

HL MULTI-MANAGER SPECIAL SITUATIONS TRUST

Annual Report & Financial Statements
for the year ended 30th September 2023

Directory

Manager and AIFM:

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

Authorised and Regulated by the Financial Conduct Authority

Directors of the Manager:

P A Dimambro
S E Gamble
L N Gardhouse (resigned 31st May 2023)
M P Hastings (resigned 31st March 2023)
J Misselbrook*
A E Stirling (resigned 9th October 2023)
J A Troiano*
T Vaughan (effective 5th June 2023)

*Non-Executive Directors

Sub-Advisers:

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

Authorised and Regulated by the Financial Conduct Authority

Martin Currie investment Management Limited
20 Castle Terrace
Edinburgh
Midlothian EH1 2ES
(Sub-delegated by Franklin Templeton Fund Management Limited)
Authorised and Regulated by the Financial Conduct Authority

Artemis Investment Management LLP (terminated 12th April 2023)
Cassini House
57 St James's Street
London SW1A 1LD
Authorised and Regulated by the Financial Conduct Authority

Baring Asset Management Limited
20 Old Bailey
London EC4M 7BF
Authorised and Regulated by the Financial Conduct Authority

CRUX Asset Management Limited (terminated 14th February 2023)
48 Pall Mall
St James's
London SW1Y 5JG
Authorised and Regulated by the Financial Conduct Authority

Liontrust Investment Partners LLP (terminated 2nd March 2023)
2 Savoy Court
London WC2R 0EZ
Authorised and Regulated by the Financial Conduct Authority

Directory (continued)

Sub-Advisers: (continued)

Marlborough Investment Management Limited (terminated 24th May 2023)
Croxall Hall
Croxall Road, Croxall, Nr Alrewas
Staffordshire WS13 8RA

Authorised and Regulated by the Financial Conduct Authority

Hargreave Hale Limited (terminated 24th May 2023)
41 Lothbury
London EC2R 7AE
(Sub-delegated by Marlborough investment Management Limited)

Authorised and Regulated by the Financial Conduct Authority

Trustee and Depositary:

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

Authorised and Regulated by the Financial Conduct Authority

Dealing and Registration:

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

Auditor:

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

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Manager's Investment Report

For the year ended 30th September 2023

Investment objective

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

Investment policy

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

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

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

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

Performance review

Over the twelve-month period to 30th September 2023, the price of the A accumulation units has increased from 408.74 pence to 440.20 pence which represents a rise of 7.70%. Over the same period, the IA Global peer group returned an average gain of 7.50%.

Since the close of the initial offer period (3rd April 2001) to 30th September 2023, the price has increased from 100.00 pence to 440.20 pence, a rise of 340.20%. Over the same period, the IA Global peer group returned an average 292.84%.

	30/09/18 to 30/09/19	30/09/19 to 30/09/20	30/09/20 to 30/09/21	30/09/21 to 30/09/22	30/09/22 to 30/09/23
HL Multi-Manager Special Situations Trust	-0.63%	-1.20%	24.26%	-12.90%	7.70%
IA Global	5.88%	7.38%	23.85%	-8.90%	7.50%

Past performance is not a guide to future returns.

Source: Lipper for Investment Management to 30/09/2023, Total Return Net Distribution Re-invested, NAV from 30/09/2018.

Manager's Investment Report (continued)

For the year ended 30th September 2023

Performance review (continued)

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

Purchases	£'000	Sales	£'000
HL US	588,662	Findlay Park American	294,109
Legal & General US Index Trust	260,310	Lindsell Train Global Equity	137,091
Polar Capital European ex-UK Income	61,207	FSSA Asia All-Cap	95,484
BlackRock Global Unconstrained		Stewart Investors Asia Pacific Leaders	
Equity	57,801	Sustainability	82,232
JPM Europe Dynamic (ex-UK)	56,515	HL US	66,292
Amundi MSCI Em Latin America UCITS		Man GLG Japan CoreAlpha	65,693
ETF	35,321	JP Morgan Emerging Markets	55,407
Jupiter Asian Income	32,245	Rathbone Global Opportunities	48,898
Intuit	18,886	BlackRock European Dynamic	35,568
Microsoft	18,337	Legal & General US Index Trust	21,699
Jupiter Global Value Equity	15,484		
Total purchases during the year were	1,697,291	Total sales during the year were	1,855,433

Hargreaves Lansdown Fund Managers Limited
1st October 2023

Portfolio Statement

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Funds – 0.05% (0.11%)			
87,135,429	LF Equity Income [≠]	819	0.05
Europe Funds – 9.42% (2.83%)			
17,017,173	BlackRock European Dynamic	40,438	2.39
42,387,925	JPM Europe Dynamic (ex-UK)	59,046	3.49
4,593,397	Polar Capital European ex-UK Income	59,806	3.54
		159,290	9.42
Global Funds – 19.91% (25.02%)			
74,200,666	BlackRock Global Unconstrained Equity	116,586	6.90
109,717,168	Jupiter Global Value Equity	76,945	4.55
29,447,164	Rathbone Global Opportunities	49,872	2.95
60,445,307	Trojan Global Income	93,068	5.51
		336,471	19.91
Asia/Emerging Funds – 11.48% (20.29%)			
2,554,146	Amundi MSCI Em Latin America UCITS	32,974	1.95
15,073,796	Federated Hermes Asia Ex-Japan Equity	46,940	2.78
19,103,747	FSSA Asia All-Cap	33,949	2.01
15,700,975	Jupiter Asian Income	32,346	1.91
	Stewart Investors Asia Pacific Leaders		
4,969,052	Sustainability	47,799	2.83
		194,008	11.48
Japan Funds – 3.95% (7.51%)			
16,862,393	FSSA Japan Focus	32,769	1.94
13,366,456	Man GLG Japan CoreAlpha	34,084	2.01
		66,853	3.95
US Funds – 50.27% (20.01%)			
13,612,411	Artemis US Smaller Companies	40,951	2.42
525,231,207	HL US~	553,699	32.76
27,104,397	Legal & General US Index Trust	255,161	15.09
		849,811	50.27
UK Equities – 2.92% (12.81%)			
417,500	Ashmore Group	791	0.05
135,500	Auction Technology Group	883	0.05
65,500	Bellway	1,508	0.09
253,000	Bodycote	1,656	0.10

Portfolio Statement (continued)

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
UK Equities – 2.92% (12.81%) (continued)			
255,000	Bytes Technology Group	1,283	0.08
59,342	Computacenter	1,505	0.09
63,100	Cranswick	2,224	0.13
67,500	Derwent London	1,289	0.08
185,000	DiscoverIE Group	1,254	0.07
1,040,000	Dotdigital Group	795	0.05
14,350	Games Workshop Group	1,515	0.09
405,000	Genuit Group	1,312	0.08
128,700	Grafton Group	1,172	0.07
765,000	Grainger	1,799	0.11
24,000	Greggs	592	0.04
132,700	Howden Joinery Group	981	0.06
178,000	Inchcape	1,357	0.08
99,500	Intermediate Capital Group	1,383	0.08
123,500	JET2	1,339	0.08
236,754	JTC	1,773	0.10
1,150,000	Kin & Carta	903	0.05
148,000	Liontrust Asset Management	905	0.05
839,000	LondonMetric Property REIT	1,446	0.08
1,200,000	MJ Hudson Group*	–	–
252,000	Pagegroup	1,064	0.06
227,500	Paragon Banking Group	1,132	0.07
118,550	Patisserie Holdings*	–	–
452,000	Pets at Home Group	1,502	0.09
522,500	QinetiQ Group	1,677	0.10
75,000	Rathbone Brothers	1,331	0.08
218,000	Redrow	1,091	0.06
590,000	Restore	1,333	0.08
373,500	Rotork	1,168	0.07
498,637	RWS	1,196	0.07
835,000	Serco Group	1,246	0.07
45,950	Spectris	1,569	0.09
869,571	Spirent Communications	1,206	0.07
1,716,335	Trackwise Designs Warrant 09/01/2026	–	–
360,500	Vesuvius	1,578	0.09
85,000	Vitec Group	255	0.02
360,000	Volution Group	1,287	0.08
188,500	Watches of Switzerland Group	1,007	0.06
1,609,773	Xeros Technology Warrant 31/12/2049	–	–
		49,307	2.92
Austria Equities – 0.06% (0.40%)			
14,534	BAWAG Group	542	0.03
4,680	Kontron	75	–
2,613	Schoeller-Bleckmann Oilfield Equipment	129	0.01

Portfolio Statement (continued)

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Austria Equities – 0.06% (0.40%) (continued)			
15,208	Wienerberger	318	0.02
		1,064	0.06
Belgium Equities – 0.06% (0.13%)			
16,896	Azelis Group	267	0.02
5,317	Barco	86	0.01
3,239	D'ieteren	450	0.03
		803	0.06
Denmark Equities – 0.12% (0.69%)			
120,487	Alm Brand	148	0.01
2,946	Chr Hansen Holding	148	0.01
30,621	ISS	391	0.02
6,570	Pandora	564	0.03
7,337	Royal Unibrew	464	0.03
10,624	Topdanmark	381	0.02
		2,096	0.12
Finland Equities – 0.10% (0.76%)			
12,422	Cargotec	430	0.03
18,777	Huhtamaki	502	0.03
43,168	Metso Outotec	372	0.02
17,194	Valmet	325	0.02
		1,629	0.10
France Equities – 0.33% (1.29%)			
2,615	Alten	285	0.02
15,880	Bureau Veritas	325	0.02
47,377	Elis	684	0.04
2,376	Gaztransport Et Technigaz	240	0.01
8,504	IPSOS	319	0.02
2,857	Mersen	92	0.01
7,931	Nexans	534	0.03
5,350	Publicis Groupe	333	0.02
5,094	Quadient	84	0.01
14,074	Rexel	263	0.02
2,728	Sopra Steria SACA	469	0.03
24,173	SPIE	580	0.03
1,507	Teleperformance	156	0.01
5,325	Ubisoft Entertainment	140	0.01
10,966	Verallia	357	0.02
873	Virbac	195	0.01

Portfolio Statement (continued)

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
France Equities – 0.33% (1.29%) (continued)			
16,166	Worldline	376	0.02
		5,432	0.33
Germany Equities – 0.25% (1.12%)			
4,703	CTS Eventim	220	0.01
12,249	Duerr	273	0.02
1,373	Eckert & Ziegler Strahlen- und Medizintechnik	39	–
1,472	Elmos Semiconductor	84	0.01
9,047	Evotec	149	0.01
8,263	FraportFrankfurt Airport Services Worldwide	359	0.02
18,829	Freenet	361	0.02
3,682	Gerresheimer	321	0.02
24,305	HelloFresh	599	0.04
4,447	Hugo Boss	233	0.01
11,393	Jenoptik	235	0.01
4,002	Krones	344	0.02
8,573	Nordex	87	0.01
4,557	Puma	233	0.01
6,189	Scout24	352	0.02
1,677	Sixt SE	129	0.01
4,084	Stabilus	188	0.01
		4,206	0.25
Ireland Equities – 0.01% (0.37%)			
18,487	Dalata Hotel Group	64	–
12,738	Glanbia	171	0.01
		235	0.01
Italy Equities – 0.21% (0.79%)			
41,406	Ariston	225	0.01
21,457	Banca Generali	623	0.04
30,176	Brembo	312	0.02
30,176	Brembo RTS	–	–
3,954	DiaSorin SpA	298	0.02
47,430	FinecoBank Banca Fineco	476	0.03
33,039	Infrastrutture Wireless Italiane	324	0.02
6,874	Intercos	76	–
6,423	Interpump Group	245	0.01
51,522	Iveco Group	403	0.02
32,309	Lottomatica Group	244	0.01
93,435	Pirelli & C SpA	370	0.02
3,034	Reply	235	0.01

Portfolio Statement (continued)

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Italy Equities – 0.21% (0.79%) (continued)			
4,592	Tinexta SpA	62	–
		3,893	0.21
Japan Equities – 0.00% (0.12%)			
Luxembourg Equities – 0.00% (0.18%)			
Netherlands Equities – 0.20% (1.46%)			
10,338	Aalberts	314	0.02
1,769	Alfen	63	–
13,017	Arcadis	484	0.03
1,263	ASM International	441	0.03
14,515	ASR Nederland	449	0.03
5,504	Corbion	91	0.01
3,161	Euronext	182	0.01
7,727	Flow Traders	118	0.01
2,920	IMCD	305	0.02
18,215	Koninklijke Vopak	508	0.03
6,108	TKH Group	199	0.01
3,750	Van Lanschot Kempen	83	–
		3,237	0.20
Norway Equities – 0.06% (0.26%)			
30,893	Borregaard	383	0.02
17,080	Kitron	47	–
49,277	Storebrand	332	0.02
29,436	TGS-NOPEC Geophysical	335	0.02
		1,097	0.06
Portugal Equities – 0.01% (0.01%)			
52,265	NOS	158	0.01
Spain Equities – 0.09% (0.19%)			
20,294	Applus Services	174	0.01
568,912	Banco de Sabadell	543	0.03
16,828	CIE Automotive	375	0.02
72,086	Sacyr	177	0.01
7,092	Viscofan	356	0.02
		1,625	0.09
Sweden Equities – 0.20% (0.60%)			
32,604	AAK	484	0.03

Portfolio Statement (continued)

As at 30th September 2023

<i>Holding</i>	<i>Investment</i>	<i>Bid market valuation £'000</i>	<i>Percentage of total net assets %</i>
Sweden Equities – 0.20% (0.60%) (continued)			
65,376	Alleima	284	0.02
24,411	Arjo	78	–
24,986	Axfood	474	0.03
11,514	Getinge	169	0.01
42,494	Hexpol	314	0.02
1,540	HMS Networks	46	–
8,814	Loomis	194	0.01
25,965	Munters Group	277	0.02
46,331	Nordnet	504	0.03
53,435	Securitas	347	0.02
15,513	SkiStar	132	0.01
		3,303	0.20
Switzerland Equities – 0.16% (1.57%)			
26,252	Accelleron Industries	565	0.03
193,592	Aryzta	275	0.02
8,234	DKSH	460	0.03
513	Siegfried	361	0.02
15,802	SIG Combibloc Group	322	0.02
1,887	Tecan Group	527	0.03
2,625	Temenos	153	0.01
		2,663	0.16
US Equities – 0.00% (0.59%)			
Forward FX Currency Contracts – 0.00% (–0.01%)			
Portfolio of investments – 99.86% (99.10%)		1,688,000	99.86
Net other assets – 0.14% (0.90%)		2,353	0.14
Net assets		1,690,353	100.00

The percentages in brackets show the equivalent sector comparatives as at 30th September 2022.

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

* Delisted shares/units.

~ Related party holding.

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

General Information

Launch date:	3rd April 2001
Accounting Periods:	Interim – 31st March Final - 30th September
Distribution Dates:	Interim – 31st May Final – 30th November
Minimum initial investment:	£150,000*
Management charges:	Less than £1 billion – 0.75% Equal to or greater than £1 billion but less than £2 billion – 0.70% Equal to or greater than £2 billion but less than £3 billion – 0.65% Equal to or greater than £3 billion – 0.60%

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

The Trustee and Depositary's fee is 0.01% of the first £100 million and 0.0075% of the net asset value of the Trust between £100 million and £1 billion; and 0.005% on balances greater than £1 billion per annum, plus VAT.

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

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

Unit Price

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

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

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

Dealing in Units

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

The units of the Trust are non-certificated.

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

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

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

General Information (continued)

Cancellation Rights

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

Taxation - Income

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

Taxation - Capital Gains

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

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

Report and Scheme Particulars

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

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

Commission

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

Status

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

Assessment of Value

For each of its funds, Hargreaves Lansdown Fund Managers Limited (HLFM) published an Assessment of Value covering the previous financial year. These statements are available at www.hl.co.uk/funds/hl-funds/multi-manager-funds/other-documents.

The Assessment of Value covering the financial year ended 30th September 2023 will be published no later than 31st January 2024.

Remuneration

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

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

General Information (continued)

Remuneration (continued)

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

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

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

The total remuneration of those individuals considered to be key risk takers as defined by AIFMD, including those whose time is allocated between group entities, for the financial year ended 30th June 2023 is analysed below:

Fixed Remuneration	£2,177,964
Variable Remuneration	£846,648
Total	£3,024,612
Full Time Equivalent number of staff:	11.6

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

Leverage

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

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

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

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

During the year ended 30th September 2023, the maximum gross leverage observed was 103.56% and the maximum commitment leverage was 100% (30th September 2022: gross 100.32%, commitment 100.80%).

Important Investment Notes

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

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

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

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

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

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

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

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

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

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

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

Authorised Status

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

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

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

Trust Information

The Comparative Tables on pages 15 and 16 give the performance of each active unit class in the Trust.

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

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

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

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

Trust Information (continued)

Comparative Tables

Class A Accumulation Units

Change in Net Asset Value per Unit

<i>For the year ended</i>	<i>30/09/23 (pence per unit)</i>	<i>30/09/22 (pence per unit)</i>	<i>30/09/21 (pence per unit)</i>
Opening net asset value per unit	408.23	468.84	377.62
Return before operating charges*	36.84	(54.62)	97.25
Operating charges (calculated on average price)	(4.98)	(5.99)	(6.03)
Return after operating charges*	31.86	(60.61)	91.22
Distributions	(0.82)	(1.72)	(0.67)
Distributions on accumulation units	0.82	1.72	0.67
Closing net asset value per unit	440.09	408.23	468.84

* after direct transaction costs of**: 0.11 0.18 0.20

Performance

Return after charges 7.80% (12.93)% 24.16%

Other information

Closing net asset value (£'000)	1,152,821	1,157,491	1,401,555
Closing number of units	261,952,538	283,540,566	298,943,371
Operating charges†	1.16%	1.37%	1.39%
Direct transaction costs	0.03%	0.04%	0.05%

Prices

Highest mid price	451.03	486.53	480.93
Lowest mid price	397.66	390.24	370.43

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

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

Trust Information (continued)

Comparative Tables (continued)

Class M Accumulation Units

Change in Net Asset Value per Unit

	30/09/23 (pence per unit)	30/09/22 (pence per unit)	30/09/21 (pence per unit)
<i>For the year ended</i>			
Opening net asset value per unit	408.22	468.82	377.60
Return before operating charges*	36.83	(54.62)	97.27
Operating charges (calculated on average price)	(4.98)	(5.98)	(6.05)
Return after operating charges*	31.85	(60.60)	91.22
Distributions	(0.82)	(1.74)	(0.69)
Distributions on accumulation units	0.82	1.74	0.69
Closing net asset value per unit	440.07	408.22	468.82

* after direct transaction costs of**: 0.11 0.18 0.20

Performance

Return after charges 7.80% (12.93)% 24.16%

Other information

Closing net asset value (£'000)	537,532	566,454	622,551
Closing number of units	122,145,777	138,763,521	132,790,258
Operating charges†	1.16%	1.37%	1.39%
Direct transaction costs	0.03%	0.04%	0.05%

Prices

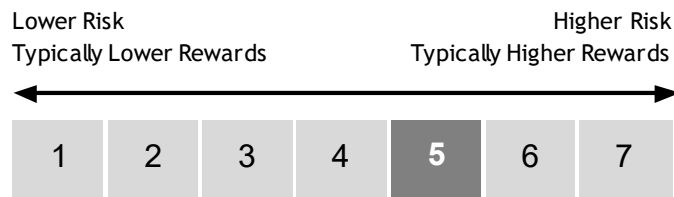
Highest mid price	451.02	486.52	480.94
Lowest mid price	397.65	390.23	370.44

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

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

Trust Information (continued)

Synthetic Risk and Reward Indicator ("SRRI")



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

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

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

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

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

Statement of the Manager's Responsibilities

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

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

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

Certification of the Financial Statements by Directors of the Manager

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

P A Dimambro
(Director)
19th January 2024

T Vaughan
(Director)

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the HL Multi-Manager Special Situations Trust (the "Trust") for the year ended 30th September 2023

The Depositary in its capacity as Trustee must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, and, from 22 July 2014 the Investment Funds Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

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

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

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

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the trust, and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

Northern Trust Investor Services Limited

UK Trustee and Depositary Services

19th January 2024

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

Opinion

We have audited the financial statements of HL Multi-Manager Special Situations Trust ("the Trust") for the year ended 30th September 2023 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Trust, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 30th September 2023 and of the net revenue and the net capital gains on the scheme property of the Trust for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

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

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

In our opinion:

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

Matters on which we are required to report by exception

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

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

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 18, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Trust's Trust Deed and the Prospectus.
- We understood how the Trust is complying with those frameworks through discussions with the Manager and the Trust's administrators and a review of the Trust's documented policies and procedures.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified a fraud risk in relation to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification for a sample of special dividends as either a capital or revenue return.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Trust.
- Due to the regulated nature of the Trust, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

Use of our report

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

Ernst & Young LLP
Statutory Auditor
Edinburgh
19th January 2024

Statement of Total Return for the year ended 30th September 2023

	Notes	30/09/23		30/09/22	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	5		128,705		(268,850)
Revenue	7	17,578		24,776	
Expenses	8	(14,047)		(16,793)	
Interest payable and similar charges		(45)		(65)	
Net revenue before taxation		3,486		7,918	
Taxation	9	(163)		(507)	
Net revenue after taxation			3,323		7,411
Total return before distributions			132,028		(261,439)
Distributions	10		(3,418)		(7,411)
Change in net assets attributable to unitholders from investment activities			128,610		(268,850)

Statement of Change in Net Assets Attributable to Unitholders for the year ended 30th September 2023

	30/09/23		30/09/22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		1,723,944		2,024,106
Amounts receivable on issue of units	87,902		206,225	
Amounts payable on cancellation of units	(253,402)		(244,842)	
		(165,500)		(38,617)
Dilution levy		5		20
Change in net assets attributable to unitholders from investment activities		128,610		(268,850)
Retained distribution on accumulation units		3,285		7,285
Unclaimed distributions		9		—
Closing net assets attributable to unitholders		1,690,353		1,723,944

Balance Sheet

As at 30th September 2023

	Notes	30/09/23 £'000	30/09/22 £'000
ASSETS			
Fixed assets:			
Investments		1,688,000	1,708,500
Current assets:			
Debtors	11	5,421	11,253
Cash and cash equivalents	12	4,728	14,865
Total assets		1,698,149	1,734,618
LIABILITIES			
Investment liabilities		–	(156)
Creditors:			
Bank overdraft	12	–	(97)
Other creditors	13	(7,796)	(10,421)
Total liabilities		(7,796)	(10,674)
Net assets attributable to unitholders		1,690,353	1,723,944

Notes to the Financial Statements

For the year ended 30th September 2023

1 Statement of Compliance

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

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

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

2 Summary of Significant Accounting Policies

(a) Basis of Preparation

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

(b) Functional and Presentation Currency

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

(c) Valuation of Investments

Quoted investments have been valued at 11:00 am on the 29th September 2023, being the last business day of the accounting period. Collective investment schemes are valued at cancellation prices or quoted bid prices for dual priced funds and at quoted prices for single priced funds.

Open forward currency contracts are valued based on the difference between the contract value and the market value adjusted by the prevailing spot rate and swap curve.

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

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

(d) Foreign Exchange

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

2 Summary of Significant Accounting Policies (continued)

(e) Revenue

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

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

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

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

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

(f) Expenses

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

(g) Taxation

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

(h) Deferred Taxation

Deferred tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset. Deferred tax liabilities are not discounted.

3 Distribution Policies

(a) Basis of Distribution

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

3 Distribution Policies (continued)

(b) Distributions from Collective Investment Schemes

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

(c) Equalisation

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

(d) Unclaimed Distributions

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

(e) Apportionment to multiple unit classes

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

(f) Tax relief on capital expenses

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

4 Risk Management Policies

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

Market Price Risk

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

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

Currency Risk

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

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

4 Risk Management Policies (continued)

Currency Risk (continued)

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

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

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

Interest Rate Risk

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

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

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

Liquidity Risk

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

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

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

4 Risk Management Policies (continued)

Liquidity Risk (continued)

Liquidity of the Trust is monitored and tested on a daily basis by assessing the liquidity of underlying fund holdings (using data provided monthly by the external managers of these funds) and directly held assets. This includes the estimated liquidity of Trust assets over various time periods (based on recent market volumes) and the time required to fully liquidate all Trust assets. Investor redemption activity is also monitored daily and analysed over various intervals of up to two years. Stress testing is undertaken periodically to identify where significant liquidity risks may exist and how changes in investor redemption behaviour and prevailing market conditions may affect the ability to readily realise the sale of Trust assets. Based on this analysis, as of 30th September 2023, 89.77% (30th September 2022: 83.02%) of the portfolio could be sold in one day under normal conditions and 88.98% (30th September 2022: 79.97%) under stressed condition.

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

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

Counterparty Risk

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

Credit Risk

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

The Trust's maximum exposure to credit risk, in the event that the counterparties fail to perform their obligations as of 30th September 2023, in relation to each class of recognised financial assets is the carrying amount of those assets in the balance sheet. This risk is managed by appraising the credit profile of financial instruments and trade counterparties.

5 Net Capital Gains/(Losses)

	30/09/23 £'000	30/09/22 £'000
The net capital gains/(losses) during the year comprise:		
Annual management charge rebates	475	—
Currency (losses)/gains	(6,016)	28
Forward currency contracts	24	21
Non-derivative securities	134,268	(268,864)
Transaction charges	(46)	(35)
Total Net Capital Gains/(Losses)	128,705	(268,850)

The net capital gains/(losses) figure above includes movement of unrealised losses and realised gains/(losses) of £286,481,259 and £(152,213,537) respectively. (30th September 2022: £(287,355,670) and £18,490,597 respectively).

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

6 Purchases, Sales and Transaction Costs

The following table shows portfolio transactions and their associated transaction costs. For more information about the nature of these costs, please refer to the additional portfolio transaction cost information on page 14.

Analysis of direct transaction costs for the year ended 30th September 2023:

	Principal 2023 £'000	Commissions 2023 £'000	Taxes 2023 £'000	Total Cost 2023 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Bonds	8,215	–	–	8,215	–	–
Collective Investment Schemes	1,111,118	–	–	1,111,118	–	–
Equities	577,753	31	174	577,958	0.01	0.03
Transaction cost % of purchases		–	–			
Sales						
Collective Investment Schemes	934,118	–	–	934,118	–	–
Equities	921,555	(128)	(112)	921,315	0.01	0.01
Transaction cost % of sales		–	–			
Total cost of the Fund's average NAV (%)		–	–			

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

6 Purchases, Sales and Transaction Costs (continued)

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

	Principal 2022 £'000	Commissions 2022 £'000	Taxes 2022 £'000	Total Cost 2022 £'000	Commissions % of principal	Taxes % of principal
Purchases						
Collective Investment Schemes	218,652	—	—	218,652	—	—
Equities	246,637	58	603	247,298	0.02	0.24
Transaction cost % of purchases		0.01	0.13			
Sales						
Collective Investment Schemes	203,028	—	—	203,028	—	—
Equities	292,218	(25)	(104)	292,089	0.01	0.04
Transaction cost % of sales		0.01	0.02			
Total cost of the Fund's average NAV (%)		—	0.04			

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.14% (30th September 2022: 0.20%). This spread represents the difference between the values determined by reference to the bid and offer prices of investments at 11:00 am on the last business day of the accounting period, expressed as a percentage of the value determined by reference to the offer price. Please note that in practice where the Trust owns dual-priced investments, it deals at cancellation and creation prices rather than bid and offer prices, and so the figure above is not fully representative of the Trust's actual dealing spread.

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

7 Revenue

	30/09/23	30/09/22
	£'000	£'000
Annual management charge rebates*	(567)	1,728
Bank interest	319	59
Distributions from underlying funds	11,430	6,431
Franked PID revenue	16	8
Franked UK dividends	3,058	7,812
Interest on debt securities	4	–
Offshore dividend CIS revenue	1,519	1,703
Overseas dividends	1,677	6,873
Unfranked PID revenue	122	162
Total Revenue	17,578	24,776

*Includes annual fees paid/payable and rebates received/receivable under agreements with applicable underlying investments.

8 Expenses

	30/09/23	30/09/22
	£'000	£'000
Payable to the Manager, associates of the Manager and agents of either of them:		
Manager's periodic charge	12,726	13,635
Payable to the Trustee, associates of the Trustee and agents of either of them:		
Trustee and Depositary's fee	145	121
Safe custody fee	12	38
	157	159
Other expenses:		
Audit fee	8	8
VAT on audit fee	2	2
Accounting and administration fee	75	79
Automated transaction provider fee	21	21
Publication costs	11	6
Registrar fees	52	39
Sub-adviser fee	995	2,844
	1,164	2,999
Total Expenses	14,047	16,793

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

9 Taxation

	30/09/23 £'000	30/09/22 £'000
(a) Analysis of charge for the year		
Overseas withholding tax	163	507
Total current tax charge (note 9b)	163	507
Deferred tax (note 9c)	–	–
Total Taxation	163	507

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised fund (20%) (2022: 20%). The differences are explained below:

	30/09/23 £'000	30/09/22 £'000
Net revenue before taxation	3,486	7,918
Corporation Tax at 20%	697	1,584
Effects of:		
Excess management expenses not utilised	2,744	2,981
Excess non trade loans deficits	–	1
FX loss non-taxable	13	(11)
Non-taxable dividends	(3,205)	(3,191)
Non-taxable overseas dividends	(345)	(1,364)
Overseas withholding tax	163	507
Tax effect on capital management charge rebates	95	–
Tax payable in different periods	1	–
Total tax charge for the year (note 9a)	163	507

(c) Deferred tax charge for the year

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

The Trust has not recognised a deferred tax asset of £20,948,776 (30th September 2022: £18,205,300) as a result of excess management expenses of £104,743,878 (30th September 2022: £91,026,501). These expenses are not expected to be utilised in the foreseeable future unless the nature of the Trust or its investment objective changes.

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

10 Distributions

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

	30/09/23 £'000	30/09/22 £'000
Interim accumulation	2,351	–
Final accumulation	934	7,285
	3,285	7,285
Add: Revenue deducted on cancellation of units	201	265
Deduct: Revenue received on issue of units	(68)	(139)
Net distribution for the year	3,418	7,411

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

Net revenue after taxation	3,323	7,411
Tax effect on expenses offset against capital	95	–
	3,418	7,411

Details of the distribution per unit are set out in the distribution tables on page 41.

11 Debtors

	30/09/23 £'000	30/09/22 £'000
Amounts receivable for issue of units	904	828
Annual management charge rebates*	(579)	717
Distribution from underlying funds	1,417	2,480
Franked UK dividends receivable	178	580
Overseas dividends receivable	42	183
Overseas tax recoverable	1,049	1,034
Sales awaiting settlement	2,382	5,397
Unfranked PID recoverable	28	34
Total Debtors	5,421	11,253

*Includes annual fees paid/payable and rebates received/receivable under agreements with applicable underlying investments.

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

12 Cash and Cash Equivalents

	30/09/23	30/09/22
	£'000	£'000
Bank balances	4,728	12,879
Overseas balances	–	1,986
Total bank balances	4,728	14,865
Bank overdrafts	–	(97)
Total bank overdrafts	–	(97)

13 Other Creditors

	30/09/23	30/09/22
	£'000	£'000
Accrued expenses	2,323	2,846
Amounts payable for cancellation of units	4,502	4,434
Purchases awaiting settlement	971	3,141
Total Other Creditors	7,796	10,421

14 Contingent Liabilities and Outstanding Commitments

There were no contingent liabilities or outstanding commitments at the balance sheet date (30th September 2022: £Nil).

15 Related Parties

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

Management fees paid during the year or due to the Manager are shown in note 8 and note 13. Management fee rebates received during the year or due from the Manager are shown in note 5, note 7 and note 11. Details of the units issued and cancelled by the Manager are shown in the Statement of Change in Net Assets Attributable to Unitholders and amounts due to or from the Manager in respect to unit transactions as at the balance sheet date are disclosed under note 11 and note 13. The balance due to the Manager at the year end in respect of management fees was £2,095,673 (30th September 2022: £2,199,229).

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

	30/09/23	30/09/22
Class A Accumulation units	98.34%	98.32%
Class M Accumulation units	99.90%	99.98%

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

15 Related Parties (continued)

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

At the year end, the HL MM Special Situations held shares in other fund or collective investment scheme managed by the associated companies of the Manager. The value of the holdings as at the balance sheet date was £553,698,739 (30th September 2022: £Nil).

16 Unit Classes

The Trust currently has two classes of units: Class A and Class M. The distribution per unit is given in the distribution tables on page 41. All units have the same rights on winding up.

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

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

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

<i>Class</i>	<i>Opening Units</i>	<i>Units Created</i>	<i>Units Liquidated</i>	<i>Units Converted</i>	<i>Closing Units</i>
Class A Accumulation	283,540,566	15,678,059	(37,280,205)	14,118	261,952,538
Class M Accumulation	138,763,521	4,839,818	(21,443,444)	(14,118)	122,145,777

17 Risk Disclosures

Market Price Risk

Market price risk - risk management policies surrounding this risk are discussed in note 4 on pages 27 to 29.

A 5% increase in the value of the Trust's portfolio would have the effect of increasing the return and net assets by £84,400,023 (30th September 2022: £85,417,189). A 5% decrease would have an equal and opposite effect.

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

17 Risk Disclosures (continued)

Currency Risk

Currency risk - risk management policies surrounding this risk are discussed in note 4 on pages 27 to 29.

Currency exposure as at 30th September 2023

	<i>Monetary Exposure £'000</i>	<i>Non- Monetary Exposure £'000</i>	<i>Total £'000</i>
Danish Kroner	71	2,096	2,167
Euro	594	22,283	22,877
Norwegian Krone	2	1,096	1,098
Sterling	1,290	1,656,560	1,657,850
Swedish Krona	97	3,303	3,400
Swiss Franc	299	2,662	2,961
	2,353	1,688,000	1,690,353

Currency exposure as at 30th September 2022

	<i>Monetary Exposure £'000</i>	<i>Non-Monetary Exposure £'000</i>	<i>Total £'000</i>
Danish Kroner	587	11,783	12,370
Euro	635	101,170	107,805
Japanese Yen	–	79	79
Norwegian Krone	21	4,398	4,419
Sterling	12,685	1,244,191	1,256,876
Swedish Krona	1,576	14,482	16,058
Swiss Franc	266	27,027	27,293
US Dollar	22	299,022	299,044
	15,792	1,708,152	1,723,944

A 5% increase in the value of the Trust's foreign currency exposure would have the effect of increasing the return and net assets by £1,625,197 (30th September 2022: £23,353,412). A 5% decrease would have an equal and opposite effect.

Interest Rate Risk

Interest rate risk - risk management policies surrounding the risk are discussed in note 4 on pages 27 to 29.

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

17 Risk Disclosures (continued)

Liquidity Risk

Liquidity risk - risk management policies surrounding this risk are discussed in note 4 on pages 27 to 29.

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

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

As discussed in note 4, the Manager assesses how much of the investments can be realised in one day, under normal and stressed market conditions based on average daily volume for the previous 30 days for each investment. Normal conditions assume the ability to participate on 20% of daily volume for each investment whilst stressed conditions assume the ability to participate on only 10% of daily volume. Based on this analysis, as of 30th September 2023, 89.77% (30th September 2022: 83.02%) of the investments could be disposed in one day under normal conditions and 88.98% (30th September 2022: 79.97%) under stressed market conditions.

Counterparty Risk

Counterparty risk - risk management policies surrounding this risk are discussed in note 4 on pages 27 to 29.

Counterparty Name	30/09/2023 £'000	30/09/2022 £'000
Forward Currency Contracts		
Northern Trust	-	(155)
Total	<u>-</u>	<u>(155)</u>

Credit Risk

Credit risk - risk management policies surrounding this risk are discussed in note 4 on pages 27 to 29.

The Trust's maximum exposure to credit in the event that the counterparties fail to perform their obligations as at 30th September 2023 in relation to each class of recognised financial assets including derivatives, is the carrying amount of those assets in the Balance Sheet.

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

The Trust only transacts with counterparties that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies. The long term credit rating of the parent company of the Trustee and Depository, Northern Trust Corporation, as at 30th September 2023 was AA- (30th September 2022: AA-) (Standard & Poor's rating).

Fair Value

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

17 Risk Disclosures (continued)

Fair Value (continued)

Valuation technique as at 30th September 2023

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Collective Investment Schemes	32,974	1,573,459	819	1,607,252
Equities	80,748	–	–	80,748
Warrants	–	–	–	–
Total	113,722	1,573,459	819	1,688,000

Valuation technique as at 30th September 2022

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Collective Investment Schemes	–	1,304,306	1,934	1,306,240
Equities	402,259	–	–	402,259
Forward Currency Contracts	–	1	–	1
Total	402,259	1,304,307	1,934	1,708,500
Liabilities				
Forward Currency Contracts	–	(156)	–	(156)
Total	–	(156)	–	(156)

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

The Trust invested in a collective investment scheme, LF Equity Income Fund (formerly LF Woodford Equity Income Fund), which has been suspended and is categorised within Level 3 of the fair value hierarchy. The Trust's valuation is based on the NAV per unit/share published by the Authorised Corporate Director of the collective investment scheme available at the 11am valuation point on 30th September 2023 which has been adjusted to reflect the relevant developments since the suspension of the collective investment scheme and other factors pertinent to the valuation.

Level 1

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

Level 2

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

Level 3

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

Notes to the Financial Statements (continued)

For the year ended 30th September 2023

18 Post Balances Sheet Events

Market Price Movement

The impact of latest published NAV per unit classes as at the close of business on 11th January 2024 compared to the published NAV per unit classes as at year end is shown below.

<i>Unit Class</i>	<i>Unit Price</i> <i>30th September 2023</i>	<i>Unit Price</i> <i>11th January 2024</i>	<i>Movement</i> <i>%</i>
A Acc	440.20	464.38	5.49

Subsequent to year end 30th September 2023, all class M units have been converted to Class A.

LF Equity Income

Link Fund Solutions Limited ('LFSL') as the Authorised Corporate Director of LF Equity Income Fund (formerly the LF Woodford Equity Income Fund) announced that the proposed settlement scheme ('the Scheme') was approved by the required majority of scheme creditors at a meeting held on the 13th December 2023. If the scheme is then approved by the Court (the Scheme sanction hearing to be held on the 18th and 19th January 2024) and no subsequent appeal is lodged, the Scheme will then settle any claims that Scheme Creditors may also have against LFSL, in return for a payment out of the Settlement Fund. If approved by all relevant parties, payments from the Settlement Fund will be recognised by the fund when received. Since the start of the winding up, the LF Equity Income Fund has made a number of capital distributions to investors. Any remaining assets will be sold, and a final payment made to investors to complete the winding up. This is in addition to any distributions to be made from the Settlement Fund.

Distribution Tables

For the year ended 30th September 2023

In pence per unit

Interim distribution for the period ended 31st March 2023

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2023</i>	<i>31st May 2022*</i>
Group 1	0.5766	—	0.5766	—
Group 2	0.3402	0.2364	0.5766	—

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>31st May 2023</i>	<i>31st May 2022*</i>
Group 1	0.5766	—	0.5766	—
Group 2	0.2733	0.3033	0.5766	—

Group 1 - Units created prior to 1st October 2022

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

Final distribution for the year ended 30th September 2023

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class A Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.2431	—	0.2431	1.7197
Group 2	—	0.2431	0.2431	1.7197

	<i>Net</i>		<i>Paid</i>	<i>Paid</i>
<i>Class M Accumulation Units</i>	<i>Income</i>	<i>Equalisation</i>	<i>30th Nov 2023</i>	<i>30th Nov 2022</i>
Group 1	0.2431	—	0.2431	1.7360
Group 2	—	0.2431	0.2431	1.7360

Group 1 - Units created prior to 1st April 2023

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

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



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