

LIONTRUST INVESTMENT FUNDS I

Annual Report &
Financial Statements

For the period:

1 January 2021

to

31 December 2021

Managed in accordance with
The Liontrust Global Equity Process

LIONTRUST FUND PARTNERS LLP

LIONTRUST 

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* Collectively these comprise the Authorised Corporate Director's Report (herein referred to as the ACDs Report) along with the Investment objective and policy, Investment review, Portfolio Statement and Material portfolio changes of each Sub-fund.

Management and Administration

Management and Administration

The Authorised Corporate Director ("ACD") of Liontrust Investment Funds I (the "Company") is:

Liontrust Fund Partners LLP

The registered office of the ACD and the Company is 2 Savoy Court, London, WC2R 0EZ.

The ACD is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the ACD is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

Depository

The Bank of New York Mellon (International) Limited
1 Canada Square
London E14 5AL

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

Independent Auditor

KPMG LLP
11th Floor
15 Canada Square
Canary Wharf
London
E14 5GL

Administrator and Registrar

The Bank of New York Mellon (International) Limited
1 Canada Square
London
E14 5AL

Authorised by PRA and regulated by the FCA and the PRA.

Management and Administration (continued)

Company Information

The Company is an investment company with variable capital under regulation 12 of the Open-Ended Investment Company Regulations 2001, incorporated in England and Wales under registered number IC 114 and authorised by the Financial Conduct Authority on 3 July 2001. At the year end the Company held fourteen Sub-funds, the Liontrust China Fund, the Liontrust European Opportunities Fund, the Liontrust Global Alpha Fund, the Liontrust Global Innovation Fund, the Liontrust Global Dividend Fund, the Liontrust Income Fund, the Liontrust India Fund, the Liontrust Japan Opportunities Fund, the Liontrust Latin America Fund, the Liontrust Russia Fund, the Liontrust UK Mid Cap Fund, the Liontrust UK Opportunities Fund, the Liontrust US Income Fund and the Liontrust US Opportunities Fund (the "Sub-funds"). The Liontrust European Opportunities Fund, the Liontrust Japan Opportunities Fund, the Liontrust UK Mid Cap Fund, the Liontrust UK Opportunities Fund and the Liontrust US Income Fund are closed to investment and will be terminated at a later date once the residual assets and liabilities are settled. As a result the financial statements for these Sub-fund's have not been prepared on a going concern basis as disclosed in note 1a of the Notes applicable to the financial statements of all Sub-funds.

The Company is a UCITS scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("COLL") and is structured as an umbrella company so that different Sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary.

The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund. Each share class has the same rights on a winding up of the Company. Investment of the assets of each of the Sub-funds must comply with the FCA's COLL and the investment objective and policy of the relevant Sub-fund.

Remuneration policy

Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UCITS Managers are required to comply with the UCITS V Remuneration Code from the start of their next accounting year. Under the UCITS V Directive (2014/91/EU), the ACD is required to disclose information relating to the remuneration paid to its staff for the financial year.

The table below provides an overview of the following for the year ended 31 March 2021:

- Aggregate total remuneration paid by the ACD to its staff (employees and members)
- Aggregate total remuneration paid by to all relevant UCITS code staff

	Headcount	Total Remuneration (£'000)
ACD UK Staff ¹	81	6,864
of which		
Fixed remuneration	81	4,316
Variable remuneration	81	2,548
UCITS Aggregate Remuneration Code Staff ^{1,2}	11	6,513
of which		
Senior Management	2	272
Other control functions:		
Other code staff/risk takers	9	6,241

¹ The ACD's UK staff costs have been incurred by another Group entity and allocated to the ACD. The most appropriate measure of staff costs are those staff who are members of Liontrust Investment Partners LLP or Group staff who are employed by LAM but have their costs apportioned to the LLP. The information has been disclosed on an annualised basis.

² UCITS Aggregate Remuneration Code Staff applies only in respect of the provision of services to UCITS funds rather than their total remuneration in the year. For senior management and control function staff, remuneration is apportioned on the basis of assets under management for UCITS funds versus the total Group assets under management. For portfolio management staff remuneration is apportioned directly to the Sub-funds.

Management and Administration (continued)

Remuneration policy (continued)

Remuneration is made up of fixed pay (i.e. salary and benefits such as pension contributions) and variable pay (annual performance based or linked directly to investment management revenues). Annual incentives are designed to reward performance in line with the business strategy, objectives, values and long-term interests of the ACD and LAM PLC Group. The annual incentive earned by an individual is dependent on the achievement of financial and non-financial objectives, including adherence to effective risk management practices. The ACD provides long-term incentives which are designed to link reward with long-term success and recognise the responsibility participants have in driving future success and delivering value. Long-term incentive awards are conditional on the satisfaction of corporate performance measures. The structure of remuneration packages is such that the fixed element is sufficiently large to enable a flexible incentive policy to be operated.

Staff are eligible for an annual incentive based on their individual performance, and depending on their role, the performance of their business unit and/or the group. These incentives are managed within a strict risk framework, and the Directors of LAM retain ultimate discretion to reduce annual incentive outcomes where appropriate.

The ACD actively manages risks associated with delivering and measuring performance. All our activities are carefully managed within our risk appetite, and individual incentive outcomes are reviewed and may be reduced in light of any associated risk management issues.

The Liontrust Group operates a Remuneration Committee (the "Committee"). The Committee reports to the Board. The Committee reviews risk and compliance issues in relation to the vesting of deferred awards for all employees and members. Compliance is monitored throughout the vesting period by the Committee.

These remuneration policies apply also to other entities in the Liontrust Group to which investment management of Sub-funds has been delegated, and those delegates are subject to contractual arrangements to ensure that policies which are regarded as equivalent are applied.

The Board adopts, and reviews annually, the general principles of the applicable remuneration policies, and the implementation of the remuneration policies is, at least annually, subject to central and independent internal review by the Committee for compliance with policies and procedures.

Scope of the policy

By entity

The ACD is subject to the requirements of the UCITS Remuneration Code as set out in SYSC 19E of the FCA Handbook (the "Code").

The Committee has determined that it is appropriate for it to disapply the rules on retention (SYSC 19E.2.18R), deferral (SYSC 19E.2.20R) and performance adjustment (SYSC 19E.2.22R) of the Code, in view of the size, internal organisation and the nature, scope and complexity of activities of the ACD.

However, the ACD chooses to comply with certain of the above 'payout process rules' on a voluntary basis.

By individual

The requirements of the Code are applicable to the remuneration arrangements of individuals who fall within the definition of Code Staff under the Code and this policy sets out the basis on which the rules contained within the Code will be applied to Code Staff. The Committee itself sets the remuneration and has oversight of remuneration arrangements for all other Code Staff together with such other senior employees as the Committee may determine from time to time.

The Committee also reviews the remuneration arrangements of other employees and the operation of the incentive plans to ensure that remuneration arrangements have regard to pay and employment conditions. However, decisions on individual remuneration arrangements are made by management in the area, with oversight by the Human Resources Director.

No hedging or other mitigation arrangements may be entered into by employees as that would undermine risk alignment effects.

Management and Administration (continued)

Approach to the remuneration

The Committee seeks to balance the components of remuneration, namely:

- Base salary,
- Benefits and allowances,
- Annual bonus (both paid immediately in cash and deferrals) and
- Longer-term incentives

In order to ensure proper alignment of the interests with shareholders and investors in the Sub-funds within a framework which discourages excessive risk-taking and ensures that the policy is in line with the business strategy, objectives, values and interests of Liontrust, the Sub-funds and their investors.

The Committee has regard to the LAM Risk Appetite statement and the investment objectives of the Sub-funds (as outlined in the Prospectus) in its determination of the appropriate risk/reward balance.

Securities Financing Transactions Regulation

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) or total return swaps are required on all reports & accounts published after 13 January 2017. See pages 414 - 422 for disclosures at 31 December 2021.

Assessment of Value

The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Sub-funds and the other UK-domiciled funds managed by Liontrust will be conducted as at 31 August each year. The assessment of value report can be viewed on the Liontrust website www.liontrust.co.uk/assessment-of-value.

Changes to the Prospectus

During the period to 31 December 2021, changes were made to the Company and therefore the following changes were reflected in the Prospectus and/or Instrument of Incorporation of the Company.

- Update to reflect the new Class B on Liontrust Global Dividend Fund, effective 4 June 2021.
- Change to reflect a reduction in the annual management fees for the B share classes to 1.00%, effective 1 March 2021.
- Update to introduce wording to allow stock lending, effective 16 February 2021.
- Update to reflect reduction in the administration fees, effective 1 October 2021.
- Clarification of the investment policy for the Liontrust Latin America Fund, effective 15 October 2021.
- Introduction of the IA Latin America sector as a comparator benchmark for the Liontrust Latin America Fund, effective 15 October 2021.
- Introduction of the IA India sector as a comparator benchmark for the Liontrust India Fund, effective 15 October 2021.

Changes to the Company

The following change took effect during the year to 31 December 2021:

- Merger of Liontrust Macro Equity Income Fund into the Liontrust Income Fund on 19 March 2021;
- Merger of Liontrust European Opportunities Fund into the Liontrust European Growth Fund on 25 June 2021;

Management and Administration (continued)

Changes to the Company (continued)

- Merger of Liontrust Global Income Fund into the Liontrust Global Dividend Fund on 25 June 2021;
- Merger of Liontrust US Income Fund into the Liontrust Global Dividend Fund on 8 October 2021;
- The Liontrust Global Equity Fund was renamed the Liontrust Global Innovation Fund on 15 October 2021;
- Merger of Liontrust Japan Opportunities Fund into the Liontrust Japan Fund on 8 November 2021.
- The Liontrust Russia Fund was suspended post year end from 28 February 2022.

Holdings in Other Funds of the Company

As at 31 December 2021, there were no shares in any Sub-fund held by other Sub-funds of the Company.

Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgments and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its Sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its Sub-funds or to cease operations, or have no realistic alternative but to do so. For the reasons stated in the Company Information, the financial statements of some of the sub-funds have not been prepared on a going concern basis;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Report of the ACD to the Shareholders

The ACD, as sole director, presents its report and the audited financial statements of the Company for the year from 1 January 2021 to 31 December 2021.

Management and Administration (continued)

Report of the ACD to the Shareholders (continued)

The Company is a UCITS scheme which complies with the FCA's Collective Investment Schemes sourcebook. The shareholders are not liable for the debts of the Company.

The investment objectives and policies of each Sub-fund of the Company are covered in the section for each Sub-fund. The names and addresses of the ACD, the Depositary and the Auditor are detailed on page 1.

In the future there may be other Sub-funds of the Company.

The ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the Sub-funds consist predominantly of securities that are readily realisable and, accordingly, the Sub-funds have adequate financial resources to continue in operational existence for the foreseeable future. The Liontrust European Opportunities Fund, the Liontrust Japan Opportunities Fund, the Liontrust UK Mid Cap Fund, the Liontrust UK Opportunities Fund and the Liontrust US Income Fund have all closed and will be terminated at a later date once the residual assets and liabilities are settled. As a result the financial statements for these Sub-funds have not been prepared on a going concern basis.

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £37.2 billion in assets under management as at 31 December 2021 and that takes pride in having a distinct culture and approach to managing money. Our purpose is to have a positive impact on our investors, stakeholders and society. We aim to achieve this by providing the environment which enables our fund managers and employees to flourish, helping our investors achieve their financial goals, supporting companies in generating sustainable growth, and empowering and inspiring the wider community. What makes Liontrust distinct?

- The Company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Luxembourg and Edinburgh.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have six fund management teams investing in Global Equities, Global Fixed Income, Sustainable Investment and Multi-Asset Portfolios and funds.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from buying stocks for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Principles of Treating Customers Fairly (TCF) and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP, Liontrust Fund Partners LLP and Liontrust Multi-Asset Limited which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust International (Luxembourg) S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

Management and Administration (continued)

Liontrust Asset Management PLC (continued)

The outbreak of the Coronavirus (COVID-19) caused disruption to businesses and economic activity which has been reflected in fluctuations in global stock markets. The Manager monitors developments relating to COVID-19 and is co-ordinating its operational response based on existing business continuity plans and on guidance from global health organisations, UK government and general pandemic response best practice.

Russia's invasion of Ukraine, the sanctions imposed on Russia as a result and retaliatory action taken by Russia against foreign investors has caused significant volatility in certain financial markets, currency markets and commodities markets worldwide. Economic sanctions and the fallout from the conflict will likely impact companies worldwide operating in a wide variety of sectors, including energy, financial services and defence, amongst others. As a result, the performance of the sub-funds may also be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

The conflict has also resulted in a significantly increased risk of cyber attacks. Your attention is drawn to the section of this Prospectus entitled "Cyber Security Risk" in this regard.

Liontrust suspended dealing in the Liontrust Russia Fund on 28 February 2022, this means investors are not able to make purchases or redemptions in the Sub-fund until further notice. It was decided that suspending dealing was in the best interests of all investors given the exceptional circumstances in terms of the Russian invasion of Ukraine and the sanctions imposed on and by Russia as a result. At the moment, Liontrust is unable to say how long the Sub-fund will be suspended for. Liontrust will keep the suspension under continual review given it is such a rapidly changing situation and we will ensure the suspension only continues for as long as it is justified to meet the interests of all investors.

Member's Statement

In accordance with COLL 4.5.8BR, we hereby certify the Annual Report and the Financial Statements were approved by the management committee of members of the ACD and authorised for issue on 29 April 2022.



Antony Morrison

Member

29 April 2022

Statement of the Depositary's Responsibilities and Report of the Depositary

To the Shareholders of Liontrust Investment Funds I ("the Company") for the year ended 31 December 2021.

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares in the Company is calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ("the ACD") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the ACD:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

For and on behalf of The Bank of New York Mellon (International) Limited

29 April 2022

Independent Auditor's Report to the Shareholders of Liontrust Investment Funds I (the "Company")

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the Company for the year ended 31 December 2021 which comprise the Statements of Total Return, the Statements of Change in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables for each of the Company's Sub-funds listed on the Contents page and the accounting policies set out on pages 13 to 15.

In our opinion, the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, of the financial position of each of the Sub-funds as at 31 December 2021 and of the net revenue/net expense and the net capital gains/net capital losses on the property of each of the Sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty related to going concern in respect of Liontrust Russia Fund

In respect of Liontrust Russia Fund, we draw attention to note 1(a) to the financial statements which indicates that the Sub-fund was suspended on 28 February 2022 due to the Russian invasion of Ukraine and the sanctions imposed on and by Russia as a result. Until the sanctions are lifted or a resolution to the ongoing conflict arises, it is not known whether trading will ever be able to recommence which may result in the closure of the fund. These events and conditions constitute a material uncertainty that may cast significant doubt on the ability of Liontrust Russia Fund to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of matter – non going concern basis of preparation in respect of Liontrust US Income Fund, Liontrust European Opportunities Fund, Liontrust Japan Opportunities Fund, Liontrust UK Mid Cap Fund and Liontrust UK Opportunities Fund (the "Non-Going Concern Sub-Funds")

We draw attention to the disclosure made on page 13 which explains that the Authorised Corporate Director ("ACD") has no longer prepared the financial statements of Liontrust US Income Fund, Liontrust European Opportunities Fund, Liontrust Japan Opportunities Fund, Liontrust UK Mid Cap Fund and Liontrust UK Opportunities Fund (the "Non-Going Concern Sub-funds") on the going concern basis as the ACD intends to liquidate these Sub-funds. Our opinion is not modified in respect of this matter.

Going concern

The ACD has prepared the financial statements of all the Company's Sub-funds other than the Non-Going Concern Sub-funds (the "Going Concern Sub-funds") on the going concern basis as they do not intend to liquidate these Going Concern Sub-funds or to cease their operations, and as they have concluded that the Company and its Sub-fund's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over the Going Concern Sub-funds ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period") except for the Liontrust Russia Fund. As stated above, they have also concluded that a material uncertainty related to going concern exists for this Sub-fund.

Independent Auditor's Report to the Shareholders of Liontrust Investment Funds I (the "Company") (continued)

Report on the audit of the financial statements (continued)

Going concern (continued)

In our evaluation of the ACD's conclusions in respect of the Going Concern Sub-funds, we considered the inherent risks to the Company's and the Going Concern Sub-funds' business model and analysed how those risks might affect the Company's and Going Concern Sub-funds' financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the ACD's use of the going concern basis of accounting for the Going Concern Sub-funds in the preparation of the financial statements is appropriate;
- in respect of all the Going Concern Sub-funds, except for the Liontrust Russia Fund, we have not identified, and concur with the ACD's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's and these Sub-funds' ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company or the Going Concern Sub-funds will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the ACD, the Depositary, the Administrator and the Investment Manager; and
- Reading ACD board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the ACD and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the ACD and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Independent Auditor's Report to the Shareholders of Liontrust Investment Funds I (the "Company") (continued)

Report on the audit of the financial statements (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The ACD is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the ACD's Report 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 where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

Authorised Corporate Director's responsibilities

As explained more fully in its statement set out on page 5 the ACD is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing each Sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting for each Sub-fund unless they either intend to liquidate the Sub-Funds or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Shareholders of Liontrust Investment Funds I (the "Company") (continued)

Report on the audit of the financial statements (continued)

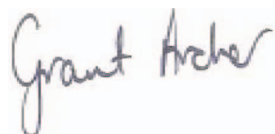
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders 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 Company and the Company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



Grant Archer

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

11th Floor
15 Canada Square
Canary Wharf
London
E14 5GL

29 April 2022

Notes applicable to the financial statements of all Sub-funds

for the year ended 31 December 2021

1 Accounting Policies

a) Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

For all Sub-funds apart from the Liontrust European Opportunities Fund, the Liontrust Japan Opportunities Fund, the Liontrust Russia Fund, the Liontrust UK Mid Cap Fund, the Liontrust UK Opportunities Fund and the Liontrust US Income Fund, the ACD has made an assessment of the Company and its Sub-funds' ability to continue as a going concern and is satisfied it has the resources to continue in business for at least 12 months and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19.

The Liontrust European Opportunities Fund, the Liontrust Japan Opportunities Fund, the Liontrust UK Mid Cap Fund, the Liontrust UK Opportunities Fund and the Liontrust US Income Fund have all closed and will be terminated at a later date once the residual assets and liabilities are settled. As a result the financial statements for these Sub-funds have not been prepared on a going concern basis.

For the Sub-funds not prepared on a going concern basis, no adjustments were required to the financial statements to adjust assets or liabilities to their realisable values or to provide for liabilities arising from the decision to terminate the Sub-funds. No liabilities have been recorded for costs of the terminations as the intention is that the Authorised Corporate Director will bear any such costs which may arise.

Liontrust Russia Fund suspended dealing on 28 February 2022 in the best interests of all shareholders given the closure of the Moscow stock exchange and the ban on foreign investors trading in local Russian securities that has prevented the Fund from trading normally in its underlying investments. The financial statements have been prepared to reflect the fair value of the Sub-fund investments as at 31 December 2021.

b) Valuation of investments

The valuation of the Sub-funds' listed investments is based on the bid-market prices, at close of business on the last day of the accounting year, in accordance with the provisions of the Prospectus. Unquoted securities are valued by the ACD on a fair value basis taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

c) Revenue

Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when they are declared.

Revenue from collective investment schemes is recognised when the investment is quoted ex-distribution. Accumulation of revenue relating to accumulated shares or units held in collective investment schemes is recognised as revenue and included in the amounts available for distribution. Equalisation received from distributions or accumulations is treated as capital by deducting from the cost of investments.

Revenue from securities lending is accounted for net of associated costs and is recognised on an accruals basis.

Interest on bank balances and deposits is recognised on an accruals basis.

Notes applicable to the financial statements of all Sub-funds (continued)

for the year ended 31 December 2021

1 Accounting Policies (continued)

c) Revenue (continued)

All revenue is recognised at a gross amount that includes any withholding taxes but excludes any other taxes, such as attributable tax credits.

US REIT dividend revenue is accounted for partly as revenue and partly as capital, depending on the underlying REIT distribution. All US REIT dividend revenue is recognised on an accruals basis and the allocation between income and capital is estimated when the security goes ex-dividend. US REITs issue information on the revenue/capital split of these dividends on an annual basis based on the calendar year. When this information is received, then the estimated allocation is adjusted accordingly.

Rebates of ACD fees are recognised on an accrual basis. These rebates are treated as revenue or capital based on the underlying fund's treatment of the ACD fees.

d) Expenses

Expenses are recognised on an accruals basis.

e) Allocation of income and expenses

The allocation of income and expenses to each share class is based on the proportion of the Sub-funds' assets attributable to each share class on the day the income is earned or the expense is incurred. The ACD's periodic charge is allocated at a fixed rate based on the net asset value of the respective share class.

f) Taxation

Corporation tax is charged at 20% of the income liable to corporation tax, less expenses. Deferred tax is provided for at the rate at which taxation is likely to become payable in respect of all timing differences between the accounting and taxation treatment of items.

g) Exchange rates

Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of the transaction. Investments and other assets and liabilities denominated in foreign currencies are translated into Sterling at the exchange rates applicable at the end of the accounting period.

h) Financial instruments

Where appropriate, certain permitted financial instruments such as derivative contracts or forward exchange contracts are used for the purpose of efficient portfolio management. Where such financial instruments are used to protect or enhance revenue, the revenue and expenses derived there from are included in "Revenue" or "Expenses" in the Statement of Total Return. Where such financial instruments are used to protect or enhance capital, the returns derived there from are included in "Net capital gains/(losses) on investments" in the Statement of Total Return. Any positions in respect of such instruments open at the year end are reflected in the portfolio statement at their market value. Where positions generate total returns, such returns are apportioned between capital and revenue to properly reflect the nature of the transaction. The amounts held at futures clearing houses in respect of these financial instruments are included in the cash and bank balances and detailed in the Notes to the Financial Statements. Transaction costs associated with derivatives are charged to revenue when incurred. All forward contracts outstanding at financial reporting dates are marked to market. Some of the Sub-funds may enter into permitted transactions such as derivative contracts or forward currency transactions as outlined in the relevant Investment Objective and Policy of the Sub-funds.

Notes applicable to the financial statements of all Sub-funds (continued)

for the year ended 31 December 2021

1 Accounting Policies (continued)

h) Financial instruments (continued)

Derivative financial instruments are initially recorded at transaction value on the date on which the derivative contract is entered into. All contracts outstanding at the financial reporting date are carried at a value provided by independent pricing providers.

1.1 Distribution Policies

i) Basis of distribution

The net revenue available for distribution at the end of each distribution period will be paid as a dividend distribution. Should the expenses of a Sub-fund (including taxation) exceed the revenue of a Sub-fund, there will be no distribution and the shortfall will be set against the capital of a Sub-fund.

Any revenue attributable to accumulation shareholders is retained within a Sub-fund at the end of the distribution period and represents a reinvestment of income on behalf of the accumulation shareholders.

The ACD's fees and expenses are charged against revenue in respect of all the Sub-funds except for the Liontrust Global Dividend Fund, Liontrust Income Fund and Liontrust US Income Fund where the ACD's fees and expenses are charged against capital.

j) Stock dividends

The ordinary element of a stock dividend is recognised as revenue to the extent that its market value is equivalent to the market value of the underlying shares on the date the shares 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 value of the dividend will be taken to the capital of a Sub-fund. The ordinary element of the stock dividend is treated as revenue and forms part of the distribution.

k) Special dividends

Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distribution. The tax accounting treatment follows the treatment of the principal amount.

l) Functional currency

The base currency of the Company is Sterling and is taken to be the 'functional currency' of the Company.

Liontrust China Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust China Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of Chinese companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in China, Hong Kong or Taiwan.

The Sub-fund may also invest up to 20% in other companies outside of China, Hong Kong or Taiwan, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be nearfully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust China Fund (continued)

Investment review

Sub-fund review

The Liontrust China Fund (C accumulation) returned -16.7% over the year, versus the IA China/Greater China return of -10.7% and -21.0% from the MSCI China Index (both comparator benchmarks)*.

The Chinese market started the year with a very strong rally through January and February driven by technology and growth names. However, the market reversed course in March as inflation concerns mounted and regulatory scrutiny intensified, leading to a strong correction in March. The second quarter was a positive one following continued global economic recovery, despite regulatory announcements for the education and fintech sectors. However, further regulation on the video game and casino operators, as well as the potential default of Evergrande, a property developer, meant the third quarter saw continued declines. Sentiment remained negative in the fourth quarter, as Didi, a ride-hailing company was asked to delist from the US and the Evergrande situation remained an overhang. However, it is likely there will be accommodative central bank policy to support growth in 2022.

The Liontrust China Fund returned -16.7% in 2021, ahead of the MSCI benchmark return. Several companies were impacted by new regulation this year, particularly in the education space. However, outperformance came from stocks in the utilities sector, particularly for our position in a wind farm operator, as China underlined its commitment to renewables. A Chinese sportswear name also performed very strongly following a market share shift away from international brands towards domestic apparel names. A traditional auto and Electric Vehicle (EV) manufacturer also performed well as EV sales in China continue to beat expectations. Finally, the Taiwanese holdings in our portfolio held up well as they were insulated from regulatory concerns in the mainland.

This year, we increased our exposure to the autos space as the global industry recovers from the pandemic and electric vehicle (EV) penetration continues to rise. We also added a position focused on manufacturing products for automation as we see a good long term demand story as China continues to upgrade its manufacturing capabilities. We reduced our holdings in the entertainment space, specifically in the online video industry, which we believe will face pressure from ongoing advertising competition as well as an uncertain regulatory environment. We also adjusted our positioning in the materials space by removing exposure to the cement industry due to a lacklustre outlook after increased constraints were placed on the property sector. We replaced it with companies with exposure to copper and lithium due to a much stronger long-term outlook owing to an increased demand forecast and limited short to medium term supply.

Outlook

China is still committed to a zero covid strategy and continues to effectively handle new outbreaks with renewed lockdowns and widespread testing. It is likely this strategy will remain in place in the short term with the Winter Olympics and the National Congress taking place in 2022. Sentiment remains cautious but we believe the pace of regulatory announcements has eased and focus will turn to implementation. As outlined in the five-year plan, we believe China will continue to place emphasis on technological development, domestic consumer demand and the transition to cleaner energy. Stocks are now trading at a considerable discount to long term averages providing an attractive value proposition.

*Source: FE Analytics as at 31.12.21

Ruth Chambers

Fund Manager

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust China Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

China Construction Bank 'H'
Alibaba
Baidu
Tencent
Hiwin Technologies
Trip.com
Weichai Power
Baidu ADR
BYD
Minth

Sales

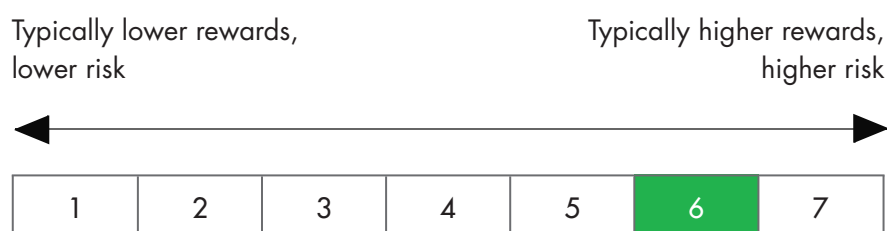
Baidu ADR
Ping An Insurance of China 'H'
Tencent
NetEase
Meituan
JD.com
TAL Education ADR
Trip.com ADR
Hiwin Technologies
Li Ning

Liontrust China Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to Chinese companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund invests in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust China Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	558.76	447.23	385.96
Return before operating charges	(88.67)	121.59	70.03
Operating charges	(10.23)	(10.06)	(8.76)
Return after operating charges	(98.90)	111.53	61.27
Distributions	—	—	(1.25)
Retained distributions on accumulation shares	—	—	1.25
Closing net asset value per share	459.86	558.76	447.23
After direct transaction costs of*	(1.10)	(1.14)	(0.49)
Performance			
Return after charges	(17.70%)	24.94%	15.87%
Other information			
Closing net asset value (£000's)	5,144	8,724	7,819
Closing number of shares	1,118,506	1,561,215	1,748,281
Operating charges**	1.88%	2.05%	2.06%
Direct transaction costs*	0.20%	0.23%	0.11%
Prices			
Highest share price	688.85	574.64	454.20
Lowest share price	451.87	405.69	380.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust China Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation+ Accounting year ended	31 December 2021+ per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	(28.17)
Operating charges	(0.81)
Return after operating charges	(28.98)
Distributions	(0.32)
Retained distributions on accumulation shares	0.32
Closing net asset value per share	71.02
After direct transaction costs of*	(0.15)
Performance	
Return after charges	(28.98%)
Other information	
Closing net asset value (£000's)	1,219
Closing number of shares	1,716,368
Operating charges**	1.08%
Direct transaction costs*	0.20%
Prices	
Highest share price	105.67
Lowest share price	69.78

+ Launched on 3 February 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust China Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	238.04	188.64	161.18
Return before operating charges	(38.12)	51.58	29.35
Operating charges	(2.05)	(2.18)	(1.89)
Return after operating charges	(40.17)	49.40	27.46
Distributions	(0.94)	(1.05)	(2.31)
Retained distributions on accumulation shares	0.94	1.05	2.31
Closing net asset value per share	197.87	238.04	188.64
After direct transaction costs of*	(0.47)	(0.48)	(0.21)
Performance			
Return after charges	(16.88%)	26.19%	17.04%
Other information			
Closing net asset value (£000's)	12,421	16,166	13,862
Closing number of shares	6,277,487	6,791,470	7,348,381
Operating charges**	0.88%	1.05%	1.06%
Direct transaction costs*	0.20%	0.23%	0.11%
Prices			
Highest share price	293.84	244.46	191.50
Lowest share price	194.44	171.48	158.90

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust China Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (99.80%)	18,569	98.86
	CHINA (88.45%)	16,311	86.84
	Alternative Energy Sources (1.33%)	290	1.54
232,000	Xinyi Solar	290	1.54
	Apparel (2.02%)	424	2.26
30,000	Shenzhou International	424	2.26
	Auto Parts & Equipment (0.00%)	489	2.60
62,000	Minth	201	1.07
199,000	Weichai Power	288	1.53
	Automobile Manufacturers (0.00%)	492	2.62
19,500	BYD	492	2.62
	Banks (7.61%)	2,131	11.34
1,640,000	China Construction Bank 'H'	839	4.47
112,500	China Merchants Bank 'H'	645	3.43
1,556,800	Industrial & Commercial Bank of China 'H'	647	3.44
	Commercial Services (4.42%)		
	Electrical Components & Equipment (1.59%)	389	2.07
269,800	Xinjiang Goldwind Science & Technology	389	2.07
	Electricity (1.82%)	551	2.93
320,000	China Longyuan Power	551	2.93
	Gas (0.86%)	361	1.92
26,000	ENN Energy	361	1.92
	Healthcare Services (3.09%)	653	3.48
74,500	Wuxi Biologics Cayman	653	3.48
	Home Furnishings (1.47%)	474	2.52
152,200	Haier Smart Home	474	2.52

Liontrust China Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	CHINA (continued)		
	Insurance (4.77%)	316	1.68
59,500	Ping An Insurance of China 'H'	316	1.68
	Internet (34.82%)	5,089	27.10
121,200	Alibaba	1,364	7.26
40,000	Baidu	548	2.92
24,850	JD.com	644	3.43
34,800	Meituan Dianping	743	3.96
41,400	Tencent	1,790	9.53
	Mining (1.01%)	548	2.92
318,000	China Molybdenum	124	0.66
16,800	Ganfeng Lithium	195	1.04
194,000	Jiangxi Copper	229	1.22
	Miscellaneous Manufacturing (0.00%)	327	1.74
12,000	Airtac International	327	1.74
	Pharmaceuticals (2.01%)	167	0.89
169,000	China Feihe	167	0.89
	Real Estate Investment & Services (3.94%)	388	2.07
88,000	Country Garden Services	388	2.07
	Retail (6.83%)	1,692	9.00
45,000	ANTA Sports Products	498	2.65
76,000	Li Ning	613	3.26
32,900	Ping An Healthcare and Technology	88	0.47
13,650	Yum China	493	2.62
	Software (8.63%)	1,054	5.62
90,000	Kingdee International Software	204	1.09
70,000	Kingsoft	227	1.21
41,800	NetEase	623	3.32

Liontrust China Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	CHINA (continued)		
	Telecommunications (1.21%)	127	0.68
29,700	GDS	127	0.68
	Transportation (1.02%)	349	1.86
17,050	ZTO Express Cayman	349	1.86
	HONG KONG (8.05%)	1,180	6.28
	Beverages (0.70%)		
	Building Materials (1.13%)		
	Diversified Financial Services (0.00%)	302	1.61
7,000	Hong Kong Exchanges & Clearing	302	1.61
	Food Producers (2.18%)	376	2.00
90,000	China Mengniu Dairy	376	2.00
	Pharmaceuticals (1.57%)	309	1.64
598,000	Sino Biopharmaceutical	309	1.64
	Real Estate Investment & Services (1.18%)	193	1.03
62,000	China Resources Land	193	1.03
	Telecommunications (1.29%)		
	TAIWAN (3.30%)	1,078	5.74
	Semiconductors (3.30%)	1,078	5.74
18,000	MediaTek	569	3.03
31,000	Taiwan Semiconductor Manufacturing	509	2.71
	Portfolio of investments	18,569	98.86
	Net other assets	215	1.14
	Total net assets	18,784	100.00

Liontrust China Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust China Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital (losses)/gains	2		(4,455)		5,007
Revenue	3	346		360	
Expenses	4	(295)		(306)	
Interest payable and similar charges	6	–		(1)	
Net revenue before taxation		51		53	
Taxation	5	(28)		(24)	
Net revenue after taxation			23		29
Total return before distributions			(4,432)		5,036
Distributions	7		(71)		(65)
Change in net assets attributable to shareholders from investment activities			(4,503)		4,971

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		24,890		21,681
Amounts received on issue of shares	6,227		3,076	
Amounts paid on cancellation of shares	(7,894)		(4,909)	
		(1,667)		(1,833)
Change in net assets attributable to shareholders from investment activities		(4,503)		4,971
Retained distributions on accumulation shares		64		71
Closing net assets attributable to shareholders		18,784		24,890

Liontrust China Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		18,569	24,839
Current assets:			
Debtors	8	108	638
Cash and bank balances	9	282	120
Total assets		18,959	25,597
Liabilities			
Creditors:			
Other creditors	10	(175)	(707)
Total liabilities		(175)	(707)
Net assets attributable to shareholders		18,784	24,890

Liontrust China Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital (losses)/gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital (losses)/gains comprise:		
Non-derivative securities	(4,449)	5,039
Forward currency contracts	—	2
Foreign currency losses	(11)	(30)
Transaction costs	5	(4)
Net capital (losses)/gains	(4,455)	5,007

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	342	359
Stock lending income	4	1
Total revenue	346	360

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	258	244
General administration charges*	42	42
	300	286
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	—	3
Safe custody fee	(2)	3
	(2)	6
Other expenses:		
Audit fee	3	4
Professional service fees	(2)	3
Publication costs	(1)	—
Registration fee	(2)	3
Research fees	—	4
Other expenses	(1)	—
	(3)	14
Total expenses	295	306

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	28	24
Total tax charge [see note(b)]	28	24

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	51	53
Corporation tax at 20% (2020 - 20%)	10	11
Effects of:		
Movement in unrecognised tax losses	58	61
Overseas tax	28	24
Revenue not subject to tax	(68)	(72)
Total tax charge [see note(a)]	28	24

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £1,982,000 (2020: £1,924,000) due to tax losses of £9,912,000 (2020: £9,622,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	–	1
Total interest payable and similar charges	–	1

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	65	72
Amounts deducted on cancellation of shares	13	2
Amounts received on issue of shares	(7)	(9)
Distributions	71	65

The distributable amount has been calculated as follows:

Net revenue after taxation	23	29
Add: Equalisation on conversions	2	–
Accumulated capital transfer from income	–	(2)
Shortfall of income taken to capital	46	38
Distributions	71	65

The distribution per share is set out in the table on page 45.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	2	4
Amounts receivable for issue of shares	11	99
Currency sales awaiting settlement	95	390
Prepaid expenses	–	1
Sales awaiting settlement	–	144
Total debtors	108	638

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	282	120
Total cash and bank balances	282	120

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	2	20
Accrued ACD's charge	17	23
Amounts payable for cancellation of shares	61	108
Currency purchases awaiting settlement	95	389
Purchases awaiting settlement	–	167
Total other creditors	175	707

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £20,000 (2020: £27,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £300,000 (2020: £287,000).

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	4	–	2	6
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	43	47	1,125	1,222
Merrill Lynch International	UK	—	—	530	567
The Bank of Nova Scotia	Canada	39	43	—	—
Total		82	90	1,655	1,789

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.1%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.0%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Hong Kong Dollar	229	17,164	17,393
Taiwanese Dollar	2	1,405	1,407
United States Dollar	4	–	4
	235	18,569	18,804

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
China Yuan Renminbi	–	2	2
Hong Kong Dollar	120	21,846	21,966
Taiwanese Dollar	–	821	821
United States Dollar	–	2,142	2,142
	120	24,811	24,931

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Interest rate risk (continued)

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	18,569	—
	18,569	—
31.12.2020		
Level 1: Quoted prices	24,839	—
	24,839	—

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments (continued)

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	1,561,215	252,397	(388,511)	(306,595)	1,118,506
B Accumulation	—	125,101	(166,941)	1,758,208	1,716,368
C Accumulation	6,791,470	1,816,921	(2,416,328)	85,424	6,277,487

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	14,881	8	0.05	14	0.09
Total purchases	14,881	8		14	
Total purchases including transaction costs	14,903				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	16,748	9	0.05	18	0.11
Total sales	16,748	9		18	
Total sales net of transaction costs	16,721				
Total transaction costs		17		32	
Total transaction costs as a % of average net assets		0.07%		0.13%	

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	19,496	11	0.06	17	0.09
Total purchases	19,496	11		17	
Total purchases including transaction costs	19,524				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	21,100	10	0.05	14	0.07
Total sales	21,100	10		14	
Total sales net of transaction costs	21,076				
Total transaction costs		21		31	
Total transaction costs as a % of average net assets		0.09%		0.14%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.18% (2020: 0.18%).

Liontrust China Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine.

Since the year-end, the NAV per share of share class C Accumulation has decreased by 12.32% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust China Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
B Accumulation - Group 1+	0.3167	—	0.3167	—
B Accumulation - Group 2+	—	0.3167	0.3167	—
C Accumulation - Group 1	0.9428	—	0.9428	1.0518
C Accumulation - Group 2	0.5221	0.4207	0.9428	1.0518

+ Launched on 3 February 2021.

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

Liontrust European Opportunities Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust European Opportunities Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of companies selected from Europe, excluding the UK. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in Europe.

The Sub-fund may also invest up to 20% in companies outside of Europe excluding the UK, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account and Le Plan d'Épargne en Action (PEA).

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust European Opportunities Fund (continued)

Investment review

Sub-fund review

The Liontrust European Opportunities Fund closed on 25 June 2021 following its merger with Liontrust European Growth Fund and will be terminated at a later date once the residual assets and liabilities have been settled.

January 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Bank of Ireland
Pandora
ASML
Atlas Copco
Publicis Groupe
Bekaert
AP Moller - Maersk
Randstad
Royal Unibrew
Epiroc

Sales

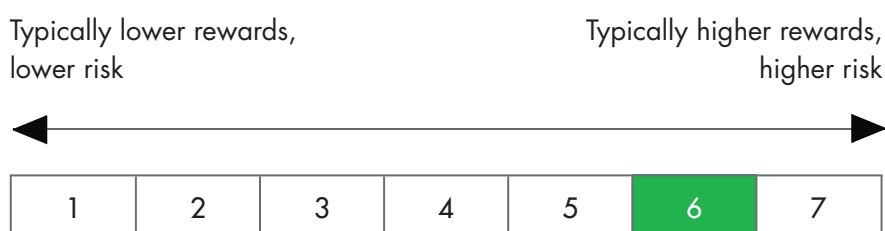
Pandora
ASML
Bank of Ireland
Bayer
Atlas Copco
Stellantis
AP Moller - Maersk
AXA
Volkswagen (Preference shares)
Publicis Groupe

Liontrust European Opportunities Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to European companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust European Opportunities Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	539.00	534.76	480.12
Return before operating charges	63.77	14.01	65.60
Operating charges	(4.58)	(9.77)	(10.96)
Return after operating charges	59.19	4.24	54.64
Distributions	—	—	(2.46)
Retained distributions on accumulation shares	—	—	2.46
Closing net asset value per share	598.19	539.00	534.76
After direct transaction costs of*	(0.52)	(0.69)	(1.02)
Performance			
Return after charges	10.98%	0.79%	11.38%
Other information			
Closing net asset value (£000's)	—	20,096	23,315
Closing number of shares	—	3,728,528	4,359,834
Operating charges**	1.68%	2.06%	2.10%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	610.36	548.61	555.30
Lowest share price	525.86	345.36	474.40

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

A Income Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	434.97	434.04	398.84
Return before operating charges	51.43	11.17	54.65
Operating charges	(3.67)	(7.90)	(9.00)
Return after operating charges	47.76	3.27	45.65
Distributions	—	(2.34)	(10.45)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	482.73	434.97	434.04
After direct transaction costs of*	(0.42)	(0.56)	(0.84)
Performance			
Return after charges	10.98%	0.75%	11.45%
Other information			
Closing net asset value (£000's)	—	1,189	1,371
Closing number of shares	—	273,312	315,846
Operating charges**	1.67%	2.06%	2.11%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	492.56	443.40	450.70
Lowest share price	424.37	280.47	394.10

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	584.99	577.45	515.87
Return before operating charges	69.15	15.55	70.57
Operating charges	(2.81)	(8.01)	(8.99)
Return after operating charges	66.34	7.54	61.58
Distributions	(1.27)	(0.75)	(5.31)
Retained distributions on accumulation shares	1.27	0.75	5.31
Closing net asset value per share	651.33	584.99	577.45
After direct transaction costs of*	(0.56)	(0.74)	(1.09)
Performance			
Return after charges	11.34%	1.31%	11.94%
Other information			
Closing net asset value (£000's)	–	702	1,088
Closing number of shares	–	120,029	188,364
Operating charges**	0.95%	1.56%	1.61%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	664.34	595.41	598.20
Lowest share price	570.95	373.33	509.70

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Income Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	449.03	446.35	408.11
Return before operating charges	53.85	11.70	55.97
Operating charges	(2.27)	(6.17)	(7.05)
Return after operating charges	51.58	5.53	48.92
Distributions	(0.68)	(2.85)	(10.68)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	499.93	449.03	446.35
After direct transaction costs of*	(0.43)	(0.57)	(0.86)
Performance			
Return after charges	11.49%	1.24%	11.99%
Other information			
Closing net asset value (£000's)	—	380	601
Closing number of shares	—	84,688	134,620
Operating charges**	1.00%	1.56%	1.61%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	509.91	457.02	462.50
Lowest share price	438.23	288.72	403.20

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	175.42	172.30	153.17
Return before operating charges	20.80	4.73	20.97
Operating charges	(0.60)	(1.61)	(1.84)
Return after operating charges	20.20	3.12	19.13
Distributions	(0.55)	(0.59)	(2.42)
Retained distributions on accumulation shares	0.55	0.59	2.42
Closing net asset value per share	195.62	175.42	172.30
After direct transaction costs of*	(0.17)	(0.22)	(0.33)
Performance			
Return after charges	11.52%	1.81%	12.49%
Other information			
Closing net asset value (£000's)	–	48,382	62,179
Closing number of shares	–	27,581,146	36,088,141
Operating charges**	0.67%	1.05%	1.10%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	199.50	178.53	178.10
Lowest share price	171.27	111.51	151.40

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	131.55	130.17	118.35
Return before operating charges	16.02	3.49	16.27
Operating charges	(0.45)	(1.19)	(1.41)
Return after operating charges	15.57	2.30	14.86
Distributions	(0.42)	(0.92)	(3.04)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	146.70	131.55	130.17
After direct transaction costs of*	(0.13)	(0.17)	(0.25)
Performance			
Return after charges	11.84%	1.77%	12.56%
Other information			
Closing net asset value (£000's)	—	7,762	10,826
Closing number of shares	—	5,900,210	8,316,795
Operating charges**	0.67%	1.03%	1.11%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	149.62	133.89	134.50
Lowest share price	128.44	84.32	116.90

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

D Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	140.79	138.14	122.79
Return before operating charges	16.70	3.83	16.69
Operating charges	(0.41)	(1.18)	(1.34)
Return after operating charges	16.29	2.65	15.35
Distributions	(0.52)	(0.53)	(2.03)
Retained distributions on accumulation shares	0.52	0.53	2.03
Closing net asset value per share	157.08	140.79	138.14
After direct transaction costs of*	(0.14)	(0.18)	(0.26)
Performance			
Return after charges	11.57%	1.92%	12.50%
Other information			
Closing net asset value (£000's)	–	3,533	4,734
Closing number of shares	–	2,509,339	3,426,948
Operating charges**	0.57%	0.96%	1.01%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	160.19	143.29	142.70
Lowest share price	137.47	89.43	121.30

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

E Income Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	86.30	83.05	75.42
Return before operating charges	10.61	4.29	10.38
Operating charges	(0.21)	(0.68)	(0.74)
Return after operating charges	10.40	3.61	9.64
Distributions	(0.36)	(0.36)	(2.01)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	96.34	86.30	83.05
After direct transaction costs of*	(0.08)	(0.11)	(0.16)
Performance			
Return after charges	12.05%	4.35%	12.78%
Other information			
Closing net asset value (£000's)	—	524	39,470
Closing number of shares	—	607,114	47,524,825
Operating charges**	0.47%	0.92%	0.90%
Direct transaction costs*	0.19%	0.15%	0.20%
Prices			
Highest share price	98.24	87.85	86.13
Lowest share price	84.28	47.19	74.53

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust European Opportunities Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (98.75%)	0	0.00
	AUSTRIA (4.30%)	0	0.00
	DENMARK (3.36%)	0	0.00
	FRANCE (35.06%)	0	0.00
	GERMANY (22.56%)	0	0.00
	ITALY (8.26%)	0	0.00
	LUXEMBOURG (3.30%)	0	0.00
	NETHERLANDS (10.62%)	0	0.00
	NORWAY (1.92%)	0	0.00
	SPAIN (1.94%)	0	0.00
	SWEDEN (2.73%)	0	0.00
	SWITZERLAND (4.70%)	0	0.00
	Portfolio of investments	0	0.00
	Net other liabilities	0	0.00
	Total net assets	0	0.00

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust European Opportunities Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains/(losses)	2		8,764		(1,753)
Revenue	3	1,362		1,213	
Expenses	4	(376)		(1,111)	
Interest payable and similar charges	6	–		(2)	
Net revenue before taxation		986		100	
Taxation	5	(833)		(119)	
Net revenue/(expense) after taxation			153		(19)
Total return before distributions			8,917		(1,772)
Distributions	7		(192)		(236)
Change in net assets attributable to shareholders from investment activities			8,725		(2,008)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		82,568		149,957
Amounts received on issue of shares	369		1,502	
In-specie transfer+	(84,776)		–	
Amounts paid on cancellation of shares	(7,042)		(67,104)	
		(91,449)		(65,602)
Dilution adjustment		–		24
Change in net assets attributable to shareholders from investment activities		8,725		(2,008)
Retained distributions on accumulation shares		156		197
Closing net assets attributable to shareholders		–		82,568

+ The Liontrust European Opportunities Fund merged into the Liontrust European Growth Fund on 25 June 2021.

Liontrust European Opportunities Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Investments		–	81,535
Current assets:			
Debtors	8	–	1,207
Cash and bank balances	9	–	259
Total assets		–	83,001
Liabilities			
Creditors:			
Other creditors	10	–	(433)
Total liabilities		–	(433)
Net assets attributable to shareholders		–	82,568

Liontrust European Opportunities Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	8,815	(1,697)
Derivative contracts	–	2
Forward currency contracts	–	(8)
Foreign currency losses	(57)	(52)
Transaction costs	6	2
Net capital gains/(losses)	8,764	(1,753)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	–	3
Overseas dividends	1,358	1,209
Stock lending income	4	1
Total revenue	1,362	1,213

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	401	854
ACD's charge and other expenses rebates	–	(37)
General administration charges*	60	168
	461	985
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	–	3
Safe custody fee	(30)	31
	(30)	34
Other expenses:		
Audit fee	(2)	4
Professional service fees	(20)	15
Publication costs	(18)	4
Registration fee	(3)	9
Research fees	–	59
Other expenses	(12)	1
	(55)	92
Total expenses	376	1,111

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £6,300 (2020: £8,000).

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	833	119
Total tax charge [see note(b)]	833	119

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	986	100
Corporation tax at 20% (2020 - 20%)	197	20
Effects of:		
Movement in unrecognised tax losses	74	222
Overseas tax	833	119
Revenue not subject to tax	(271)	(242)
Total tax charge [see note(a)]	833	119

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £17,507,000 (2020: £17,433,000) due to tax losses of £87,535,000 (2020: £87,164,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	–	2
Total interest payable and similar charges	–	2

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Interim distribution	181	275
Final distribution	–	–
	181	275
Amounts deducted on cancellation of shares	12	69
Amounts received on issue of shares	(1)	(108)
Distributions	192	236

The distributable amount has been calculated as follows:

Net revenue/(expense) after taxation	153	(19)
Accumulated capital transfer from income	–	43
Add: ACD's charge reimbursed by capital	–	23
Shortfall of income taken to capital	39	189
Distributions	192	236

The distribution per share is set out in the tables on pages 75 to 76.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Amounts receivable for issue of shares	–	8
Expense rebate due from the ACD	–	34
Overseas withholding tax	–	1,165
Total debtors	–	1,207

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	–	259
Total cash and bank balances	–	259

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	–	105
Accrued ACD's charge	–	71
Amounts payable for cancellation of shares	–	257
Total other creditors	–	433

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £Nil (2020: £83,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £461,000 (2020: £985,000).

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	4	–	2	6
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	—	—	1,511	1,663
Credit Suisse International	Switzerland	—	—	74	82
Merrill Lynch International	UK	—	—	2,187	2,345
UBS AG	Switzerland	—	—	647	721
Total		—	—	4,419	4,811

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, the Sub-fund did not hold any investments and therefore no sensitivity analysis has been disclosed.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 14.6%.

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

The majority of the Sub-fund's financial assets and liabilities are denominated in the Sub-fund's functional currency. As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of currency exchange rates. Therefore, no exchange rate sensitivity analysis has been prepared for these.

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Danish Krone	–	2,806	2,806
Euro	–	70,612	70,612
Norwegian Krone	–	1,683	1,683
Swedish Krona	–	2,254	2,254
Swiss Franc	–	5,345	5,345
	–	82,700	82,700

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

The Sub-fund closed on 25 June 2021 and therefore had no financial investments as at the balance sheet date.

The financial investments as at 31 December 2020 was as follows:

	Assets (£'000)	Liabilities (£'000)
31.12.2020		
Level 1: Quoted prices	81,535	—
	81,535	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	3,728,528	12,740	(3,605,906)	(135,362)	—
A Income	273,312	5,877	(262,520)	(16,669)	—
B Accumulation	120,029	6,644	(234,543)	107,870	—
B Income	84,688	21	(97,291)	12,582	—
C Accumulation	27,581,146	77,100	(27,737,551)	79,305	—
C Income	5,900,210	45,005	(5,927,266)	(17,949)	—
D Accumulation	2,509,339	12,315	(2,520,272)	(1,382)	—
E Income	607,114	—	(607,114)	—	—

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	91,815	30	0.03	95	0.10
Total purchases	91,815	30		95	
Total purchases including transaction costs	91,940				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	98,369	32	0.03	–	–
In-specie transfers	83,778	–	–	–	–
Total sales	182,147	32		–	
Total sales net of transaction costs	182,115				
Total transaction costs		62		95	
Total transaction costs as a % of average net assets		0.07%		0.12%	

Liontrust European Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	60,468	18	0.03	70	0.12
Total purchases	60,468	18		70	
Total purchases including transaction costs	60,556				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	122,434	41	0.03	–	–
Total sales	122,434	41		–	
Total sales net of transaction costs	122,393				
Total transaction costs		59		70	
Total transaction costs as a % of average net assets		0.07%		0.08%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% as the Sub-fund did not hold any investments (2020: 0.19%).

Liontrust European Opportunities Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
A Income - Group 1	—	—	—	—
A Income - Group 2	—	—	—	—
B Accumulation - Group 1	—	—	—	—
B Accumulation - Group 2	—	—	—	—
B Income - Group 1	—	—	—	—
B Income - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	—
C Accumulation - Group 2	—	—	—	—
C Income - Group 1	—	—	—	—
C Income - Group 2	—	—	—	—
D Accumulation - Group 1	—	—	—	—
D Accumulation - Group 2	—	—	—	—
E Income - Group 1	—	—	—	0.0106
E Income - Group 2	—	—	—	0.0106

Liontrust European Opportunities Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

Special/Interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 25 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 24.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
A Income - Group 1	—	—	—	2.3351
A Income - Group 2	—	—	—	2.3351
B Accumulation - Group 1	1.2650	—	1.2650	0.7495
B Accumulation - Group 2	—	1.2650	1.2650	0.7495
B Income - Group 1	0.6811	—	0.6811	2.8472
B Income - Group 2	—	0.6811	0.6811	2.8472
C Accumulation - Group 1	0.5523	—	0.5523	0.5895
C Accumulation - Group 2	—	0.5523	0.5523	0.5895
C Income - Group 1	0.4151	—	0.4151	0.9180
C Income - Group 2	0.0106	0.4045	0.4151	0.9180
D Accumulation - Group 1	0.5154	—	0.5154	0.5293
D Accumulation - Group 2	—	0.5154	0.5154	0.5293
E Income - Group 1	0.3560	—	0.3560	0.3453
E Income - Group 2	0.3560	—	0.3560	0.3453

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

Liontrust Global Alpha Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Global Alpha Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests, directly or indirectly, in a mix of asset classes across the world including, but not limited to, equity, fixed income and alternatives. There is no predetermined exposure to any asset class or region.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund runs an actively managed portfolio and invests in securities using a combination of economic, industry and stock specific analysis irrespective of a benchmark index to generate capital growth.

Liontrust Global Alpha Fund (continued)

Investment review

Sub-fund review

The Liontrust Global Alpha Fund (C accumulation) returned 19.9% over the year, outperforming the MSCI AC World Index, which returned 19.6% and its average peer in the IA Flexible Investment sector which returned 11.3% (both comparator benchmarks)*.

The Liontrust Global Alpha Fund invests in high quality growth stocks that we believe can future proof your portfolio using the 5 key drivers of Science, Intellectual Property, New Deep Technology, Positive Social Change and Entrepreneurial Vision. The portfolio allocation is driven by a very substantial overweight in the mid-cap area of the market, as well as a smaller allocation to appropriate large and mega caps to balance the portfolio in areas where we do not see attractive mid-cap companies. This overweight of mid-cap companies, that range between \$10bn-\$30bn market capitalisation is designed to help identify those stocks that can grow quickly to a \$50bn-\$250bn and beyond. The Sub-fund does not have direct holding in small cap stocks, those below \$10bn and invests solely in equities, having zero allocation to bonds or property.

Global Equities have had another strong year in 2021, coming off the back of a remarkably strong 2020. Despite initial fears over the Delta variant towards the end of 2020 and into 2021, the economy has bounce backed nicely which, combined with a continually favourable rate environment, has seen nearly all areas of the market do well, with a notable gains for many parts of the market that suffered in 2020 (e.g energy and financials).

The exception to this was China where the state (via its regulatory bodies) sought to reassert and emphasise control over technology companies. This combined with fears of contagion from its housing debt crisis and the inflexible "zero Covid" policy has seen Chinese tech stocks continue to markedly underperform.

The main concern beyond Covid-19 was inflation with central banks noting a spike in recent metrics, what remains to be seen is just how "transitory" this inflation will be. Supply chain strains, combined with reopening demand and a hot job market suggest that this inflation may not be transitioning all that soon, and while central banks have been hesitant to raise rates, this seems increasingly inevitable going into 2022.

Nvidia occupies an extraordinary position in today's economy as the leading designer by far of high-performance semi-conductors for artificial intelligence (AI) based computing. The company was the top performer over the year, and the strength and breadth of its growth drivers continues to increase as AI finds more applications across the economy. Moreover, the company announced earlier in the year, a major move into complementary CPU chips, a market until now dominated by Intel, which will expand Nvidia's role within the overall process of organising and crunching AI data at large scale, presenting much greater sales potential and integration opportunities in the years to come.

Cybersecurity companies Fortinet and Zscaler were also among the top performers over the period. The companies both continue to benefit from the broad increase in information technology (IT) spend on next generation cybersecurity solutions. This is a key trend we seek to invest in as the frequency, breadth and extent of cyber-attacks continues to rise as too does the importance of the digital infrastructure bad actors target, and enterprises must defend.

Among the detractors was RingCentral, which gave back some of the strong performance that was seen in 2020. The company has thrived off the increased number of people working remotely and the trend that shifted processes to the cloud and avoid unnecessary equipment capex by allowing employees to use their own, more familiar, devices for work purposes.

Tencent and Alibaba were laggards over the year, after the companies suffered from increased investor nervousness over Chinese regulation. Beijing has continued to flex its control over the economy, stressing its goals of common prosperity, while also putting in place regulation spanning finance, education and gaming all of which have greatly impacted these tech giants. Following these regulatory restrictions in China, the decision was made to exit our positions in the two companies.

Outlook

We continue to be positive on the outlook for high quality growth stocks over the next year. We are especially positive as the mid cap area of the market continues to give considerable scope for further outperformance as the world continues to recover from the Covid-

Liontrust Global Alpha Fund (continued)

Investment review (continued)

Outlook (continued)

19 pandemic. Our emphasis on the drivers of Science, Intellectual Property, New Deep Technology, Positive Change and Entrepreneurial Vision will, we believe, guide the Fund towards those companies that will change the world as we adapt going forward.

*Source: FE Analytics as at 31.12.21

Robin Geffen and Will Geffen

Fund Managers

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Liontrust Investment Funds II - Global Smaller Companies Fund [†]
 Asana
 SentinelOne
 Dynatrace
 Autodesk
 ASML
 Moncler
 Pfizer
 ironSource
 Shopify

Sales

Zoom Video Communications
 Horizon Therapeutics
 Nuance Communications
 Salesforce.com
 Tencent
 ironSource
 RingCentral 'A'
 Ping An Insurance of China 'H'
 HubSpot
 Alibaba ADR

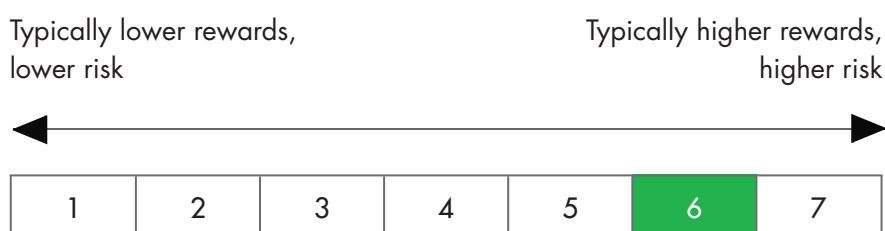
[†] Managed by Liontrust Fund Partners LLP.

Liontrust Global Alpha Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to global companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- Fluctuations in interest rates are likely to affect the value of the bonds and other fixed-interest securities held by the Sub-fund. If long-term interest rates rise, the value of your shares is likely to fall. Bonds are affected by any decline in creditworthiness of the borrower (i.e. the bond issuer). Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in repaying their financial obligations.
- The Sub-fund may invest in derivatives, which may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Sub-fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against general market movements. As part of the investment policy, the Sub-fund may buy put options on a market index to mitigate against the effect of a significant fall in the level of that market. These put options will be "covered", as the Sub-fund will not buy a put option unless it has a long exposure to that market (either directly or indirectly).

Liontrust Global Alpha Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

- The Sub-fund will invest in smaller companies and may invest a small proportion (less than 10%) of the Sub-fund in unlisted securities. There may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the Sub-fund to defer or suspend redemptions of its shares.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Global Alpha Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	774.90	549.47	480.97
Return before operating charges	156.96	239.13	79.62
Operating charges	(17.79)	(13.70)	(11.12)
Return after operating charges	139.17	225.43	68.50
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	914.07	774.90	549.47
After direct transaction costs of*	(0.23)	(0.92)	(0.18)
Performance			
Return after charges	17.96%	41.03%	14.24%
Other information			
Closing net asset value (£000's)	50,834	42,677	27,927
Closing number of shares	5,561,247	5,507,397	5,082,653
Operating charges**	2.07%	2.10%	2.08%
Direct transaction costs*	0.03%	0.14%	0.03%
Prices			
Highest share price	1,025.03	814.58	581.20
Lowest share price	726.09	470.46	478.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Alpha Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation	31 December 2021+
Accounting year ended	per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	13.42
Operating charges	(1.09)
Return after operating charges	12.33
Distributions	—
Retained distributions on accumulation shares	—
Closing net asset value per share	112.33
After direct transaction costs of*	(0.03)
Performance	
Return after charges	12.33%
Other information	
Closing net asset value (£000's)	4,384
Closing number of shares	3,902,871
Operating charges**	1.13%
Direct transaction costs*	0.03%
Prices	
Highest share price	125.82
Lowest share price	88.55

+ Launched on 3 February 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Alpha Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	900.58	631.04	546.05
Return before operating charges	183.34	276.40	90.67
Operating charges	(8.95)	(6.86)	(5.68)
Return after operating charges	174.39	269.54	84.99
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	1,074.97	900.58	631.04
After direct transaction costs of*	(0.27)	(1.06)	(0.21)
Performance			
Return after charges	19.36%	42.71%	15.56%
Other information			
Closing net asset value (£000's)	187,244	128,949	75,768
Closing number of shares	17,418,607	14,318,349	12,006,854
Operating charges**	0.89%	0.91%	0.93%
Direct transaction costs*	0.03%	0.14%	0.03%
Prices			
Highest share price	1,203.70	946.47	664.20
Lowest share price	845.71	541.68	543.20

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Alpha Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (91.42%)	216,933	89.47
	CANADA (1.11%)	7,843	3.24
3,500	Constellation Software	4,792	1.98
3,000	Shopify 'A'	3,051	1.26
	CHINA (5.06%)	0	0.00
	ITALY (0.00%)	3,763	1.55
70,000	Moncler	3,763	1.55
	JAPAN (0.98%)	3,712	1.53
40,000	Sony	3,712	1.53
	NETHERLANDS (0.00%)	4,747	1.96
8,000	ASML	4,747	1.96
	UNITED KINGDOM (1.69%)	5,742	2.37
1,129,944	Cambridge Innovation Capital (Private Equity)+	1,172	0.48
3,041	Navenio (Private Equity)+	134	0.06
1,331	Oxford Nanoimaging (Private Equity)+	173	0.07
200,000	Oxford Nanopore Technologies	1,394	0.58
833,334	Oxford Sciences Innovation (Private Equity)+	1,470	0.61
3,085	Oxford VR (Private Equity)+	75	0.03
471	Oxstem (Private Equity)+	0	0.00
406	Proxisense (Private Equity)+	0	0.00
7,455	Ultromics (Private Equity)+	519	0.21
100,000	Vaccitech ADR	805	0.33
	UNITED STATES OF AMERICA (82.58%)	191,126	78.82
8,000	Adobe	3,349	1.38
5,200	Alphabet 'A'	11,122	4.59
4,100	Amazon.com	10,093	4.16
11,000	ANSYS	3,255	1.34
45,000	Arthur J Gallagher	5,637	2.33
85,000	Asana	4,676	1.93
22,000	Autodesk	4,568	1.88
34,000	Avalara	3,239	1.34
12,000	Axon Enterprise	1,391	0.57
55,000	Brown-Forman 'B'	2,959	1.22

Liontrust Global Alpha Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
67,000	Cloudflare	6,505	2.68
36,000	CME	6,072	2.50
31,000	CrowdStrike	4,685	1.93
40,000	Datadog	5,260	2.17
110,000	Dynatrace	4,904	2.02
14,000	Elastic	1,273	0.53
5,000	Electronic Arts	487	0.20
20,000	Etsy	3,232	1.33
4,000	FactSet Research Systems	1,436	0.59
30,000	Fortinet	7,960	3.28
10,000	Hologic	565	0.23
54,000	Horizon Therapeutics	4,296	1.77
15,000	HubSpot	7,298	3.01
24,000	Intuitive Surgical	6,362	2.62
28,000	IQVIA	5,831	2.41
36,000	Microsoft	8,936	3.69
57,000	NVIDIA	12,377	5.10
26,000	Okta	4,303	1.77
12,500	Palo Alto Networks	5,133	2.12
16,000	PayPal	2,228	0.92
100,000	Pfizer	4,359	1.80
20,000	RingCentral 'A'	2,768	1.14
77,000	SentinelOne	2,870	1.18
6,000	ServiceNow	2,877	1.19
31,000	Square 'A'	3,697	1.53
15,000	SVB Financial	7,513	3.10
25,000	Twilio 'A'	4,861	2.01
20,000	Visa 'A'	3,199	1.32
47,000	Zendesk	3,619	1.49
25,000	Zscaler	5,931	2.45
COLLECTIVE INVESTMENT SCHEMES (7.66%)		23,660	9.76
UNITED KINGDOM (7.66%)		23,660	9.76
5,860,000	Liontrust Investment Funds II - Global Smaller Companies Fund†	16,592	6.84
1,700,000	Liontrust Investment Funds IV - Global Technology Fund†	7,068	2.92

Liontrust Global Alpha Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	DERIVATIVES (0.38%)	0	0.00
	Options (0.38%)	0	0.00
	Portfolio of investments	240,593	99.23
	Net other assets	1,869	0.77
	Total net assets	242,462	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Stocks shown as ADRs represent American Depositary Receipts.

+ Unquoted security.

† Managed by Liontrust Fund Partners LLP.

Liontrust Global Alpha Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		34,895		46,675
Revenue	3	654		523	
Expenses	4	(2,391)		(1,561)	
Interest payable and similar charges	6	(1)		(2)	
Net expense before taxation		(1,738)		(1,040)	
Taxation	5	(71)		(58)	
Net expense after taxation			(1,809)		(1,098)
Total return before distributions			33,086		45,577
Distributions	7		–		(4)
Change in net assets attributable to shareholders from investment activities			33,086		45,573

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		171,626		103,695
Amounts received on issue of shares	60,419		36,906	
Amounts paid on cancellation of shares	(22,669)		(14,548)	
		37,750		22,358
Change in net assets attributable to shareholders from investment activities		33,086		45,573
Closing net assets attributable to shareholders		242,462		171,626

Liontrust Global Alpha Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		240,593	170,704
Current assets:			
Debtors	8	2,512	7,351
Cash and bank balances	9	1,957	1,148
Total assets		245,062	179,203
Liabilities			
Creditors:			
Other creditors	10	(2,600)	(7,577)
Total liabilities		(2,600)	(7,577)
Net assets attributable to shareholders		242,462	171,626

Liontrust Global Alpha Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	35,571	50,165
Derivative contracts	(651)	(3,255)
Forward currency contracts	6	(25)
Foreign currency losses	(31)	(207)
Transaction costs	–	(3)
Net capital gains	34,895	46,675

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	–	1
Equity distributions on CIS holdings	–	18
Management fee rebates on CIS	145	58
Overseas dividends	503	445
Stock lending income	6	1
Total revenue	654	523

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	2,139	1,379
General administration charges*	266	139
	2,405	1,518
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	(1)	4
Safe custody fee	(3)	7
	(4)	11
Other expenses:		
Audit fee	2	3
Professional service fees	(2)	4
Publication costs	(4)	1
Registration fee	(4)	7
Research fees	–	15
Other expenses	(2)	2
	(10)	32
Total expenses	2,391	1,561

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	71	58
Total tax charge [see note(b)]	71	58

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net expense before taxation	(1,738)	(1,040)
Corporation tax at 20% (2020 - 20%)	(348)	(208)
Effects of:		
Movement in unrecognised tax losses	449	300
Overseas tax	71	58
Revenue not subject to tax	(101)	(92)
Total tax charge [see note(a)]	71	58

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £3,706,000 (2020: £3,257,000) due to tax losses of £18,530,000 (2020: £16,287,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	1	2
Total interest payable and similar charges	1	2

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	–	–
Amounts deducted on cancellation of shares	–	(8)
Amounts received on issue of shares	–	12
Distributions	–	4

The distributable amount has been calculated as follows:

Net expense after taxation	(1,809)	(1,098)
Shortfall of income taken to capital	1,809	1,102
Distributions	–	4

The distribution per share is set out in the table on page 106.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued management fee rebates on CIS	15	7
Accrued revenue	76	41
Amounts receivable for issue of shares	306	2,190
Currency sales awaiting settlement	2,114	5,113
Overseas withholding tax	1	–
Total debtors	2,512	7,351

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	1,957	1,148
Total cash and bank balances	1,957	1,148

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	25	37
Accrued ACD's charge	213	153
Amounts payable for cancellation of shares	246	–
Currency purchases awaiting settlement	2,116	5,124
Purchases awaiting settlement	–	2,263
Total other creditors	2,600	7,577

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £238,000 (2020: £171,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £2,405,000 (2020: £1,518,000).

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	6	–	3	9
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Merrill Lynch International	UK	—	—	78	83
UBS AG	Switzerland	391	424	—	—
Total		391	424	78	83

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 8.5%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 8.5%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund used derivatives in the year, namely foreign exchange forwards for hedging purposes and call options. The level of Market Exposure in the Sub-fund as at year end as measured by the Commitment Approach described above was 0.47% (2020: 0.38%).

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Currency			
Canadian Dollar	–	4,792	4,792
Euro	1	8,509	8,510
Japanese Yen	–	3,712	3,712
United States Dollar	2,090	194,983	197,073
	2,091	211,996	214,087

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Currency			
Canadian Dollar	–	1,903	1,903
Hong Kong Dollar	–	5,964	5,964
Japanese Yen	–	1,676	1,676
United States Dollar	822	145,052	145,874
	822	154,595	155,417

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.88%/(0.88)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.91%/(0.91)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Interest rate risk (continued)

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

31.12.2021	Assets (£'000)	Liabilities (£'000)
Level 1: Quoted prices	213,390	—
Level 2: Observable market data	23,660	—
Level 3: Unobservable data	3,543	—
	240,593	—

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments (continued)

	Assets (£'000)	Liabilities (£'000)
31.12.2020		
Level 1: Quoted prices	154,640	—
Level 2: Observable market data	13,149	—
Level 3: Unobservable data	2,915	—
	170,704	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.*

*Liontrust engage with Private Equity firms and market markers to ascertain the latest valuations and prices of the private equity assets held by the Fund that are included as level 3 assets.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	5,507,397	1,260,218	(659,533)	(546,835)	5,561,247
B Accumulation	—	213,445	(164,888)	3,854,314	3,902,871
C Accumulation	14,318,349	4,737,837	(1,702,529)	64,950	17,418,607

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	75,958	26	0.03	5	0.01
Collective investment schemes	9,527	–	–	–	–
Total purchases	85,485	26		5	
Total purchases including transaction costs	85,516				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	49,473	18	0.04	7	0.01
Collective investment schemes	1,095	–	–	–	–
Total sales	50,568	18		7	
Total sales net of transaction costs	50,543				
Total transaction costs		44		12	
Total transaction costs as a % of average net assets		0.02%		0.01%	

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	68,061	21	0.03	1	-
Collective investment schemes	4,565	-	-	-	-
Total purchases	72,626	21		1	
Total purchases including transaction costs	72,648				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	54,250	21	0.04	135	0.25
Collective investment schemes	1,401	-	-	-	-
Total sales	55,651	21		135	
Total sales net of transaction costs	55,495				
Derivative transaction costs		4		-	
Total transaction costs		46		136	
Total transaction costs as a % of average net assets		0.04%		0.10%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

During the year the Sub-fund utilised derivative instruments including options covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.06% (2020: 0.06%).

Liontrust Global Alpha Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine. Since the year-end, the NAV per share of share class C Accumulation has decreased by 15.32% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Global Alpha Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
B Accumulation - Group 1	—	—	—	—
B Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	—
C Accumulation - Group 2	—	—	—	—

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

Liontrust Global Dividend Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The Investment objective of the Liontrust Global Dividend Fund is to generate income with the potential for long term (five years or more) capital growth.

Income Target Benchmark

The Sub-fund aims to deliver a net target yield of at least the net yield of the MSCI World Index each year.

Investment Policy

The Sub-fund invests at least 80% in shares of companies across the world.

The Sub-fund may also invest up to 20% in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a concentrated portfolio of 20-40 companies that may provide growth opportunities or attractive valuations.

Liontrust Global Dividend Fund (continued)

Investment review

Sub-fund review

The Liontrust Global Dividend Fund (C accumulation) returned 16.1% over the year, compared with 22.9% from the MSCI World Index and 18.7% from the IA Global Equity Income sector (both comparator benchmarks)*.

The Sub-fund's dividend growth for the year was 1%, which is significantly less than our historical average. The main reason for this is that some of our holdings pushed their annual income distribution out from Q4 2021 to Q1 2022. By the same token, this means that Q1 2022 should be a bumper quarter for income, and we expect the Sub-fund to return to strong growth in distributions in 2022.

In the first half of 2021, many cyclical stocks – predominately in energy, materials and financials – rebounded from low levels after struggling during difficult economic conditions related to the pandemic in 2020. In such deep value and cyclical rallies, we expect the Sub-fund to underperform peers. These peers are deliberately more concentrated in these areas of the market compared to our broad and balanced allocation of innovative global leaders in every sector, and this is indeed what we experienced during this period. At the same time, however, we kept pace with the MSCI World Index.

Stocks that led the market higher in this period are companies that we screen out of our process in the first stage, such as Lloyds Bank, British American Tobacco, Vodafone and Wells Fargo. We do not invest in these companies because they are simply not innovative global leaders. They are companies with structurally challenged business models losing out to better competitors and they are often heavily indebted. As investments, we believe they put capital and income at risk.

By avoiding this area of the market, we accept that we will miss out on short-term deep value rallies. However, we are focused on our objective of delivering strong long-term total returns and income growth. For example, the share price of BT Group over the past five years illustrates how difficult it can be to catch a falling knife, and we believe we are engaged in a far better strategy instead.

As we entered the second half of the year, the rise of the Delta and Omicron variants caused a period of extended market volatility, leading to a strong defensive rally as global yields fell and uncertainty spiked. The last time we witnessed this was in Q3 2020, and in these types of market environments the market demands a very high price for stable growth.

Due to our valuation discipline, during this time we did not hold a number of income stocks, popular to our peers, such as Procter & Gamble, Nestle, Relx and PepsiCo, which performed exceptionally well. While several of these stocks are on our Global Innovation 200 Watchlist, at typically over a 25x price to earnings ratio, and without exceptional growth prospects, they are too expensive for us.

One of the top performing stocks for the year was Intuit, which we bought in late March 2020. The US accounting software giant has continued to execute across all divisions and gained significant share in the small-to-medium enterprise accounting market. However, the company's share price has begun to run far ahead of intrinsic value and in November we reviewed the holding and sold.

Outlook

As we enter 2022, we are very confident in the Sub-fund's ability to drive capital and income growth this year and in those ahead. We currently judge there to be an average of 42% upside across the Sub-fund based on our estimates of the intrinsic value of our companies, sitting near our historic high for the portfolio. As our process dictates, we have continued to make changes to the portfolio, bringing companies "on from the bench" – our Global Innovation 200 Watchlist – to replace companies in the Sub-fund that have become too expensive.

We expect 2022 to present its fair share of surprises for investors. However, we believe that being invested in innovative global leaders equips us with the strong underlying fundamentals to deliver strong capital and income growth, and the resilience to deal with the challenges that are sure to be thrown our way. Meanwhile, our valuation discipline and strong bench of stocks in the form of our Global Innovation 200 watchlist gives us a toolkit that will hopefully help mitigate downside if volatility becomes extreme. The Sub-fund currently has a forward dividend yield of 2.4% to 2.5% and we expect strong income growth in the year ahead.

*Source: FE Analytics as at 31.12.21

James Dowe & Storm Uru

Liontrust Global Dividend Fund (continued)

Investment review (continued)

Outlook (continued)

Fund Managers

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust Global Dividend Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Alibaba
Tencent
Amadeus IT
Adobe
Safran
Compass
Microsoft
BP
Visa 'A'
Alphabet 'A'

Sales

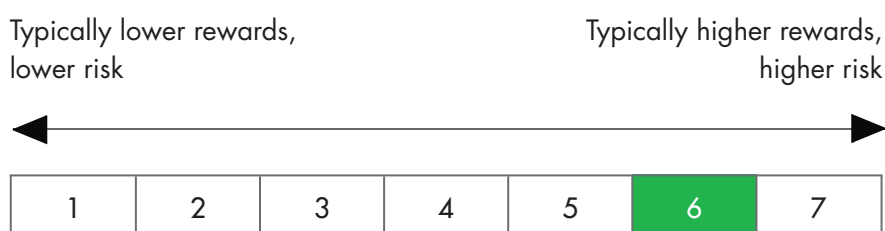
Intuit
Rio Tinto
Adobe
3M
Boeing
HDFC Bank
Compass
Enghouse Systems
Microsoft
Novatek GDR

Liontrust Global Dividend Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to global companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The level of income is not guaranteed.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Global Dividend Fund (continued)

Comparative Tables

for the year ended 31 December 2021

B Income	31 December 2021+
Accounting year ended	per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	7.36
Operating charges	(0.67)
Return after operating charges	6.69
Distributions	(0.99)
Retained distributions on accumulation shares	—
Closing net asset value per share	105.70
After direct transaction costs of*	(0.17)
Performance	
Return after charges	6.69%
Other information	
Closing net asset value (£000's)	31,023
Closing number of shares	29,351,070
Operating charges**	1.14%
Direct transaction costs*	0.29%
Prices	
Highest share price	107.66
Lowest share price	98.28

+ Launched on 4 June 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Dividend Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	234.82	200.61	149.99
Return before operating charges	37.99	36.25	52.87
Operating charges	(2.26)	(2.04)	(2.25)
Return after operating charges	35.73	34.21	50.62
Distributions	(5.12)	(4.98)	(5.30)
Retained distributions on accumulation shares	5.12	4.98	5.30
Closing net asset value per share	270.55	234.82	200.61
After direct transaction costs of*	(0.74)	(0.89)	(0.63)
Performance			
Return after charges	15.22%	17.05%	33.75%
Other information			
Closing net asset value (£000's)	113,985	23,961	10,844
Closing number of shares	42,130,560	10,204,183	5,405,517
Operating charges**	0.89%	0.99%	1.20%
Direct transaction costs*	0.29%	0.43%	0.34%
Prices			
Highest share price	274.70	237.39	204.40
Lowest share price	230.74	158.63	148.10

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Dividend Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	183.81	160.96	123.79
Return before operating charges	29.49	28.42	43.29
Operating charges	(1.76)	(1.61)	(1.79)
Return after operating charges	27.73	26.81	41.50
Distributions	(4.00)	(3.96)	(4.33)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	207.54	183.81	160.96
After direct transaction costs of*	(0.58)	(0.71)	(0.50)
Performance			
Return after charges	15.09%	16.66%	33.52%
Other information			
Closing net asset value (£000's)	168,935	14,177	2,891
Closing number of shares	81,397,087	7,713,013	1,795,859
Operating charges**	0.89%	0.98%	1.20%
Direct transaction costs*	0.29%	0.43%	0.34%
Prices			
Highest share price	211.31	186.67	164.90
Lowest share price	180.61	127.27	122.20

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Dividend Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

M Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020† per share (p)
Change in net assets per share		
Opening net asset value per share	139.18	100.00
Return before operating charges	22.54	39.80
Operating charges	(0.95)	(0.62)
Return after operating charges	21.59	39.18
Distributions	(3.08)	(2.12)
Retained distributions on accumulation shares	3.08	2.12
Closing net asset value per share	160.77	139.18
After direct transaction costs of*	(0.44)	(0.40)
Performance		
Return after charges	15.51%	39.18%
Other information		
Closing net asset value (£000's)	32,522	93
Closing number of shares	20,229,044	66,908
Operating charges**	0.63%	0.67%
Direct transaction costs*	0.29%	0.43%
Prices		
Highest share price	163.18	140.70
Lowest share price	136.79	100.00

† Launched on 8 April 2020.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Dividend Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

M Income Accounting year ended	31 December 2021 per share (p)	31 December 2020† per share (p)
Change in net assets per share		
Opening net asset value per share	136.89	100.00
Return before operating charges	22.02	39.63
Operating charges	(0.96)	(0.63)
Return after operating charges	21.06	39.00
Distributions	(2.95)	(2.11)
Retained distributions on accumulation shares	—	—
Closing net asset value per share	155.00	136.89
After direct transaction costs of*	(0.43)	(0.39)
Performance		
Return after charges	15.38%	39.00%
Other information		
Closing net asset value (£000's)	41,459	23,288
Closing number of shares	26,748,193	17,011,663
Operating charges**	0.65%	0.69%
Direct transaction costs*	0.29%	0.43%
Prices		
Highest share price	157.75	139.03
Lowest share price	134.54	100.00

† Launched on 8 April 2020.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Dividend Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (98.59%)	384,345	99.08
	AUSTRALIA (2.03%)	0	0.00
	CANADA (8.40%)	25,185	6.50
10,000	Brookfield Asset Management	445	0.12
140,000	Brookfield Asset Management Bonus issue	6,240	1.61
90,000	Brookfield Infrastructure	4,536	1.17
10,200	Constellation Software	13,964	3.60
	CHINA (3.95%)	40,434	10.42
880,000	Alibaba	9,900	2.55
790,000	ANTA Sports Products	8,738	2.25
1,700,000	Ping An Insurance of China 'H'	9,040	2.33
295,000	Tencent	12,756	3.29
	FRANCE (2.36%)	21,188	5.46
13,000	LVMH Moet Hennessy Louis Vuitton	7,930	2.04
147,000	Safran	13,258	3.42
	INDIA (1.96%)	0	0.00
	NEW ZEALAND (2.28%)	10,512	2.71
1,300,000	Contact Energy	5,257	1.36
2,300,000	Spark New Zealand	5,255	1.35
	RUSSIA (4.74%)	10,505	2.71
460,000	MMC Norilsk Nickel ADR	10,505	2.71
	SPAIN (2.43%)	12,514	3.23
250,000	Amadeus IT	12,514	3.23
	SWEDEN (2.19%)	6,567	1.69
350,000	Epiroc	6,567	1.69
	TAIWAN (2.01%)	6,662	1.72
75,000	Taiwan Semiconductor Manufacturing	6,662	1.72

Liontrust Global Dividend Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (13.18%)		27,192	7.01
3,350,000	BP	11,072	2.85
490,000	Compass	8,087	2.09
500,000	GlaxoSmithKline	8,033	2.07
UNITED STATES OF AMERICA (53.06%)		223,586	57.63
70,000	AbbVie	6,998	1.80
18,000	Adobe	7,536	1.94
5,500	Alphabet 'A'	11,764	3.03
103,000	American Express	12,438	3.21
59,000	American Tower	12,738	3.28
90,000	Apple	11,800	3.04
58,000	CME	9,783	2.52
19,000	Costco Wholesale	7,964	2.05
26,000	Danaher	6,316	1.63
500,000	Enterprise Products Partners LP	8,099	2.09
28,000	Estée Lauder	7,655	1.97
95,000	JPMorgan Chase	11,105	2.86
14,000	Lam Research	7,433	1.92
47,000	Meta Platforms	11,670	3.01
48,000	Microsoft	11,915	3.07
140,000	Morgan Stanley	10,143	2.62
160,000	Otis Worldwide	10,286	2.65
35,000	Roper Technologies	12,710	3.28
64,000	Stryker	12,638	3.26
34,000	Ubiquiti	7,699	1.98
33,500	UnitedHealth	12,418	3.20
78,000	Visa 'A'	12,478	3.22
Portfolio of investments		384,345	99.08
Net other assets		3,579	0.92
Total net assets		387,924	100.00

Liontrust Global Dividend Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Stocks shown as ADRs represent American Depositary Receipts.

Liontrust Global Dividend Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		23,254		6,687
Revenue	3	4,333		912	
Expenses	4	(1,814)		(291)	
Interest payable and similar charges	6	(26)		(5)	
Net revenue before taxation		2,493		616	
Taxation	5	(344)		(97)	
Net revenue after taxation			2,149		519
Total return before distributions			25,403		7,206
Distributions	7		(3,926)		(799)
Change in net assets attributable to shareholders from investment activities			21,477		6,407

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		61,519		13,735
Amounts received on issue of shares	152,247		58,027	
In-specie transfer+	171,880		–	
Amounts paid on cancellation of shares	(20,771)		(17,141)	
		303,356		40,886
Dilution adjustment		55		54
Change in net assets attributable to shareholders from investment activities		21,477		6,407
Retained distributions on accumulation shares		1,517		437
Closing net assets attributable to shareholders		387,924		61,519

+ The Liontrust Global Income Fund (£150,000,000) and Liontrust US Income Fund (£21,880,000) merged into the Liontrust Global Dividend Fund on 25 June 2021 and 8 October 2021 respectively.

Liontrust Global Dividend Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		384,345	60,650
Current assets:			
Debtors	8	23,802	2,150
Cash and bank balances	9	33	–
Total assets		408,180	62,800
Liabilities			
Creditors:			
Bank overdrafts		(358)	(17)
Distribution payable		(672)	(173)
Other creditors	10	(19,226)	(1,091)
Total liabilities		(20,256)	(1,281)
Net assets attributable to shareholders		387,924	61,519

Liontrust Global Dividend Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	23,303	6,875
Forward currency contracts	(21)	(7)
Foreign currency losses	(28)	(172)
Transaction costs	–	(9)
Net capital gains	23,254	6,687

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	2,135	576
Stock lending income	7	1
Taxable overseas dividends	556	70
UK dividends	1,504	232
UK REIT dividends	–	6
US REIT dividends	131	27
Total revenue	4,333	912

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	1,516	223
General administration charges*	299	45
	1,815	268
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	—	4
Safe custody fee	—	1
	—	5
Other expenses:		
ADR fee	5	—
Audit fee	3	5
Professional service fees	—	2
Registration fee	(1)	2
Other expenses	(8)	9
	(1)	18
Total expenses	1,814	291

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	336	97
Overseas tax on capital gains	8	—
Total tax charge [see note(b)]	344	97

b) Factors affecting tax charge for the year

The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	2,493	616
Corporation tax at 20% (2020 - 20%)	499	123
Effects of:		
Movement in unrecognised tax losses	246	42
Overseas tax	336	97
Overseas tax on capital gains	8	—
Prior year adjustment to unrecognised tax losses	2	(2)
Relief on overseas tax expensed	(19)	(2)
Revenue not subject to tax	(728)	(161)
Total tax charge [see note(a)]	344	97

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £336,000 (2020: £89,000) due to tax losses of £1,678,000 (2020: £446,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	26	5
Total interest payable and similar charges	26	5

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
First Interim	480	18
Second Interim	1,429	305
Third Interim	1,909	308
Final	1,083	283
	4,901	914
Amounts deducted on cancellation of shares	61	76
Amounts received on issue of shares	(1,036)	(191)
Distributions	3,926	799

The distributable amount has been calculated as follows:

Net revenue after taxation	2,149	519
Less: Equalisation on conversions	(1)	–
Less: Tax relief on capitalised income/expenses	(39)	(10)
Add: ACD's charge reimbursed by capital	1,516	223
Add: Other expenses reimbursed by capital	293	68
Add: Overseas tax on capital gains	8	–
Shortfall of income taken to capital	–	(1)
Distributions	3,926	799

The distribution per share is set out in the tables on pages 139 to 141.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	348	153
Amounts receivable for issue of shares	3,479	951
Currency sales awaiting settlement	10,343	1,033
Income tax recoverable	1	–
Overseas withholding tax	150	13
Sales awaiting settlement	9,481	–
Total debtors	23,802	2,150

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	33	–
Total cash and bank balances	33	–

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	42	17
Accrued ACD's charge	233	35
Amounts payable for cancellation of shares	195	–
Currency purchases awaiting settlement	10,354	1,039
Purchases awaiting settlement	8,402	–
Total other creditors	19,226	1,091

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £275,000 (2020: £43,000).

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

12 Related party transactions (continued)

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £1,815,000 (2020: £268,000).

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	7	–	3	10
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
J.P. Morgan Securities Plc	UK	3,609	3,996	—	—
Jeffries LLC	USA	534	545	—	—
The Bank of Nova Scotia	Canada	—	—	1,260	1,387
UBS AG	Switzerland	4,019	4,210	532	598
Total		8,162	8,751	1,792	1,985

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.0%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 10.1%.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Canadian Dollar	–	14,409	14,409
Danish Krone	1	–	1
Euro	84	33,702	33,786
Hong Kong Dollar	–	40,434	40,434
New Zealand Dollar	–	10,512	10,512
Norwegian Krone	42	–	42
South African Rand	13	–	13
Swedish Krona	40	6,567	6,607
Swiss Franc	2	–	2
United States Dollar	965	254,797	255,762
	1,147	360,421	361,568

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Australian Dollar	–	1,252	1,252
Canadian Dollar	–	2,442	2,442
Danish Krone	–	1	1
Euro	–	2,954	2,954
Hong Kong Dollar	–	2,427	2,427
Indian Rupee	–	1,233	1,233
New Zealand Dollar	–	1,402	1,402
Swedish Krona	–	1,349	1,349
Swiss Franc	–	4	4
United States Dollar	(17)	40,536	40,519
	(17)	53,600	53,583

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.93%/(0.93)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.87%/(0.87)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	384,345	—
	384,345	—
31.12.2020		
Level 1: Quoted prices	60,650	—
	60,650	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
B Income	—	21,197,149	(1,673,610)	9,827,531	29,351,070
C Accumulation	10,204,183	34,686,395	(2,764,597)	4,579	42,130,560
C Income	7,713,013	83,274,062	(4,528,474)	(5,061,514)	81,397,087
M Accumulation	66,908	20,460,128	(307,450)	9,458	20,229,044
M Income	17,011,663	11,294,073	(1,607,476)	49,933	26,748,193

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	371,328	141	0.04	358	0.10
In-specie transfers	172,046	–	–	–	–
Total purchases	543,374	141		358	
Total purchases including transaction costs	543,873				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	243,602	98	0.04	26	0.01
Total sales	243,602	98		26	
Total sales net of transaction costs	243,478				
Total transaction costs		239		384	
Total transaction costs as a % of average net assets		0.11%		0.18%	

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued) for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	99,383	36	0.04	107	0.11
Collective investment schemes	167	–	–	–	–
Total purchases	99,550	36		107	
Total purchases including transaction costs	99,693				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	59,083	20	0.03	3	0.01
Total sales	59,083	20		3	
Total sales net of transaction costs	59,060				
Total transaction costs		56		110	
Total transaction costs as a % of average net assets		0.15%		0.28%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.11% (2020: 0.19%).

Liontrust Global Dividend Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine. Since the year-end, the NAV per share of share class C Accumulation has decreased by 6.38% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Global Dividend Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 October 2021

Group 2 - Shares purchased 1 October 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
B Income - Group 1+	0.3002	—	0.3002	—
B Income - Group 2+	0.1569	0.1433	0.3002	—
C Accumulation - Group 1	0.7588	—	0.7588	1.0755
C Accumulation - Group 2	0.5655	0.1933	0.7588	1.0755
C Income - Group 1	0.5786	—	0.5786	0.8478
C Income - Group 2	0.3882	0.1904	0.5786	0.8478
M Accumulation - Group 1	0.4528	—	0.4528	0.6485
M Accumulation - Group 2	0.3889	0.0639	0.4528	0.6485
M Income - Group 1	0.4221	—	0.4221	0.6302
M Income - Group 2	0.2809	0.1412	0.4221	0.6302

+ Launched on 4 June 2021.

Third interim distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 30 September 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 30.11.2021 Pence per share	Distribution paid 30.11.2020 Pence per share
B Income - Group 1+	0.6418	—	0.6418	—
B Income - Group 2+	0.2011	0.4407	0.6418	—
C Accumulation - Group 1	1.6047	—	1.6047	1.5067
C Accumulation - Group 2	0.9954	0.6093	1.6047	1.5067
C Income - Group 1	1.2670	—	1.2670	1.2005
C Income - Group 2	0.7458	0.5212	1.2670	1.2005
M Accumulation - Group 1	0.9507	—	0.9507	0.8841
M Accumulation - Group 2	0.8337	0.1170	0.9507	0.8841
M Income - Group 1	0.9218	—	0.9218	0.8939
M Income - Group 2	0.8346	0.0872	0.9218	0.8939

+ Launched on 4 June 2021.

Liontrust Global Dividend Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

Second interim distribution

Group 1 - Shares purchased prior to 1 April 2021

Group 2 - Shares purchased 1 April 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
B Income - Group 1+	0.0431	—	0.0431	—
B Income - Group 2+	0.0431	0.0000	0.0431	—
C Accumulation - Group 1	1.4524	—	1.4524	2.3995
C Accumulation - Group 2	0.4757	0.9767	1.4524	2.3995
C Income - Group 1	1.1343	—	1.1343	1.0334
C Income - Group 2	1.1023	0.0320	1.1343	1.0334
M Accumulation - Group 1	0.8982	—	0.8982	0.5900
M Accumulation - Group 2	0.7066	0.1916	0.8982	0.5900
M Income - Group 1	0.8467	—	0.8467	0.5894
M Income - Group 2	0.5778	0.2689	0.8467	0.5894

+ Launched on 4 June 2021.

First interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 March 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.5.2021 Pence per share	Distribution paid 31.5.2020 Pence per share
B Income - Group 1+	—	—	—	—
B Income - Group 2+	—	—	—	—
C Accumulation - Group 1	1.3054	—	1.3054	—
C Accumulation - Group 2	0.4707	0.8347	1.3054	—
C Income - Group 1	1.0218	—	1.0218	0.8812
C Income - Group 2	0.5866	0.4352	1.0218	0.8812
M Accumulation - Group 1†	0.7739	—	0.7739	—
M Accumulation - Group 2†	0.4611	0.3128	0.7739	—
M Income - Group 1†	0.7614	—	0.7614	—
M Income - Group 2†	0.5287	0.2327	0.7614	—

+ Launched on 4 June 2021.

† Launched on 8 April 2020.

Liontrust Global Dividend Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

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

Liontrust Global Innovation Fund (formerly Liontrust Global Equity Fund)

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Global Innovation Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of companies selected from across the world.

The Sub-fund may also invest up to 20% in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The fund managers believe the key to generating outperformance is through high conviction, long-term, research-led company selection. The key elements to the investment process are as follows:

Identifying innovative businesses. The fund managers believe innovative businesses provide excellent opportunities for strong long-term shareholder returns and resilience to the threats of disruptive economic change. The fund managers seek to invest in innovative businesses that:

- i) create value for their customers through superior new products and business models; and
- ii) capture an adequate share of this value for their shareholders through the possession of barriers to the forces of competition.

The portfolio is actively managed and the fund managers only invest the portfolio in businesses in which they have high conviction of achieving strong long-term shareholder returns. This typically leads to the fund having a high active share against its benchmark(s).

The portfolio is diversified by geography and sectors, and the managers seek to ensure that the performance of the individual businesses they invest in have a meaningful impact on the fund's long-term returns.

The portfolio aims to be liquid in all market conditions.

Liontrust Global Innovation Fund (continued)

Investment review

Sub-fund review

The Liontrust Global Innovation Fund (C accumulation) returned 12.1% over the year, versus the MSCI AC World Index which returned 19.6% and IA Global sector average of 17.7% (both comparator benchmarks)*.

In the first half of 2021, the recovery of the global economy from the pandemic gave rise to strong returns for the stock market, driven by cyclical sectors of the market such as energy, materials and banks. Moreover, within sectors, gains were led by relatively operationally weak and financially leveraged companies in particular need of relief. Notable examples were Lloyds Bank, British American Tobacco, Vodafone and Wells Fargo. However, we do not invest in these types of companies and stick to our process through thick and thin.

The Sub-fund performed strongly in the third quarter, catching up with and overtaking the benchmark for the year. However, in the fourth quarter the ongoing recovery presented a renewed challenge to returns for the Sub-fund in the form of sharply rising inflation and a related increase in market expectations of interest rate hikes ahead. As has been much debated throughout the year, the high and rising rate of inflation experienced so far during the recovery looks increasingly likely to stick around longer than markets initially expected. The final six weeks or so of the year saw a heavy sell-off across the stock market in companies with high growth potential, including some of our companies, held with the very highest levels of our conviction – such as East Asian e-commerce company Sea, US artificial intelligence-based credit analyst Upstart and European-focused software roll-up business Topicus – and as a result the fund underperformed during the quarter.

The main short-term challenge for stocks when rate expectations sharply rise is a resultant rise in equity discount rates and negative impact on valuations. The valuations of stocks with higher long-term growth prospects and therefore longer-duration earnings are affected more. The Sub-fund's current long-term expected earnings per share (EPS) growth is 31% per annum, which is much higher than the benchmark's current expected 10% per annum. Growth is clearly a good thing from a fundamental perspective, particularly for innovators, which through new ideas can grow at a much lower cost of growth than the average company overly reliant upon price cutting, unimaginative product proliferation or expensive mergers & acquisitions. But it exposes the Sub-fund's valuations more than those of the overall market to the short-term impact of rising interest rates.

The biggest contributors to the Sub-fund's return during the year were Nvidia (+300 basis points (bps)), Silicon Valley Bank (+196bps), Alphabet (+190bps), Tradeweb (+164bps) and Costco (+162bps). Nvidia and Silicon Valley Bank are both companies we have known and invested in for many years and have held in the Sub-fund since the inception of our strategy. Nvidia occupies an extraordinary position in today's economy as the leading designer by far of high-performance semi-conductors for artificial intelligence-based computing. The strength and breadth of its growth drivers continues to increase as AI finds more applications across the economy.

Silicon Valley Bank has long been a great enabler of US innovation and takes stock warrants in many of the businesses it finances, giving it excellent upside to the results of innovation. Tradeweb is a newer company to us having IPO'd in 2019. We like its steady disruptive growth as an electronic trading network within the still significantly over-the-counter based world of institutional fixed income trading.

The biggest detractors from returns during the year were Lemonade (-1.56bps), Teledoc (-1.55bps), Alibaba (-1.17bps), Coupang (-0.87bps) and Pinduoduo (-0.83bps). The share prices of Lemonade and Teledoc fell heavily during the year, and we were relieved that their negative impact on the Sub-fund was limited by their low weightings, which we set due to the very long-term nature of the growth projects in which both are engaged. We continue to hold both companies while monitoring their progress against their strategies. We sold Alibaba around the middle of the year, replacing it with Meituan, a less mature Chinese e-commerce company with superior growth prospects, which had been similarly hit by government regulation concerns. We sold Coupang in the fourth quarter, having been disappointed by management's decision to expand beyond its home market of South Korea, where it has excellent growth potential based on the strength of its logistics infrastructure, to Japan and Taiwan, where it must essentially start again from scratch. Ambition is good but the cost of growth is crucial.

As a function of extreme market conditions during the year, we were more active than usual in making changes to the portfolio, responding to valuations and taking advantage of opportunities. As always, we utilised our Innovation 200 watchlist of companies,

Liontrust Global Innovation Fund (continued)

Investment review (continued)

Sub-fund review (continued)

which serves as our “bench” when we want to take stocks out of the Sub-fund that in our view have become too expensive, and when good innovative companies that were previously too expensive for the Sub-fund go on sale.

We sold companies during the year including Nike, Accenture and Honeywell whose share prices ran up too much relative to their growth prospects and bought hard-hit companies late in the year including Wise, a cross-border transfers business in the UK, and 2U, an enabler of innovation for universities primarily in US and UK (both in the fourth quarter).

Outlook

The current adjustment to interest rate expectations taking place presents a short-term valuation challenge to innovative growth companies, but, we believe, not a significant longer-term operational one. Indeed, innovative companies are the most resilient and adaptable in the face of challenges and, as such, as higher interest rates lead to tougher macroeconomic conditions, we expect them to manage much better than non-innovators. When interest rate expectations fully adjust to their new higher level, we expect valuation headwinds for the Sub-fund to abate and for the fund to strongly outperform.

The companies in which we invest the Sub-fund are operationally very strong indeed, with outstanding pricing power, which will enable them to absorb higher interest rates, inflation and potentially slowing economic growth. The Sub-fund’s aggregate operating margin is 36%, roughly three times that of the benchmark’s 13%. Moreover, the valuation of the Sub-fund on a growth-adjusted basis – as is an appropriate adjustment for companies with significant growth potential – is currently very attractive. The Sub-fund’s PEG ratio (price/earnings adjusted for expected long-term EPS growth) is currently around 1x compared with 1.7x for the MSCI All Country World Index benchmark.

While it is not possible to predict which of our companies will be the best share price performers over the coming year, we briefly highlight below three companies to illustrate the diversity of the opportunities within the Sub-fund. We invest in innovation, not technology per se, and this can be clearly seen through our sectoral asset allocation, reflecting our approach to go wherever the innovation is.

*Source: FE Analytics as at 31.12.21

James Dowey & Storm Uru

Fund Managers

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors’ capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust Global Innovation Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Coupang
Wizz Air
CoStar
ING Groep
Lululemon Athletica
PAR Technology
Lemonade
American Express
Equinix
Teladoc Health

Sales

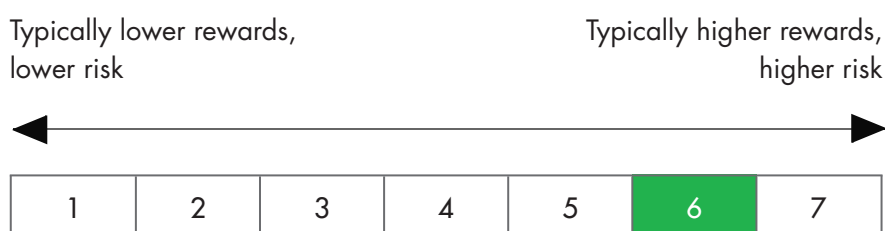
NVIDIA
Visa 'A'
Thermo Fisher Scientific
NIKE
JPMorgan Chase
Alphabet 'A'
Enel
Meta Platforms
Apple
Honeywell International

Liontrust Global Innovation Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to global companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund may invest in derivatives, which may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Sub-fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against general market movements. As part of the investment policy, the Sub-fund may buy put options on a market index to mitigate against the effect of a significant fall in the level of that market. These put options will be 'covered', as the Sub-fund will not buy a put option unless it has a long exposure to that market (either directly or indirectly).

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Global Innovation Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	666.61	509.13	433.90
Return before operating charges	78.61	168.52	84.23
Operating charges	(13.34)	(11.04)	(9.00)
Return after operating charges	65.27	157.48	75.23
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	731.88	666.61	509.13
After direct transaction costs of*	(0.41)	(0.30)	(0.17)
Performance			
Return after charges	9.79%	30.93%	17.34%
Other information			
Closing net asset value (£000's)	48,512	54,956	44,179
Closing number of shares	6,628,377	8,244,048	8,677,296
Operating charges**	1.87%	1.90%	1.89%
Direct transaction costs*	0.06%	0.05%	0.04%
Prices			
Highest share price	803.62	679.31	517.70
Lowest share price	635.58	441.04	431.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

A Income Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	201.83	154.46	132.98
Return before operating charges	23.80	51.07	25.80
Operating charges	(4.04)	(3.35)	(2.75)
Return after operating charges	19.76	47.72	23.05
Distributions	—	(0.35)	(1.57)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	221.59	201.83	154.46
After direct transaction costs of*	(0.12)	(0.09)	(0.05)
Performance			
Return after charges	9.79%	30.90%	17.33%
Other information			
Closing net asset value (£000's)	2,718	2,891	2,176
Closing number of shares	1,226,781	1,432,656	1,408,485
Operating charges**	1.87%	1.90%	1.89%
Direct transaction costs*	0.06%	0.05%	0.04%
Prices			
Highest share price	243.31	205.69	157.80
Lowest share price	192.43	133.81	132.20

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation	31 December 2021	31 December 2020	31 December 2019
Accounting year ended	per share (p)	per share (p)	per share (p)
Change in net assets per share			
Opening net asset value per share	731.27	555.85	471.59
Return before operating charges	86.43	184.52	91.68
Operating charges	(9.11)	(9.10)	(7.42)
Return after operating charges	77.32	175.42	84.26
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	808.59	731.27	555.85
After direct transaction costs of*	(0.45)	(0.33)	(0.19)
Performance			
Return after charges	10.57%	31.56%	17.87%
Other information			
Closing net asset value (£000's)	13,269	8,490	4,876
Closing number of shares	1,640,972	1,160,934	877,304
Operating charges**	1.16%	1.43%	1.44%
Direct transaction costs*	0.06%	0.05%	0.04%
Prices			
Highest share price	886.83	744.66	565.10
Lowest share price	697.92	482.05	468.90

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Income	31 December 2021+
Accounting year ended	per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	8.70
Operating charges	(1.09)
Return after operating charges	7.61
Distributions	—
Retained distributions on accumulation shares	—
Closing net asset value per share	107.61
After direct transaction costs of*	(0.06)
Performance	
Return after charges	7.61%
Other information	
Closing net asset value (£000's)	434
Closing number of shares	403,714
Operating charges**	1.14%
Direct transaction costs*	0.06%
Prices	
Highest share price	118.03
Lowest share price	92.89

+ Launched on 3 February 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	272.37	206.01	173.98
Return before operating charges	32.23	68.56	33.93
Operating charges	(2.55)	(2.20)	(1.90)
Return after operating charges	29.68	66.36	32.03
Distributions	—	(0.20)	(0.47)
Retained distributions on accumulation shares	—	0.20	0.47
Closing net asset value per share	302.05	272.37	206.01
After direct transaction costs of*	(0.17)	(0.12)	(0.07)
Performance			
Return after charges	10.90%	32.21%	18.41%
Other information			
Closing net asset value (£000's)	213,874	166,799	100,603
Closing number of shares	70,807,841	61,239,214	48,833,374
Operating charges**	0.87%	0.93%	0.99%
Direct transaction costs*	0.06%	0.05%	0.04%
Prices			
Highest share price	331.15	277.16	209.40
Lowest share price	260.18	178.86	173.00

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	213.95	162.37	138.54
Return before operating charges	25.31	53.94	26.98
Operating charges	(2.00)	(1.73)	(1.51)
Return after operating charges	23.31	52.21	25.47
Distributions	—	(0.63)	(1.64)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	237.26	213.95	162.37
After direct transaction costs of*	(0.13)	(0.10)	(0.06)
Performance			
Return after charges	10.90%	32.15%	18.38%
Other information			
Closing net asset value (£000's)	13,436	9,039	6,260
Closing number of shares	5,662,865	4,224,891	3,855,372
Operating charges**	0.87%	0.93%	0.99%
Direct transaction costs*	0.06%	0.05%	0.04%
Prices			
Highest share price	260.12	217.72	165.80
Lowest share price	204.37	140.97	137.80

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Global Innovation Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (97.02%)	292,330	100.03
	CANADA (0.00%)	17,773	6.09
99,000	Brookfield Infrastructure	4,990	1.71
28,400	Lululemon Athletica	8,206	2.81
4,500	Shopify	4,577	1.57
	CHINA (5.24%)	14,844	5.07
210,000	Meituan Dianping	4,483	1.53
75,000	Pinduoduo	3,226	1.10
165,000	Tencent	7,135	2.44
	DENMARK (2.12%)	0	0.00
	GERMANY (5.50%)	8,481	2.90
39,000	Volkswagen	8,481	2.90
	INDIA (1.64%)	5,880	2.01
250,000	Reliance Industries (Partially Restricted)	5,880	2.01
	INDONESIA (0.00%)	5,310	1.82
25,000,000	Bank Rakyat Indonesia Persero	5,310	1.82
	IRELAND (2.32%)	0	0.00
	ITALY (2.46%)	0	0.00
	JAPAN (5.14%)	4,063	1.39
26,000	FANUC	4,063	1.39
	NETHERLANDS (0.00%)	15,837	5.42
750,000	ING Groep	7,707	2.64
120,000	Topicus.com	8,130	2.78
	SINGAPORE (2.60%)	7,267	2.49
44,000	Sea	7,267	2.49
	SOUTH KOREA (0.00%)	4,336	1.48
199,900	Coupang	4,336	1.48

Liontrust Global Innovation Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
SPAIN (2.82%)			
150,000	Amadeus IT	7,508	2.57
SWITZERLAND (0.00%)			
183,000	Wizz Air	7,657	2.62
UNITED KINGDOM (1.41%)			
200,000	Wise	1,513	0.52
UNITED STATES OF AMERICA (65.77%)			
180,000	2U	2,665	0.91
3,700	Alphabet 'A'	7,914	2.71
3,200	Amazon.com	7,877	2.70
58,000	American Express	7,004	2.40
80,000	Badger Meter	6,293	2.15
125,000	CoStar	7,294	2.50
26,000	Costco Wholesale	10,898	3.73
38,000	Danaher	9,231	3.16
10,000	Equinix	6,245	2.14
29,100	Intuitive Surgical	7,713	2.64
81,000	Lemonade	2,519	0.86
32,000	Microsoft	7,943	2.72
16,000	Netflix	7,117	2.43
239,200	NETSTREIT	4,044	1.38
38,000	NVIDIA	8,251	2.82
1,800	NVR	7,846	2.68
139,000	PAR Technology	5,429	1.86
50,000	PayPal	6,961	2.38
130,600	Planet Fitness	8,731	2.99
71,000	Progressive	5,382	1.84
130,000	Progyny	4,833	1.65
23,000	salesforce.com	4,314	1.48
19,000	SVB Financial	9,516	3.26
36,000	Teladoc Health	2,440	0.83
140,000	Tradeweb Markets	10,351	3.54
24,000	UnitedHealth	8,897	3.04

Liontrust Global Innovation Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
52,000	Upstart	5,805	1.99
73,000	Walt Disney	8,348	2.86
Portfolio of investments		292,330	100.03
Net other liabilities		(87)	(0.03)
Total net assets		292,243	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust Global Innovation Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		28,204		52,795
Revenue	3	1,729		1,947	
Expenses	4	(2,961)		(2,274)	
Interest payable and similar charges	6	(5)		(3)	
Net expense before taxation		(1,237)		(330)	
Taxation	5	(322)		(199)	
Net expense after taxation			(1,559)		(529)
Total return before distributions			26,645		52,266
Distributions	7		–		(116)
Change in net assets attributable to shareholders from investment activities			26,645		52,150

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		242,175		160,398
Amounts received on issue of shares	60,151		55,207	
Amounts paid on cancellation of shares	(36,728)		(25,680)	
		23,423		29,527
Change in net assets attributable to shareholders from investment activities		26,645		52,150
Retained distributions on accumulation shares		–		100
Closing net assets attributable to shareholders		292,243		242,175

Liontrust Global Innovation Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		292,330	234,959
Current assets:			
Debtors	8	1,265	4,588
Cash and bank balances	9	341	5,558
Total assets		293,936	245,105
Liabilities			
Creditors:			
Other creditors	10	(1,693)	(2,930)
Total liabilities		(1,693)	(2,930)
Net assets attributable to shareholders		292,243	242,175

Liontrust Global Innovation Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	28,061	53,340
Derivative contracts	–	8
Forward currency contracts	21	(11)
Currency gains/(losses)	122	(538)
Transaction costs	–	(4)
Net capital gains	28,204	52,795

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Equity distributions on CIS holdings	–	365
Management fee rebates on CIS	–	76
Overseas dividends	1,496	1,400
Stock lending income	110	1
UK dividends	–	105
US REIT dividends	123	–
Total revenue	1,729	1,947

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	2,630	1,958
General administration charges*	375	228
	3,005	2,186
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	(1)	7
Safe custody fee	(10)	17
	(11)	24
Other expenses:		
Audit fee	(1)	3
Professional service fees	(11)	21
Publication costs	(10)	2
Registration fee	(5)	13
Research fees	–	16
Other expenses	(6)	9
	(33)	64
Total expenses	2,961	2,274

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	316	199
Overseas tax on capital gains	6	—
Total tax charge [see note(b)]	322	199

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net expense before taxation	(1,237)	(330)
Corporation tax at 20% (2020 - 20%)	(247)	(66)
Effects of:		
Movement in unrecognised tax losses	551	440
Overseas tax	315	199
Overseas tax on capital gains	6	—
Relief on overseas tax expensed	(4)	—
Revenue not subject to tax	(299)	(374)
Total tax charge [see note(a)]	322	199

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £18,708,000 (2020: £18,157,000) due to tax losses of £93,539,000 (2020: £90,787,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	5	3
Total interest payable and similar charges	5	3

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Interim distribution	–	130
Final distribution	–	–
	–	130
Amounts deducted on cancellation of shares	–	(6)
Amounts received on issue of shares	–	(8)
Distributions	–	116

The distributable amount has been calculated as follows:

Net expense after taxation	(1,559)	(529)
Accumulated capital transfer from income	–	2
Add: ACD's charge reimbursed by capital	–	22
Add: Other expenses reimbursed by capital	–	8
Add: Overseas tax on capital gains	6	–
Shortfall of income taken to capital	1,553	613
Distributions	–	116

The distribution per share is set out in the tables on pages 174 to 175.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued management fee rebates on CIS	–	3
Accrued revenue	5	9
Amounts receivable for issue of shares	199	1,835
Currency sales awaiting settlement	991	2,628
Overseas withholding tax	70	113
Total debtors	1,265	4,588

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	341	5,558
Total cash and bank balances	341	5,558

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	32	74
Accrued ACD's charge	235	206
Amounts payable for cancellation of shares	435	1
Currency purchases awaiting settlement	991	2,649
Total other creditors	1,693	2,930

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £266,000 (2020: £206,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £3,005,000 (2020: £2,186,000).

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	110	–	47	157
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	2,423	2,665	—	—
Credit Suisse Securities (USA) LLC	USA	338	345	—	—
ING Bank	UK	—	—	7,445	8,204
Jeffries LLC	USA	692	706	—	—
Merrill Lynch International	UK	1,425	1,533	—	—
UBS AG	Switzerland	3,733	4,118	574	646
Total		8,611	9,367	8,019	8,850

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 7.9%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 8.5%.

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Canadian Dollar	–	12,706	12,706
Danish Krone	10	–	10
Euro	46	23,697	23,743
Hong Kong Dollar	–	11,617	11,617
Indian Rupee	–	5,880	5,880
Indonesian Rupiah	–	5,310	5,310
Japanese Yen	–	4,063	4,063
United States Dollar	359	219,888	220,247
	415	283,161	283,576

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Danish Krone	–	5,136	5,136
Euro	–	26,206	26,206
Hong Kong Dollar	–	8,874	8,874
Indian Rupee	–	3,969	3,969
Japanese Yen	–	12,429	12,429
United States Dollar	5,558	176,869	182,427
	5,558	233,483	239,041

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.97%/(0.97)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.99%/(0.99)% respectively.

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

31.12.2021	Assets (£'000)	Liabilities (£'000)
Level 1: Quoted prices	292,330	—
	292,330	—

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments (continued)

	Assets (£'000)	Liabilities (£'000)
31.12.2020		
Level 1: Quoted prices	234,959	—
	234,959	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	8,244,048	791,838	(1,370,472)	(1,037,037)	6,628,377
A Income	1,432,656	142,700	(149,610)	(198,965)	1,226,781
B Accumulation	1,160,934	950,810	(1,305,394)	834,622	1,640,972
B Income	—	13,782	(13,752)	403,684	403,714
C Accumulation	61,239,214	14,535,901	(5,196,837)	229,563	70,807,841
C Income	4,224,891	1,935,891	(580,267)	82,350	5,662,865

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	177,518	69	0.04	31	0.02
Total purchases	177,518	69		31	
Total purchases including transaction costs	177,618				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	148,309	52	0.04	7	–
Total sales	148,309	52		7	
Total sales net of transaction costs	148,250				
Total transaction costs		121		38	
Total transaction costs as a % of average net assets		0.04%		0.01%	

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	117,409	41	0.03	26	0.02
Total purchases	117,409	41		26	
Total purchases including transaction costs	117,476				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	77,692	26	0.03	7	0.01
Collective investment schemes	18,914	–	–	–	–
Total sales	96,606	26		7	
Total sales net of transaction costs	96,573				
Total transaction costs		67		33	
Total transaction costs as a % of average net assets		0.03%		0.02%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.13% (2020: 0.09%).

Liontrust Global Innovation Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine. Since the year-end, the NAV per share of share class C Accumulation has decreased by 14.72% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Global Innovation Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
A Income - Group 1	—	—	—	—
A Income - Group 2	—	—	—	—
B Accumulation - Group 1	—	—	—	—
B Accumulation - Group 2	—	—	—	—
B Income - Group 1+	—	—	—	—
B Income - Group 2+	—	—	—	—
C Accumulation - Group 1	—	—	—	—
C Accumulation - Group 2	—	—	—	—
C Income - Group 1	—	—	—	—
C Income - Group 2	—	—	—	—

+ Launched on 3 February 2021.

Liontrust Global Innovation Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

Interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
A Income - Group 1	—	—	—	0.3525
A Income - Group 2	—	—	—	0.3525
B Accumulation - Group 1	—	—	—	—
B Accumulation - Group 2	—	—	—	—
B Income - Group 1+	—	—	—	—
B Income - Group 2+	—	—	—	—
C Accumulation - Group 1	—	—	—	0.1996
C Accumulation - Group 2	—	—	—	0.1996
C Income - Group 1	—	—	—	0.6270
C Income - Group 2	—	—	—	0.6270

+ Launched on 3 February 2021.

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

Liontrust Income Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Income Fund is to generate income with the potential for long term (five years or more) capital growth.

Income Target Benchmark

The Sub-fund aims to deliver a net target yield of at least the net yield of the FTSE All Share Index each year.

Investment Policy

The Sub-fund invests at least 80% in shares of UK companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in the UK.

The Sub-fund may also invest up to 20% in companies outside of the UK, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be nearfully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a concentrated portfolio of 20-40 companies selected using a combination of economic, industry and stock specific analysis.

Liontrust Income Fund (continued)

Investment review

Sub-fund review

The Liontrust Income Fund (C Accumulation) returned 17.6% in 2021, slightly behind the 18.3% and 18.4% returned by the FTSE All Share Index and the IA UK Equity Income sector respectively*. Despite a challenging start to the year, performance improved throughout its duration and was strong in Q4, leaving us in the second quartile of peers for the full year.

Meanwhile, the Sub-fund grew its annual dividend distribution by 1.5%, meaning the 3-year annualised growth rate is now 11.4%, well above the -4.6% of the FTSE All Share.

Equity markets globally had a stellar 2021, supported by a backdrop of negative real rates. The UK had a decent year but lagged other global developed markets (such as the US and Europe), partly owing to it being home to few technology companies, a sector which outperformed through the year. Investor sentiment towards the UK is improving but has yet to fully return to the region following Brexit, however we are optimistic on the prospect for UK equities given attractive valuations and compelling dividend growth stories. A backdrop of negative real rates continues to be supportive of equities, particularly equities with decent income yields which can offer potential real yield and growth.

The first half of 2021 started in a similar vein to the final quarter of 2020; cyclical areas of the UK market poised to benefit from the 're-opening of the economy' outperformed more defensive sectors such as healthcare, consumer staples and tech. This trend was consistent with the UK's vaccine delivery progress and supportive fiscal measures by the government, added to which we started to see bond yields rising and signs of inflation creeping into supply chains. In the UK, small caps are inherently more cyclically oriented than their larger FTSE 100 counterparts, and the consequent outperformance of the FTSE small cap Index versus the FTSE 100 Index since November 2020 continued through H1. Parallel to this observation was the stronger performance of non dividend-paying stocks versus dividend payers, largely explained by the more cyclical nature of companies that had to suspend or cut their dividends last year.

As the delta variant spread rapidly across the country in June, defensive stocks led by tech came to the fore once more. Central banks around the world – led by the Federal Reserve – responded with an indication of continued easy monetary policy, despite inflation running above target, which further supported quality-growth stocks over the summer months. All this see-sawed in September as central bankers turned more hawkish; tech stocks sold off, and banks rallied. Stocks edged higher in October and the first half of November, aided by a broadly strong Q3 earnings season, before selling off on news from South Africa about the emergence of the Omicron variant. Despite the emergence of Omicron and disappointing gross domestic product (GDP) growth in October, the Bank of England surprised market participants in December by hiking interest rates by 0.25% to combat inflation. Headline inflation reached 5.1% in November (4% on a core basis), as companies across the industry spectrum – from retailers to construction to auto-manufacturers – continued to cite supply chain disruptions, raw material cost increases, and labour shortages. As one might expect, companies in the financials sector – led by the banks – responded positively to the move and prospects of higher net interest income.

Corporate cash levels for the FTSE All-Share constituents climbed throughout the year, reaching multiyear highs near 15% of total firm assets at year end. This supported shareholder returns in the form of dividends and buybacks, with the 'great reinstatement' of the UK dividend arriving in the second quarter; underlying payouts rose 43.8%, overwhelmingly attributable (90%) to companies bringing back dividends that had been suspended in 2020. The recovery continued into the second half of the year, and Link Group estimates that underlying dividends (excluding specials) rose to £77.4bn for the full year, implying a recovery in underlying payouts to the tune of 80% of 2019 levels at year end. Crucially, dividends have returned to the market at more sustainable levels than pre crisis – on our calculations the dividend cover of the FTSE All-Share was around 1.4x in January, improving to 1.9x in Q4, which bodes well for dividend growth in 2022.

This trend of dividend reinstatement was reflected in the Investment Association's (IA) decision to resume the UK Equity Income sector's income requirements as of September. This means that these requirements were effectively suspended for well over a year, though suggests that the IA is confident that funds in the sector should have the capacity to resume appropriate pay-outs to clients as the income landscape continues to improve.

The "three silos" we use to construct the Sub-fund are intended to help mitigate any value or growth style bias in the market by performing at different stages in the market cycle. Whilst 'growth', 'value' and 'quality cyclicals' outperformed at various stages throughout 2021, there was no net style bias in any particular direction, and as a result there was no standout silo for the year. Periods

Liontrust Income Fund (continued)

Investment review (continued)

Sub-fund review (continued)

of Sub-fund underperformance – such as in the first half of 2021 – can in part be attributed to the 0% exposure we had to FTSE 250 and FTSE Small Cap stocks, which outperformed large caps as the UK market rebounded. This naturally proved a headwind for the Sub-fund – which is differentiated from peers in that it has always maintained a bias towards large-cap stocks – though performance recovered in the latter half of the year as the outperformance of smaller-cap stocks petered-out.

On a sector basis, key contributions to Sub-fund performance stemmed from our overweight to technology stocks, predominantly in the US, where we utilise some of our permitted overseas exposure allowance. An overall rotation back towards growth names throughout the year lifted large-cap tech names (including Fund holdings Apple and Microsoft), whilst on the hardware side Motorola Solutions saw continued growth whilst also benefiting from US Federal stimulus dollars entering its sales funnel. Meanwhile in the UK, Sage Group contributed positively to Sub-fund returns as it reported higher recurring revenues, signalling that investment in marketing and innovation is paying off and that the company's transition to cloud-based revenues has further to run.

Other top stock contributors to performance included Aviva, which continued its strong progress in simplifying the company's focus (completing their divestment program and announcing excess cash to be returned to shareholders), and CME, which saw improved volumes throughout the year on the back of pockets of volatility and rising real rates.

On the flipside, key detractors to performance stemmed from the Sub-fund's underweight exposure to banks (which benefitted from dividend reinstatements, the release of COVID-related provisions, and rising rates lifting net interest income), as well as our overweight to materials. Our mining stocks had a year of two halves: an excellent first half as base metal prices surged and Iron Ore hit record highs, and a weak second half as Chinese steel production fell over the summer and the property market wobbled.

On a stock specific basis, UK listed cyber-security company Avast proved a detractor to performance, though we exited it early in the year on concerns regarding its Intellectual Property and competitive positioning. Meanwhile, the London Stock Exchange Group also proved a drag as it failed to reignite investor sentiment after its warning in February of higher-than-expected integration costs associated with the acquisition of financial data solutions provider Refinitiv. We continue to believe in the long-term appeal of LSEG, with this deal transforming the group from a financial exchange to that of a data-driven company with a high proportion of recurring revenues.

Asset manager abrdn plc was another laggard as fresh management and a strategic upheaval failed to meaningfully turn the tide on fund outflows. They fell further on announcing the acquisition of Interactive Investor in early December; despite being a strategic pivot to a higher growth arena, increasing competition in the space and a high price tag meant this deal was poorly received. Finally, as 2021 drew to a close, Johnson Matthey (JM) tumbled upon announcing their exit from the battery materials market. Whilst we support the decision to withdraw from an arena no longer offering attractive returns on capital, we will look to their incoming CEO for a clear strategy formed around JM's core competencies in catalysis and hydrogen.

At the start of 2021, in its Monetary Policy Report, the Bank of England projected that 'inflation should return to around our 2% target later this year' as oil and gas prices regained momentum lost in 2020 and economic growth rebounded. By the end of the year, they were warning of inflation peaking at 6% in the Spring. Aside from the obvious read that inflationary pressures will persist into the first half of the year, this highlights the difficulty in forecasting in the current environment.

The impacts of inflation and related monetary policy indicate that more 'value' orientated companies may fare better in a rising rate environment, with 'growth' stocks more disproportionately hit by increasing rates owing to greater expected future cashflows being discounted at a higher rate. Nonetheless, as we have seen with the emergence of different Covid variants and flight to 'quality', defensive stocks, this can quickly reverse course. For our part, we maintain our style agnostic approach to portfolio construction and belief in the power of diversification, accepting that our 'Steady Eddies', 'Hidden Fruits' and 'Economic Recovery stocks' will perform at different points in the market cycle.

Liontrust Income Fund (continued)

Investment review (continued)

Outlook

We are optimistic about UK equity income for two key reasons, the first being the compelling relative valuation UK equities offer to other global developed markets. The UK has de-rated significantly since the 2016 Brexit vote, and is currently trading at three decade lows versus the MSCI world on a forward price/ earnings basis. This is despite forward-looking earnings rebounding at a faster pace than other developed markets in 2021, and we see potential for UK companies to deliver good earnings growth into 2022 given positive earnings surprise momentum. A backdrop of negative real rates is supportive of equities with decent income yields which can offer potential real yield and growth; the FTSE 100 looks particularly attractive on a 2022 indicated dividend yield of 4.1% (ahead of the FTSE All-Share's 3.5%), which could work to the fund's favour given our large cap bias.

The second cause for optimism is the return of dividends. In the UK, dividends have recovered ahead of initial forecasts, and Link Group now expects a return to pre-crisis levels by 2024, a year sooner than previously estimated. We expect the dividend recovery theme of 2021 to continue into 2022, but at a less extreme pace. The FTSE indices will be losing some big income hitters – BHP and Morrisons – so anticipated total dividend growth of 2% is better than the optics suggest, and may well prove conservative given the largely stronger balance sheets and cash positions of UK companies today compared to a year ago. The Liontrust Income Fund's dividend increased by 1.5% year-on-year in 2021, meaning three year annualised growth is 11.4%, and we see good potential for dividend growth in 2022 considering lower than historical average payout ratios across the market.

*Source: FE Analytics as at 31.12.21

Robin Geffen, James O'Connor & Clare Pleydell-Bouverie

Fund Managers

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Berkeley
Compass
Johnson Matthey
London Stock Exchange
Antofagasta
Reckitt Benckiser
Phoenix
Sage
Unilever
Persimmon

Sales

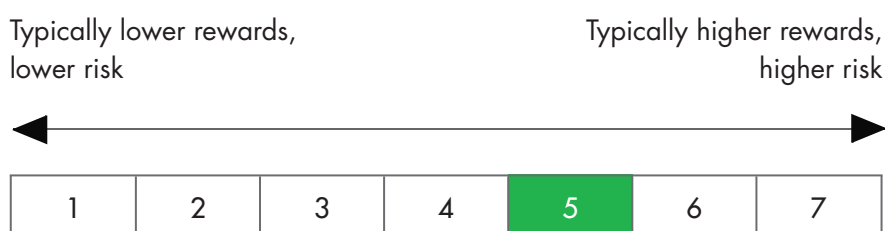
BHP
Avast
Microsoft
BP
Sage
Royal Dutch Shell
Apple
Antofagasta
Motorola Solutions
RELX

Liontrust Income Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 5 primarily for its exposure to UK companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- Fluctuations in interest rates are likely to affect the value of the bonds and other fixed-interest securities held by the Sub-fund. If long-term interest rates rise, the value of your shares is likely to fall. Bonds are affected by any decline in creditworthiness of the borrower (i.e. the bond issuer). Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in repaying their financial obligations.
- The Sub-fund may invest in derivatives, which may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Sub-fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Sub-fund volatility in both up and down markets by hedging against general market movements. As part of the investment policy, the Sub-fund may buy put options on a market index to mitigate against the effect of a significant fall

Liontrust Income Fund (continued)

Investment review (continued)

Risk and Reward profile (continued)

in the level of that market. These put options will be 'covered', as the Sub-fund will not buy a put option unless it has a long exposure to that market (either directly or indirectly).

- The level of income is not guaranteed.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Income Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	373.98	413.42	361.35
Return before operating charges	70.08	(33.25)	58.89
Operating charges	(7.04)	(6.19)	(6.82)
Return after operating charges	63.04	(39.44)	52.07
Distributions	(17.77)	(16.42)	(16.67)
Retained distributions on accumulation shares	17.77	16.42	16.67
Closing net asset value per share	437.02	373.98	413.42
After direct transaction costs of*	(0.48)	(2.46)	(2.09)
Performance			
Return after charges	16.86%	(9.54%)	14.41%
Other information			
Closing net asset value (£000's)	29,903	25,848	31,757
Closing number of shares	6,842,346	6,911,395	7,681,549
Operating charges**	1.71%	1.73%	1.73%
Direct transaction costs*	0.12%	0.68%	0.53%
Prices			
Highest share price	440.99	425.23	418.80
Lowest share price	374.54	277.89	359.70

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

A Income Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	158.98	184.57	168.16
Return before operating charges	29.28	(15.69)	27.17
Operating charges	(2.94)	(2.70)	(3.12)
Return after operating charges	26.34	(18.39)	24.05
Distributions	(7.44)	(7.20)	(7.64)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	177.88	158.98	184.57
After direct transaction costs of*	(0.20)	(1.07)	(0.95)
Performance			
Return after charges	16.57%	(9.96%)	14.30%
Other information			
Closing net asset value (£000's)	19,673	14,922	18,833
Closing number of shares	11,059,243	9,386,394	10,203,786
Operating charges**	1.71%	1.73%	1.73%
Direct transaction costs*	0.12%	0.68%	0.53%
Prices			
Highest share price	180.24	189.84	189.70
Lowest share price	159.24	124.07	167.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation+ Accounting year ended	31 December 2021+ per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	16.46
Operating charges	(1.11)
Return after operating charges	15.35
Distributions	(4.61)
Retained distributions on accumulation shares	4.61
Closing net asset value per share	115.35
After direct transaction costs of*	(0.11)
Performance	
Return after charges	15.35%
Other information	
Closing net asset value (£000's)	2,967
Closing number of shares	2,572,572
Operating charges**	1.12%
Direct transaction costs*	0.13%
Prices	
Highest share price	116.39
Lowest share price	99.60

+ Launched on 3 February 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Income	31 December 2021	31 December 2020	31 December 2019
Accounting year ended	per share (p)	per share (p)	per share (p)
Change in net assets per share			
Opening net asset value per share	171.07	197.58	179.11
Return before operating charges	31.59	(16.73)	29.00
Operating charges	(2.08)	(2.06)	(2.37)
Return after operating charges	29.51	(18.79)	26.63
Distributions	(8.03)	(7.72)	(8.16)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	192.55	171.07	197.58
After direct transaction costs of*	(0.21)	(1.15)	(1.02)
Performance			
Return after charges	17.25%	(9.51%)	14.87%
Other information			
Closing net asset value (£000's)	20,400	15,252	17,726
Closing number of shares	10,595,015	8,915,621	8,971,382
Operating charges**	1.12%	1.23%	1.23%
Direct transaction costs*	0.12%	0.68%	0.53%
Prices			
Highest share price	195.09	203.38	202.60
Lowest share price	171.43	132.97	178.30

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	165.67	181.58	157.37
Return before operating charges	31.17	(14.52)	25.73
Operating charges	(1.58)	(1.39)	(1.52)
Return after operating charges	29.59	(15.91)	24.21
Distributions	(7.90)	(7.23)	(7.29)
Retained distributions on accumulation shares	7.90	7.23	7.29
Closing net asset value per share	195.26	165.67	181.58
After direct transaction costs of*	(0.21)	(1.08)	(0.92)
Performance			
Return after charges	17.86%	(8.76%)	15.38%
Other information			
Closing net asset value (£000's)	207,800	187,986	191,306
Closing number of shares	106,423,053	113,467,498	105,355,111
Operating charges**	0.86%	0.88%	0.88%
Direct transaction costs*	0.12%	0.68%	0.53%
Prices			
Highest share price	197.02	186.99	183.90
Lowest share price	166.04	122.29	156.70

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	115.73	133.20	120.33
Return before operating charges	21.40	(11.26)	19.50
Operating charges	(1.08)	(1.00)	(1.14)
Return after operating charges	20.32	(12.26)	18.36
Distributions	(5.44)	(5.21)	(5.49)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	130.61	115.73	133.20
After direct transaction costs of*	(0.15)	(0.78)	(0.69)
Performance			
Return after charges	17.56%	(9.20%)	15.26%
Other information			
Closing net asset value (£000's)	123,538	92,098	86,622
Closing number of shares	94,586,324	79,579,251	65,034,281
Operating charges**	0.86%	0.88%	0.88%
Direct transaction costs*	0.12%	0.68%	0.53%
Prices			
Highest share price	132.33	137.17	136.40
Lowest share price	116.01	89.71	119.80

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Income Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (99.77%)	403,864	99.90
	UNITED KINGDOM (68.95%)	305,169	75.49
	Aerospace & Defence (2.69%)	11,711	2.90
2,130,000	BAE Systems	11,711	2.90
	Beverages (3.06%)	13,319	3.29
330,000	Diageo	13,319	3.29
	Chemicals (3.03%)	11,683	2.89
571,000	Johnson Matthey	11,683	2.89
	Commercial Services (3.04%)	12,278	3.04
512,000	RELX	12,278	3.04
	Cosmetics & Personal Care (3.07%)	12,229	3.03
310,000	Unilever	12,229	3.03
	Diversified Financial Services (6.03%)	22,442	5.55
164,000	London Stock Exchange	11,365	2.81
4,600,000	Standard Life Aberdeen	11,077	2.74
	Electronics (2.84%)	13,024	3.22
407,000	Halma	13,024	3.22
	Food Services (0.00%)	12,544	3.10
760,000	Compass	12,544	3.10
	Home Builders (3.06%)	24,830	6.14
267,000	Berkeley	12,749	3.15
423,000	Persimmon	12,081	2.99
	Household Products (2.72%)	12,490	3.09
197,000	Reckitt Benckiser	12,490	3.09

Liontrust Income Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED KINGDOM (continued)			
Insurance (15.14%)		59,960	14.83
383,000	Admiral	12,087	2.99
2,950,000	Aviva	12,107	2.99
4,050,000	Legal & General	12,041	2.98
5,850,000	M&G	11,644	2.88
1,850,000	Phoenix	12,081	2.99
Mining (6.15%)		24,126	5.97
422,000	Anglo American	12,728	3.15
233,000	Rio Tinto	11,398	2.82
Oil & Gas Producers (3.29%)		11,700	2.89
3,540,000	BP	11,700	2.89
Packaging & Containers (2.95%)		12,013	2.97
3,130,000	DS Smith	12,013	2.97
Pharmaceuticals (6.01%)		24,891	6.16
142,500	AstraZeneca	12,360	3.06
780,000	GlaxoSmithKline	12,531	3.10
Private Equity (3.27%)		12,969	3.21
895,000	3i	12,969	3.21
Software (2.60%)		12,960	3.21
1,520,000	Sage	12,960	3.21
UNITED STATES OF AMERICA (18.45%)		75,598	18.70
Computers (3.32%)		12,718	3.15
97,000	Apple	12,718	3.15
Diversified Financial Services (9.40%)		37,510	9.28
80,000	CME	13,494	3.34

Liontrust Income Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED STATES OF AMERICA (continued)		
	Diversified Financial Services (continued)		
45,000	Mastercard 'A'	11,938	2.95
75,500	Visa 'A'	12,078	2.99
	Software (3.14%)	12,535	3.10
50,500	Microsoft	12,535	3.10
	Telecommunications (2.59%)	12,835	3.17
64,000	Motorola Solutions	12,835	3.17
	NETHERLANDS (3.27%)	12,054	2.98
	Oil & Gas Producers (3.27%)	12,054	2.98
743,000	Royal Dutch Shell	12,054	2.98
	CHILE (3.17%)	11,043	2.73
	Mining (3.17%)	11,043	2.73
825,000	Antofagasta	11,043	2.73
	CZECH REPUBLIC (2.86%)	0	0.00
	Computers (2.86%)	0	0.00
	AUSTRALIA (3.07%)	0	0.00
	Mining (3.07%)	0	0.00
	Portfolio of investments	403,864	99.90
	Net other assets	417	0.10
	Total net assets	404,281	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust Income Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains/(losses)	2		50,275		(40,642)
Revenue	3	17,463		14,960	
Expenses	4	(3,859)		(3,225)	
Interest payable and similar charges	6	(2)		(7)	
Net revenue before taxation		13,602		11,728	
Taxation	5	(435)		(279)	
Net revenue after taxation			13,167		11,449
Total return before distributions			63,442		(29,193)
Distributions	7		(17,021)		(14,589)
Change in net assets attributable to shareholders from investment activities			46,421		(43,782)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		336,106		346,244
Amounts received on issue of shares	20,079		55,140	
In-specie transfer†	51,110		–	
Amounts paid on cancellation of shares	(59,856)		(31,165)	
		11,333		23,975
Dilution adjustment		–		16
Change in net assets attributable to shareholders from investment activities		46,421		(43,782)
Retained distributions on accumulation shares		10,417		9,648
Unclaimed distributions		4		5
Closing net assets attributable to shareholders		404,281		336,106

† The Liontrust Macro Equity Income Fund merged into the Liontrust Income Fund on 19 March 2021.

Liontrust Income Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		403,864	335,339
Current assets:			
Debtors	8	877	1,573
Cash and bank balances	9	1,024	511
Total assets		405,765	337,423
Liabilities			
Creditors:			
Distribution payable		(672)	(559)
Other creditors	10	(812)	(758)
Total liabilities		(1,484)	(1,317)
Net assets attributable to shareholders		404,281	336,106

Liontrust Income Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	50,293	(40,312)
Derivative contracts	–	(403)
Currency (losses)/gains	(18)	82
Transaction costs	–	(9)
Net capital gains/(losses)	50,275	(40,642)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	1	2
Overseas dividends	833	1,919
Stock lending income	22	4
UK dividends	16,607	12,575
UK REIT dividends	–	334
US REIT dividends	–	126
Total revenue	17,463	14,960

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	3,429	2,806
General administration charges*	483	307
	3,912	3,113
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	1	16
Safe custody fee	—	18
	1	34
Other expenses:		
Audit fee	(5)	5
Publication costs	(12)	3
Registration fee	(16)	24
Research fees	—	4
Other expenses	(21)	42
	(54)	78
Total expenses	3,859	3,225

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	435	279
Total tax charge [see note(b)]	435	279

b) Factors affecting tax charge for the year

The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	13,602	11,728
Corporation tax at 20% (2020 - 20%)	2,720	2,346
Effects of:		
Movement in unrecognised tax losses	739	586
Overseas tax	435	279
Prior year adjustment to unrecognised tax losses	29	(29)
Relief on overseas tax expensed	–	(4)
Revenue not subject to tax	(3,488)	(2,899)
Total tax charge [see note(a)]	435	279

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £18,050,000 (2020: £17,311,000) due to tax losses of £90,248,000 (2020: £86,555,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	2	7
Total interest payable and similar charges	2	7

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
First Interim	4,009	1,283
Second Interim	4,238	7,841
Third Interim	7,359	4,301
Final	1,656	1,533
	17,262	14,958
Amounts deducted on cancellation of shares	353	193
Amounts received on issue of shares	(594)	(562)
Distributions	17,021	14,589

The distributable amount has been calculated as follows:

Net revenue after taxation	13,167	11,449
Less: Tax relief on capitalised income/expenses	(4)	(73)
Add: ACD's charge reimbursed by capital	3,429	2,806
Add: Other expenses reimbursed by capital	429	419
Shortfall of income taken to capital	–	(12)
Distributions	17,021	14,589

The distribution per share is set out in the tables on pages 209 to 212.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	699	833
Amounts receivable for issue of shares	77	313
Overseas withholding tax	101	427
Total debtors	877	1,573

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	1,024	511
Total cash and bank balances	1,024	511

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	35	96
Accrued ACD's charge	305	249
Amounts payable for cancellation of shares	472	413
Total other creditors	812	758

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £340,000 (2020: £286,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £3,912,000 (2020: £3,113,000).

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	22	–	9	31
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	4	–	2	6
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
BNP Paribas	France	1,176	1,283	—	—
Citigroup Global Markets Limited	UK	1,379	1,499	14,448	15,904
Credit Suisse International	Switzerland	2,971	3,287	288	319
ING Bank	UK	—	—	21,257	23,426
The Bank of Nova Scotia	Canada	1,164	1,281	32,695	35,969
Total		6,690	7,350	68,688	75,618

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.8%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.6%.

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Euro	101	–	101
United States Dollar	203	75,599	75,802
	304	75,599	75,903

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Euro	–	427	427
United States Dollar	–	62,197	62,197
	–	62,624	62,624

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.19%/(0.19)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.19%/(0.19)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Interest rate risk (continued)

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	403,864	—
	403,864	—
31.12.2020		
Level 1: Quoted prices	335,339	—
	335,339	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	6,911,395	1,688,863	(1,026,225)	(731,687)	6,842,346
A Income	9,386,394	4,502,327	(775,369)	(2,054,109)	11,059,243
B Accumulation	—	264,244	(110,803)	2,419,131	2,572,572
B Income	8,915,621	314,688	(316,753)	1,681,459	10,595,015
C Accumulation	113,467,498	18,221,340	(25,199,022)	(66,763)	106,423,053
C Income	79,579,251	20,701,424	(6,432,875)	738,524	94,586,324

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	83,285	31	0.04	386	0.46
In-specie transfers	50,987	–	–	–	–
Total purchases	134,272	31		386	
Total purchases including transaction costs	134,689				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	116,316	37	0.03	–	–
Total sales	116,316	37		–	
Total sales net of transaction costs	116,279				
Total transaction costs		68		386	
Total transaction costs as a % of average net assets		0.02%		0.10%	

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	426,476	156	0.04	1,845	0.43
Collective investment schemes	9,405	4	0.04	47	0.50
Total purchases	435,881	160		1,892	
Total purchases including transaction costs	437,933				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	397,173	136	0.03	1	-
Collective investment schemes	12,498	8	0.06	-	-
Total sales	409,671	144		1	
Total sales net of transaction costs	409,526				
Total transaction costs		304		1,893	
Total transaction costs as a % of average net assets		0.09%		0.59%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Sub-fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.08% (2020: 0.16%).

Liontrust Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine.

Since the year-end, the NAV per share of share class C Accumulation has increased by 1.69% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Income Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 October 2021

Group 2 - Shares purchased 1 October 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	1.7891	—	1.7891	1.7035
A Accumulation - Group 2	0.9426	0.8465	1.7891	1.7035
A Income - Group 1	0.7312	—	0.7312	0.7274
A Income - Group 2	0.1879	0.5433	0.7312	0.7274
B Accumulation - Group 1+	0.4719	—	0.4719	—
B Accumulation - Group 2+	0.3006	0.1713	0.4719	—
B Income - Group 1	0.7909	—	0.7909	0.7824
B Income - Group 2	0.4234	0.3675	0.7909	0.7824
C Accumulation - Group 1	0.7985	—	0.7985	0.7542
C Accumulation - Group 2	0.3913	0.4072	0.7985	0.7542
C Income - Group 1	0.5363	—	0.5363	0.5293
C Income - Group 2	0.2648	0.2715	0.5363	0.5293

+ Launched on 3 February 2021.

Liontrust Income Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

Third interim distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 30 September 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 30.11.2021 Pence per share	Distribution paid 30.11.2020 Pence per share
A Accumulation - Group 1	7.7452	—	7.7452	4.6956
A Accumulation - Group 2	3.9053	3.8399	7.7452	4.6956
A Income - Group 1	3.2261	—	3.2261	2.0322
A Income - Group 2	1.5502	1.6759	3.2261	2.0322
B Accumulation - Group 1+	2.0399	—	2.0399	—
B Accumulation - Group 2+	1.9704	0.0695	2.0399	—
B Income - Group 1	3.4844	—	3.4844	2.1829
B Income - Group 2	1.1101	2.3743	3.4844	2.1829
C Accumulation - Group 1	3.4498	—	3.4498	2.0737
C Accumulation - Group 2	2.2030	1.2468	3.4498	2.0737
C Income - Group 1	2.3613	—	2.3613	1.4747
C Income - Group 2	1.0899	1.2714	2.3613	1.4747

+ Launched on 3 February 2021.

Liontrust Income Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

Second interim distribution

Group 1 - Shares purchased prior to 1 April 2021

Group 2 - Shares purchased 1 April 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
A Accumulation - Group 1	4.3298	—	4.3298	10.0159
A Accumulation - Group 2	1.1032	3.2266	4.3298	10.0159
A Income - Group 1	1.8242	—	1.8242	2.5402
A Income - Group 2	0.5361	1.2881	1.8242	2.5402
B Accumulation - Group 1+	1.1381	—	1.1381	—
B Accumulation - Group 2+	0.7289	0.4092	1.1381	—
B Income - Group 1	1.9664	—	1.9664	2.7252
B Income - Group 2	0.5268	1.4396	1.9664	2.7252
C Accumulation - Group 1	1.9232	—	1.9232	4.4050
C Accumulation - Group 2	0.5750	1.3482	1.9232	4.4050
C Income - Group 1	1.3315	—	1.3315	1.8382
C Income - Group 2	0.3523	0.9792	1.3315	1.8382

+ Launched on 3 February 2021.

Liontrust Income Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

First interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 March 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.5.2021 Pence per share	Distribution paid 31.5.2020 Pence per share
A Accumulation - Group 1	3.9062	—	3.9062	—
A Accumulation - Group 2	3.7984	0.1078	3.9062	—
A Income - Group 1	1.6607	—	1.6607	1.9027
A Income - Group 2	1.6519	0.0088	1.6607	1.9027
B Accumulation - Group 1+	0.9586	—	0.9586	—
B Accumulation - Group 2+	0.8908	0.0678	0.9586	—
B Income - Group 1	1.7885	—	1.7885	2.0257
B Income - Group 2	1.2435	0.5450	1.7885	2.0257
C Accumulation - Group 1	1.7329	—	1.7329	—
C Accumulation - Group 2	1.5228	0.2101	1.7329	—
C Income - Group 1	1.2106	—	1.2106	1.3651
C Income - Group 2	1.0815	0.1291	1.2106	1.3651

+ Launched on 3 February 2021.

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

Liontrust India Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust India Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of Indian companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in India.

The Sub-fund may also invest up to 20% in other companies outside of India, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust India Fund (continued)

Investment review

Sub-fund review

Over the year, the Liontrust India Fund (C Accumulation) returned 36.6%, versus the MSCI India Index's 27.4% gain and IA India return of 28.3%*.

The Indian market begun the year much as it had finished the previous quarter, in recovery mode. With life steadily returning to normal after the extreme dislocations of 2020, social mobility was increasing and companies reporting increasingly robust outlooks. Moreover, February brought a surprise from the much-anticipated budget speech, which outlined a much more pro-growth fiscal strategy than in recent years, and the market responded accordingly with cyclical shares in particular benefiting from the renewed optimism. For the first time in years, the Finance Ministry announced a major spending plan, looking to both support and facilitate the economic reset underway in the aftermath of Covid-19. Key features of the \$500bn package included an increase in capital expenditure of 26%, a commitment on reforms such as strategic divestment – including state-owned banks – and an increase in foreign ownership limits for the insurance sector. But perhaps the most attractive (and market-pleasing) feature of the announcement was the absence of tax hikes. The increase in spending will be generated through an increase in the deficit and sale of government stakes in key sectors. This marks a clear reversal of the fiscal contraction of recent years and sets the stage for a potential re-ignition of the long-awaited domestic investment story – the notable absence of which has disappointed investors in recent years.

The budget offers the prospect of simultaneous private and public investment cycles for the first time in a decade, following on from a period of steadily declining fixed-capital investment – in stark contrast to the rapid growth seen 2004-2012, driven by very strong growth in public investment, in turn leading to a private investment cycle. The current environment holds similar potential, with low interest rates and high affordability creating attractive conditions in the residential property market, which has been stagnant for many years. The financial sector also stands to benefit, where a lack of investment demand and credit availability has soured investor appetite in recent years. A recovery in growth has already seen a positive turn in the credit cycle with higher quality players having spent several years cleaning up their portfolios, leaving private lenders such as ICICI Bank and Axis Bank well positioned to see their fortunes improve as the backdrop improves.

However, the second quarter saw rolling global second-wave outbreaks of the Covid-19 virus and none more dramatically than India. The first wave of the pandemic had arguably seen India outperform expectations, but the second wave hit the country hard. The April-June quarter saw new daily cases hit a record level of 400,000, double the peak rate in the first wave. Renewed lockdowns took effect though were less severe and more targeted than the initial round last year. Given this backdrop, it was impressive that India finished that particular quarter as one of the better performing emerging markets, with the stock market largely looking through the Covid resurgence, and indeed earnings downgrades as a result of the local restrictions were relatively light.

The second half of the year saw Indian markets go from strength to strength even as markets elsewhere faltered. One of the major sources of volatility within emerging markets in the third quarter was a relentless drumbeat of regulatory news flow from China, where the "common prosperity" directives were being executed with considerable zeal. Against this backdrop, India proved to be one of the best insulated markets, being relatively domestically driven, and – if anything – a beneficiary of outflows from China looking for a new home.

Strong economic growth, supported by robust public spending programmes and looser fiscal accounts and allied to green shoots of private-sector capex revival offered a particularly attractive investment opportunity in both an emerging markets and also global context. Property registrations continued to surge, with new launches being received well and mortgage rates continuing to decline to all-time lows following 18 months of Central Bank rate cuts. Gross domestic product (GDP) growth in the final quarter came in at 8.4%, cementing India's position as the fastest growing major Emerging Market economy. The banking sector in particular has been showing encouraging signs of life, with loan growth picking up impressively, on top of improving asset quality and profitability. We continue to view the re-emergence of a credit cycle (both in terms of availability and demand for credit) as one of the key pillars of the Indian investment story over the coming years.

Over the year, the Liontrust India Fund performed strongly both in terms of absolute returns and also relative, significantly outperforming the comparator benchmark Index. The Sub-fund's outperformance was primarily driven by stock selection, with stocks in the information technology (IT) and financials sectors in particular driving excess returns. The Sub-fund's overweight in more cyclical areas such as

Liontrust India Fund (continued)

Investment review (continued)

Sub-fund review (continued)

materials, financials, IT and real estate proved profitable in particular. Holdings such as Deepak Nitrite and Navin Flourine benefited from robust demand for chemical products on the back of the global recovery and also a shift in global supply chains to diversify away from China, where environmental regulations are altering production economics. In the financials sector, energy trading platform Indian Energy Exchange enjoyed a very strong year on the back of both increased volumes of trading but also through increasing its range of financial products. In the banking sector, our preferred exposure in ICICI Bank produced impressive results throughout the year, reflected in its impressive share price performance.

Stocks added through the year included Hindalco, where a global supply crunch induced by higher energy prices has led to robust pricing for aluminium, and also Krishna Institute of Medical Sciences (via the company's initial public offering (IPO)), a hospital provider with a focus on Southern India. The Sub-fund also participated in IPOs for online restaurant guide and food-ordering platform Zomato – the first of a pipeline of new economy stocks that will considerably broaden the benchmark index from effectively a zero weighting for internet stocks at the beginning of the year – chemical producer Chemplast Sanmar and diagnostic and medical treatment service provider Krsnaa Diagnostics. These positions were funded through taking profits in our mid-cap cement holdings Shree Cement and Ramco, where we were concerned about rising input costs, as well as reducing our lowest-conviction chemicals holding, Sudarshan Chemical to make way for Chemplast Sanmar. Towards the end of the year, a position was initiated in Max Healthcare, a hospital operator dominant in India's National Capital Region, where we see considerable opportunities to improve payer mix as international medical tourism gradually returns and more-profitable Terry care facilities are expanded.

Outlook

India, in our view, remains exceptionally well placed within the wider emerging market opportunity set, on the cusp of a multi-year investment cycle. After a very strong year, we would recognise that valuations are now relatively extended, which could mute near-term returns, but over the medium-term we think India remains extremely well set and favour the financials sector in particular as a key beneficiary of this investment recovery and especially the large-cap banks which have largely been passed over in the past several quarters.

**Source: FE Analytics as at 31.12.21*

Ewan Thompson

Fund Manager

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust India Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Reliance Industries (Partially Restricted)
Housing Development Finance
Larsen & Toubro
ICICI Bank
Tata Consultancy Services
Bajaj Finserv
Bharat Forge
Varun Beverages
DLF
Infosys

Sales

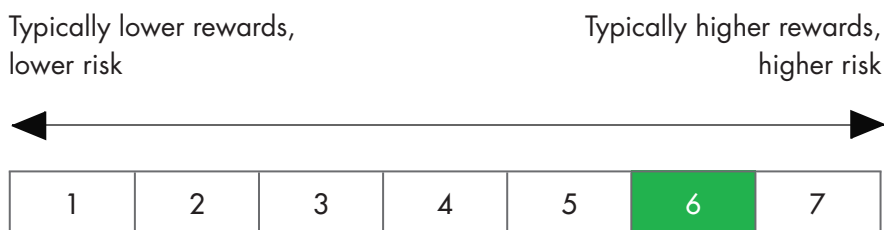
Persistent Systems
Deepak Nitrite
ICICI Bank
Indian Energy Exchange
Infosys
Shree Cement
Kotak Mahindra Bank
Godrej Industries
Sudarshan Chemical Industries
Ramco Cements

Liontrust India Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to Indian companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund invests in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust India Fund (continued)

Comparative Tables

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	234.32	210.49	225.67
Return before operating charges	86.41	26.31	(11.96)
Operating charges	(1.70)	(2.48)	(3.22)
Return after operating charges	84.71	23.83	(15.18)
Distributions	(0.12)	—	—
Retained distributions on accumulation shares	0.12	—	—
Closing net asset value per share	319.03	234.32	210.49
After direct transaction costs of*	(0.76)	(0.27)	(0.29)
Performance			
Return after charges	36.15%	11.32%	(6.73%)
Other information			
Closing net asset value (£000's)	64,425	39,892	44,432
Closing number of shares	20,193,861	17,024,241	21,108,587
Operating charges**	0.60%	1.29%	1.47%
Direct transaction costs*	0.26%	0.14%	0.13%
Prices			
Highest share price	340.30	234.76	239.40
Lowest share price	229.30	138.44	200.60

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust India Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (100.37%)	65,347	101.43
	INDIA (100.37%)	65,347	101.43
	Automobile Manufacturers (0.00%)	677	1.05
141,192	Tata Motors	677	1.05
	Banks (22.35%)	9,527	14.78
150,245	Axis Bank	1,014	1.57
25,490	HDFC Bank ADR	1,224	1.90
728,933	ICICI Bank	5,360	8.32
422,136	State Bank of India	1,929	2.99
	Beverages (0.00%)	1,238	1.92
141,330	Varun Beverages	1,238	1.92
	Biotechnology (1.97%)		
	Building Materials (7.60%)	2,916	4.52
47,067	ACC	1,037	1.61
74,660	Blue Star	749	1.16
549,796	Finolex Industries	1,130	1.75
	Chemicals (9.14%)	4,080	6.33
231,068	Chemplast Sanmar	1,265	1.96
79,353	Deepak Nitrite	1,962	3.05
20,564	Navin Fluorine International	853	1.32
	Computers (14.19%)	9,303	14.44
295,819	Infosys	5,562	8.63
50,244	Persistent Systems	2,443	3.79
34,962	Tata Consultancy Services	1,298	2.02
	Diversified Financial Services (6.59%)	3,967	6.16
154,517	Housing Development Finance	3,967	6.16
	Electrical Components & Equipment (0.00%)	1,337	2.08
115,727	KEI Industries	1,337	2.08

Liontrust India Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	INDIA (continued)		
	Electricity (3.00%)	1,181	1.83
470,499	Indian Energy Exchange	1,181	1.83
	Engineering & Construction (6.16%)	4,584	7.12
150,791	Cyient	1,537	2.39
161,732	Larsen & Toubro	3,047	4.73
	Gas (0.00%)	987	1.53
156,516	Gujarat Gas	987	1.53
	Healthcare Services (0.00%)	2,742	4.25
98,239	Krishna Institute of Medical Sciences	1,393	2.16
96,127	Krsnaa Diagnostics	716	1.11
141,675	Max Healthcare Institute	633	0.98
	Household Products (4.20%)	1,519	2.36
64,779	Hindustan Unilever	1,519	2.36
	Insurance (0.00%)	1,428	2.22
8,753	Bajaj Finserv	1,428	2.22
	Internet (0.00%)	1,189	1.85
874,800	Zomato	1,189	1.85
	Iron & Steel (0.00%)	644	1.00
58,278	Tata Steel	644	1.00
	Metal & Hardware (0.00%)	973	1.51
140,465	Bharat Forge	973	1.51
	Mining (0.00%)	1,102	1.71
233,788	Hindalco Industries	1,102	1.71

Liontrust India Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
INDIA (continued)			
Oil & Gas Producers (7.79%)		6,074	9.43
258,252	Reliance Industries (Partially Restricted)	6,074	9.43
Pharmaceuticals (6.44%)		2,593	4.02
73,336	JB Chemicals & Pharmaceuticals	1,291	2.00
155,346	Sun Pharmaceutical Industries	1,302	2.02
Real Estate Investment & Services (4.89%)		2,955	4.59
202,996	DLF	789	1.23
45,883	Godrej Properties	852	1.32
278,874	Prestige Estates Projects	1,314	2.04
Software (3.58%)		1,629	2.53
124,284	HCL Technologies	1,629	2.53
Telecommunications (2.47%)		1,729	2.69
245,950	Bharti Airtel	1,672	2.60
16,284	Bharti Airtel (Partially Restricted)	57	0.09
Transportation (0.00%)		973	1.51
159,690	Container Of India	973	1.51
Portfolio of investments		65,347	101.43
Net other liabilities		(922)	(1.43)
Total net assets		64,425	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Stocks shown as ADRs represent American Depositary Receipts.

Liontrust India Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		14,943		3,191
Revenue	3	426		367	
Expenses	4	(323)		(441)	
Interest payable and similar charges	6	(7)		(1)	
Net revenue/(expense) before taxation		96		(75)	
Taxation	5	(1,332)		(36)	
Net expense after taxation			(1,236)		(111)
Total return before distributions			13,707		3,080
Distributions	7		(8)		5
Change in net assets attributable to shareholders from investment activities			13,699		3,085

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		39,892		44,446
Amounts received on issue of shares	31,123		3,387	
Amounts paid on cancellation of shares	(20,332)		(11,026)	
		10,791		(7,639)
Dilution adjustment		19		–
Change in net assets attributable to shareholders from investment activities		13,699		3,085
Retained distributions on accumulation shares		24		–
Closing net assets attributable to shareholders		64,425		39,892

Liontrust India Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		65,347	40,040
Current assets:			
Debtors	8	1,255	496
Cash and bank balances	9	198	106
Total assets		66,800	40,642
Liabilities			
Provision for liabilities	10	(1,243)	–
Creditors:			
Other creditors	11	(1,132)	(750)
Total liabilities		(2,375)	(750)
Net assets attributable to shareholders		64,425	39,892

Liontrust India Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	15,042	3,377
Forward currency contracts	(2)	2
Foreign currency losses	(121)	(179)
Transaction costs	24	(9)
Net capital gains	14,943	3,191

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	–	2
Overseas dividends	426	365
Total revenue	426	367

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	377	260
ACD's charge and other expenses rebates	–	2
General administration charges*	86	73
	463	335
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	–	1
Safe custody fee	(133)	42
	(133)	43
Other expenses:		
ADR fee	1	–
Audit fee	3	2
Professional service fees	(2)	27
Publication costs	(5)	1
Registration fee	(1)	7
Research fees	–	16
Other expenses	(3)	10
	(7)	63
Total expenses	323	441

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	89	36
Deferred Overseas tax on capital gains (see note 10)	1,243	—
Total tax charge [see note(b)]	1,332	36

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue/(expense) before taxation	96	(75)
Corporation tax at 20% (2020 - 20%)	19	(15)
Effects of:		
Movement in unrecognised tax losses	66	88
Overseas tax	89	36
Overseas tax on capital gains	1,243	—
Revenue not subject to tax	(85)	(73)
Total tax charge [see note(a)]	1,332	36

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £2,162,000 (2020: £2,096,000) due to tax losses of £10,808,000 (2020: £10,479,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	7	1
Total interest payable and similar charges	7	1

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	24	–
Amounts deducted on cancellation of shares	17	(5)
Amounts received on issue of shares	(33)	–
Distributions	8	(5)

The distributable amount has been calculated as follows:

Net expense after taxation	(1,236)	(111)
Accumulated capital transfer from income	–	1
Add: Overseas tax on capital gains	1,244	–
Shortfall of income taken to capital	–	105
Distributions	8	(5)

The distribution per share is set out in the table on page 238.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Amounts receivable for issue of shares	328	27
Currency sales awaiting settlement	927	446
Expense rebate due from the ACD	–	23
Total debtors	1,255	496

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	198	106
Total cash and bank balances	198	106

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Provision for liabilities

	Overseas capital gains tax provision (£'000)	Total (£'000)
At 31 December 2020	–	–
Additions dealt with in profit or loss	1,243	1,243
At 31 December 2021	1,243	1,243

There were no provisions for other liabilities in the prior year.

11 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	8	174
Accrued ACD's charge	41	25
Amounts payable for cancellation of shares	154	107
Currency purchases awaiting settlement	929	444
Total other creditors	1,132	750

12 Contingent liabilities and outstanding commitments

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

13 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 11.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £49,000 (2020: £32,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £463,000 (2020: £335,000).

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 11.4%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 11.4%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Indian Rupee	–	62,880	62,880
United States Dollar	198	1,396	1,594
	198	64,276	64,474

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Indian Rupee	29	38,093	38,122
United States Dollar	77	1,868	1,945
	106	39,961	40,067

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	65,347	—
	65,347	—
31.12.2020		
Level 1: Quoted prices	40,040	—
	40,040	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
C Accumulation	17,024,241	10,181,026	(7,011,406)	—	20,193,861

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs
for the year ending 31 December 2021

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	37,860	36	0.10	41	0.11
Total purchases	37,860	36		41	
Total purchases including transaction costs	37,937				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	27,732	27	0.10	32	0.12
Total sales	27,732	27		32	
Total sales net of transaction costs	27,673				
Total transaction costs		63		73	
Total transaction costs as a % of average net assets		0.12%		0.14%	

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	7,050	7	0.10	8	0.11
Total purchases	7,050	7		8	
Total purchases including transaction costs	7,065				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	15,197	15	0.10	18	0.12
Total sales	15,197	15		18	
Total sales net of transaction costs	15,164				
Total transaction costs		22		26	
Total transaction costs as a % of average net assets		0.06%		0.08%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.08% (2020: 0.09%).

Liontrust India Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine. Since the year-end, the NAV per share of share class C Accumulation has decreased by 3.14% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust India Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
C Accumulation - Group 1	0.1202	—	0.1202	—
C Accumulation - Group 2	—	0.1202	0.1202	—

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

Liontrust Japan Opportunities Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Japan Opportunities Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of Japanese companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in Japan.

The Sub-fund may also invest up to 20% in other companies outside of Japan, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in securities using a combination of economic, industry and stock specific analysis.

Liontrust Japan Opportunities Fund (continued)

Investment review

Sub-fund review

The Liontrust Japan Opportunities Fund closed on 8 November 2021 following its merger with Liontrust Japan Equity Fund and the Sub-fund will be terminated at a later date once the residual assets and liabilities have been settled.

January 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Subaru
OKUMA
Keyence
SUMCO
Mitsubishi Heavy Industries
Hitachi
Toray Industries
Seven & i
Shin-Etsu Chemical
Nabtesco

Sales

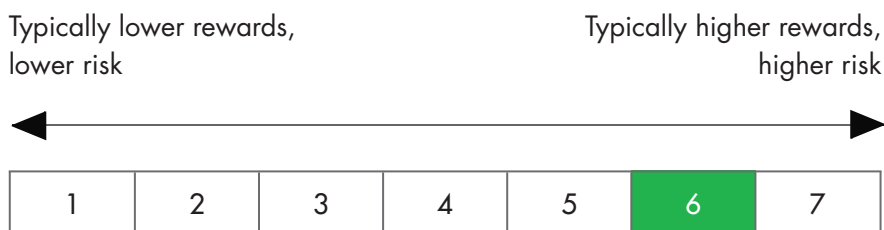
Keyence
Hitachi
Fujitsu
SUMCO
Seven & i
Bandai Namco
Nintendo
Toyota Motor
Subaru
Daikin Industries

Liontrust Japan Opportunities Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to Japanese companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund may hedge between 0% and 100% of the local currency exposure and thus the returns of the Sub-fund may be significantly affected by movements in exchange rates and may be very different from the returns of the market.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Japan Opportunities Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	451.81	448.92	375.12
Return before operating charges	55.54	9.99	81.20
Operating charges	(6.87)	(7.10)	(7.40)
Return after operating charges	48.67	2.89	73.80
Distributions	(3.22)	(2.16)	(3.09)
Retained distributions on accumulation shares	3.22	2.16	3.09
Closing net asset value per share	500.48	451.81	448.92
After direct transaction costs of*	(0.09)	(0.14)	(0.26)
Performance			
Return after charges	10.77%	0.64%	19.67%
Other information			
Closing net asset value (£000's)	–	6,790	8,480
Closing number of shares	–	1,502,874	1,889,032
Operating charges**	1.65%	1.79%	1.82%
Direct transaction costs*	0.02%	0.04%	0.06%
Prices			
Highest share price	519.56	456.87	456.10
Lowest share price	449.24	294.39	365.00

+ The Liontrust Japan Opportunities Fund merged into the Liontrust Japan Equity Fund on 8 November 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Japan Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	486.73	481.20	400.13
Return before operating charges	59.73	11.03	86.82
Operating charges	(4.59)	(5.50)	(5.75)
Return after operating charges	55.14	5.53	81.07
Distributions	(6.18)	(4.46)	(5.49)
Retained distributions on accumulation shares	6.18	4.46	5.49
Closing net asset value per share	541.87	486.73	481.20
After direct transaction costs of*	(0.10)	(0.16)	(0.28)
Performance			
Return after charges	11.33%	1.15%	20.26%
Other information			
Closing net asset value (£000's)	–	1,055	1,650
Closing number of shares	–	216,771	342,932
Operating charges**	1.02%	1.29%	1.32%
Direct transaction costs*	0.02%	0.04%	0.06%
Prices			
Highest share price	562.01	492.18	488.80
Lowest share price	484.00	315.90	389.30

+ The Liontrust Japan Opportunities Fund merged into the Liontrust Japan Equity Fund on 8 November 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Japan Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	226.85	223.48	185.18
Return before operating charges	27.94	5.23	40.24
Operating charges	(1.66)	(1.86)	(1.94)
Return after operating charges	26.28	3.37	38.30
Distributions	(3.39)	(2.77)	(3.25)
Retained distributions on accumulation shares	3.39	2.77	3.25
Closing net asset value per share	253.13	226.85	223.48
After direct transaction costs of*	(0.04)	(0.07)	(0.13)
Performance			
Return after charges	11.58%	1.51%	20.68%
Other information			
Closing net asset value (£000's)	–	51,894	72,237
Closing number of shares	–	22,875,457	32,323,997
Operating charges**	0.79%	0.94%	0.96%
Direct transaction costs*	0.02%	0.04%	0.06%
Prices			
Highest share price	262.44	229.39	226.90
Lowest share price	225.59	146.82	180.20

+ The Liontrust Japan Opportunities Fund merged into the Liontrust Japan Equity Fund on 8 November 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Japan Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

D Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	134.27	132.16	109.40
Return before operating charges	16.54	3.11	23.79
Operating charges	(0.86)	(1.00)	(1.03)
Return after operating charges	15.68	2.11	22.76
Distributions	(2.12)	(1.75)	(2.04)
Retained distributions on accumulation shares	2.12	1.75	2.04
Closing net asset value per share	149.95	134.27	132.16
After direct transaction costs of*	(0.03)	(0.04)	(0.08)
Performance			
Return after charges	11.68%	1.60%	20.80%
Other information			
Closing net asset value (£000's)	–	8,879	16,372
Closing number of shares	–	6,613,038	12,388,089
Operating charges**	0.69%	0.85%	0.86%
Direct transaction costs*	0.02%	0.04%	0.06%
Prices			
Highest share price	155.44	135.77	134.20
Lowest share price	133.52	86.84	106.40

+ The Liontrust Japan Opportunities Fund merged into the Liontrust Japan Equity Fund on 8 November 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Japan Opportunities Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (94.32%)	0	0.00
	JAPAN (94.32%)	0	0.00
	DERIVATIVES (1.13%)	0	0.00
	Forward Currency Contracts (1.13%)	0	0.00
	Portfolio of investments	0	0.00
	Net other liabilities	0	0.00
	Total net assets	0	0.00

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust Japan Opportunities Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains/(losses)	2		6,965		(3,060)
Revenue	3	1,575		1,922	
Expenses	4	(533)		(720)	
Interest payable and similar charges	6	(1)		(7)	
Net revenue before taxation		1,041		1,195	
Taxation	5	(157)		(192)	
Net revenue after taxation			884		1,003
Total return before distributions			7,849		(2,057)
Distributions	7		(885)		(1,003)
Change in net assets attributable to shareholders from investment activities			6,964		(3,060)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		68,618		100,170
Amounts received on issue of shares	15,566		11,161	
In-specie transfer+	(64,118)		–	
Amounts paid on cancellation of shares	(27,854)		(40,449)	
Amounts payable on termination	(4)		–	
		(76,410)		(29,288)
Dilution adjustment		8		5
Change in net assets attributable to shareholders from investment activities		6,964		(3,060)
Retained distributions on accumulation shares		820		791
Closing net assets attributable to shareholders		–		68,618

+ The Liontrust Japan Opportunities Fund merged into the Liontrust Japan Equity Fund on 8 November 2021.

Liontrust Japan Opportunities Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Investments		–	65,494
Current assets:			
Debtors	8	–	298
Cash and bank balances	9	5	3,063
Total assets		5	68,855
Liabilities			
Creditors:			
Bank overdrafts		(1)	–
Other creditors	10	(4)	(237)
Total liabilities		(5)	(237)
Net assets attributable to shareholders		–	68,618

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	1,611	1,974
Forward currency contracts	4,587	(4,505)
Currency gains/(losses)	750	(514)
Transaction costs	17	(15)
Net capital gains/(losses)	6,965	(3,060)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	1,571	1,920
Stock lending income	4	2
Total revenue	1,575	1,922

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	491	595
General administration charges*	89	74
	580	669
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	–	2
Safe custody fee	(18)	11
	(18)	13
Other expenses:		
Audit fee	–	3
Professional service fees	(7)	9
Publication costs	(12)	3
Registration fee	(5)	4
Research fees	–	11
Other expenses	(5)	8
	(29)	38
Total expenses	533	720

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £6,300 (2020: £8,000).

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	157	192
Total tax charge [see note(b)]	157	192

b) Factors affecting tax charge for the year

The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	1,041	1,195
Corporation tax at 20% (2020 - 20%)	208	239
Effects of:		
Movement in unrecognised tax losses	106	145
Overseas tax	157	192
Revenue not subject to tax	(314)	(384)
Total tax charge [see note(a)]	157	192

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £5,552,000 (2020: £5,446,000) due to tax losses of £27,761,000 (2020: £27,231,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	1	7
Total interest payable and similar charges	1	7

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Special/Final distribution	820	791
Amounts deducted on cancellation of shares	134	252
Amounts received on issue of shares	(69)	(40)
Distributions	885	1,003

The distributable amount has been calculated as follows:

Net revenue after taxation	884	1,003
Add: Equalisation on conversions	1	–
Distributions	885	1,003

The distribution per share is set out in the table on page 262.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	–	22
Amounts receivable for issue of shares	–	276
Total debtors	–	298

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	5	3,063
Total cash and bank balances	5	3,063

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	–	76
Accrued ACD's charge	–	48
Amounts payable for cancellation of shares	–	113
Amounts payable on termination	4	–
Total other creditors	4	237

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £Nil (2020: £56,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £580,000 (2020: £669,000).

13 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below.

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, the Sub-fund did not hold any investments and therefore no sensitivity analysis has been disclosed.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 13.2%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Market price risk (continued)

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund used derivatives in the year, namely currency forwards. The level of Market Exposure in the Sub-fund as at year end as measured by the Commitment Approach described above was 0.00% (2020: 1.13%).

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

The majority of the Sub-fund's financial assets and liabilities are denominated in the Sub-fund's functional currency. As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of currency exchange rates. Therefore, no exchange rate sensitivity analysis has been prepared for these.

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)**Currency risk (continued)**

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Japanese Yen	–	22,222	22,222
	–	22,222	22,222

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Liquidity risk (continued)

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)**Valuation of financial investments**

The Sub-fund closed on 8 November 2021 and therefore had no financial investments as at the balance sheet date.

The financial investments as at 31 December 2020 were as follows:

31.12.2020	Assets (£'000)	Liabilities (£'000)
Level 1: Quoted prices	64,717	—
Level 2: Observable market data	777	—
	65,494	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

14 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	1,502,874	761,287	(2,141,652)	(122,509)	—
B Accumulation	216,771	15,078	(337,848)	105,999	—
C Accumulation	22,875,457	4,723,904	(27,589,225)	(10,136)	—
D Accumulation	6,613,038	310,052	(6,967,455)	44,365	—

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs

for the year ending 31 December 2021

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	9,543	4	0.04	–	–
Total purchases	9,543	4		–	
Total purchases including transaction costs	9,547				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	75,880	8	0.01	–	–
Total sales	75,880	8		–	
Total sales net of transaction costs	75,872				
Total transaction costs		12		–	
Total transaction costs as a % of average net assets		0.02%		–	

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	5,676	3	0.05	–	–
Total purchases	5,676	3		–	
Total purchases including transaction costs	5,679				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	43,821	23	0.05	–	–
Total sales	43,821	23		–	
Total sales net of transaction costs	43,798				
Total transaction costs		26		–	
Total transaction costs as a % of average net assets		0.04%		–	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% as the Sub-fund did not hold any investments (2020: 0.26%).

Liontrust Japan Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Post balance sheet events

There are no post balance sheet events which have a bearing on the interpretation of the financial statements.

Liontrust Japan Opportunities Fund (continued)

Distribution Table

for the year ended 31 December 2021

Special/Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 8 November 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 7.1.2022 Pence pershare	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	3.2216	—	3.2216	2.1630
A Accumulation - Group 2	1.9386	1.2830	3.2216	2.1630
B Accumulation - Group 1	6.1785	—	6.1785	4.4572
B Accumulation - Group 2	5.4307	0.7478	6.1785	4.4572
C Accumulation - Group 1	3.3881	—	3.3881	2.7671
C Accumulation - Group 2	2.1091	1.2790	3.3881	2.7671
D Accumulation - Group 1	2.1204	—	2.1204	1.7535
D Accumulation - Group 2	1.4210	0.6994	2.1204	1.7535
A Accumulation USD-Group 1+	—	—	—	—
A Accumulation USD-Group 2+	—	—	—	—
C Accumulation USD-Group 1+	—	—	—	—
C Accumulation USD-Group 2+	—	—	—	—

+ Closed 4 May 2020.

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

Liontrust Latin America Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Latin America Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of Latin American companies. These are companies in countries which are incorporated, domiciled, listed or conduct significant business in Latin America.

The Sub-fund may also invest up to 20% in companies outside of Latin America, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust Latin America Fund (continued)

Investment review

Sub-fund review

The Liontrust Latin America Fund (C Accumulation) returned -16.1% in 2021, compared with a return of -7.3% for the MSCI EM Latin America Index and IA Latin America return of -11.5% (comparator benchmarks)*.

Latin American markets began the year on a positive note as an accelerating vaccine rollout around the world helped the global economic recovery gather steam. This strength petered out over the second half and the MSCI Latin America Index finished the year down by 7.3%. With the emergence of the delta and omicron strains of coronavirus, the pandemic continued to weigh on activity while monetary policy was tightened across the region in response to higher inflation. Negative performance was exacerbated by political developments as Peru and Chile elected left wing presidents. In contrast to much of the region, Mexico kept pace with global markets and returned +21%.

The weakness in equity markets stands in stark contrast to the positive trend seen in earnings revisions. Earnings estimates rose materially over the course of the year, up 43% and 21% for 2021 and 2022, respectively. The resultant derating has now taken the MSCI Latin America Index valuation to just 8x forward earnings, a 30% discount to the broader emerging markets to which it has historically traded at a small premium. It also doesn't seem to reflect the higher levels of profitability, with the MSCI Latin America return on equity expected to remain above 20% over the next couple of years compared with 13-14% for emerging markets. There is clearly a lot of negativity priced into regional equities. Primary concerns include an increasingly hawkish Federal Reserve, question marks over the trajectory of growth in China following, in particular, the pressure being applied to the real estate sector, tighter fiscal and monetary policy in the face of high levels of inflation, and what a political return to the left means for economic growth across the region. Despite this challenging backdrop, positive catalysts could take the form of evidence that the world can finally emerge from the pandemic, an easing of supply chain strains, stronger growth in China, and peaking in local and US inflation.

The Liontrust Latin America Fund returned -16.1% in 2021. Primary detractors from performance came from our mid cap holdings in Brazil which suffered in the second half of the year from a deterioration in the economic outlook for 2022 and outflows from equities as the higher yields available in fixed income markets became more attractive. These companies continue to generate returns well in excess of their cost of capital, compounding value for shareholders.

*Source: FE Analytics as at 31.12.21

Thomas Smith

Fund Manager

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust Latin America Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

America Movil
Clear Sale
Wal-Mart de Mexico
CSN Mineracao
Magazine Luiza
Itau Unibanco ADR
Ambev
Blau Farmaceutica
Pagseguro Digital 'A'
Bradespar Preference Shares

Sales

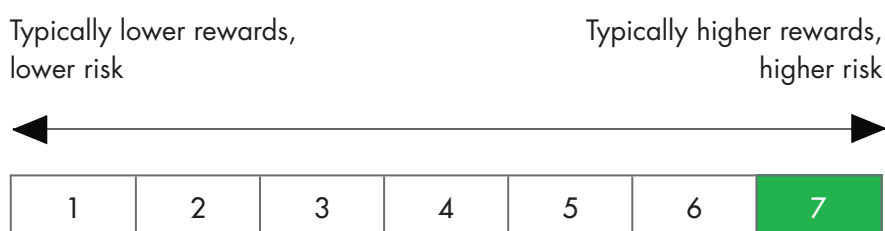
Bradespar
Itausa
America Movil ADR
Banco do Brasil
Vale ADR
Pagseguro Digital 'A'
Banco de Chile
Rumo
Braskem
Petroleo Brasileiro

Liontrust Latin America Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 7 primarily for its exposure to Latin American companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund invests in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the Sub-fund over the short term.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Latin America Fund (continued)

Comparative Tables

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	110.79	135.83	110.21
Return before operating charges	(17.13)	(23.97)	26.98
Operating charges	(0.91)	(1.07)	(1.36)
Return after operating charges	(18.04)	(25.04)	25.62
Distributions	(4.41)	(1.45)	(2.73)
Retained distributions on accumulation shares	4.41	1.45	2.73
Closing net asset value per share	92.75	110.79	135.83
After direct transaction costs of*	(0.17)	(0.10)	(0.09)
Performance			
Return after charges	(16.28%)	(18.44%)	23.25%
Other information			
Closing net asset value (£000's)	22,526	33,093	39,823
Closing number of shares	24,286,553	29,869,247	29,317,852
Operating charges**	0.87%	1.08%	1.10%
Direct transaction costs*	0.16%	0.10%	0.07%
Prices			
Highest share price	119.77	141.20	139.70
Lowest share price	86.37	69.13	111.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Latin America Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (98.50%)	22,097	98.10
	ARGENTINA (0.00%)	1,439	6.38
3,200	Globant	742	3.29
700	Mercadolibre	697	3.09
	BRAZIL (64.50%)	12,995	57.70
205,000	Armac Locacao Logistica E Servicos	708	3.14
320,000	Banco Bradesco Preference Shares	814	3.61
175,000	Banco BTG Pactual (Composite unit)	486	2.16
135,000	Blau Farmaceutica	648	2.88
355,000	Cia Brasileira de Aluminio	633	2.81
467,000	Clear Sale	557	2.47
490,000	CSN Mineracao	437	1.94
305,000	GPS Participacoes e Empreendimentos	641	2.85
500,000	Grupo Mateus	399	1.77
120,000	Hypera	450	2.00
185,000	Intelbras Industria de Telecomunicacao Eletronica Brasileira	685	3.04
255,000	Itau Unibanco ADR	704	3.13
390,000	Magazine Luiza	373	1.66
220,049	Pet Center Comercio e Participacoes	477	2.12
445,000	Petroleo Brasileiro	1,678	7.45
350,000	Sendas Distribuidora	601	2.67
90,000	Track & Field	146	0.65
205,000	Vale ADR	2,120	9.41
130,000	Vivara Participacoes	438	1.94
	CANADA (2.04%)	309	1.37
320,300	Trevali Mining	309	1.37
	CHILE (5.69%)	1,049	4.66
47,000	Banco Santander Chile ADR	565	2.51
13,000	Sociedad Quimica y Minera de Chile	484	2.15
	MEXICO (23.01%)	6,305	27.99
430,000	Alsea	590	2.62
2,250,000	America Movil	1,760	7.81
500,000	Banco del Bajio	659	2.93
1,500,000	Gentera	709	3.15

Liontrust Latin America Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
MEXICO (continued)			
440,000	GMexico Transportes	548	2.43
280,000	Grupo Mexico	902	4.00
415,000	Wal-Mart de Mexico	1,137	5.05
NORWAY (0.00%)			
189,700	Agrinos+	0	0.00
PERU (3.26%)			
Portfolio of investments			
		22,097	98.10
Net other assets			
		429	1.90
Total net assets			
		22,526	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Stocks shown as ADRs represent American Depositary Receipts.

+ Delisted securities.

Liontrust Latin America Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital losses	2		(6,226)		(8,415)
Revenue	3	1,542		806	
Expenses	4	(255)		(318)	
Interest payable and similar charges	6	(2)		(2)	
Net revenue before taxation		1,285		486	
Taxation	5	(85)		(60)	
Net revenue after taxation			1,200		426
Total return before distributions			(5,026)		(7,989)
Distributions	7		(1,200)		(429)
Change in net assets attributable to shareholders from investment activities			(6,226)		(8,418)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		33,093		39,823
Amounts received on issue of shares	16,807		22,993	
Amounts paid on cancellation of shares	(22,234)		(21,740)	
		(5,427)		1,253
Dilution adjustment		15		2
Change in net assets attributable to shareholders from investment activities		(6,226)		(8,418)
Retained distributions on accumulation shares		1,071		433
Closing net assets attributable to shareholders		22,526		33,093

Liontrust Latin America Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		22,097	32,595
Current assets:			
Debtors	8	288	2,614
Cash and bank balances	9	285	405
Total assets		22,670	35,614
Liabilities			
Creditors:			
Other creditors	10	(144)	(2,521)
Total liabilities		(144)	(2,521)
Net assets attributable to shareholders		22,526	33,093

Liontrust Latin America Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital losses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital losses comprise:		
Non-derivative securities	(6,020)	(8,356)
Forward currency contracts	–	(19)
Foreign currency losses	(209)	(35)
Transaction costs	3	(5)
Net capital losses	(6,226)	(8,415)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	1,210	552
Stock lending income	3	1
Taxable overseas dividends	329	253
Total revenue	1,542	806

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	219	223
ACD's charge and other expenses rebates	–	(2)
General administration charges*	51	56
	270	277
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	–	1
Safe custody fee	(15)	14
	(15)	15
Other expenses:		
ADR fee	2	1
Audit fee	3	4
Professional service fees	(1)	3
Publication costs	(1)	1
Registration fee	(2)	3
Research fees	–	13
Other expenses	(1)	1
	–	26
Total expenses	255	318

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	85	60
Total tax charge [see note(b)]	85	60

b) Factors affecting tax charge for the year

The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	1,285	486
Corporation tax at 20% (2020 - 20%)	257	97
Effects of:		
Movement in unrecognised tax losses	(5)	21
Overseas tax	85	60
Relief on overseas tax expensed	(10)	(8)
Revenue not subject to tax	(242)	(110)
Total tax charge [see note(a)]	85	60

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £544,000 (2020: £549,000) due to tax losses of £2,720,000 (2020: £2,744,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	2	2
Total interest payable and similar charges	2	2

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	1,071	433
Amounts deducted on cancellation of shares	421	136
Amounts received on issue of shares	(292)	(140)
Distributions	1,200	429

The distributable amount has been calculated as follows:

Net revenue after taxation	1,200	426
Accumulated capital transfer from income	–	3
Distributions	1,200	429

The distribution per share is set out in the table on page 288.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	63	77
Amounts receivable for issue of shares	98	716
Currency sales awaiting settlement	126	1,819
Overseas withholding tax	1	1
Prepaid expenses	–	1
Total debtors	288	2,614

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	285	405
Total cash and bank balances	285	405

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	3	27
Accrued ACD's charge	14	21
Amounts payable for cancellation of shares	–	645
Currency purchases awaiting settlement	127	1,828
Total other creditors	144	2,521

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are include within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £17,000 (2020: £26,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £270,000 (2020: £277,000).

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	3	–	1	4
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Credit Suisse International	Switzerland	66	74	—	—
J.P. Morgan Securities Plc	UK	42	46	1,448	1,600
UBS AG	Switzerland	—	—	494	557
Total		108	120	1,942	2,157

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 10.7%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 11.1%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Currency			
Brazilian Real	54	10,172	10,226
Canadian Dollar	19	309	328
Mexican Peso	1	6,304	6,305
United States Dollar	275	5,409	5,684
	349	22,194	22,543

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Currency			
Brazilian Real	4	17,495	17,499
Canadian Dollar	–	676	676
Mexican Peso	–	6,176	6,176
United States Dollar	402	8,389	8,791
	406	32,736	33,142

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Interest rate risk (continued)

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	22,097	—
	22,097	—
31.12.2020		
Level 1: Quoted prices	32,595	—
	32,595	—

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)**Valuation of financial investments (continued)**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
C Accumulation	29,869,247	16,570,957	(22,153,651)	—	24,286,553

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	32,600	17	0.05	5	0.02
Total purchases	32,600	17		5	
Total purchases including transaction costs	32,622				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	37,127	20	0.05	6	0.02
Total sales	37,127	20		6	
Total sales net of transaction costs	37,101				
Total transaction costs		37		11	
Total transaction costs as a % of average net assets		0.13%		0.04%	

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	23,683	12	0.05	3	0.01
Total purchases	23,683	12		3	
Total purchases including transaction costs	23,698				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	22,133	11	0.05	3	0.01
Total sales	22,133	11		3	
Total sales net of transaction costs	22,119				
Total transaction costs		23		6	
Total transaction costs as a % of average net assets		0.08%		0.02%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.36% (2020: 0.26%).

Liontrust Latin America Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine. Since the year-end, the NAV per share of share class C Accumulation has increased by 26.79% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Latin America Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
C Accumulation - Group 1	4.4110	—	4.4110	1.4489
C Accumulation - Group 2	2.2580	2.1530	4.4110	1.4489

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

Liontrust Russia Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust Russia Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of Russian companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in Russia.

The Sub-fund may also invest up to 20% in companies outside of Russia, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a concentrated portfolio of 20-40 companies selected using a combination of economic, industry and stock specific analysis.

Liontrust Russia Fund (continued)

Investment review

Sub-fund review

The Liontrust Russia Fund (C Accumulation) returned 18.9% for the year, versus the MSCI Russia 10-40 Index return of 14.2%, the comparator benchmark*.

Russian equities generated strong returns in 2021 as an accelerated vaccine rollout around the world helped the global economic recovery to gather steam. The year wasn't without volatility, with this initially coming from the spread of new coronavirus variants and a hawkish turn from the Fed to fight high levels of inflation, and then rising geopolitical tensions into the yearend. The MSCI Russia 10/40 Index returned +14.2% for the year, well ahead of the broader emerging markets return of -1.6% which were held back by the increased regulatory pressure on technology companies in China as well as concerns over the real estate sector.

The Russian economy looks set to have grown by more than 4% in 2021 implying not only that it has now exceeded pre-pandemic levels but is approaching the pre-pandemic longer run trend. Inflationary pressures remain with consumer price index (CPI) rising above 8% by the end of the year. As a result, the Central Bank of the Russian Federation (CBR) continued to hike interest rates to 8.5%, up from 4.25% at the beginning of the year. As inflation eases through 2022, we may be approaching the end of the hiking cycle and the CBR could have the opportunity to cut rates in order to meet its 1-2% real interest rate target.

The Liontrust Russia Fund returned +18.9% over the course of 2021. Key positive contributions came from agricultural producer Ros Agro, online recruiter Headhunter and aluminium producer Rusal, while our underweight position in the energy sector was a drag on relative performance.

Outlook

Earnings expectations for the Russian market continue to be revised upwards and are now nearly 65% higher for 2021 and nearly 50% higher for 2022 compared with estimates at the start of 2021. This has resulted in a significant derating of the market with the MSCI Russia 10-40 Index now trading at just 6x forward earnings. There is clearly a significant geopolitical risk premium embedded in valuations. There would no doubt be further downside if the conflict in Ukraine saw material escalation, but as both sides are incentivised to avoid escalation and are now talking more frequently, we see potential for de-escalation in the months ahead.

Liontrust suspended dealing in the Liontrust Russia Fund on 28 February 2022, this means investors are not able to make purchases or redemptions in the Sub-fund until further notice. It was decided that suspending dealing was in the best interests of all investors given the exceptional circumstances in terms of the Russian invasion of Ukraine and the sanctions imposed on and by Russia as a result. At the moment, Liontrust is unable to say how long the Sub-fund will be suspended for. Liontrust will keep the suspension under continual review given it is such a rapidly changing situation and we will ensure the suspension only continues for as long as it is justified to meet the interests of all investors.

*Source: FE Analytics as at 31.12.21

Thomas Smith

Fund Manager

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust Russia Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Gazprom
Yandex
Polyus
Severstal PAO
TCS
Sberbank of Russia ADR (US Listing)
Lukoil ADR (US Listing)
Novatek
Rosneft Oil
Novolipetsk Steel

Sales

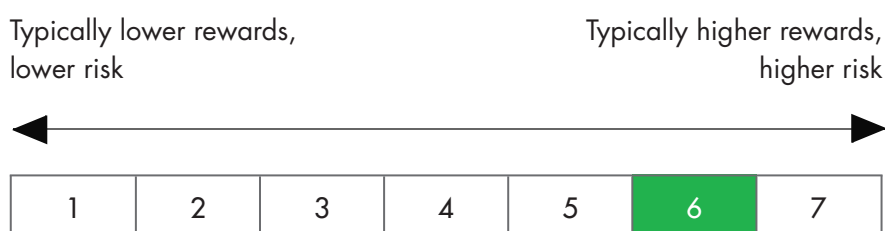
Sberbank of Russia ADR (US Listing)
Lukoil ADR (US Listing)
MMC Norilsk Nickel ADR
Yandex
Polyus RUB
Polyus
Mobile TeleSystems
EPAM Systems
Magnit
Mail.Ru (US Listing)

Liontrust Russia Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to Russian companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The Sub-fund invests in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the fund over the short term.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust Russia Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	464.82	462.20	351.06
Return before operating charges	93.50	11.37	119.46
Operating charges	(10.29)	(8.75)	(8.32)
Return after operating charges	83.21	2.62	111.14
Distributions	(25.40)	(11.33)	(18.77)
Retained distributions on accumulation shares	25.40	11.33	18.77
Closing net asset value per share	548.03	464.82	462.20
After direct transaction costs of*	(0.68)	(0.29)	(0.26)
Performance			
Return after charges	17.90%	0.57%	31.66%
Other information			
Closing net asset value (£000's)	44,390	46,054	53,254
Closing number of shares	8,100,011	9,907,879	11,521,852
Operating charges**	1.97%	2.02%	1.98%
Direct transaction costs*	0.13%	0.07%	0.06%
Prices			
Highest share price	625.70	506.20	470.20
Lowest share price	449.83	311.06	353.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Russia Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation	31 December 2021+
Accounting year ended	per share (p)
Change in net assets per share	
Opening net asset value per share	100.00
Return before operating charges	20.31
Operating charges	(1.25)
Return after operating charges	19.06
Distributions	(6.10)
Retained distributions on accumulation shares	6.10
Closing net asset value per share	119.06
After direct transaction costs of*	(0.14)
Performance	
Return after charges	19.06%
Other information	
Closing net asset value (£000's)	3,775
Closing number of shares	3,170,920
Operating charges**	1.21%
Direct transaction costs*	0.14%
Prices	
Highest share price	135.88
Lowest share price	97.40

+ Launched on 3 February 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Russia Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	166.18	164.11	124.02
Return before operating charges	32.27	3.72	41.63
Operating charges	(1.91)	(1.65)	(1.54)
Return after operating charges	30.36	2.07	40.09
Distributions	(9.63)	(5.18)	(7.36)
Retained distributions on accumulation shares	9.63	5.18	7.36
Closing net asset value per share	196.54	166.18	164.11
After direct transaction costs of*	(0.25)	(0.10)	(0.09)
Performance			
Return after charges	18.27%	1.26%	32.33%
Other information			
Closing net asset value (£000's)	149,979	132,564	152,950
Closing number of shares	76,309,545	79,770,138	93,202,185
Operating charges**	1.02%	1.07%	1.03%
Direct transaction costs*	0.13%	0.07%	0.06%
Prices			
Highest share price	224.50	180.60	167.70
Lowest share price	161.24	110.61	124.80

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Russia Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

M Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020† per share (p)
Change in net assets per share		
Opening net asset value per share	127.47	100.00
Return before operating charges	24.34	28.23
Operating charges	(1.18)	(0.76)
Return after operating charges	23.16	27.47
Distributions	(7.26)	(3.92)
Retained distributions on accumulation shares	7.26	3.92
Closing net asset value per share	150.63	127.47
After direct transaction costs of*	(0.19)	(0.06)
Performance		
Return after charges	18.17%	27.47%
Other information		
Closing net asset value (£000's)	37,315	80,142
Closing number of shares	24,773,055	62,873,055
Operating charges**	0.82%	0.87%
Direct transaction costs*	0.13%	0.07%
Prices		
Highest share price	172.00	133.27
Lowest share price	123.77	99.80

† Launched on 6 April 2020.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust Russia Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (97.62%)	232,216	98.62
	RUSSIA (87.43%)	209,656	89.04
	Airlines (1.07%)		
	Banks (9.71%)	10,632	4.51
900,000	Sberbank of Russia ADR	10,632	4.51
	Building Materials (0.00%)	3,601	1.53
33,000,000	Segezha	3,601	1.53
	Chemicals (0.00%)	11,033	4.68
192,000	PhosAgro	11,033	4.68
	Diversified Financial Services (4.62%)	6,327	2.69
4,200,000	Moscow Exchange	6,327	2.69
	Food Producers (11.98%)	14,138	6.00
875,000	Ros Agro	9,845	4.18
220,000	X5 Retail	4,293	1.82
	Internet (10.59%)	27,689	11.76
290,000	HeadHunter	10,939	4.65
375,000	Yandex	16,750	7.11
	Iron & Steel (3.41%)	13,853	5.88
3,000,000	Novolipetsk Steel	6,424	2.73
470,000	Severstal PAO	7,429	3.15
	Mining (20.71%)	44,995	19.11
3,000,000	Alrosa	3,618	1.54
460,000	MMC Norilsk Nickel ADR	10,505	4.46
850,000	Polymetal International	11,148	4.73
80,000	Polyus	10,258	4.36
11,600,000	United RUSAL International	8,424	3.58
1,473,000	United RUSAL International HKD	1,042	0.44

Liontrust Russia Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
RUSSIA (continued)			
Oil & Gas Producers (12.55%)		75,085	31.90
6,600,000	Gazprom	22,266	9.46
150,000	LUKOIL	9,683	4.11
20,000	Lukoil ADR (US Listing)	1,309	0.56
780,000	Novatek	13,206	5.61
55,000	Novatek GDR	9,510	4.04
1,900,000	Rosneft Oil	11,185	4.75
260,000	Tatneft ADR	7,926	3.37
Real Estate Investment & Services (0.57%)			
Software (4.46%)			
Telecommunications (4.85%)			
Transportation (2.91%)		2,303	0.98
389,958	Novorossiysk Commercial Sea Port	2,303	0.98
CYPRUS (5.35%)		17,126	7.27
Banks (0.00%)		13,080	5.55
60,000	TCS	3,582	1.52
155,000	TCS GDR	9,498	4.03
Commercial Services (0.73%)			
Computers (0.00%)		4,046	1.72
800,000	Sofline	4,046	1.72
Mining (4.62%)			
UNITED STATES OF AMERICA (4.84%)		5,434	2.31
Computers (4.84%)		5,434	2.31
11,000	EPAM Systems	5,434	2.31
Portfolio of investments		232,216	98.62
Net other assets		3,243	1.38
Total net assets		235,459	100.00

Liontrust Russia Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as GDRs represent Global Depositary Receipts.

Liontrust Russia Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains/(losses)	2		20,827		(4,344)
Revenue	3	14,862		11,195	
Expenses	4	(2,665)		(2,752)	
Interest payable and similar charges	6	(6)		(8)	
Net revenue before taxation		12,191		8,435	
Taxation	5	(1,514)		(541)	
Net revenue after taxation			10,677		7,894
Total return before distributions			31,504		3,550
Distributions	7		(10,756)		(7,189)
Change in net assets attributable to shareholders from investment activities			20,748		(3,639)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		258,760		219,099
Amounts received on issue of shares	47,674		92,071	
Amounts paid on cancellation of shares	(103,238)		(56,571)	
		(55,564)		35,500
Dilution adjustment		118		78
Change in net assets attributable to shareholders from investment activities		20,748		(3,639)
Retained distributions on accumulation shares		11,397		7,722
Closing net assets attributable to shareholders		235,459		258,760

Liontrust Russia Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		232,216	252,603
Current assets:			
Debtors	8	2,891	3,019
Cash and bank balances	9	2,636	4,624
Total assets		237,743	260,246
Liabilities			
Creditors:			
Other creditors	10	(2,284)	(1,486)
Total liabilities		(2,284)	(1,486)
Net assets attributable to shareholders		235,459	258,760

Liontrust Russia Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	20,733	(4,276)
Currency gains/(losses)	92	(49)
Transaction costs	2	(19)
Net capital gains/(losses)	20,827	(4,344)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	–	3
Overseas dividends	2,419	2,849
Taxable overseas dividends	12,101	8,343
UK dividends	342	–
Total revenue	14,862	11,195

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	2,167	2,162
General administration charges*	389	346
	2,556	2,508
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	(1)	9
Safe custody fee	(2)	22
	(3)	31
Other expenses:		
ADR fee	142	93
Audit fee	(3)	4
Professional service fees	(6)	51
Publication costs	(10)	2
Registration fee	(6)	15
Research fees	–	35
Other expenses	(5)	13
	112	213
Total expenses	2,665	2,752

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	1,443	1,272
Deferred tax charge/(credit) [see note(c)]	71	(731)
Total tax charge [see note(b)]	1,514	541

b) Factors affecting tax charge for the year

The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	12,191	8,435
Corporation tax at 20% (2020 - 20%)	2,438	1,687
Effects of:		
Double taxation relief	–	(380)
Movement in unrecognised tax losses	(1,412)	(1,812)
Overseas tax	1,443	1,272
Prior year adjustment to unrecognised tax losses	(161)	349
Relief on overseas tax expensed	(242)	(5)
Revenue not subject to tax	(552)	(570)
Total tax charge [see note(a)]	1,514	541

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening deferred tax balance	(731)	–
Deferred tax movement for the year (see note 5a)	71	(731)
Closing deferred tax	(660)	(731)

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation (continued)

There is evidence that taxable profits may arise in the future, therefore the Sub-fund has recognised £660,000 (prior year: £731,000) of the potential deferred tax asset. Consequently the Sub-fund has an unrecognised deferred tax asset carried forward of £0 (prior period £1,411,000).

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	6	8
Total interest payable and similar charges	6	8

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	11,397	7,722
Amounts deducted on cancellation of shares	608	483
Amounts received on issue of shares	(1,249)	(1,016)
Distributions	10,756	7,189

The distributable amount has been calculated as follows:

Net revenue after taxation	10,677	7,894
Add: Equalisation on conversions	8	2
Accumulated capital transfer from income	–	24
Add/(Less): Deferred tax	71	(731)
Distributions	10,756	7,189

The distribution per share is set out in the table on page 316.

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	911	690
Amounts receivable for issue of shares	40	155
Currency sales awaiting settlement	1,259	955
Deferred tax	660	731
Overseas withholding tax	21	97
Sales awaiting settlement	–	391
Total debtors	2,891	3,019

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	2,636	4,624
Total cash and bank balances	2,636	4,624

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	31	78
Accrued ACD's charge	194	202
Amounts payable for cancellation of shares	802	254
Currency purchases awaiting settlement	1,257	952
Total other creditors	2,284	1,486

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £224,000 (2020: £241,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £2,556,000 (2020: £2,508,000).

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Market price risk (continued)

the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.0%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.4%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Currency risk (continued)

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Hong Kong Dollar	–	1,042	1,042
Russian Ruble	874	117,037	117,911
United States Dollar	2,693	102,230	104,923
	3,567	220,309	223,876

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
Russian Ruble	–	2,759	2,759
United States Dollar	4,624	238,965	243,589
	4,624	241,724	246,348

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.95%/(0.95)% respectively.

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Currency risk (continued)

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 0.95%/(0.95)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Counterparty credit risk (continued)

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	232,216	—
	232,216	—
31.12.2020		
Level 1: Quoted prices	252,360	—
Level 3: Unobservable data	243	—
	252,603	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.*

*Liontrust engage with Private Equity firms and market markers to ascertain the latest valuations and prices of the private equity assets held by the Fund that are included as level 3 assets.

14 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	9,907,879	130,083	(1,111,018)	(826,934)	8,100,010
B Accumulation	—	86,142	(198,718)	3,283,496	3,170,920
C Accumulation	79,770,138	13,391,474	(17,175,229)	323,162	76,309,545
M Accumulation	62,873,055	15,000,000	(53,100,000)	—	24,773,055

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	237,426	128	0.05	24	0.01
Total purchases	237,426	128		24	
Total purchases including transaction costs	237,578				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	278,844	142	0.05	3	–
Total sales	278,844	142		3	
Total sales net of transaction costs	278,699				
Total transaction costs		270		27	
Total transaction costs as a % of average net assets		0.12%		0.01%	

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	230,093	100	0.04	–	–
Total purchases	230,093	100		–	
Total purchases including transaction costs	230,193				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	185,285	77	0.04	1	–
Total sales	185,285	77		1	
Total sales net of transaction costs	185,207				
Total transaction costs		177		1	
Total transaction costs as a % of average net assets		0.07%		–	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.29% (2020: 0.24%).

Liontrust Russia Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Post balance sheet events

Liontrust decided that suspending dealing on 28 February 2022 was in the best interests of all shareholders given the closure of the Moscow stock exchange and the ban on foreign investors trading in local Russian securities that has prevented the Sub-fund from trading normally in its underlying investments. The suspension was made with the agreement of the Sub-fund's Depositary.

Since the year-end, the NAV per share of share class C Accumulation has decreased by 66.45% to 28 February 2022 when the fund suspended dealing. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust Russia Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	25.3982	—	25.3982	11.3337
A Accumulation - Group 2	13.0139	12.3843	25.3982	11.3337
B Accumulation - Group 1	6.0992	—	6.0992	—
B Accumulation - Group 2	2.5791	3.5201	6.0992	—
C Accumulation - Group 1	9.6268	—	9.6268	5.1796
C Accumulation - Group 2	3.6160	6.0108	9.6268	5.1796
M Accumulation - Group 1	7.2648	—	7.2648	3.9230
M Accumulation - Group 2	5.4691	1.7957	7.2648	3.9230

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

Liontrust UK Mid Cap Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust UK Mid Cap Fund is to generate long-term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of medium sized companies which are incorporated, domiciled or conduct significant business in the UK. Medium sized companies are those which, at the time of purchase, are listed within the bottom twenty of the FTSE 100, anywhere within the FTSE 250 ex Invst Trust Index, or the top fifty of the FTSE SmallCap ex Invst Trust Index based on index weighting.

The Sub-fund may also invest up to 20% in other companies, including those outside of the UK, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be nearfully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a concentrated portfolio of 20-40 companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust UK Mid Cap Fund (continued)

Investment review

Sub-fund review

The Liontrust UK Mid Cap Fund closed on 2 December 2020 following its merger with the Liontrust UK Growth Fund and the Sub-fund will be terminated at a later date once the residual assets and liabilities have been settled.

January 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

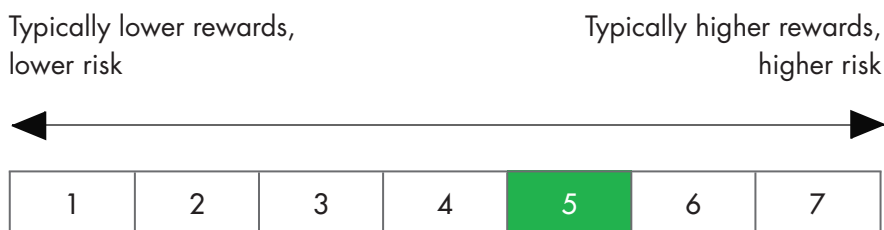
There were no purchases or sales during the year.

Liontrust UK Mid Cap Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 5 primarily for its exposure to small UK companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-Fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- As the Sub-fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the fund to defer or suspend redemptions of its shares. In addition the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings.
- The Sub-fund may invest in companies listed on the Alternative Investment Market (AIM) which is primarily for emerging or smaller companies. The rules are less demanding than those of the official List of the London Stock Exchange and therefore companies listed on AIM may carry a greater risk than a company with a full listing.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust UK Mid Cap Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	461.44	391.28
Return before operating charges	(63.96)	77.28
Operating charges	(5.84)	(7.12)
Return after operating charges	(69.80)	70.16
Distributions	—	(7.95)
Retained distributions on accumulation shares	—	7.95
Closing net asset value per share	391.64	461.44
After direct transaction costs of*	(4.07)	(3.10)
Performance		
Return after charges	(15.13%)	17.93%
Other information		
Closing net asset value (£000's)	—	12,002
Closing number of shares	—	2,601,134
Operating charges**	1.78%	1.76%
Direct transaction costs*	1.14%	0.76%
Prices		
Highest share price	466.30	465.20
Lowest share price	234.08	377.10

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Mid Cap Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	169.40	142.42
Return before operating charges	(23.33)	28.32
Operating charges	(1.16)	(1.34)
Return after operating charges	(24.49)	26.98
Distributions	(0.97)	(4.17)
Retained distributions on accumulation shares	0.97	4.17
Closing net asset value per share	144.91	169.40
After direct transaction costs of*	(1.50)	(1.13)
Performance		
Return after charges	(14.46%)	18.94%
Other information		
Closing net asset value (£000's)	–	98,784
Closing number of shares	–	58,315,252
Operating charges**	0.96%	0.90%
Direct transaction costs*	1.14%	0.76%
Prices		
Highest share price	171.20	170.80
Lowest share price	86.09	138.00

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Mid Cap Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	103.50	90.06
Return before operating charges	(14.08)	17.72
Operating charges	(0.35)	(0.84)
Return after operating charges	(14.43)	16.88
Distributions	(0.84)	(3.44)
Retained distributions on accumulation shares	—	—
Closing net asset value per share	88.23	103.50
After direct transaction costs of*	(0.92)	(0.47)
Performance		
Return after charges	(13.94%)	18.74%
Other information		
Closing net asset value (£000's)	—	6,505
Closing number of shares	—	6,285,106
Operating charges**	0.48%	0.90%
Direct transaction costs*	1.14%	0.76%
Prices		
Highest share price	104.60	106.10
Lowest share price	52.61	85.75

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Mid Cap Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

D Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	152.62	128.19
Return before operating charges	(21.39)	25.50
Operating charges	(0.56)	(1.07)
Return after operating charges	(21.95)	24.43
Distributions	(0.98)	(3.89)
Retained distributions on accumulation shares	0.98	3.89
Closing net asset value per share	130.67	152.62
After direct transaction costs of*	(1.35)	(1.02)
Performance		
Return after charges	(14.38%)	19.06%
Other information		
Closing net asset value (£000's)	–	40,015
Closing number of shares	–	26,218,610
Operating charges**	0.51%	0.80%
Direct transaction costs*	1.14%	0.76%
Prices		
Highest share price	154.20	153.80
Lowest share price	77.58	124.30

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Mid Cap Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital losses	2		–		(27,185)
Revenue	3	–		1,464	
Expenses	4	8		(826)	
Interest payable and similar charges	6	–		(3)	
Net revenue before taxation		8		635	
Taxation	5	–		–	
Net revenue after taxation			8		635
Total return before distributions			8		(26,550)
Distributions	7		–		(662)
Change in net assets attributable to shareholders from investment activities			8		(27,212)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		–		157,306
Amounts received on issue of shares	–		1,291	
In-specie transfer+	–		(87,404)	
Amounts paid on cancellation of shares	–		(44,529)	
Amounts payable/receivable on termination	(8)		12	
		(8)		(130,630)
Change in net assets attributable to shareholders from investment activities		8		(27,212)
Retained distributions on accumulation shares		–		536
Closing net assets attributable to shareholders		–		–

+ The Liontrust UK Mid Cap Fund merged into the Liontrust UK Growth Fund on 2 December 2020.

Liontrust UK Mid Cap Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Debtors	8	–	12
Cash and bank balances	9	–	43
Total assets		–	55
Liabilities			
Creditors:			
Distribution payable		–	(25)
Other creditors	10	–	(30)
Total liabilities		–	(55)
Net assets attributable to shareholders		–	-

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	–	(27,192)
Transaction costs	–	7
Net capital losses	–	(27,185)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	–	1
Stock lending income	–	1
UK dividends	–	1,462
Total revenue	–	1,464

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	—	727
General administration charges*	—	88
	—	815
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	—	4
Safe custody fee	—	1
	—	5
Other expenses:		
Audit fee	(4)	4
Professional service fees	—	1
Publication costs	—	(19)
Registration fee	1	1
Research fees	—	8
Other expenses	(5)	11
	(8)	6
Total expenses	(8)	826

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £2,100 (2020: £8,000).

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
There is no corporation tax charge in the current year or prior year [see note (b)].		
b) Factors affecting tax charge for the year		
The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:		
	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	8	635
Corporation tax at 20% (2020 - 20%)	2	127
Effects of:		
Movement in unrecognised tax losses	(2)	166
Revenue not subject to tax	–	(293)
Total tax charge [see note(a)]	–	–

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £5,397,000 (2020: £5,399,000) due to tax losses of £26,987,000 (2020: £26,995,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	–	3
Total interest payable and similar charges	–	3

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Interim distribution	–	43
Special distribution	–	531
	–	574
Amounts deducted on cancellation of shares	–	89
Amounts received on issue of shares	–	(1)
Distributions	–	662

The distributable amount has been calculated as follows:

Net revenue after taxation	8	635
Accumulated capital transfer from income	(8)	2
Add: Equalisation on termination	–	6
Add: ACD's charge reimbursed by capital	–	8
Add: Other expenses reimbursed by capital	–	4
Shortfall of income taken to capital	–	7
Distributions	–	662

The distribution per share is set out in the tables on page 337.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Amounts receivable on termination	–	12
Total debtors	–	12

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	–	43
Total cash and bank balances	–	43

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued Closure expense	–	10
Accrued expenses	–	16
Accrued ACD's charge	–	4
Total other creditors	–	30

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £Nil (2020: £5,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £Nil (2020: £815,000).

13 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021 and 31 December 2020, the Sub-fund did not hold any investments and therefore no sensitivity analysis has been disclosed.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset.

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Market price risk (continued)

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

The majority of the Sub-fund's financial assets and liabilities are denominated in the Sub-fund's functional currency. As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of currency exchange rates. Therefore, no exchange rate sensitivity analysis has been prepared for these.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

As at 31 December 2021 and 31 December 2020, the Sub-fund did not hold any investments and therefore no interest rate sensitivity analysis has been disclosed.

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Interest rate risk (continued)

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Counterparty credit risk (continued)

physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

The Sub-fund closed on 2 December 2020 and therefore had no financial investments as at the balance sheet date (2020: £Nil).

14 Share movement

For the year ending 31 December 2021

The Sub-fund closed on 2 December 2020 and therefore had no shares as at the balance sheet date (2020: Nil).

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs
for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Total purchases	–	–		–	
Total purchases including transaction costs	–				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Total sales	–	–		–	
Total sales net of transaction costs	–				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		–		–	

Liontrust UK Mid Cap Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	189,780	98	0.05	869	0.46
Total purchases	189,780	98		869	
Total purchases including transaction costs	190,747				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	321,794	162	0.05	1	-
Total sales	321,794	162		1	
Total sales net of transaction costs	321,631				
Total transaction costs		260		870	
Total transaction costs as a % of average net assets		0.26%		0.88%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% as the Sub-fund did not hold any investments (2020: 0.00%).

Liontrust UK Mid Cap Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Special/Final distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 1.2.2021+ Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	0.9478
C Accumulation - Group 2	—	—	—	0.9478
C Income - Group 1	—	—	—	0.5748
C Income - Group 2	—	—	—	0.5748
D Accumulation - Group 1	—	—	—	0.9025
D Accumulation - Group 2	—	—	—	0.9025

+ Special Distribution immediately prior to the merger into the UK Growth Fund on 2 December 2020.

Interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	0.0267
C Accumulation - Group 2	—	—	—	0.0267
C Income - Group 1	—	—	—	0.2695
C Income - Group 2	—	—	—	0.2695
D Accumulation - Group 1	—	—	—	0.0798
D Accumulation - Group 2	—	—	—	0.0798

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

Liontrust UK Opportunities Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust UK Opportunities Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of UK companies. These are companies which, at the time of purchase, are incorporated, domiciled or conduct significant business in the UK.

The Sub-fund may also invest up to 20% in companies outside of the UK, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a concentrated portfolio of 20-40 companies that may provide growth opportunities, attractive valuations, or special situations. Special situations can exist where companies are out of favour, misunderstood or where management changes or takeovers are expected.

Liontrust UK Opportunities Fund (continued)

Investment review

Sub-fund review

The Liontrust UK Opportunities Fund closed on 2 December 2020 following its merger with the Liontrust UK Growth Fund and the Sub-fund will be terminated at a later date once the residual assets and liabilities have been settled.

January 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

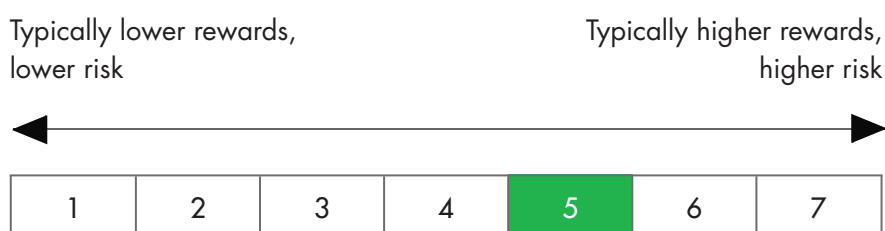
There were no purchases or sales during the year.

Liontrust UK Opportunities Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 5 primarily for its exposure to UK companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- As the Sub-fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the fund to defer or suspend redemptions of its shares. In addition the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings.
- The Sub-fund may invest in companies listed on the Alternative Investment Market (AIM) which is primarily for emerging or smaller companies. The rules are less demanding than those of the official List of the London Stock Exchange and therefore companies listed on AIM may carry a greater risk than a company with a full listing.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust UK Opportunities Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	237.24	182.67
Return before operating charges	(40.49)	58.39
Operating charges	(3.26)	(3.82)
Return after operating charges	(43.75)	54.57
Distributions	—	(2.10)
Retained distributions on accumulation shares	—	2.10
Closing net asset value per share	193.49	237.24
After direct transaction costs of*	(1.81)	(1.26)
Performance		
Return after charges	(18.44%)	29.87%
Other information		
Closing net asset value (£000's)	—	4,764
Closing number of shares	—	2,007,981
Operating charges**	1.96%	1.90%
Direct transaction costs*	0.99%	0.63%
Prices		
Highest share price	239.20	238.70
Lowest share price	123.23	181.90

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	189.05	144.32
Return before operating charges	(32.06)	46.41
Operating charges	(1.58)	(1.68)
Return after operating charges	(33.64)	44.73
Distributions	(0.31)	(3.01)
Retained distributions on accumulation shares	0.31	3.01
Closing net asset value per share	155.41	189.05
After direct transaction costs of*	(1.45)	(0.99)
Performance		
Return after charges	(17.79%)	30.99%
Other information		
Closing net asset value (£000's)	–	11,564
Closing number of shares	–	6,116,977
Operating charges**	1.19%	1.06%
Direct transaction costs*	0.99%	0.63%
Prices		
Highest share price	190.60	190.20
Lowest share price	98.39	143.80

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

D Accumulation Accounting year ended	31 December 2020+ per share (p)	31 December 2019 per share (p)
Change in net assets per share		
Opening net asset value per share	133.55	101.85
Return before operating charges	(22.62)	32.75
Operating charges	(1.07)	(1.05)
Return after operating charges	(23.69)	31.70
Distributions	(0.28)	(2.24)
Retained distributions on accumulation shares	0.28	2.24
Closing net asset value per share	109.86	133.55
After direct transaction costs of*	(1.02)	(0.70)
Performance		
Return after charges	(17.74%)	31.12%
Other information		
Closing net asset value (£000's)	–	711
Closing number of shares	–	532,362
Operating charges**	1.14%	0.94%
Direct transaction costs*	0.99%	0.63%
Prices		
Highest share price	134.70	134.40
Lowest share price	69.51	101.50

+ Merged into UK Growth Fund on 2 December 2020

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust UK Opportunities Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital losses	2		–		(2,805)
Revenue	3	–		137	
Expenses	4	–		(134)	
Interest payable and similar charges	6	–		–	
Net revenue before taxation		–		3	
Taxation	5	–		–	
Net revenue after taxation			–		3
Total return before distributions			–		(2,802)
Distributions	7		–		(17)
Change in net assets attributable to shareholders from investment activities			–		(2,819)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		–		17,039
Amounts received on issue of shares	–		2,342	
In-specie transfer+	–		(10,090)	
Amounts paid on cancellation of shares	–		(6,490)	
Amounts receivable on termination	–		2	
		–		(14,236)
Change in net assets attributable to shareholders from investment activities		–		(2,819)
Retained distributions on accumulation shares		–		16
Closing net assets attributable to shareholders		–		–

+ The Liontrust UK Opportunities Fund merged into the Liontrust UK Growth Fund on 2 December 2020.

Liontrust UK Opportunities Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Debtors	8	–	2
Cash and bank balances	9	–	13
Total assets		–	15
Liabilities			
Creditors:			
Other creditors	10	–	(15)
Total liabilities		–	(15)
Net assets attributable to shareholders		–	–

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains/(losses)

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains/(losses) comprise:		
Non-derivative securities	–	(2,803)
Transaction costs	–	(2)
Net capital losses	–	(2,805)

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	–	2
UK dividends	–	135
Total revenue	–	137

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	—	94
ACD's charge and other expenses rebates	—	(2)
General administration charges*	—	18
	—	110
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	—	4
Safe custody fee	—	1
	—	5
Other expenses:		
Audit fee	—	7
Research fees	—	1
Other expenses	—	11
	—	19
Total expenses	—	134

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £2,100 (2020: £8,000).

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
There is no corporation tax charge in the current year or prior year [see note (b)].		
b) Factors affecting tax charge for the year		
The taxation assessed for the year is lower (2020: lower) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:		
	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	–	3
Corporation tax at 20% (2020 - 20%)	–	1
Effects of:		
Movement in unrecognised tax losses	–	27
Revenue not subject to tax	–	(28)
Total tax charge [see note(a)]	–	–

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £765,000 (2020: £765,000) due to tax losses of £3,824,000 (2020: £3,824,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	–	–
Total interest payable and similar charges	–	–

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Special distribution	–	16
Amounts deducted on cancellation of shares	–	2
Amounts received on issue of shares	–	(1)
Distributions	–	17

The distributable amount has been calculated as follows:

Net revenue after taxation	–	3
Shortfall of income taken to capital	–	14
Distributions	–	17

The distribution per share is set out in the tables on page 357.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Amounts receivable on termination	–	1
Prepaid expenses	–	1
Total debtors	–	2

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	–	13
Total cash and bank balances	–	13

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued Closure expense	–	5
Accrued expenses	–	9
Accrued ACD's charge	–	1
Total other creditors	–	15

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £Nil (2020: £1,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £Nil (2020: £112,000).

The total rebate of expenses paid by Liontrust Fund Partners LLP and its associates for the year was £Nil (prior year: £2,000).

13 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Market price risk (continued)

monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021 and 31 December 2020, the Sub-fund did not hold any investments and therefore no sensitivity analysis has been disclosed.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Market price risk (continued)

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

The majority of the Sub-fund's financial assets and liabilities are denominated in the Sub-fund's functional currency. As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of currency exchange rates. Therefore, no exchange rate sensitivity analysis has been prepared for these.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

As at 31 December 2021 and 31 December 2020, the Sub-fund did not hold any investments and therefore no interest rate sensitivity analysis has been disclosed.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Liquidity risk (continued)

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Risk management policies (continued)

Counterparty credit risk (continued)

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

The Sub-fund closed on 2 December 2020 and therefore had no financial investments as at the balance sheet date (2020: £Nil).

14 Share movement

For the year ending 31 December 2021

The Sub-fund closed on 2 December 2020 and therefore had no shares as at the balance sheet date (2020: Nil).

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Total purchases	–	–		–	
Total purchases including transaction costs	–				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Total sales	–	–		–	
Total sales net of transaction costs	–				
Total transaction costs		–		–	
Total transaction costs as a % of average net assets		–		–	

Liontrust UK Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	18,215	9	0.05	81	0.44
Total purchases	18,215	9		81	
Total purchases including transaction costs	18,305				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	32,269	15	0.05	–	–
Total sales	32,269	15		–	
Total sales net of transaction costs	32,254				
Total transaction costs		24		81	
Total transaction costs as a % of average net assets		0.23%		0.76%	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% as the Sub-fund did not hold any investments (2020: 0.00%).

Liontrust UK Opportunities Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Special/Final distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 1.2.2021+ Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	0.3141
C Accumulation - Group 2	—	—	—	0.3141
D Accumulation - Group 1	—	—	—	0.2747
D Accumulation - Group 2	—	—	—	0.2747

+ Special distribution immediately prior to the merger into the Liontrust UK Growth Fund on 2 December 2020.

Interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	—
C Accumulation - Group 2	—	—	—	—
D Accumulation - Group 1	—	—	—	0.0095
D Accumulation - Group 2	—	—	—	0.0095

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

Liontrust US Income Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of the Liontrust US Income Fund is to generate income with the potential for long term (five years or more) capital growth.

Income Target Benchmark

The Sub-fund aims to deliver a net target yield of at least 1.10% of the net yield of the S&P 500 Index on a 3 year rolling basis.

Investment Policy

The Sub-fund invests at least 80% in shares of US companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in the US. Stocks are selected with a focus on income and the potential for capital growth.

The Sub-fund may also invest up to 20% in companies outside of the US, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities or attractive valuations.

Liontrust US Income Fund (continued)

Investment review

Sub-fund review

The Liontrust US Income Fund closed on 8 October 2021 following its merger with Liontrust Global Dividend Fund and will be terminated at a later date once the residual assets and liabilities have been settled.

January 2022

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Material portfolio changes by value

Purchases

Alphabet 'A'
Danaher
Stryker
Adobe
Roper Technologies
Costco Wholesale
LVMH Moet Hennessy Louis Vuitton
Intuit
3M
American Express

Sales

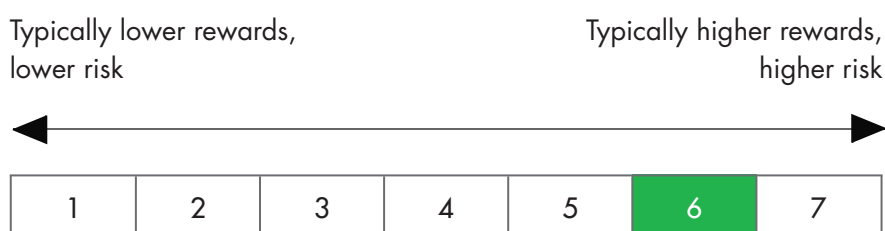
Microsoft
Apple
UnitedHealth
Alphabet 'A'
American Tower
Danaher
Stryker
Adobe
Roper Technologies
Costco Wholesale

Liontrust US Income Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- The Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to US companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.
- The level of income is not guaranteed.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust US Income Fund (continued)

Comparative Tables

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	249.00	233.25	192.34
Return before operating charges	33.50	18.01	43.15
Operating charges	(1.76)	(2.26)	(2.24)
Return after operating charges	31.74	15.75	40.91
Distributions	(3.03)	(4.13)	(4.56)
Retained distributions on accumulation shares	3.03	4.13	4.56
Closing net asset value per share	280.74	249.00	233.25
After direct transaction costs of*	(0.21)	(0.04)	(0.02)
Performance			
Return after charges	12.75%	6.75%	21.27%
Other information			
Closing net asset value (£000's)	–	12,606	21,060
Closing number of shares	–	5,062,665	9,029,222
Operating charges**	0.86%	0.99%	1.02%
Direct transaction costs*	0.10%	0.01%	0.01%
Prices			
Highest share price	287.69	253.10	240.20
Lowest share price	242.71	173.51	191.00

+ Merged into the Liontrust Global Dividend Fund on 8 October 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Income Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Income Accounting year ended	31 December 2021+ per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	208.54	199.04	167.49
Return before operating charges	28.02	14.90	37.43
Operating charges	(1.47)	(1.91)	(1.94)
Return after operating charges	26.55	12.99	35.49
Distributions	(2.53)	(3.49)	(3.94)
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	232.56	208.54	199.04
After direct transaction costs of*	(0.18)	(0.03)	(0.02)
Performance			
Return after charges	12.73%	6.53%	21.19%
Other information			
Closing net asset value (£000's)	—	13,501	13,776
Closing number of shares	—	6,474,206	6,920,981
Operating charges**	0.86%	0.99%	1.02%
Direct transaction costs*	0.10%	0.01%	0.01%
Prices			
Highest share price	239.23	212.84	206.90
Lowest share price	203.29	148.08	166.30

+ Merged into the Liontrust Global Dividend Fund on 8 October 2021.

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Income Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (103.21%)	0	0.00
	BERMUDA (1.90%)	0	0.00
	CANADA (1.71%)	0	0.00
	GERMANY (1.49%)	0	0.00
	IRELAND (2.11%)	0	0.00
	UNITED KINGDOM (1.88%)	0	0.00
	UNITED STATES OF AMERICA (94.12%)	0	0.00
	Portfolio of investments	0	0.00
	Net other liabilities	0	0.00
	Total net assets	0	0.00

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust US Income Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		3,118		734
Revenue	3	343		597	
Expenses	4	(169)		(281)	
Interest payable and similar charges	6	(4)		(1)	
Net revenue before taxation		170		315	
Taxation	5	(49)		(82)	
Net revenue after taxation			121		233
Total return before distributions			3,239		967
Distributions	7		(290)		(514)
Change in net assets attributable to shareholders from investment activities			2,949		453

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		26,107		34,836
Amounts received on issue of shares	10,339		20,917	
In-specie transfer+	(21,886)		–	
Amounts paid on cancellation of shares	(17,656)		(30,329)	
		(29,203)		(9,412)
Dilution adjustment		3		15
Change in net assets attributable to shareholders from investment activities		2,949		453
Retained distributions on accumulation shares		144		215
Closing net assets attributable to shareholders		–		26,107

+ The Liontrust US Income Fund merged into the Liontrust Global Dividend Fund on 8 October 2021.

Liontrust US Income Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Investments		–	26,946
Current assets:			
Debtors	8	–	422
Total assets		–	27,368
Liabilities			
Creditors:			
Bank overdrafts		–	(814)
Distribution payable		–	(54)
Other creditors	10	–	(393)
Total liabilities		–	(1,261)
Net assets attributable to shareholders		–	26,107

Liontrust US Income Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	3,119	734
Derivative contracts	5	6
Forward currency contracts	(1)	10
Foreign currency losses	(5)	(14)
Transaction costs	–	(2)
Net capital gains	3,118	734

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overseas dividends	324	571
UK dividends	11	13
US REIT dividends	8	13
Total revenue	343	597

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	147	213
General administration charges*	30	42
	177	255
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	—	2
Safe custody fee	1	2
	1	4
Other expenses:		
Audit fee	3	4
Publication costs	(1)	1
Registration fee	(2)	1
Research fees	—	7
Other expenses	(9)	9
	(9)	22
Total expenses	169	281

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £6,300 (2020: £8,000).

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	49	82
Total tax charge [see note(b)]	49	82

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net revenue before taxation	170	315
Corporation tax at 20% (2020 - 20%)	34	63
Effects of:		
Movement in unrecognised tax losses	33	54
Overseas tax	49	82
Revenue not subject to tax	(67)	(117)
Total tax charge [see note(a)]	49	82

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £487,000 (2020: £454,000) due to tax losses of £2,437,000 (2020: £2,272,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	4	1
Total interest payable and similar charges	4	1

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
First Interim	95	65
Second Interim	95	184
Third Interim	82	96
Final	7	105
	279	450
Amounts deducted on cancellation of shares	28	104
Amounts received on issue of shares	(17)	(40)
Distributions	290	514

The distributable amount has been calculated as follows:

Net revenue after taxation	121	233
Add: Tax relief on capitalised expenses	1	–
Add: ACD's charge reimbursed by capital	147	213
Add: Other expenses reimbursed by capital	21	68
Distributions	290	514

The distribution per share is set out in the tables on pages 380 to 381.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	–	28
Amounts receivable for issue of shares	–	123
Currency sales awaiting settlement	–	268
Overseas withholding tax	–	3
Total debtors	–	422

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	–	–

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	–	15
Accrued ACD's charge	–	17
Amounts payable for cancellation of shares	–	92
Currency purchases awaiting settlement	–	269
Total other creditors	–	393

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £Nil (2020: £20,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £177,000 (2020: £255,000).

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	—	—	—	—
% of total	70%	0%	30%	100%
Cost	—	—	—	—

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	—	—	—	—
% of total	70%	0%	30%	100%
Cost	—	—	—	—

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	—	—	549	605
UBS AG	Switzerland	—	—	241	271
Total		—	—	790	876

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better and equity securities listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, the Sub-fund did not hold any investments and therefore no sensitivity analysis has been disclosed.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 9.6%.

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

The majority of the Sub-fund's financial assets and liabilities are denominated in the Sub-fund's functional currency. As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of currency exchange rates. Therefore, no exchange rate sensitivity analysis has been prepared for these.

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency Profile

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
United States Dollar	(814)	27,008	26,194
	(814)	27,008	26,194

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Liquidity risk (continued)

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Valuation of financial investments

The Sub-fund closed on 8 October 2021 and therefore had no financial investments as at the balance sheet date.

The financial investments as at 31 December 2020 was as follows:

31.12.2020	Assets (£'000)	Liabilities (£'000)
Level 1: Quoted prices	26,946	—
	26,946	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
C Accumulation	5,062,665	3,129,228	(8,191,893)	—	—
C Income	6,474,206	1,009,050	(7,483,256)	—	—

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Purchases (excluding derivatives)					
Equity instruments (direct)	17,663	6	0.03	12	0.07
Total purchases	17,663	6		12	
Total purchases including transaction costs	17,681				
	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Sales (excluding derivatives)					
Equity instruments (direct)	47,750	9	0.02	–	–
Total sales	47,750	9		–	
Total sales net of transaction costs	47,741				
Total transaction costs		15		12	
Total transaction costs as a % of average net assets		0.05%		0.05%	

Liontrust US Income Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued) for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	2,591	1	0.04	–	–
Total purchases	2,591	1		–	
Total purchases including transaction costs	2,592				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	11,410	3	0.03	–	–
Total sales	11,410	3		–	
Total sales net of transaction costs	11,407				
Total transaction costs		4		–	
Total transaction costs as a % of average net assets		0.01%		–	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% as the Sub-fund did not hold any investments (2020: 0.03%).

17 Post balance sheet events

There are no post balance sheet events which have a bearing on the interpretation of the financial statements.

Liontrust US Income Fund (continued)

Distribution Tables

for the year ended 31 December 2021

Special/Final distribution

Group 1 - Shares purchased prior to 1 October 2021

Group 2 - Shares purchased 1 October 2021 to 8 October 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 7.12.2021 Pence per share	Distribution paid 28.2.2021 Pence per share
C Accumulation - Group 1	0.0877	—	0.0877	0.9997
C Accumulation - Group 2	0.0877	—	0.0877	0.9997
C Income - Group 1	0.0726	—	0.0726	0.8406
C Income - Group 2	0.0726	—	0.0726	0.8406

Third interim distribution

Group 1 - Shares purchased prior to 1 July 2021

Group 2 - Shares purchased 1 July 2021 to 30 September 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 30.11.2021 Pence per share	Distribution paid 30.11.2020 Pence per share
C Accumulation - Group 1	1.0444	—	1.0444	0.8882
C Accumulation - Group 2	0.5360	0.5084	1.0444	0.8882
C Income - Group 1	0.8701	—	0.8701	0.7501
C Income - Group 2	0.6291	0.2410	0.8701	0.7501

Second interim distribution

Group 1 - Shares purchased prior to 1 April 2021

Group 2 - Shares purchased 1 April 2021 to 30 June 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.8.2021 Pence per share	Distribution paid 31.8.2020 Pence per share
C Accumulation - Group 1	0.9458	—	0.9458	2.2376
C Accumulation - Group 2	0.4934	0.4524	0.9458	2.2376
C Income - Group 1	0.7893	—	0.7893	0.9354
C Income - Group 2	0.2936	0.4957	0.7893	0.9354

Liontrust US Income Fund (continued)

Distribution Tables (continued)

for the year ended 31 December 2021

First interim distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 March 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 31.5.2021 Pence per share	Distribution paid 31.5.2020 Pence per share
C Accumulation - Group 1	0.9562	—	0.9562	—
C Accumulation - Group 2	0.4782	0.4780	0.9562	—
C Income - Group 1	0.8005	—	0.8005	0.9679
C Income - Group 2	0.4008	0.3997	0.8005	0.9679

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

Liontrust US Opportunities Fund

Report for the year from 1 January 2021 to 31 December 2021

Investment Objective

The investment objective of Liontrust US Opportunities Fund is to generate long term (five years or more) capital growth.

Investment Policy

The Sub-fund invests at least 80% in shares of US companies. These are companies which, at the time of purchase, are incorporated, domiciled, listed or conduct significant business in the US.

The Sub-fund may also invest up to 20% in companies outside of the US, as well as in other eligible asset classes.

Other eligible asset classes are collective investment schemes (which may include Liontrust managed funds), other transferable securities, cash or near cash, deposits and money market instruments.

Derivatives and forward transactions may be used by the ACD for efficient portfolio management.

It is the intention to be near-fully invested at all times, however, the Sub-fund has the facility to take tactical positions in cash or near cash, and to use efficient portfolio management, should the ACD feel it appropriate.

The portfolio will be managed to ensure that the Sub-fund is at all times eligible to qualify for, and to be included in, an Individual Savings Account.

Investment Strategy

The Sub-fund invests in a mix of companies that may provide growth opportunities or attractive valuations.

Liontrust US Opportunities Fund (continued)

Investment review

Sub-fund review

The Liontrust US Opportunities Fund (C Accumulation) returned 27.7% over the year, versus the S&P 500 Index return of 29.3% and the IA North America sector average return of 25.5% (both comparator benchmarks)*.

In the first quarter of the year, US equities continued the strong, cyclical, reflationary rally that began in earnest in the summer of last year fuelled by continued fiscal stimulus and evidence that US economy is bouncing back quicker than many thought it would. Markets quickly expected more stimulus after the Democrats won the Georgia Senate election run-off seats in January giving them de-facto control over the Senate. At the beginning of March, a \$1.9tn stimulus bill, the American Rescue Plan, was signed off, sending more stimulus cheques to the American public.

The rapidly improving picture helped propel bond yields much higher over the first quarter with the widely followed 10-year yield rising from under 1% at the beginning of the year to 1.7% by the end of March. The combination of stimulus and evidence of inflationary pressures rising (in both wages and supply chain shortages) meant the market began to question whether the Fed would stick to their outlook of not raising interest rates until 2024.

From an equity market perspective, this meant there was a significant cyclical bent to returns in the first quarter. Rapidly rising yields put pressure on many of the longer duration, or secular growth, segments of the market which had performed so well last year. Tech, utilities and consumer staples lagged the rally which was led by the energy, financials and industrials sectors.

US equity markets continued their strong rally into the second quarter of the year but were driven more by the secular growth areas of the market as opposed to the more cyclical areas which have dominated in recent quarters. The more cyclical and reflationary factions of the market enjoyed a strong run after the vaccination efficacy announcements last October and thanks to the Democrats' more stimulatory agenda catalysed by a Biden presidency last November and the Georgia Senate election run-off seats in January.

The US market continued to rally in the third quarter but were led by more defensive parts of the market as opposed to the more cyclical areas which dominated at the end of last year and the beginning of this. The dominant debate in the third continued to be around inflation and whether the pick-up in inflation we have seen is transitory in nature or something more structural which will cause the Federal Reserve (Fed) to tighten monetary policy quicker than otherwise might have been expected.

In the final quarter of the year, US equity markets continued to rally, capping off a strong year of gains. The US economy entered the final quarter of the year rebounding from the Delta wave that was prevalent during the late summer. Once again, the dominant debate continued to be around inflation and whether this will cause the Fed to tighten monetary policy quicker than otherwise might have been expected. One of the drivers of inflation has been the widely reported supply chain challenges and this was the predominant focus during the earnings season reported during October. Despite margin pressure emerging in many sectors, earnings from US companies in general continued to be impressive and were clearly benefitting from a strong demand environment.

Markets were also supported by the much-vaunted Infrastructure Bill, which finally got passed in November with Congress passing a \$1.2 trillion package. This includes \$550 billion of new federal investments in America's infrastructure over five years, touching everything from bridges and roads to the nation's broadband, water and energy systems.

Covid continues to add uncertainty and volatility to markets. The outlook for the trajectory of the pandemic was positive for most of the quarter with Delta rolling over and the announcement of successful antiviral pills. However, the news of the latest variant, Omicron, struck in December. Initial expectations of a more virulent but less severe wave seem to be playing out with the hope that we can transition to an endemic phase over time. It is clear there is no appetite for further lockdowns and the US has learnt to live with Covid better than most economies around the world.

The other notable factor has been the shift in rhetoric from the Federal Reserve and subsequent expectations for the interest rate trajectory. In December, the Fed made it clear they recognise that inflation is less transitory than initially hoped and will accelerate plans to taper quantitative easing as well as signalling interest rate hikes will occur much earlier in 2022. This change in outlook has helped yields, both nominal and real, to beginning normalising which in turn has hit the valuations of highly valued, high growth companies.

Liontrust US Opportunities Fund (continued)

Investment review (continued)

Sub-fund review (continued)

Among the top performers over the year were Calix and Horizon Therapeutics. Shares in Calix have benefited as the company continues demonstrate its shift from being a hardware to a software company. Additionally, the company has benefited from the outlook for rural broadband infrastructure spend which will receive much larger government funding in the next few years.

While Horizon Therapeutics performed strongly over the year as the company continues demonstrate its evolution from being a development stage company into a fully integrated biopharma company. 2021 saw another year of strong sales from one of its key drugs, Teprotumumab (tepro), a treatment for thyroid eye disease while also continuing to build its pipeline of other drugs for the future.

On the other side of the ledger, notable negative contributors over the period were 8x8 and Clarivate. 8x8 – a unified communications company – has performed poorly over the last year. There have been heightened concerns over competition in the industry and this company also fell in the bucket of Covid beneficiaries that have been subsequently punished in 2021. We continue to think that the industry has a long runway to growth and that there hasn't simply been a "pull-forward" of growth due to the pandemic.

Clarivate has been impacted by disappointing revenue growth, the issuance of equity accompanying a sizeable acquisition and senior management turnover. The underlying data-focused businesses within Clarivate remain attractive but the company needs to demonstrate more consistent growth.

Outlook

We continue to believe that disruption, and particularly digital disruption, will remain the most important determinant of corporate success. We continue to search for companies that we believe will be drivers of this disruption (disruptors), help fuel it (enablers) or indeed benefit from it (embracers).

*Source: FE Analytics as at 31.12.21

George Boyd-Bowman

Fund Manager

January 2022

Any opinions expressed are those of the Fund Manager. They should not be viewed as a guarantee of a return from an investment in the Sub-fund. The content of the commentary should not be viewed as a recommendation to invest nor buy or sell any securities. The investments of the Sub-fund are subject to normal market fluctuations. Investments can go down as well as up. Investors' capital is at risk and they may get back less than they originally invested.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Liontrust US Opportunities Fund (continued)

Investment review (continued)

Material portfolio changes by value

Purchases

Aurinia Pharmaceuticals
AdaptHealth
Bright Horizons Family Solutions
Cano Health
Clarivate
Black Knight
T-Mobile
Bentley Systems
Advanced Drainage Systems
Mastercard 'A'

Sales

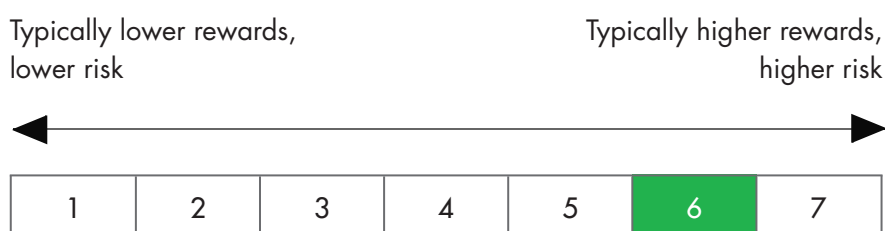
General Dynamics
Calix
Envista
Natus Medical
Horizon Therapeutics
Live Nation Entertainment
Twilio 'A'
8x8
UnitedHealth
SVB Financial

Liontrust US Opportunities Fund (continued)

Investment review (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Sub-fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Sub-fund. The shaded area in the table below shows the Sub-fund's ranking on the risk and reward indicator.



- This Synthetic Risk and Reward Indicator (SRRI) is based upon historical data and may not be relied upon to gauge the future risk profile of the Sub-fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Sub-fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Sub-fund or a representative fund or Index's value has moved up and down in the past.
- The Sub-fund is categorised 6 primarily for its exposure to US companies.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Sub-fund;
 - any company which has high overseas earnings may carry a higher currency risk;
 - any overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Sub-fund.
- The Sub-fund may have a concentrated portfolio, i.e. hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the Sub-fund's value than if it held a larger number of investments.
- Counterparty Risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Sub-fund may, under certain circumstances, make use of derivative instruments but it is not intended that their use will materially affect volatility.

For full details of the Sub-fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Liontrust US Opportunities Fund (continued)

Comparative Tables

for the year ended 31 December 2021

A Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	707.61	574.85	452.33
Return before operating charges	193.00	143.63	132.22
Operating charges	(13.79)	(10.87)	(9.70)
Return after operating charges	179.21	132.76	122.52
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	886.82	707.61	574.85
After direct transaction costs of*	(0.05)	(0.06)	(0.09)
Performance			
Return after charges	25.33%	23.09%	27.09%
Other information			
Closing net asset value (£000's)	64,724	58,713	53,366
Closing number of shares	7,298,435	8,297,357	9,283,383
Operating charges**	1.73%	1.78%	1.79%
Direct transaction costs*	1.00%	0.01%	0.02%
Prices			
Highest share price	904.36	714.57	599.00
Lowest share price	693.35	446.23	450.40

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

B Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	768.97	621.64	486.70
Return before operating charges	210.11	155.87	142.50
Operating charges	(9.73)	(8.54)	(7.56)
Return after operating charges	200.38	147.33	134.94
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	969.35	768.97	621.64
After direct transaction costs of*	(0.05)	(0.07)	(0.10)
Performance			
Return after charges	26.06%	23.70%	27.73%
Other information			
Closing net asset value (£000's)	8,119	5,829	6,445
Closing number of shares	837,607	757,985	1,036,724
Operating charges**	1.12%	1.29%	1.29%
Direct transaction costs*	1.00%	0.01%	0.02%
Prices			
Highest share price	988.48	776.52	646.30
Lowest share price	753.79	483.10	484.60

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

C Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	338.89	272.97	212.97
Return before operating charges	92.81	68.63	62.41
Operating charges	(3.37)	(2.71)	(2.41)
Return after operating charges	89.44	65.92	60.00
Distributions	—	—	—
Retained distributions on accumulation shares	—	—	—
Closing net asset value per share	428.33	338.89	272.97
After direct transaction costs of*	(0.02)	(0.03)	(0.04)
Performance			
Return after charges	26.39%	24.15%	28.17%
Other information			
Closing net asset value (£000's)	209,182	145,764	125,875
Closing number of shares	48,836,689	43,012,778	46,113,073
Operating charges**	0.88%	0.93%	0.94%
Direct transaction costs*	1.00%	0.01%	0.02%
Prices			
Highest share price	436.78	342.20	283.40
Lowest share price	332.30	212.31	212.10

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Opportunities Fund (continued)

Comparative Tables (continued)

for the year ended 31 December 2021

D Accumulation Accounting year ended	31 December 2021 per share (p)	31 December 2020 per share (p)	31 December 2019 per share (p)
Change in net assets per share			
Opening net asset value per share	262.86	211.52	164.87
Return before operating charges	72.03	53.21	48.32
Operating charges	(2.32)	(1.87)	(1.67)
Return after operating charges	69.71	51.34	46.65
Distributions	—	—	(0.18)
Retained distributions on accumulation shares	—	—	0.18
Closing net asset value per share	332.57	262.86	211.52
After direct transaction costs of*	(0.02)	(0.02)	(0.03)
Performance			
Return after charges	26.52%	24.27%	28.30%
Other information			
Closing net asset value (£000's)	58,596	47,736	42,727
Closing number of shares	17,618,784	18,159,983	20,199,612
Operating charges**	0.78%	0.83%	0.84%
Direct transaction costs*	1.00%	0.01%	0.02%
Prices			
Highest share price	339.13	265.44	219.50
Lowest share price	257.78	164.56	164.20

* Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Shareholders should note that additionally there are other transaction costs such as a dilution adjustment and underlying costs with regard to Collective Investment Scheme holdings which will also have reduced the Sub-fund and share class returns before operating charges.

** The Operating Charges figure represents the annual operating expenses of the Sub-fund expressed as a percentage of average net assets for the period - it does not include initial charges or performance fees. The Operating Charges figure includes the ACD's periodic charge and all charges which are deducted directly from the Sub-fund. The Operating Charges figure is expressed as an annual percentage rate.

Liontrust US Opportunities Fund (continued)

Portfolio Statement

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (99.77%)	333,290	97.85
	UNITED STATES OF AMERICA (92.09%)	302,493	88.82
	Aerospace & Defence (1.10%)		
	Banks (3.64%)	13,824	4.06
172,862	Citizens Financial	6,029	1.77
15,564	SVB Financial	7,795	2.29
	Biotechnology (0.44%)	1,411	0.41
40,417	Corteva	1,411	0.41
	Chemicals (1.08%)	3,469	1.02
40,584	DuPont de Nemours	2,420	0.71
9,429	International Flavors & Fragrances	1,049	0.31
	Commercial Services (7.37%)	24,273	7.13
54,100	Bright Horizons Family Solutions	5,028	1.48
141,958	Brink's	6,872	2.02
30,382	Equifax	6,570	1.93
16,661	S&P Global	5,803	1.70
	Computers (5.69%)	19,572	5.75
149,276	Apple	19,572	5.75
	Diversified Financial Services (6.49%)	18,949	5.56
33,593	Cboe Global Markets	3,229	0.95
57,699	Intercontinental Exchange	5,827	1.71
37,289	Mastercard 'A'	9,893	2.90
	Electricity (2.16%)	6,803	2.00
98,700	NextEra Energy	6,803	2.00
	Electronics (3.59%)	9,560	2.81
69,895	Fortive	3,936	1.16
36,530	Honeywell International	5,624	1.65

Liontrust US Opportunities Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
Entertainment (1.91%)		6,893	2.02
78,000	Live Nation Entertainment	6,893	2.02
Food Producers (2.44%)		7,019	2.06
143,394	Mondelez International	7,019	2.06
Healthcare Products (4.51%)		11,362	3.34
43,658	Baxter International	2,767	0.81
199,299	Envista	6,633	1.95
112,040	Natus Medical	1,962	0.58
Healthcare Services (8.08%)		31,351	9.20
190,100	Cano Health	1,251	0.37
34,860	HCA Healthcare	6,612	1.94
51,427	IQVIA	10,711	3.14
34,468	UnitedHealth	12,777	3.75
Internet (13.66%)		40,632	11.93
223,206	8x8	2,762	0.81
9,102	Alphabet 'A'	19,468	5.72
5,412	Amazon.com	13,322	3.91
20,457	Meta Platforms	5,080	1.49
Media (1.81%)		4,525	1.33
121,738	Comcast 'A'	4,525	1.33
Metal & Hardware (1.26%)		6,408	1.88
63,800	Advanced Drainage Systems	6,408	1.88
Oil & Gas Services (0.66%)		2,084	0.61
123,458	Halliburton	2,084	0.61

Liontrust US Opportunities Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
EQUITIES (continued)			
UNITED STATES OF AMERICA (continued)			
Pharmaceuticals (3.04%)		13,419	3.94
164,800	AdaptHealth	2,977	0.87
131,242	Horizon Therapeutics	10,442	3.07
Retail (2.81%)		11,561	3.40
8,100	Costco Wholesale	3,395	1.00
42,772	Lowe's Cos	8,166	2.40
Software (16.43%)		50,131	14.72
12,617	Adobe	5,282	1.55
75,900	Bentley Systems	2,708	0.80
97,463	Black Knight	5,967	1.75
35,020	Electronic Arts	3,410	1.00
29,245	Everbridge	1,454	0.43
83,108	Microsoft	20,630	6.06
19,288	Twilio 'A'	3,750	1.10
608,340	Verra Mobility	6,930	2.03
Telecommunications (3.92%)		19,247	5.65
262,169	Calix	15,479	4.54
44,000	T-Mobile	3,768	1.11
UNITED KINGDOM (7.68%)		23,261	6.82
Hand & Machine Tools (1.07%)		3,280	0.96
230,200	Luxfer	3,280	0.96
Healthcare Products (1.98%)		6,756	1.98
104,659	LivaNova	6,756	1.98
Insurance (2.66%)		7,680	2.25
43,803	Willis Towers Watson	7,680	2.25
Software (1.97%)		5,545	1.63
319,208	Clarivate	5,545	1.63

Liontrust US Opportunities Fund (continued)

Portfolio Statement (continued)

as at 31 December 2021

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	CANADA (0.00%)	7,536	2.21
	Biotechnology (0.00%)	7,536	2.21
446,500	Aurinia Pharmaceuticals	7,536	2.21
	Portfolio of investments	333,290	97.85
	Net other assets	7,331	2.15
	Total net assets	340,621	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 December 2020.

Liontrust US Opportunities Fund (continued)

Statement of Total Return

for the year ended 31 December 2021

	Notes	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Income					
Net capital gains	2		69,695		51,818
Revenue	3	1,836		2,148	
Expenses	4	(3,011)		(2,605)	
Interest payable and similar charges	6	(14)		(7)	
Net expense before taxation		(1,189)		(464)	
Taxation	5	(248)		(291)	
Net expense after taxation			(1,437)		(755)
Total return before distributions			68,258		51,063
Distributions	7		–		10
Change in net assets attributable to shareholders from investment activities			68,258		51,073

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2021

	(£'000)	1.1.2021 to 31.12.2021 (£'000)	(£'000)	1.1.2020 to 31.12.2020 (£'000)
Opening net assets attributable to shareholders		258,042		237,217
Amounts received on issue of shares	120,447		86,445	
Amounts paid on cancellation of shares	(106,126)		(116,693)	
		14,321		(30,248)
Change in net assets attributable to shareholders from investment activities		68,258		51,073
Closing net assets attributable to shareholders		340,621		258,042

Liontrust US Opportunities Fund (continued)

Balance Sheet

as at 31 December 2021

	Notes	31.12.2021 (£'000)	31.12.2020 (£'000)
Assets			
Fixed assets			
Investments		333,290	257,459
Current assets:			
Debtors	8	2,572	2,005
Cash and bank balances	9	7,618	395
Total assets		343,480	259,859
Liabilities			
Creditors:			
Other creditors	10	(2,859)	(1,817)
Total liabilities		(2,859)	(1,817)
Net assets attributable to shareholders		340,621	258,042

Liontrust US Opportunities Fund (continued)

Notes to the financial statements

for the year ended 31 December 2021

1 Accounting policies

The accounting policies for the sub-fund are set out on pages 13 to 15.

2 Net capital gains

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
The net capital gains comprise:		
Non-derivative securities	69,584	52,251
Forward currency contracts	6	17
Currency gains/(losses)	105	(444)
Transaction costs	–	(6)
Net capital gains	69,695	51,818

3 Revenue

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Bank interest	–	7
Overseas dividends	1,744	2,053
Stock lending income	8	1
Taxable overseas dividends	–	20
UK dividends	84	67
Total revenue	1,836	2,148

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

4 Expenses

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Payable to the ACD or associates of the ACD:		
ACD's charge	2,643	2,184
General administration charges*	417	294
	3,060	2,478
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	(1)	10
Safe custody fee	(10)	20
	(11)	30
Other expenses:		
Audit fee	(5)	12
Professional service fees	(9)	26
Publication costs	(12)	3
Registration fee	(6)	16
Research fees	–	37
Other expenses	(6)	3
	(38)	97
Total expenses	3,011	2,605

* The audit fee for the year (borne out of the General administration charges), excluding VAT, was £8,400 (2020: £8,000).

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

5 Taxation

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
a) Analysis of charge in year		
Overseas tax	248	291
Total tax charge [see note(b)]	248	291

b) Factors affecting tax charge for the year

The taxation assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK for an authorised investment company with variable capital. The differences are explained below:

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Net expense before taxation	(1,189)	(464)
Corporation tax at 20% (2020 - 20%)	(238)	(93)
Effects of:		
Movement in unrecognised tax losses	603	517
Overseas tax	248	291
Revenue not subject to tax	(365)	(424)
Total tax charge [see note(a)]	248	291

Authorised investment companies with variable capital are exempt from UK tax on capital gains. Therefore, any capital return is not included in the above reconciliation.

c) Deferred tax

At the year end there is a potential deferred tax asset of £11,686,000 (2020: £11,083,000) due to tax losses of £58,430,000 (2020: £55,415,000). It is unlikely that the Sub-fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised in the year or the prior year.

6 Interest payable and similar charges

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Overdraft interest	14	7
Total interest payable and similar charges	14	7

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

7 Distributions

	1.1.2021 to 31.12.2021 (£'000)	1.1.2020 to 31.12.2020 (£'000)
Final distribution	–	–
Amounts deducted on cancellation of shares	–	(40)
Amounts received on issue of shares	–	30
Distributions	–	(10)

The distributable amount has been calculated as follows:

Net expense after taxation	(1,437)	(755)
Accumulated capital transfer from income	–	5
Shortfall of income taken to capital	1,437	740
Distributions	–	(10)

The distribution per share is set out in the table on page 413.

8 Debtors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued revenue	70	66
Amounts receivable for issue of shares	644	611
Currency sales awaiting settlement	1,851	1,321
Overseas withholding tax	7	7
Total debtors	2,572	2,005

9 Cash and bank balances

	31.12.2021 (£'000)	31.12.2020 (£'000)
Cash and bank balances	7,618	395
Total cash and bank balances	7,618	395

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

10 Creditors

	31.12.2021 (£'000)	31.12.2020 (£'000)
Accrued expenses	37	85
Accrued ACD's charge	256	200
Amounts payable for cancellation of shares	712	205
Currency purchases awaiting settlement	1,854	1,327
Total other creditors	2,859	1,817

11 Contingent liabilities and outstanding commitments

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

12 Related party transactions

Liontrust Asset Management Plc is regarded as a controlling party by virtue of being the ultimate parent company of the ACD, Liontrust Fund Partners LLP, giving the ability to act in concert in respect of the operations of the Company.

The charges paid to Liontrust Fund Partners LLP and its associates are shown in note 4. Details of shares issued and cancelled by Liontrust Fund Partners LLP are shown in the Statement of Change in Net Assets Attributable to Shareholders and balances due to/from the ACD at the year end are included within Notes 8 and 10.

The balance due to Liontrust Fund Partners LLP and its associates at the year end was £293,000 (2020: £232,000).

The total expense due to Liontrust Fund Partners LLP and its associates for the year was £3,060,000 (2020: £2,478,000).

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending

The Sub-fund engages in security lending activities which expose the Sub-fund to counterparty credit risk. The maximum exposure to the Sub-fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Sub-fund are subject to a written legal agreement between the Sub-fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Depositary on behalf of the Sub-fund. Collateral received is segregated from the assets belonging to the Sub-fund's Depositary or the Stock Lending Agent. All operational costs are borne out of the Stock Lending Agent's share of income earned.

Return and cost

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2021.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	8	–	3	11
% of total	70%	0%	30%	100%
Cost	–	–	–	–

The table below shows the net income earned by the Sub-fund from securities lending activity during the year to 31 December 2020.

	Collective Investment Undertaking (£'000)	ACD of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	1	–	–	1
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

13 Securities lending (continued)

Return and cost (continued)

The following table details the value of securities on loan and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	31 December 2021		31 December 2020	
		Securities on loan (£'000)	Collateral received (£'000)	Securities on loan (£'000)	Collateral received (£'000)
Citigroup Global Markets Limited	UK	—	—	117	129
Jeffries LLC	USA	265	271	—	—
Merrill Lynch International	UK	—	—	249	266
UBS AG	Switzerland	9,803	11,025	3,068	3,452
Total		10,068	11,296	3,434	3,847

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Sub-fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. At the year end all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Sub-fund also benefits from a borrower default indemnity provided by The Bank of New York Mellon (London Branch). The indemnity allows for full replacement of securities lent. The Bank of New York Mellon (London Branch) bears the cost of indemnification against borrower default.

14 Risk management policies

In accordance with the investment objectives and policies the Sub-fund can hold certain financial instruments as detailed in the Sub-fund's prospectus. These can comprise of:

- equity, equity related and non-equity shares;
- cash, liquid resources and short-term debtors and creditors that arise directly from its operations;
- short-term borrowings used to finance operational cash flows;
- units and shares in collective investment schemes;
- shareholders' funds, which represent investors' monies which are invested on their behalf from overseas investments held;
- derivative transactions for investment purposes as well as efficient portfolio management in accordance with the Sub-fund's investment policies.

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

In accordance with the requirements of the rules in the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Sub-fund is not permitted to trade in other financial instruments. The Sub-fund's use of financial instruments during the year satisfies these regulatory requirements.

The main risks arising from the Sub-fund's financial instruments are market price (including "emerging markets price risk"), currency, interest rate, liquidity and counterparty credit risk. The ACD's policies for managing these risks are summarised below. The Sub-fund, alongside an independent risk function, has used a combination of risk measurements and limits to measure and monitor portfolio risk. This is in line with the Liontrust Group's Risk Management Process.

These policies have remained unchanged since the beginning of the year to which these financial statements relate and during the prior year.

Market price risk

Market price risk is the risk that the Sub-fund might suffer potential loss through holding market positions in the face of price movements. It arises mainly due to uncertainty about future prices of financial instruments held. The ACD reviews the portfolio in order to consider the asset allocation implications and to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the Sub-fund's investment objective. An individual Sub-fund ACD has responsibility for monitoring the existing portfolio, in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet an acceptable risk reward profile. Futures contracts may be used to hedge against market price risk where deemed appropriate for efficient portfolio management purposes.

The Sub-fund's investment portfolio is monitored by the ACD in pursuance of its investment objective and policy as set out in the prospectus.

As at 31 December 2021 and 31 December 2020 the overall market exposure for the Sub-fund was as shown in the Portfolio Statement, other than for derivatives where the exposure could be greater. The Sub-fund is exposed to market price risk as the assets and liabilities of the Sub-fund are listed on stock exchanges and their prices are subject to movements both up and down that would result in an appreciation or depreciation in the fair value of that asset. The sensitivity of the Sub-fund to market price risk is estimated below which shows the expected change in the market value of the Sub-fund when a representative market index changes by 10%. These percentage movements are based on the ACD's estimate of reasonably possible market movements over the course of a year and uses an industry standard measure (Beta) to estimate the amount a Sub-fund has previously changed when that corresponding market index has moved taking into account the Sub-fund's historic correlation to the representative index's movements over the last three years using monthly returns. This analysis assumes that the historic relationships between the portfolio's holdings and the representative index are a valid approximation of their future relationship and that the characteristics of the portfolio and the market have been broadly unchanged over the three years.

As at 31 December 2021, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 10.1%.

As at 31 December 2020, had the representative market index increased/decreased by 10.0% the resulting change in the value of the Net Asset Value is expected to have been an increase/a decrease of 11.1%.

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Market price risk (continued)

Some limitations of sensitivity analysis are;

- markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

The Sub-fund is required to calculate its exposure to derivatives on a daily basis using one of two alternate methods, the Commitment Approach or Value at Risk (VaR).

The calculation of conversion methods for the commitment approach for standard derivatives is taken from the conversion methodologies listed in the ESMA Guidelines on calculation of Global Exposure and Counterparty Risk. The commitment conversion methodology for standard derivatives is either the notional value or the market value of the equivalent position in the underlying asset. Please refer to the portfolio statement for the notional values of any forwards and futures contracts.

VaR is a method of estimating potential loss due to market risk, rather than a statement of leverage, using a given confidence level, or probability, over a specific time period and assuming normal market conditions. VaR is calculated using a Historical Simulation model carried out in accordance with regulatory guidelines.

The Sub-fund uses a combination of other risk measurements and limits. This is in line with the Liontrust Group's Risk Management Process.

The Sub-fund did not materially use derivatives in the current or prior year and the level of leverage employed by the Sub-fund during the current or prior year is not considered to be significant.

Currency risk

Currency risk is the risk that the revenue and net asset value of the Sub-fund may be adversely affected by movements in foreign exchange rates. The revenue and capital value of the Sub-fund's investments may be significantly affected by currency risk movements as some of the assets and income are denominated in currencies other than sterling, which is the Company's functional and reporting currency.

The ACD has identified three principal areas where foreign currency risk could impact the Sub-fund:

- Movements in exchange rates affecting the value of investments;
- Movements in exchange rates affecting short-term timing differences; and
- Movements in exchange rates affecting the income received.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency hedges via forward exchange contracts will only be used in the event of a specific unwanted currency risk being identified.

The Sub-fund may be subject to short-term exposure to exchange rate movements, for instance, where there is a difference between the date an investment purchase or sale is entered into and the date when settlement of the proceeds occurs. The ACD believes that the impact of such movements is not significant enough to warrant the cost incurred of eliminating them via hedging.

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Currency risk (continued)

The Sub-fund may receive income in currencies other than sterling, and the sterling values of this income can be affected by movements in exchange rates. The Sub-fund converts all receipts of income into sterling on or near the date of receipt; it does not, however, hedge or otherwise seek to avoid exchange rate risk on income accrued but not received.

At 31 December 2021 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
United States Dollar	7,695	333,218	340,913
	7,695	333,218	340,913

At 31 December 2020 the Sub-fund's currency exposure was as shown in the table below:

Currency	Net Foreign Currency Assets		Total (£'000)
	Monetary Exposures (£'000)	Non-Monetary Exposures (£'000)	
United States Dollar	395	257,933	258,328
	395	257,933	258,328

If the exchange rate at 31 December 2021 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

If the exchange rate at 31 December 2020 between the functional currency and all other currencies had increased or decreased by 1% with all other variables held constant, this would have increased or decreased net assets attributable to holders of shares of the Sub-fund by approximately 1.00%/(1.00)% respectively.

Interest rate risk

Interest rate risk is the risk that the revenue cash flow or the fair value of investments may be adversely affected by movements in market interest rates.

The majority of the Sub-fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date.

As a result, the Sub-fund is not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates. Therefore, no interest rate sensitivity analysis has been prepared for these.

Interest receivable on bank deposits and short-term deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The interest rates earned on sterling deposits are earned at a rate in line with overnight bank rates.

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Liquidity risk

Liquidity risk is the risk that the Sub-fund will not be able to meet its obligations as they fall due. The Sub-fund's assets comprise wholly of readily realisable securities which can be sold to meet liquidity requirements.

If a Sub-Fund is primarily exposed to smaller companies there may be liquidity constraints from time to time, i.e. in certain circumstances, the Sub-fund may not be able to sell a position for full value or at all in the short-term. This may affect performance and could cause the Sub-Fund to defer or suspend redemptions of its shares. In addition, the spread between the price you buy and sell units will reflect the less liquid nature of the underlying holdings. Any unquoted investments held by a Sub-fund are by their nature much less liquid than those listed on an exchange. A Sub-fund may not be able to sell a position for full value or at all in the short term.

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

The main liquidity risk of the Sub-fund is the redemption of any shares that investors wish to sell, which are redeemable on demand under the Prospectus. Where investments cannot be realised in time to meet any potential liability, the Sub-fund may borrow up to 10% of its value to ensure settlement.

In accordance with the ACD's policy, the ACD monitors the Sub-fund's liquidity on a daily basis.

Counterparty credit risk

Counterparty credit risk is the risk of suffering loss due to another party not meeting its financial obligation. Investments may be adversely affected if any of the institutions with which money is deposited or invested suffers insolvency or other financial difficulties or the credit rating of the bearers of the bonds held by the Sub-fund are downgraded.

The Sub-fund may enter into transactions in financial instruments (including derivatives) which exposes it to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Sub-fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty. This list is reviewed at least annually.

The Sub-fund may enter into stock lending activities which exposes it to the risk that the counterparty will not deliver the stock or cash after the Sub-fund has fulfilled its obligations. The Sub-fund will only enter into stock lending activities with parties that have been approved as acceptable by the ACD and obtaining collateral from counterparties which has a fair value in excess of the related stock on loan.

At the balance sheet date, there were no counterparties to open derivative contracts. At the year-end collateral of £Nil (prior year: £Nil) was received; collateral pledged was £Nil (prior year: £Nil) and none (prior year: none) of the Sub-fund's financial assets were past due or impaired.

The Depositary is responsible for the safe-keeping of assets and has appointed the Bank of New York Mellon, S.A./N.V., London Branch ("BNYMSA") as its global custodian. The long term credit rating of the parent company of the Depositary and Custodian, The Bank of New York Mellon Corporation, as at 31 December 2021 was A (Standard & Poor's rating).

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

14 Risk management policies (continued)

Counterparty credit risk (continued)

BNYMSA, in the discharge of its delegated Depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of BNYMSA and (ii) all financial instruments that can be physically delivered to BNYMSA. BNYMSA ensures all financial instruments (held in a financial instruments account on the books of BNYMSA) are held in segregated accounts in the name of the Sub-fund, clearly identifiable as belonging to the Sub-fund, and distinct and separately from the proprietary assets of BNYMSA and BNYM.

In addition BNYMSA, as banker, holds cash of the Sub-fund on deposit. Such cash is held on the balance sheet of BNYMSA. In the event of insolvency of BNYMSA, in accordance with standard banking practice, the Sub-fund will rank as an unsecured creditor of BNYMSA in respect of any cash deposits.

Insolvency of BNYM and or one of its agents or affiliates may cause the Sub-fund's rights with respect to its assets to be delayed or may result in the Sub-fund not receiving the full value of its assets.

Maturity profile of financial liabilities

All financial liabilities of the Sub-fund at the current and prior year-end are due to settle in one year or less, or on demand.

Fair value of financial assets and liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

Valuation of financial investments

	Assets (£'000)	Liabilities (£'000)
31.12.2021		
Level 1: Quoted prices	333,290	—
	333,290	—
31.12.2020		
Level 1: Quoted prices	257,459	—
	257,459	—

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

15 Share movement

For the year ending 31 December 2021

	Opening shares	Shares issued	Shares redeemed	Shares converted	Closing shares
A Accumulation	8,297,357	3,072,648	(3,722,084)	(349,486)	7,298,435
B Accumulation	757,985	1,732,762	(1,926,237)	273,097	837,607
C Accumulation	43,012,779	19,649,773	(13,901,806)	75,943	48,836,689
D Accumulation	18,159,983	2,074,434	(2,657,142)	41,509	17,618,784

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs

for the year ending 31 December 2021

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	24,624	10	0.04	–	–
Total purchases	24,624	10		–	
Total purchases including transaction costs	24,634				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	18,350	7	0.04	–	–
Total sales	18,350	7		–	
Total sales net of transaction costs	18,343				
Total transaction costs		17		–	
Total transaction costs as a % of average net assets		0.01%		–	

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

16 Portfolio transaction costs (continued)
for the year ending 31 December 2020

Purchases (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	24,438	8	0.03	–	–
Total purchases	24,438	8		–	
Total purchases including transaction costs	24,446				
Sales (excluding derivatives)	Transaction Value (£'000)	Commissions (£'000)	%	Taxes (£'000)	%
Equity instruments (direct)	53,872	16	0.03	1	–
Total sales	53,872	16		1	
Total sales net of transaction costs	53,855				
Total transaction costs		24		1	
Total transaction costs as a % of average net assets		0.01%		–	

The above analysis covers any direct transaction costs suffered by the Sub-fund during the year. However, it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (commissions & taxes etc.) are attributable to the Sub-fund's purchase and sale of equity shares. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Dealing spread costs suffered by the Sub-fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.05% (2020: 0.06%).

Liontrust US Opportunities Fund (continued)

Notes to the financial statements (continued)

for the year ended 31 December 2021

17 Post balance sheet events

Since the year-end, markets have continued to be disrupted by the COVID-19 pandemic and Russia's invasion of Ukraine.

Since the year-end, the NAV per share of share class C Accumulation has decreased by 9.38% to 14 April 2022. The other share classes in the Sub-fund have moved by a similar magnitude. Contingency plans at the ACD and key service providers have proven effective in mitigating the effects on management of the portfolio and on all supporting operations.

Liontrust US Opportunities Fund (continued)

Distribution Table

for the year ended 31 December 2021

Final distribution

Group 1 - Shares purchased prior to 1 January 2021

Group 2 - Shares purchased 1 January 2021 to 31 December 2021

	Net Revenue Pence per share	Equalisation* Pence per share	Distribution paid 28.2.2022 Pence per share	Distribution paid 28.2.2021 Pence per share
A Accumulation - Group 1	—	—	—	—
A Accumulation - Group 2	—	—	—	—
B Accumulation - Group 1	—	—	—	—
B Accumulation - Group 2	—	—	—	—
C Accumulation - Group 1	—	—	—	—
C Accumulation - Group 2	—	—	—	—
D Accumulation - Group 1	—	—	—	—
D Accumulation - Group 2	—	—	—	—

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

Securities Financing Transactions (unaudited)

as at 31 December 2021

Securities Lending

Securities lending transactions entered into by the Sub-funds are subject to a written legal agreement between the Sub-funds and the Stock Lending Agent, The Bank of New York Mellon (London Branch), a related party to the Sub-funds, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Depositary") on behalf of the Sub-funds. Collateral received is segregated from the assets belonging to the Sub-funds' Depositary or the Stock Lending Agent.

The total income earned from securities lending transactions is split between the relevant Sub-fund and the Stock Lending Agent. The Sub-fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

The following table details the value of securities on loan as a proportion of the Sub-funds' total lendable assets and Net Asset Value (NAV) as at 31 December 2021. The income earned from securities lending are also shown for the period ended 31 December 2021. Total lendable assets represents the aggregate value of assets forming part of the Sub-funds' securities lending programme. This excludes any assets held by the Sub-funds that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan

Fund	% of lendable assets	% of NAV	Income earned (£'000)
Liontrust China Fund	0.44	0.44	4
Liontrust European Opportunities Fund	-	-	4
Liontrust Global Alpha Fund	0.19	0.16	6
Liontrust Global Dividend Fund	2.41	2.10	7
Liontrust Global Innovation Fund	3.16	2.95	110
Liontrust Income Fund	1.82	1.65	22
Liontrust Japan Opportunities Fund	-	-	4
Liontrust Latin America Fund	0.91	0.48	3
Liontrust US Opportunities Fund	3.04	2.96	8

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 31 December 2021.

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust China Fund			
Citigroup Global Markets Limited	UK	43	47
The Bank of Nova Scotia	Canada	39	43
Total		82	90

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Securities Lending (continued)

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Global Alpha Fund			
UBS	Switzerland	391	424
Total		391	424

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Global Dividend Fund			
J.P. Morgan Securities Plc	UK	3,609	3,996
Jeffries LLC	USA	534	545
UBS	Switzerland	4,019	4,210
Total		8,162	8,751

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Global Innovation Fund			
Citigroup Global Markets Limited	UK	2,423	2,665
Credit Suisse Securities (USA) LLC	USA	338	345
Jeffries LLC	USA	692	706
Merrill Lynch International	UK	1,425	1,533
UBS	Switzerland	3,733	4,118
Total		8,611	9,367

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Income Fund			
BNP Paribas	France	1,176	1,283
Citigroup Global Markets Limited	UK	1,379	1,499
Credit Suisse International	Switzerland	2,971	3,287
The Bank of Nova Scotia	Canada	1,164	1,281
Total		6,690	7,350

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Securities Lending (continued)

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust Latin America Fund			
Credit Suisse International	Switzerland	66	74
J.P. Morgan Securities Plc	UK	42	46
Total		108	120

Counterparty	Counterparty's country of establishment	Securities Lending Amount on loan (£'000)	Collateral received (£'000)
Liontrust US Opportunities Fund			
Jeffries LLC	USA	265	271
UBS	Switzerland	9,803	11,025
Total		10,068	11,296

All securities on loan have an open maturity tenor as they are callable or terminable on a daily basis.

Collateral

The Sub-funds engage in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received / posted by way of title transfer collateral arrangement by the Sub-funds, in respect of securities lending transactions, as at 31 December 2021.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust China Fund				
Securities lending transactions				
CHF	-	-	2	-
EUR	-	-	32	-
GBP	-	-	48	-
USD	-	-	8	-
Total	-	-	90	-

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Global Alpha Fund				
Securities lending transactions				
USD	-	-	424	-
Total	-	-	424	-

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Global Dividend Fund				
Securities lending transactions				
CHF	-	-	51	-
EUR	-	-	727	-
GBP	-	-	893	-
JPY	-	-	1,334	-
USD	-	-	5,746	-
Total	-	-	8,751	-
Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Global Innovation Fund				
Securities lending transactions				
AUD	-	-	63	-
CHF	-	-	109	-
EUR	-	-	2,646	-
GBP	-	-	945	-
HKD	-	-	1,333	-
JPY	-	-	31	-
USD	-	-	4,240	-
Total	-	-	9,367	-
Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Income Fund				
Securities lending transactions				
CHF	-	-	763	-
EUR	-	-	2,785	-
GBP	-	-	1,400	-
JPY	-	-	114	-
USD	-	-	2,288	-
Total	-	-	7,350	-

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust Latin America Fund				
Securities lending transactions				
CHF	-	-	18	-
EUR	-	-	30	-
GBP	-	-	13	-
JPY	-	-	15	-
USD	-	-	44	-
Total	-	-	120	-

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Liontrust US Opportunities Fund				
Securities lending transactions				
AUD	-	-	812	-
CHF	-	-	23	-
EUR	-	-	474	-
GBP	-	-	506	-
HKD	-	-	765	-
JPY	-	-	161	-
USD	-	-	8,555	-
Total	-	-	11,296	-

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received / posted by the Sub-funds by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 December 2021.

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust China Fund							
Collateral received - securities lending							
Equities							
Recognised equity index	—	—	—	—	—	90	90
Total	—	—	—	—	—	90	90

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust Global Alpha Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	—	—	—	23	401	—	424
Total	—	—	—	23	401	—	424

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust Global Dividend Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	523	115	4,288	–	4,926
Equities							
Recognised equity index	–	–	–	–	–	3,825	3,825
Total	–	–	523	115	4,288	3,825	8,751

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust Global Innovation Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	147	207	3,535	–	3,889
Equities							
Recognised equity index	–	–	–	–	–	5,478	5,478
Total	–	–	147	207	3,535	5,478	9,367

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust Income Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	–	194	1,736	–	1,930
Equities							
Recognised equity index	–	–	–	–	–	5,420	5,420
Total	–	–	–	194	1,736	5,420	7,350
Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust Latin America Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	–	–	9	–	9
Equities							
Recognised equity index	–	–	–	–	–	111	111
Total	–	–	–	–	9	111	120
Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Liontrust US Opportunities Fund							
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	4	77	885	–	966
Equities							
Recognised equity index	–	–	–	–	–	10,330	10,330
Total	–	–	4	77	885	10,330	11,296

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and exchange traded funds (ETFs) received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 31 December 2021, all non-cash collateral received by the Sub-funds in respect of securities lending transactions is held by the Sub-funds' Depositary (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Sub-funds by way of the title transfer collateral arrangement across securities lending transactions as at 31 December 2021.

Issuer	Value (£'000)	% of the Sub-fund's NAV
Liontrust China Fund		
Citigroup Global Markets Limited	47	0.25
The Bank of Nova Scotia	43	0.23
Total	90	0.48

Issuer	Value (£'000)	% of the Sub-fund's NAV
Liontrust Global Alpha Fund		
UBS AG	424	0.17
Total	424	0.17

Issuer	Value (£'000)	% of the Sub-fund's NAV
Liontrust Global Dividend Fund		
UBS AG	4,210	1.09
JP Morgan Securities, Plc.	3,996	1.03
Jefferies LLC	545	0.14
Total	8,751	2.26

Issuer	Value (£'000)	% of the Sub-fund's NAV
Liontrust Global Innovation Fund		
UBS AG	4,118	1.41
Citigroup Global Markets Limited	2,665	0.91
Merrill Lynch International	1,533	0.53
Jefferies LLC	706	0.24
Credit Suisse Securities (USA) LLC	345	0.12
Total	9,367	3.21

Securities Financing Transactions (unaudited)(continued)

as at 31 December 2021

Collateral (continued)

Issuer	Value (£'000)	% of the Fund's NAV
Liontrust Income Fund		
Credit Suisse International	3,287	0.81
Citigroup Global Markets Limited	1,499	0.37
BNP Paribas Arbitrage	1,283	0.32
The Bank Of Nova Scotia	1,281	0.32
Total	7,350	1.82
Issuer	Value (£'000)	% of the Fund's NAV
Liontrust Latin America Fund		
Credit Suisse International	74	0.33
JP Morgan Securities, Plc.	46	0.20
Total	120	0.53
Issuer	Value (£'000)	% of the Sub- fund's NAV
Liontrust US Opportunities Fund		
UBS AG	11,025	3.24
Jefferies LLC	271	0.08
Total	11,296	3.32

Additional Information (unaudited)

Important information

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of shares may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. The annual management fee of the Income Fund, US Income Fund and Global Dividend Fund is deducted from capital. Whilst this results in the dividend paid to investors being higher than would be the case were the annual management fee charged to income, the potential for capital growth may be reduced.



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