Corporate Trustee's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the HL Multi-Manager Equity & Bond Trust (the "Trust") for the year ended 30th September 2022 continued

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 carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the trust, and
- has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

Northern Trust Investor Services Limited

UK Trustee and Depositary Services

25th January 2023

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Equity & Bond Trust

Opinion

We have audited the financial statements of HL Multi-Manager Equity & Bond Trust (the "Trust") for the year ended 30th September 2022, which comprise the Statement of Total Return, the Statement of Change 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 FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 30 September 2022 and of the net revenue and the net capital losses 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.

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 Financial Reporting Council's (the "FRC") 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.

We have nothing to report in this regard.

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Equity & Bond Trust (continued)

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 FCA and the Trust Deed; 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 20, 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.

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.

Independent Auditor's Report to the Unitholders of the HL Multi-Manager Equity & Bond Trust (continued)

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

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 Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's 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.
- 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.

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
25th January 2023

Statement of Total Return

For the year ended 30th September 2022

	Notes	30/09/22		30/09/21	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	5		(27,370)		34,476
Revenue	7	8,204		7,412	
Expenses	8	(2,232)		(2,356)	
Interest payable and similar charges	10	(7)		(2)	
Net revenue before taxation		5,965		5,054	
Taxation	9	(287)		(231)	
Net revenue after taxation			5,678		4,823
Total return before distributions			(21,692)		39,299
Distributions	10		(6,884)		(6,084)
Change in net assets attributable to unitholders from investment activities			(28,576)		33,215

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 30th September 2022

	30/09/22		30/09/21	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		271,023		240,554
Amounts receivable on issue of units	24,764		29,729	
Amounts payable on cancellation of units	(35,729)		(36,410)	
		(10,965)		(6,681)
Change in net assets attributable to unitholders from investment activities		(28,576)		33,215
Retained distribution on accumulation units		4,492		3,935
Closing net assets attributable to unitholders		235,974		271,023

Balance Sheet

As at 30th September 2022

	<i>Notes</i>	<i>30/09/22</i> <i>£'000</i>	<i>30/09/21</i> <i>£'000</i>
ASSETS			
Fixed assets:			
Investments		234,908	269,870
Current assets:			
Debtors	11	2,750	1,923
Cash and cash equivalents	12	954	383
Total assets		238,612	272,176
LIABILITIES			
Investment liabilities		(46)	(10)
Creditors:			
Distribution payable on income units	10	(374)	(368)
Bank overdraft	12	–	(119)
Other creditors	13	(2,218)	(656)
Total liabilities		(2,638)	(1,153)
Net assets attributable to unitholders		235,974	271,023

Notes to the Financial Statements

For the year ended 30th September 2022

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 initially on 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 out 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 2022, 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 2022

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

(e) Revenue

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

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

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

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

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

(f) Expenses

All expenses (other than those relating to the sale and purchase of investments, which are charged to capital) are split 40% against revenue and 60% against capital. All expenses are recognised on an accruals basis.

(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 2022

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. All remaining revenue is distributed in accordance with the Regulations. 60% of expenses were transferred to capital for the purpose of calculating the distribution. Distributions to accumulation unitholders are rolled up to increase the value of the accumulation units. The Manager elected to make monthly distributions from 1st October 2014. The distributions are paid as dividend distributions.

(b) Distributions from Collective Investment Schemes

Equalisation received on distributions from the underlying collective investment schemes is included in the distribution for the year. Non-dividend revenue from offshore reporting funds is recognised when declared as reportable income, and treated as revenue for taxation and distribution purposes.

(c) Equalisation

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

(d) Unclaimed Distributions

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

(e) Apportionment to multiple unit classes

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

(f) Tax relief on capital expenses

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

4 Risk Management Policies

In pursuing its investment objectives, the Trust holds financial instruments which comprise collective investment schemes and transferable securities, cash balances and debtors and creditors that arise directly from its operations. The Manager reviews (and agrees with the Trustee) policies for managing the risks associated with these instruments and they are summarised below. The risk management policies of the Manager are explained in more detail in the Prospectus for the Trust.

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

4 Risk Management Policies (continued)

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.

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 Trust invests 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 Trust 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.

All cash holdings are held in GBP. 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.

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

4 Risk Management Policies (continued)

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.

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 2022, 99.29% (30th September 2021: 99.15%) of the portfolio could be sold under normal conditions and 98.46% (30th September 2021: 98.09%) 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 2022, 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 2022

5 Net Capital (Losses)/Gains

	30/09/22 £'000	30/09/21 £'000
The net capital (losses)/gains during the year comprise:		
Non-derivative securities	(27,818)	33,884
Currency gains	31	–
Forward currency contracts	–	185
Transaction charges	(6)	(4)
Equalisation received on distributions from underlying funds	63	44
Annual management charge rebates	360	367
Total Net Capital (Losses)/Gains	(27,370)	34,476

The net capital (losses)/gains figure above includes movement of unrealised (losses)/gains and realised gains of £(30,781,581) and £2,963,852 respectively. (30th September 2021: £32,427,436 and £1,456,242 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 14.

Analysis of direct transaction costs for the year ended 30th September 2022:

	Principal 2022 £'000	Commissions 2022 £'000	Taxes 2022 £'000	Total Cost 2022 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Collective Investment Schemes	17,192	–	–	17,192	–	–
Equities	14,702	–	69	14,771	–	0.47
Transaction cost % of purchases		–	0.22			
Sales						
Collective Investment Schemes	20,363	–	–	20,363	–	–
Equities	18,349	–	(7)	18,342	–	0.04
Transaction cost % of sales		–	0.02			
Total cost of the Fund's average NAV (%)		–	0.03			

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

6 Purchases, Sales and Transaction Costs (continued)

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

	Principal 2021 £'000	Commissions 2021 £'000	Taxes 2021 £'000	Total Cost 2021 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Collective Investment Schemes	17,425	–	–	17,425	–	–
Equities	17,065	1	71	17,137	0.01	0.42
Transaction cost % of purchases		–	0.21			
Sales						
Collective Investment Schemes	18,711	–	–	18,711	–	–
Equities	18,353	(1)	(6)	18,346	0.01	0.03
Transaction cost % of sales		–	0.02			
Total cost of the Fund's average NAV (%)		–	0.03			

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.02% (30th September 2021: 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.

7 Revenue

	30/09/22 £'000	30/09/21 £'000
Annual management charge rebates	195	211
Bank interest	5	–
Distributions from underlying funds	5,028	4,255
Franked PID revenue	15	9
Franked UK dividends	1,686	1,680
Offshore interest CIS revenue	810	827
Overseas dividends	385	361
Unfranked PID revenue	80	69
Total Revenue	8,204	7,412

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

8 Expenses

	30/09/22 £'000	30/09/21 £'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	<u>1,803</u>	<u>1,923</u>
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee and Depositary's fee	22	27
Safe custody fee	<u>3</u>	<u>3</u>
	25	30
Other expenses:		
Audit fee	8	8
VAT on audit fee	1	2
Accounting and administration fee	26	26
Automated transaction provider fee	13	14
Monthly distribution fee	18	43
Publication costs	3	5
Registrar fees	46	45
Sub-adviser fee	<u>289</u>	<u>260</u>
	<u>404</u>	<u>403</u>
Total Expenses	<u>2,232</u>	<u>2,356</u>

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

9 Taxation

	30/09/22 £'000	30/09/21 £'000
(a) Analysis of charge for the year		
Corporation tax	251	197
Overseas withholding tax	36	34
Total current tax charge (note 9b)	<u>287</u>	231
Deferred tax (note 9c)	–	–
Total Taxation	<u>287</u>	231

(b) Factors affecting 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%) (2021: 20%). The differences are explained below:

	30/09/22 £'000	30/09/21 £'000
Net revenue before taxation	<u>5,965</u>	5,054
Corporation Tax at 20%	1,193	1,011
Effects of:		
Non-taxable dividends	(936)	(814)
Non-taxable overseas dividends	(77)	(72)
Overseas withholding tax	36	34
Tax effect on capital management charge rebates	72	73
Tax payable in different periods	(1)	(1)
Total tax charge for the year (note 9a)	<u>287</u>	231

(c) Deferred tax charge for the year

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

At the year end, the Trust has no potential deferred tax asset as there were no carried forward surplus management expenses (30th September 2021: £Nil).

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

10 Distributions

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

	30/09/22	30/09/21
	£'000	£'000
Interim accumulations	3,780	3,252
Interim distributions	1,988	1,759
Final accumulation	712	683
Final distribution	374	368
	<u>6,854</u>	<u>6,062</u>
Add: Revenue deducted on cancellation of units	92	103
Deduct: Revenue received on issue of units	(62)	(81)
Net distribution for the year	<u>6,884</u>	<u>6,084</u>
Interest	7	2
Total Distribution	<u>6,891</u>	<u>6,086</u>

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

Net revenue after taxation	5,678	4,823
Expenses offset against capital	1,339	1,430
Equalisation received on distributions from underlying funds	63	44
Tax effect on expenses offset against capital	(196)	(213)
	<u>6,884</u>	<u>6,084</u>

Details of the distribution per unit are set out in the distribution tables on pages 43 to 48.

11 Debtors

	30/09/22	30/09/21
	£'000	£'000
Amounts receivable for issue of units	287	511
Annual management charge rebates	316	359
Distributions from underlying funds	870	703
Franked UK dividends receivable	98	150
Income tax recoverable	3	–
Overseas dividends receivable	37	43
Overseas tax recoverable	24	15
Sales awaiting settlement	1,102	134
Unfranked PID recoverable	13	8
Total Debtors	<u>2,750</u>	<u>1,923</u>

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

12 Cash and Cash Equivalents

	30/09/22	30/09/21
	£'000	£'000
Bank balances	954	383
Total bank balances	954	383
Bank overdrafts	–	(119)
Total bank overdrafts	–	(119)

13 Other Creditors

	30/09/22	30/09/21
	£'000	£'000
Accrued expenses	685	233
Amounts payable for cancellation of units	645	299
Corporation tax payable	119	53
Purchases awaiting settlement	769	71
Total Other Creditors	2,218	656

14 Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (30th September 2021: £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 £579,747 (30th September 2021: £154,560).

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

	30/09/22	30/09/21
Class A Accumulation units	98.79%	98.37%
Class M Accumulation units	100.00%	100.00%
Class A Income units	98.23%	98.19%
Class M Income units	99.97%	100.00%

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 2022

15 Related Parties (continued)

As at year end, the Manager has three 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 pages 43 to 48. All units have the same rights on winding up.

The Manager's service charge is calculated using the following tiered rates.

Less than £1 billion	0.69%
Equal to or greater than £1 billion but less than £2 billion	0.64%
Equal to or greater than £2 billion but less than £3 billion	0.60%
Equal to or greater than £3 billion	0.55%

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	75,203,976	5,828,717	(8,821,297)	(224,707)	71,986,689
Class M Accumulation	22,225,411	3,778,312	(4,619,016)	–	21,384,707
Class A Income	33,431,825	2,161,633	(3,691,444)	362,543	32,264,557
Class M Income	48,664,678	4,560,218	(6,745,610)	–	46,479,286

17 Risk Disclosures

Market Price Risk

Market price risk - risk management policies surrounding this risk are discussed in note 4 on pages 30 and 32.

A 5% increase in the value of the Trust's portfolio would have the effect of increasing the return and net assets by £11,743,090 (30th September 2021: £13,493,025). A 5% decrease would have an equal and opposite effect.

Currency Risk

Currency risk - risk management policies surrounding this risk are discussed in note 4 on pages 30 to 32.

Currency exposure as at 30th September 2022

	<i>Monetary Exposure £'000</i>	<i>Non- Monetary Exposure £'000</i>	<i>Total £'000</i>
Euro	12	1,295	1,307
Japanese Yen	–	58	58
Sterling	1,088	229,884	230,972
Swiss Franc	12	421	433
US Dollar	–	3,204	3,204
	1,112	234,862	235,974

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

17 Risk Disclosures (continued)

Currency exposure as at 30th September 2021

	<i>Monetary Exposure £'000</i>	<i>Non- Monetary Exposure £'000</i>	<i>Total £'000</i>
Euro	7	1,358	1,365
Japanese Yen	–	66	66
Sterling	1,149	263,035	264,184
Swiss Franc	7	701	708
US dollar	–	4,700	4,700
	1,163	269,860	271,023

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 £250,056 (30th September 2021: £341,949). 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 30 to 32.

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 - risk management policies surrounding this risk are discussed in note 4 on pages 30 to 32.

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 2022, 99.29% (30th September 2021: 99.15%) of the investments could be disposed under normal conditions and 98.46% (30th September 2021: 98.09%) under stressed market conditions.

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

17 Risk Disclosures (continued)

Counterparty Risk

Counterparty risk - risk management policies surrounding this risk are discussed in note 4 on pages 30 to 32.

Counterparty Name	30/09/2022 £'000	30/09/2021 £'000
Forward Currency Contracts		
Northern Trust	(46)	(10)
Total	(46)	(10)

The Trust does not have any significant counterparty risk exposures.

Credit Risk

Credit risk - risk management policies surrounding this risk are discussed in note 4 on pages 30 to 32.

The Trust's maximum exposure to credit in the event that the counterparties fail to perform their obligations as at 30th September 2022 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 transacts 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 2022 was AA- (30th September 2021: 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.

Valuation technique as at 30th September 2022

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Collective Investment Schemes	–	180,539	466	181,005
Equities	53,903	–	–	53,903
Total	53,903	180,539	466	234,908
Liabilities				
Forward Currency Contracts	–	(46)	–	(46)
Total	–	(46)	–	(46)

Notes to the Financial Statements (continued)

For the year ended 30th September 2022

17 Risk Disclosures (continued)

Fair Value (continued)

Valuation technique as at 30th September 2021

	<i>Level 1</i> £'000	<i>Level 2</i> £'000	<i>Level 3</i> £'000	<i>Total</i> £'000
Assets				
Collective Investment Schemes	–	206,751	730	207,481
Equities	62,389	–	–	62,389
Total	62,389	206,751	730	269,870
Liabilities				
Forward Currency Contracts	–	(10)	–	(10)
Total	–	(10)	–	(10)

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 during the year and is categorised within Level 3 of the fair value hierarchy. The Trust's valuation is based on the NAV per unit/share published by the Authorised Corporate Director of the collective investment scheme available at the 11am valuation point on 30th September 2022 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.

18 Post Balance Sheet Events

The impact of latest published NAV per unit classes as at the close of business on 19th January 2023 compared to the published NAV per unit classes as at year-end is shown below.

<i>Unit Class</i>	<i>Unit Price</i> 30th September 2022	<i>Unit Price</i> 19th January 2023	<i>Movement</i> %
A Acc	166.42	179.40	7.80
M Acc	166.42	179.40	7.80
A Inc	103.07	109.77	6.50
M Inc	103.08	109.78	6.50

Distribution Tables

For the year ended 30th September 2022

In pence per unit

First interim distribution for the period ended 31st October 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	0.3633	–	0.3633	0.2701
Group 2	0.0176	0.3457	0.3633	0.2701

<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	0.3633	–	0.3633	0.2701
Group 2	0.0263	0.3370	0.3633	0.2701

<i>Class A Income 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	0.2300	–	0.2300	0.1750
Group 2	0.0182	0.2118	0.2300	0.1750

<i>Class M Income 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	0.2300	–	0.2300	0.1750
Group 2	0.0195	0.2105	0.2300	0.1750

Group 1 - Units created prior to 1st October 2021

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

Second interim distribution for the period ended 30th November 2021

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Dec 2021</i>	<i>31st Dec 2020</i>
Group 1	0.3640	–	0.3640	0.2706
Group 2	0.0363	0.3277	0.3640	0.2706

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Dec 2021</i>	<i>31st Dec 2020</i>
Group 1	0.3640	–	0.3640	0.2706
Group 2	0.0463	0.3177	0.3640	0.2706

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Dec 2021</i>	<i>31st Dec 2020</i>
Group 1	0.2300	–	0.2300	0.1750
Group 2	0.0245	0.2055	0.2300	0.1750

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Dec 2021</i>	<i>31st Dec 2020</i>
Group 1	0.2300	–	0.2300	0.1750
Group 2	0.0300	0.2000	0.2300	0.1750

Group 1 - Units created prior to 1st November 2021

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

Distribution Tables (continued)

For the year ended 30th September 2022

In pence per unit

Third interim distribution for the period ended 31st December 2021

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2022</i>	<i>31st Jan 2021</i>
Group 1	0.3647	–	0.3647	0.2710
Group 2	–	0.3647	0.3647	0.2710

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2022</i>	<i>31st Jan 2021</i>
Group 1	0.3647	–	0.3647	0.2710
Group 2	0.0020	0.3627	0.3647	0.2710

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2022</i>	<i>31st Jan 2021</i>
Group 1	0.2300	–	0.2300	0.1750
Group 2	0.0072	0.2228	0.2300	0.1750

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Jan 2022</i>	<i>31st Jan 2021</i>
Group 1	0.2300	–	0.2300	0.1750
Group 2	–	0.2300	0.2300	0.1750

Group 1 - Units created prior to 1st December 2021

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

Fourth interim distribution for the period ended 31st January 2022

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>28th Feb 2022</i>	<i>28th Feb 2021</i>
Group 1	0.3813	–	0.3813	0.3102
Group 2	0.0418	0.3395	0.3813	0.3102

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>28th Feb 2022</i>	<i>28th Feb 2021</i>
Group 1	0.3813	–	0.3813	0.3102
Group 2	0.0272	0.3541	0.3813	0.3102

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>28th Feb 2022</i>	<i>28th Feb 2021</i>
Group 1	0.2400	–	0.2400	0.2000
Group 2	0.0298	0.2102	0.2400	0.2000

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>28th Feb 2022</i>	<i>28th Feb 2021</i>
Group 1	0.2400	–	0.2400	0.2000
Group 2	0.0288	0.2112	0.2400	0.2000

Group 1 - Units created prior to 1st January 2022

Group 2 - Units created on or after 1st January 2022

Distribution Tables (continued)

For the year ended 30th September 2022

In pence per unit

Fifth interim distribution for the period ended 28th February 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Mar 2022</i>	<i>31st Mar 2021</i>
Group 1	0.3821	–	0.3821	0.3108
Group 2	0.1053	0.2768	0.3821	0.3108

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Mar 2022</i>	<i>31st Mar 2021</i>
Group 1	0.3821	–	0.3821	0.3108
Group 2	0.0812	0.3009	0.3821	0.3108

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Mar 2022</i>	<i>31st Mar 2021</i>
Group 1	0.2400	–	0.2400	0.2000
Group 2	0.0440	0.1960	0.2400	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st Mar 2022</i>	<i>31st Mar 2021</i>
Group 1	0.2400	–	0.2400	0.2000
Group 2	0.0650	0.1750	0.2400	0.2000

Group 1 - Units created prior to 1st February 2022

Group 2 - Units created on or after 1st February 2022

Sixth interim distribution for the period ended 31st March 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2022</i>	<i>30th Apr 2021</i>
Group 1	0.3351	–	0.3351	0.3114
Group 2	0.1138	0.2213	0.3351	0.3114

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2022</i>	<i>30th Apr 2021</i>
Group 1	0.3351	–	0.3351	0.3114
Group 2	0.1380	0.1971	0.3351	0.3114

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2022</i>	<i>30th Apr 2021</i>
Group 1	0.2100	–	0.2100	0.2000
Group 2	0.0712	0.1388	0.2100	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Apr 2022</i>	<i>30th Apr 2021</i>
Group 1	0.2100	–	0.2100	0.2000
Group 2	0.0746	0.1354	0.2100	0.2000

Group 1 - Units created prior to 1st March 2022

Group 2 - Units created on or after 1st March 2022

Distribution Tables (continued)

For the year ended 30th September 2022

In pence per unit

Seventh interim distribution for the period ended 30th April 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2022</i>	<i>31st May 2021</i>
Group 1	0.3517	–	0.3517	0.3119
Group 2	0.1020	0.2497	0.3517	0.3119

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2022</i>	<i>31st May 2021</i>
Group 1	0.3517	–	0.3517	0.3119
Group 2	0.1066	0.2451	0.3517	0.3119

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2022</i>	<i>31st May 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0937	0.1263	0.2200	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2022</i>	<i>31st May 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0615	0.1585	0.2200	0.2000

Group 1 - Units created prior to 1st April 2022

Group 2 - Units created on or after 1st April 2022

Eighth interim distribution for the period ended 31st May 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Jun 2022</i>	<i>30th Jun 2021</i>
Group 1	0.3524	–	0.3524	0.3125
Group 2	0.0526	0.2998	0.3524	0.3125

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Jun 2022</i>	<i>30th Jun 2021</i>
Group 1	0.3524	–	0.3524	0.3125
Group 2	0.0599	0.2925	0.3524	0.3125

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Jun 2022</i>	<i>30th Jun 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0296	0.1904	0.2200	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	
	<i>Income</i>	<i>Equalisation</i>	<i>30th Jun 2022</i>	<i>30th Jun 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0287	0.1913	0.2200	0.2000

Group 1 - Units created prior to 1st May 2022

Group 2 - Units created on or after 1st May 2022

Distribution Tables (continued)

For the year ended 30th September 2022

In pence per unit

Ninth interim distribution for the period ended 30th June 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>29th Jul 2022</i>	<i>31st Jul 2021</i>
Group 1	0.3531	–	0.3531	0.3130
Group 2	0.0571	0.2960	0.3531	0.3130

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>29th Jul 2022</i>	<i>31st Jul 2021</i>
Group 1	0.3531	–	0.3531	0.3130
Group 2	0.0571	0.2960	0.3531	0.3130

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>29th Jul 2022</i>	<i>31st Jul 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0343	0.1857	0.2200	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>29th Jul 2022</i>	<i>31st Jul 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0343	0.1857	0.2200	0.2000

Group 1 - Units created prior to 1st June 2022

Group 2 - Units created on or after 1st June 2022

Tenth interim distribution for the period ended 31st July 2022

<i>Class A Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>31st Aug 2022</i>	<i>31st Aug 2021</i>
Group 1	0.3538	–	0.3538	0.3136
Group 2	0.0096	0.3442	0.3538	0.3136

<i>Class M Accumulation Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>31st Aug 2022</i>	<i>31st Aug 2021</i>
Group 1	0.3538	–	0.3538	0.3136
Group 2	0.0474	0.3064	0.3538	0.3136

<i>Class A Income Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>31st Aug 2022</i>	<i>31st Aug 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0030	0.2170	0.2200	0.2000

<i>Class M Income Units</i>	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
	<i>Income</i>	<i>Equalisation</i>	<i>31st Aug 2022</i>	<i>31st Aug 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0081	0.2119	0.2200	0.2000

Group 1 - Units created prior to 1st July 2022

Group 2 - Units created on or after 1st July 2022

Distribution Tables (continued)

For the year ended 30th September 2022

In pence per unit

Eleventh interim distribution for the period ended 31st August 2022

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Sep 2022</i>	<i>30th Sep 2021</i>
Group 1	0.3545	–	0.3545	0.3141
Group 2	0.0291	0.3254	0.3545	0.3141

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Sep 2022</i>	<i>30th Sep 2021</i>
Group 1	0.3545	–	0.3545	0.3141
Group 2	0.0568	0.2977	0.3545	0.3141

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Sep 2022</i>	<i>30th Sep 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0258	0.1942	0.2200	0.2000

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Sep 2022</i>	<i>30th Sep 2021</i>
Group 1	0.2200	–	0.2200	0.2000
Group 2	0.0300	0.1900	0.2200	0.2000

Group 1 - Units created prior to 1st August 2022

Group 2 - Units created on or after 1st August 2022

Final distribution for the year ended 30th September 2022

	<i>Net</i>		<i>Paid</i>	
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Oct 2022</i>	<i>31st Oct 2021</i>
Group 1	0.7630	–	0.7630	0.7015
Group 2	0.0192	0.7438	0.7630	0.7015

	<i>Net</i>		<i>Paid</i>	
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Oct 2022</i>	<i>31st Oct 2021</i>
Group 1	0.7632	–	0.7632	0.7015
Group 2	0.0348	0.7284	0.7632	0.7015

	<i>Net</i>		<i>Paid</i>	
<i>Class A Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Oct 2022</i>	<i>31st Oct 2021</i>
Group 1	0.4752	–	0.4752	0.4486
Group 2	0.0135	0.4617	0.4752	0.4486

	<i>Net</i>		<i>Paid</i>	
<i>Class M Income Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st Oct 2022</i>	<i>31st Oct 2021</i>
Group 1	0.4752	–	0.4752	0.4489
Group 2	0.0112	0.4640	0.4752	0.4489

Group 1 - Units created prior to 1st September 2022

Group 2 - Units created on or after 1st September 2022



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

0117 900 9000
www.hl.co.uk

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