

Brooks Macdonald International Multi Strategy Fund Limited

Annual Report and Audited
Financial Statements

For the year ended 28 May 2021



BROOKS MACDONALD

Contents

Company Information	2
Investment Objectives and Policy	3
Directors' Profiles	4
Report of the Directors	5
Report of the Investment Manager	10
Report of the Custodian to the Members of Brooks Macdonald International Multi Strategy Fund	11
Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund	12
Statements of Financial Position	18
Statements of Comprehensive Income	22
Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares	24
Cash Flow Statements	26
Cautious Balanced Strategy Fund Investment Portfolio	30
Growth Strategy Fund Investment Portfolio	32
High Growth Strategy Fund Investment Portfolio	34
US\$ Growth Strategy Fund Investment Portfolio	36
Notes to the Financial Statements	38
Performance Records	67
Change in Net Asset Value per Share	69
Notice of Meeting	71
Brooks Macdonald International Multi Strategy Fund Form of Proxy	72

Company Information

The Company

Brooks Macdonald International
Multi Strategy Fund Limited (formerly Lloyds Multi Strategy
Fund Limited)

Directors:

Ross Davey Willcox (Independent Director and Chairman)
Michael Peter Farley (Independent Director)
Richard John Hughes
Brian Charles James
Nigel Le Quesne

Registered Office

28 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Company Secretary

JTC Fund Solutions (Jersey) Limited (from 1 December 2020)
28 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Previously Lloyds Corporate Services (Jersey) Limited
PO Box 160, 11 - 12 Esplanade, St. Helier, Jersey
Channel Islands JE4 8RG

Manager

Brooks Macdonald International
Fund Managers Limited (formerly Lloyds Investment Fund
Managers Limited)
5 Anley Street, St. Helier, Jersey
Channel Islands JE2 3QE

Administrator and Registrar

JTC Fund Solutions (Jersey) Limited (from 1 December 2020)
28 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Previously Lloyds Investment Fund Managers Limited
(Previous Registrar)
11-12 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Custodian

Apex Financial Services (Corporate) Limited
12 Castle Street, St. Helier, Jersey
Channel Islands JE2 3RT

Investment Manager

Brooks Macdonald Asset Management (International)
Limited (from 1 December 2020)
Jersey Branch
5 Anley Street, St. Helier, Jersey
Channel Islands JE2 3QE

Previously Schroder Investment Management Limited
1 London Wall Place, London
United Kingdom EC2Y 5AU

Independent Auditor

PricewaterhouseCoopers CI LLP
37 Esplanade, St. Helier, Jersey
Channel Islands JE1 4XA

Legal Advisers

Mourant Ozannes (Jersey) LLP
PO Box 87, 22 Grenville Street, St. Helier, Jersey
Channel Islands JE4 8PX

The International Stock Exchange Sponsor

JTC Listing Services Limited
28 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Principal Bankers

Lloyds Bank Corporate Markets plc, Jersey Branch, trading as
Lloyds Bank International
11-12 Esplanade, St. Helier, Jersey
Channel Islands JE2 3QA

Investment Objectives and Policy

Brooks Macdonald International Multi Strategy Fund Limited (formerly Lloyds Multi Strategy Fund Limited) ('the Company') is an open-ended investment company registered in Jersey with four classes, each being an individual 'Fund'.

The overall objective of the Company is to provide investors with a managed investment designed to meet the specific objectives laid down for each Fund. The investment objectives and policy of the Funds are set out below.

The policy of the Company or Funds is to invest in collective investment funds and multi-manager funds managed by a range of fund managers including, but not limited to, Brooks Macdonald International Fund Managers Limited and other subsidiaries of Brooks Macdonald Group.

These Funds, in turn, invest in a number of asset classes. These could include, but are not limited to, bonds, equities, property and cash. The Company may also hold cash deposits to enable Shares to be repurchased or for the efficient management of the Funds.

The Manager has given discretion to the Investment Manager to decide on the type of assets held for each Fund and this may change without notice to the shareholders.

The exact allocation of the assets of each Fund between the various asset classes is decided by the Investment Manager and varies depending on the risk profile of each Fund.

The Funds are managed according to their risk profile and each Fund carries a risk of loss to capital value and/or return particularly in the short to medium term but with potential for growth over the medium to long term. There is a modest level of risk for investors in the Cautious Balanced Strategy. The level of risk increases for the Growth Strategy and the US\$ Growth Strategy and a higher risk level for the High Growth Strategy. Typically, higher growth potential is associated with higher risk, although this cannot be guaranteed.

The investment objective of each Fund (or 'Strategy') is set out below:

Cautious Balanced Strategy (formerly called Conservative Strategy)

Seek to provide a modest return achieved through investment in a range of funds which invest in various asset classes. This Fund may be suitable for investors willing to invest for a minimum of five years.

Growth Strategy

Seek to provide long-term growth achieved through investment in a range of funds which invest in various asset classes, providing diversification by medium, currency and country. This Fund may be suitable for investors willing to invest for a minimum of five years, preferably ten years.

High Growth Strategy (formerly called Aggressive Strategy)

Seek to provide a greater potential for long-term growth achieved through investment in a range of funds which invest in various asset classes, weighted towards equities. This Fund may be suitable for investors willing to invest for a minimum of five years, preferably ten years.

US\$ Growth Strategy (formerly called Global US\$ Growth Strategy)

Seek to provide long-term capital growth for US dollar-based investors primarily through investment in a range of funds which invest in various asset classes with an emphasis on US dollar assets. This Fund may be suitable for investors willing to invest for a minimum of five years, preferably ten years.

Directors' Profiles

Ross Davey Willcox (Independent Director and Chairman)

Joined the Lloyds Banking Group in 1977 and held a number of managerial positions in the UK and Internationally. Was appointed as Chairman of Lloyds International Fund Managers Limited (now Brooks Macdonald International Fund Managers Limited) in 1999 and as Chairman of the Company in 2004. Ross resigned as a Director of the Manager on 30 November 2020. Previous responsibilities included the value proposition of all investment products for International Wealth. A qualified Banker, a Fellow of the Securities & Investment Institute, a Chartered Director and Fellow of the Institute of Directors.

Aged 62.

Michael Peter Farley (Independent Director)

Joined Brooks Macdonald International Multi Strategy Fund Limited in 2020. Michael is a Client Director of Altair Partners Limited which provides independent director services to funds and regulated entities, together with consultancy services to the fiduciary industry. He has over 20 years' experience in managing assets for private clients and is a Fellow of the Chartered Institute of Securities and Investments, holding qualifications in both investments and trusts. Michael has comprehensive experience in senior leadership as a board director, having sat on a variety of regulated boards, including Investment Business, Trust Companies Business and Fund Services Business licenced entities.

Aged 54.

Brian Charles James

Joined the Lloyds Banking Group in 1988 and held a number of managerial positions primarily in Financial Control and Risk Management roles before being appointed as a Director of Lloyds International Fund Managers Limited (now Brooks Macdonald International Fund Managers Limited) in 1999 and as a Director of the Company in 2004. Brian resigned as a Director of the Manager on 30 November 2020. In January 2021 Brian joined JTC as Client Director. Previous responsibilities included leading a team of specialists delivering operational support for a range of offshore investment products and services. A Chartered Director, Fellow of the Institute of Directors, holder of the International Diploma in Governance, Risk & Compliance and a member of the International Compliance Association.

Aged 60.

Richard John Hughes

Joined Brooks Macdonald in 2013 and until July 2020 oversaw the Company's international marketing, distribution and business development strategy including management of key distribution partner relationship across the UK, Europe, Africa and Middle East. In July 2020, Richard assumed the role of Deputy Chief Executive Officer of Brooks Macdonald International, with responsibility for business management and change with oversight of operations, technology, HR and finance functions. Richard is a member of the International Management Committee and Risk Committee and a Director of Brooks Macdonald Asset Management (International) Limited, Brooks Macdonald Retirement Services (International) Limited and Brooks Macdonald International Fund Managers Limited. In May 2021, Richard assumed the role of Chief Executive Officer. Richard is a Chartered Member of the Chartered Institute for Securities & Investment (CISI) and Member of the Institute of Directors (IoD) having completed the Certificate in the Company Direction in 2017.

Aged 37.

Nigel Le Quesne

Joined Brooks Macdonald International Multi Strategy Fund Limited in 2020. Nigel is currently the Chief Executive Officer of JTC PLC. Nigel is a Fellow of the Institute of Chartered Secretaries and Administrators and the Chartered Management Institute. He is also a member of the Society of Trust Estate Practitioners, the Jersey Taxation Society, the Institute of Directors and the Jersey Funds Association. Nigel currently holds and has held a number of directorships across several business sectors in both private and quoted companies.

Aged 60.

Report of the Directors

The Directors have pleasure in submitting their Annual Report together with the Audited Financial Statements for the year ended 28 May 2021. The Company is domiciled and incorporated as a limited company in Jersey, Channel Islands under the Companies (Jersey) Law 1991 and is listed on The International Stock Exchange and has a secondary listing on the Malta Stock Exchange.

Results

The results for the year ended 28 May 2021 are set out in the Financial Statements on pages 18 to 66.

Distributions

No Distributions were paid in the year ended 28 May 2021.

Directors

The Directors of the Company who were in office during the period and up to the date of signing the Financial Statements were:

Mr G. Cook (resigned 30 November 2020)

Mr I.M.J. Hardy (resigned 30 November 2020)

Mr C.J. Howland (resigned 30 November 2020)

Mr B. Lysiak (resigned 30 November 2020)

Mr B.C. James

Mr R.D. Willcox

Mr M.P. Farley (appointed 30 November 2020)

Mr R.J. Hughes (appointed 30 November 2020)

Mr N. Le Quesne (appointed 30 November 2020)

As at 28 May 2021, the Shares held in the Company by the Directors were as follows:

High Growth Strategy (formerly called Aggressive Strategy)	Shares
Mr B. C. James	21,783
Mr R. D. Willcox	21,478
Mrs S. J. Willcox (Spouse of Mr R. D. Willcox)	5,817

As at 28 May 2021 there were no amounts receivable or payable in respect of the above holdings. No Director has a service contract with the Company and no Director is, or was, materially interested in any service or other contract entered into by the Company other than those disclosed below.

Mr M Hucker, Mr R Hughes, Mr M O'Connor and Mr A Shepherd are Directors of Brooks Macdonald International Fund Managers Limited (the 'Manager') which has a management contract with the Company. The Manager acts as the Company's non-EU Alternative Investment Fund Manager for the purpose of the Alternative Investment Fund Managers Directive (AIFMD). Fees earned by the Manager are disclosed in these Financial Statements in Note 8.

Directors Remuneration

Director remuneration is set at £12,500 per annum as disclosed in the Report and Accounts to 28 May 2021 (2020: £12,500 per annum). At the next Annual General Meeting it will be proposed to fix the remuneration of each of the Directors at a maximum of £25,000 per annum.

Investment Activities

The Report of the Investment Manager is set out on page 10.

Independent Auditor

PricewaterhouseCoopers CI LLP was re-appointed as Independent Auditor at the Annual General Meeting held on 28 October 2020 and have indicated their willingness to remain in office.

Going Concern

The Financial Statements of the Company and the Cautious Balanced Strategy Fund, Growth Strategy Fund, High Growth Strategy Fund and US\$ Growth Strategy Fund have been prepared in accordance with International Reporting Standards ('IFRS') on the going concern basis.

Report of the Directors continued

Changes to the Investment Manager

As notified to Shareholders in June and October 2020 the ownership of Brooks Macdonald International Fund Managers Limited (formerly Lloyds Investment Fund Managers Limited) has transferred to Brooks Macdonald Asset Management (International) Limited ('BMI') from 1 December 2020. This means the management of the Company has been transferred to BMI and the Shareholders will continue to receive all benefits from the service and remain invested in their chosen fund. From 1 December 2020 Lloyds Multi Strategy Fund Limited changed its name to Brooks Macdonald International Multi Strategy Fund Limited. BMI were chosen because the interests of the Company and Shareholders are best served by an entity that is focused on this sector and has plans to further invest in its business, products and services. You can find out more information about Brooks Macdonald at [brooksmacdonald.com](https://www.brooksmacdonald.com). The Lloyds Banking Group is no longer involved in the day to day management after 30 November 2020. As a consequence of the transfer of ownership BMI has been appointed as the Investment Manager to the Company, to replace Schroder Investment Management Limited. For the year until 30 November 2020 Schroder was the Investment Manager.

Assessment of Value

The Company has conducted an assessment of value and it confirms that the payments out of scheme property set out in the prospectus are justified in the context of the overall value delivered to unit holders.

Prospectus

Copies of the Prospectus dated August 2021 together with any subsequent addenda are available, free of charge, on application to the Manager. Alternatively it can be accessed on our website at

<https://www.brooksmacdonald.com/international-funds>

Management and Administration Providers

The names and addresses of management and administration providers are stated on page 2.

Comparatives Tables

The Performance Records and Change in Net Asset Value per Share tables are stated on pages 67 to 70.

Financial Risk Management

The Directors have taken into consideration the financial risk management of the Company, this has been disclosed in Note 19 of the financial statements.

Information Exchange

Jersey has entered into a number of Information Exchange Agreements with the authorities of other jurisdictions.

Shareholders should be aware that information on their investment may be shared with the relevant authorities, and may be passed to the tax authorities in their country of residence, citizenship or residence for tax purposes. For the avoidance of doubt this information may include (but not be limited to) details of shareholder names, addresses, unique identifiers (such as tax or national insurance numbers), amount of investment, redemption or sale proceeds and dividend payments.

Reporting Funds Regime

HM Revenue & Customs has accepted the entry of the Company into the Reporting Funds Regime for the purposes of regulation 51 of the Offshore Funds (Tax) Regulations 2009. The UK offshore funds rules apply in relation to each Fund within the Company. The following Funds have been approved by HM Revenue & Customs in the UK as "Reporting Funds" for the purposes of the UK offshore fund rules: Cautious Balanced Strategy, Growth Strategy and High Growth Strategy.

Directors' Responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and International Financial Reporting Standards (IFRS).

The Directors have also chosen to adopt areas of the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued in May 2014 by the IMA (Investment Management Association) where this does not conflict with other reporting requirements.

The Directors are required by the Companies (Jersey) Law 1991 to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company for that period and are in accordance with applicable laws. In preparing these Financial Statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and

Report of the Directors continued

Directors' Responsibilities (continued)

explained in the financial statements; and

- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Funds and to enable them to ensure that the Financial Statements comply with the Companies (Jersey) Law 1991 and the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended).

They are also responsible for the safeguarding of the assets of the Company which includes the appointment of a duly qualified Custodian. The Directors must also ensure that they or their duly appointed agents take reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Market Conditions

Assets held within certain Funds can be affected by market conditions and this may affect the share price of those Funds.

The Directors would like to remind shareholders that investment in the Funds should be considered as a long term commitment, as the price of shares may rise and fall in the short term in response to changing market conditions. Brexit related risks have been considered by the Directors and further disclosures are included within note 19 of the Notes to the Financial Statements.

Response to manage the COVID-19 pandemic

As coronavirus (COVID-19) continues to spread globally the Directors want to reassure investors that they have worked closely with the Administrator to ensure that the continuing safety and well-being of all colleagues connected with the administration of the Fund, and the effectiveness of the business in order to service shareholders, remains paramount importance to them. The directors continue to monitor the situation closely. Key personnel and critical business processes (particularly those directly supporting clients) have been identified and contingency measures have been put in place. Social distancing and work from home measures have been implemented allowing the business to continue to service the funds and clients.

General Information

The Company is an open-ended investment Company with variable capital and shareholders are not liable for the debts of the Company.

The Company holds a certificate as a recognized Securities Fund under the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended), and holds a permit under Article 7 of the Collective Investment Funds (Jersey) Law, 1988.

The Manager has the benefit of professional indemnity and directors' and officers' liabilities insurance coverage.

The Manager also maintains an appropriate level of 'own funds' to cover the equivalent professional liability risks set out in the Alternative Investment Fund Managers Directive (AIFMD). The Company is listed on The International Stock Exchange.

Report of the Directors continued

The published share price of the assets of each Fund was as follows:

	28 May 2021 pence	29 May 2020 pence
Sterling Denominated Strategies		
Cautious Balanced Strategy Fund	137.32	126.60
Growth Strategy Fund	203.94	176.90
High Growth Strategy Fund	285.30	236.70
US\$ Denominated Strategies	US\$ cents	US\$ cents
US\$ Growth Strategy Fund	205.60	160.30

The latest prices can be viewed on our website.

<https://www.brooksmacdonald.com/international-funds>

Absolute total returns for each Fund for the period are as follows:

	28 May 2021 %
Cautious Balanced Strategy Fund	8.47
Growth Strategy Fund	15.29
High Growth Strategy Fund	20.53
US\$ Growth Strategy Fund	28.26

Average Portfolio Dealing Spread

The average portfolio dealing spread percentage, including the effect of foreign exchange, for the period is shown below:

	28 May 2021 %	29 May 2020 %
Cautious Balanced Strategy Fund	0.02	0.11
Growth Strategy Fund	0.01	0.08
High Growth Strategy Fund	0.01	0.03
US\$ Growth Strategy Fund	0.00	0.00

The spread on the statement of financial position date is representative of the typical spread throughout the period.

Class launches

New class launches

Subsequent to year end the Company launched a new class of shares known as 'A' Class shares. The new class of shares were launched in the following Sub-Funds:

Cautious Balanced Strategy

Growth Strategy

High Growth Strategy

The class 'A' shares shall be available primarily to financial institutions or intermediaries registered in equivalent jurisdictions having a minimum of £1 million (or currency equivalent) available for investment.

The rights and obligations of existing Participating Shares in issue in respect of each existing Sub-Fund shall remain unchanged.

Report of the Directors continued

Class launches (continued)

Balanced Strategy Fund launch

A new sterling base currency Sub-Fund to be known as Balanced Strategy is expected to launch after year end.

The new Sub-Fund shall seek to provide capital growth through exposure to a range of funds weighted towards growth asset classes, whilst maintaining a balanced weighting to fixed interest securities. The New Sub-Fund may be suitable for investors willing to invest for a minimum of five years, preferably ten years. The shares of the New Sub-Fund shall comprise 'A' class shares and 'B' class shares.

Remuneration

As per the requirement for AIFMD disclosure of remuneration, the Alternative Investment Fund Manager (AIFM) had no direct employees. Fixed and variable costs (including any bonuses) were recharged by fellow Group Companies of Lloyds Banking Group until ownership transferred to Brooks Macdonald Asset Management (International) Limited from 1 December 2020, as set out in the financial statements of Brooks Macdonald International Fund Managers Limited (formerly Lloyds Investment Fund Managers Limited). Total staff costs and numbers have been allocated to the AIFM of Brooks Macdonald International Multi Strategy Fund Limited by the Lloyds Banking Group based on the value of the assets under management for the period 1 January 2020 to 30 November 2020 is £1,246,000.

There were no costs reallocated for the period 1 December 2020 to 28 May 2021 to Brooks Macdonald International Fund Managers Limited by the Brooks Macdonald International Group.

Website

The Company's financial statements can be found on www.brooksmacdonald.com.

Information published on the internet is accessible in many countries. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors' are responsible for the maintenance and integrity of the website.

By order of the Board of Directors

B. C. James

15 September 2021

Report of the Investment Manager

Cautious Balanced Strategy Fund, Growth Strategy Fund, High Growth Strategy and US\$ Growth Strategy Fund

Performance Review

The funds' equity allocation was the largest contributor to performance over the period. This was mostly driven by the exposure to UK and European equities, which benefitted from increased confidence in a global economic recovery. Property also performed well and was additive to performance, as were our holdings in the alternatives sector. Fixed income detracted from performance as investors worried about rising inflation and the possibility of interest rate increases.

Portfolio activity

Since taking management of the funds in December 2020, we have been transitioning the funds to align their holdings with the Brooks Macdonald International Managed Portfolio Service.

At an asset allocation level, we have reduced the weightings in international fixed interest, particularly the emerging market bond exposure. We have increased the allocation to Brooks Macdonald's preferred themes, including technology, healthcare, and sustainability. As part of the transition, we have also reduced the funds' concentrated positions, and sold the holdings in the Brooks Macdonald (formerly Lloyds) Sterling Bond Fund and High Income Fund.

Asset allocation weights are now in line with the Managed Portfolio Service, with some minor sector differences remaining as we approach the end of the transition period.

Outlook

We believe a transitory inflationary jump in the latter part of 2021 is likely, in part due to the low year-on-year comparable when much of the world was in some form of COVID-19 restriction. In line with the recent messaging from a number of central banks around the world, we do not expect these inflationary pressures to be sustained as significant economic output gaps remain within developed economies. The extensive fiscal measures from governments have suppressed the true level of unemployment, and hidden potential economic scarring as a result of the pandemic. It will take some time for that lost capacity to be reutilised. Until we see meaningful pressure within the labour market, and subsequent 'demand-pull' wage inflation, we do not expect the world to enter a period of sustained inflation.

We will not know the eventual victor of the inflation debate until the end of this year or more likely next. In the interim, volatility will remain as the risk of tectonic shifts in sectoral leadership may cause wider reverberations around risk assets. Within this context, balance in portfolios is key and we retain our conviction that a barbell approach to asset allocation is the most sensible approach during what we consider to be a transition year in 2021. Our cyclical/value exposures within the UK and Asia ex-Japan act as an essential foil to our growth/defensive allocations, through our secular themes of technology, healthcare and sustainability, and also reflected in our US exposure.

Our strategic preference for equities continues, underpinned by the relative valuation argument, but we are increasingly focused on ensuring that balance is maintained in portfolios. Whilst there may be Brexit related noise for many quarters to come, the current valuation discount is likely too large given the UK's COVID vaccination success, domestic economic momentum, and greater clarity over the UK/EU future relationship around goods.

Report of the Custodian to the Members of Brooks Macdonald International Multi Strategy Fund Limited

Statement of Custodian's Responsibilities

The Custodian is required under the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended) (the 'Rules') to ensure that, inter alia, it:

- satisfies itself that the sale, issue, redemption, cancellation and valuation of shares in the Company are carried out in accordance with the Rules; and
- takes into its custody all the assets of the Company and holds them in trust for the shareholders in accordance with the Rules; and
- enquires into the conduct of the Company in each annual accounting year and reports thereon to shareholders in a report, which shall contain the matters prescribed by the Rules. The Custodian's Report is included in this Annual Report.

Report of the Custodian to the Members of the Brooks Macdonald International Multi Strategy Fund Limited

In accordance with Article 2.06 of the Rules, Apex Financial Services (Corporate) Limited, has acted throughout the year as independent Custodian to the Company.

In accordance with Article 7.08 of the Rules we confirm, in our capacity as the Custodian, that we have enquired into the conduct of the Company for the year ended 28 May 2021 and in our opinion, to the best of our knowledge having made such enquiry, the affairs of the Company have been conducted in all material respects for the year then ended:

- in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association, by prospectuses and by all Orders for the time being in force under Article 11 of the Collective Investment Funds (Jersey) Law 1988 (as amended) ('the Law'); and
- otherwise in accordance with the provisions of the Memorandum and Articles of Association and the Law.

Paul Horton
Jamie McIntosh
Apex Financial Services (Corporate) Limited
Custodian,
12 Castle Street, St Helier
Jersey, JE2 3RT
Channel Islands

15 September 2021

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Brooks Macdonald International Multi Strategy Fund Limited (the "company") and the separate financial statements of each fund listed below (the "fund"), (together "the financial statements") as at 28 May 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991 and the Collective Investment Funds (Recognised Funds) (Rules) (Jersey) Order 2003.

What we have audited

The financial statements include those of the company and the funds listed below:

- Cautious Balanced Strategy Fund (Previously "Conservative Strategy Fund");
- Growth Strategy Fund;
- High Growth Strategy Fund (Previously "Aggressive Strategy Fund"); and
- US\$ Growth Strategy Fund (Previously Global US\$ Growth Strategy Fund").

The financial statements comprise:

- the statements of financial position as at 28 May 2021;
- the statements of comprehensive income for the year then ended;
- the statements of changes in net assets attributable to holders of participating redeemable preference shares for the year then ended;
- the cash flow statements for the year then ended;
- the investment portfolios of the funds as at 28 May 2021; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

Independence

We are independent of the company and the funds in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited continued

Our audit approach

Overview

Audit scope

- Our audit work was performed solely in Jersey which is where the company is incorporated.
 - We have audited the financial statements which have been prepared by Brooks Macdonald International Fund Manager Limited (the "Manager").
 - We tailored the scope of our audit considering the types of investments within the company in addition to the accounting processes and controls.
-

Key audit matters

- Valuation of financial assets at fair value through profit or loss
 - Impact of Covid-19 on the company and funds
-

Materiality

- Overall materiality represents 1% of net assets attributable to holders of participating redeemable preference shares of the company and funds respectively. The overall materiality for the company and each fund is presented in the materiality section presented below within this audit report.
 - Performance materiality represents a 25% haircut of the overall materiality. The performance materiality for the company and each fund is presented in the materiality section presented below within this audit report.
-

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the Key audit matter

Valuation of financial assets at fair value through profit or loss

The company's financial assets are valued at £171,674,494 and represent the majority of the net assets attributable to holders of participating redeemable preference shares as at 28 May 2021. Our audit procedures included understanding and evaluating the key controls around the valuation performed by the Manager.

Refer to further information on the investment portfolios included in the financial statements on pages 30 – 37 and Note 19 (Financial Risk Management).

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited continued

The fair value of the company and funds' financial assets is based on quoted market prices as at the statement of financial position date. The quoted market price used for these financial assets held by the company and funds are the current mid-market price at the close of business on the last business day of the accounting year, in line with International Financial Reporting Standards ("IFRS") 13 (Fair Value Measurement).

Whilst the valuation of these financial assets is not considered complex, and does not involve significant judgements or estimates to be made by the directors, the market value is material to the company and funds. A material misstatement due to fraud or error would be material to the financial statements as a whole.

As a result, whilst we do not consider it to be a significant audit risk, we consider the valuation of financial assets at fair value through profit or loss to be an area of focus in our audit and accordingly a key audit matter.

We assessed the accounting policy for the valuation of financial assets at fair value through profit or loss for compliance with IFRS; performed testing to ensure that the investment valuation had been accounted for in accordance with the stated accounting policy and determined that the accounting policy complied with accounting standards and had been consistently applied.

In addition to this, we compared all investment prices used by the Manager at year end to the prices obtained from an independent pricing source for reasonableness.

No misstatements were identified by our testing which required reporting to the directors.

Impact of Covid-19 on the company and funds

Covid-19 emerged as a global pandemic in 2020, and has continued to have a significant adverse impact on the global economy. Governments and central banks continue to monitor the situation and have announced significant and broad measures designed to reduce the long term impact of the pandemic on economies and markets.

The directors have considered the impact of the pandemic on the current and future operations of the company and fund. In doing so, the directors have made some assumptions, included in the financial risk management disclosures in Note 19 and their going concern assessment, and believe that the company and funds remain a going concern, and sufficient and appropriate disclosure is provided to explain the financial risks resulting from the financial assets at fair value through profit or loss.

Our audit procedures in this respect included:

- Holding meetings with senior management to discuss the directors' assessment of going concern and to challenge matters arising from the review of the assessment;
- Reviewing the most recent Board minutes and regulatory correspondence to identify items of interest;
- Obtaining the latest assessment that supports the board's assessment and their conclusion with respect to the going concern of the company and funds;
- Evaluating management's business continuity plans and subsequent changes to those plans as a consequence of a prolonged impact from the Covid-19 pandemic; and
- Reviewing the disclosures presented in the annual report in relation to Covid-19 by reading the other information, including the response to Covid-19, and assessing their consistency with the financial statements and the evidence we obtained in our audit.

Based on the work performed, having taken account of the assumptions and other matters disclosed in the going concern statement made by the directors and elsewhere in the financial statements, we concurred with the directors' conclusion that the significant economic disruption associated with the Covid-19 pandemic does not give rise to a material uncertainty over the company and funds' ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements.

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which the company operates.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<i>Overall materiality</i>	
Company	£1,785,000 (2020: £1,689,000)
Cautious Balanced Strategy Fund	£246,000 (2020: £247,000)
Growth Strategy Fund	£1,343,000 (2020: £1,249,000)
High Growth Strategy Fund	£159,000 (2020: £136,000)
US\$ Growth Strategy Fund	£78,000 (2020: US\$69,000)
<i>How we determined it</i>	1% of net assets attributable to holders of participating redeemable preference shares.
<i>Rationale for the materiality benchmark</i>	We believe that net assets is the most appropriate benchmark because this is the key metric of interest to investors. It is also a generally accepted measure used for companies in this industry

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, we determined the performance materiality for the financial statements as a whole as follows:

<i>Performance materiality</i>	
Company	£1,338,000 (2020: £1,266,000)
Cautious Balanced Strategy Fund	£184,000 (2020: £185,000)
Growth Strategy Fund	£1,007,000 (2020: £936,000)
High Growth Strategy Fund	£119,000 (2020: £102,000)
US\$ Growth Strategy Fund	£58,000 (2020: US\$51,000)

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the board of directors that we would report to them misstatements identified during our audit above 10% of overall materiality, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited continued

Reporting on other information

The directors are responsible for the other information. The other information comprises all the information included in the Annual Report and Audited Financial Statements (the "Annual Report") but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities section, the directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, the requirements of Jersey law and for such internal control as the directors determine 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 directors are responsible for assessing the company and each fund'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 directors either intend to liquidate the company and funds or to cease operations, or have 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 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 these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Independent auditor's report to the Members of Brooks Macdonald International Multi Strategy Fund Limited continued

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company and each fund's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of this report

This independent auditor's report, including the opinions, has been prepared for and only for the members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on other legal and regulatory requirements

Company Law exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

Ian Ross

For and on behalf of PricewaterhouseCoopers CI LLP

Chartered Accountants

Jersey, Channel Islands

16 September 2021

Statements of Financial Position

As at 28 May 2021

	Notes	Company £	Cautious Balanced Strategy Fund £
Current Assets			
Cash and cash equivalents		8,270,686	1,600,817
Creations receivable		82,546	8,973
Investment sales receivable		2,173,837	–
Financial assets at fair value through profit or loss		171,674,494	23,053,513
Other accrued income and other debtors	4	39,447	1,505
Total Assets		182,241,010	24,664,808
Equity			
Ordinary share capital		1,000	–
Total Equity		1,000	–
Current Liabilities			
Redemption payable		2,437,438	6,500
Accrued expenses and other creditors	5	243,838	34,186
Nominal shares		22,934	–
Total Liabilities*		2,704,210	40,686
Net assets attributable to holders of participating redeemable preference shares	16	179,535,800	24,624,122
Total Liabilities and Equity		182,241,010	24,664,808

* Excluding Net assets attributable to holders of participating redeemable preference shares

The financial statements on pages 18 to 66 were approved by the Board of Directors on 15 September 2021.

B. C. James
M. P. Farley } Directors

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Financial Position

As at 28 May 2021

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Current Assets			
Cash and cash equivalents	5,854,815	458,090	506,547
Creations receivable	57,537	10,423	7,965
Investment sales receivable	2,173,837	–	–
Financial assets at fair value through profit or loss	128,819,564	14,645,721	7,316,157
Other accrued income and other debtors	11,231	1,612	1,653
Total Assets	136,916,984	15,115,846	7,832,322
Equity			
Ordinary share capital	–	–	–
Total Equity	–	–	–
Current Liabilities			
Redemptions payable	2,430,151	8	1,105
Accrued expenses and other creditors	178,228	21,134	14,601
Nominal shares	–	–	–
Total Liabilities*	2,608,379	21,142	15,706
Net assets attributable to holders of participating redeemable preference shares	134,308,605	15,094,704	7,816,616
Total Liabilities and Equity	136,916,984	15,115,846	7,832,322

* Excluding Net assets attributable to holders of participating redeemable preference shares

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Financial Position continued

As at 31 May 2020

	Notes	Company £	Cautious Balanced Strategy Fund £
Current Assets			
Cash and cash equivalents		641,092	81,866
Creations receivable		91,611	9,115
Investment sales receivable		–	–
Financial assets at fair value through profit or loss		168,385,631	24,671,243
Other accrued income and other debtors	4	222,972	17,979
Total Assets		169,341,306	24,780,203
Equity			
Ordinary share capital		1,000	–
Total Equity		1,000	–
Current Liabilities			
Accrued expenses and other creditors	5	207,651	27,189
Nominal shares		159,102	–
Total Liabilities*		366,753	27,189
Net assets attributable to holders of participating redeemable preference shares	16	168,973,553	24,753,014
Total Liabilities and Equity		169,341,306	24,780,203

* Excluding net assets attributable to holders of participating redeemable preference shares.

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Financial Position continued

As at 31 May 2020

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Current Assets			
Cash and cash equivalents	441,041	102,641	19,217
Creations receivable	64,922	11,480	7,534
Investment sales receivable	–	–	–
Financial assets at fair value through profit or loss	124,523,079	13,553,884	6,969,548
Other accrued income and other debtors	39,758	2,765	2,927
Total Assets	125,068,800	13,670,770	6,999,226
Equity			
Ordinary share capital	–	–	–
Total Equity	–	–	–
Current Liabilities			
Accrued expenses and other creditors	156,160	16,224	9,986
Nominal shares	–	–	–
Total Liabilities*	156,160	16,224	9,986
Net assets attributable to holders of participating redeemable preference shares	124,912,640	13,654,546	6,989,240
Total Liabilities and Equity	125,068,800	13,670,770	6,999,226

* Excluding net assets attributable to holders of participating redeemable preference shares.

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Comprehensive Income

For the year ended 28 May 2021

	Notes	Company £	Cautious Balanced Strategy Fund £
Operating Profit			
Net profit on financial assets at fair value through profit or loss	6	26,763,211	2,116,459
Investment income		1,439,225	297,219
Other income	7	74,508	(8,980)
Gross income		1,513,733	288,239
Operating expenses	8	(2,045,064)	(270,322)
Increase in net assets attributable to holders of participating redeemable preference shares from operations		26,231,880	2,134,376

For the year ended 31 May 2020

	Notes	Company £	Cautious Balanced Strategy Fund £
Operating Profit			
Net (loss)/profit on financial assets at fair value through profit or loss	6	(3,995,271)	18,057
Investment income		1,861,745	310,028
Other income	7	177,411	11,434
Gross income		2,039,156	321,462
Operating expenses	8	(2,052,496)	(253,187)
(Decrease)/increase in net assets attributable to holders of participating redeemable preference shares from operations		(4,008,611)	86,332

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Comprehensive Income

For the year ended 28 May 2021

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Operating Profit			
Net profit on financial assets at fair value through profit or loss	20,285,720	2,952,630	1,891,015
Investment income	1,054,791	80,037	9,637
Other income	54,952	15,747	17,171
Gross income	1,109,743	95,784	26,808
Operating expenses	(1,512,121)	(185,936)	(102,962)
Increase in net assets attributable to holders of participating redeemable preference shares from operations	19,883,342	2,862,478	1,814,861

For the year ended 31 May 2020

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Operating Profit			
Net (loss)/profit on financial assets at fair value through profit or loss	(3,588,658)	(470,833)	58,445
Investment income	1,392,226	154,693	6,074
Other income	125,780	22,586	22,296
Gross income	1,518,009	177,279	28,370
Operating expenses	(1,528,424)	(180,745)	(114,121)
(Decrease)/increase in net assets attributable to holders of participating redeemable preference shares from operations	(3,599,076)	(474,300)	(27,306)

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares

For the year ended 28 May 2021

	Company £	Cautious Balanced Strategy Fund £
Net assets attributable to holders of participating redeemable preference shares at the beginning of the year	168,973,553	24,753,014
Creation of participating redeemable preference shares issued	2,757,748	504,294
Redemption of participating redeemable preference shares	(18,838,534)	(2,767,562)
Net decrease from share transactions	(16,080,786)	(2,263,268)
Increase in net assets attributable to holders of participating redeemable preference shares from operations	26,231,880	2,134,376
Movement in currency translation	411,153	—
Net assets attributable to holders of participating redeemable preference shares as at 28 May	179,535,800	24,624,122

For the year ended 31 May 2020

	Company £	Cautious Balanced Strategy Fund £
Net assets attributable to holders of participating redeemable preference shares at the beginning of the year	185,527,681	25,449,864
Creation of participating redeemable preference shares issued	5,436,182	1,989,678
Redemption of participating redeemable preference shares	(18,088,272)	(2,772,860)
Net decrease from share transactions	(12,652,090)	(783,182)
Increase in net assets attributable to holders of participating redeemable preference shares from operations	(4,008,611)	86,332
Movement in currency translation	106,573	—
Net assets attributable to holders of participating redeemable preference shares as at 31 May 2020	168,973,553	24,753,014

The notes on pages 38 to 66 form an integral part of these financial statements.

Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares

For the year ended 28 May 2021

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Net assets attributable to holders of participating redeemable preference shares at the beginning of the year	124,912,640	13,654,546	6,989,240
Creation of participating redeemable preference shares issued	1,509,910	743,544	134,829
Redemption of participating redeemable preference shares	(11,997,287)	(2,165,864)	(1,122,314)
Net decrease from share transactions	(10,487,377)	(1,422,320)	(987,485)
Increase in net assets attributable to holders of participating redeemable preference shares from operations	19,883,342	2,862,478	1,814,861
Movement in currency translation	–	–	–
Net assets attributable to holders of participating redeemable preference shares as at 28 May	134,308,605	15,094,704	7,816,616

For the year ended 31 May 2020

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Net assets attributable to holders of participating redeemable preference shares at the beginning of the year	138,461,152	14,819,386	8,567,290
Creation of participating redeemable preference shares issued	2,032,685	734,930	862,775
Redemption of participating redeemable preference shares	(11,982,121)	(1,425,470)	(2,413,519)
Net decrease from share transactions	(9,949,436)	(690,540)	(1,550,744)
Increase in net assets attributable to holders of participating redeemable preference shares from operations	(3,599,076)	(474,300)	(27,306)
Movement in currency translation	–	–	–
Net assets attributable to holders of participating redeemable preference shares as at 31 May	124,912,640	13,654,546	6,989,240

The notes on pages 38 to 66 form an integral part of these financial statements.

Cash Flow Statements

For the year ended 28 May 2021

	Company £	Cautious Balanced Strategy Fund £
Cash flows from operating activities		
Purchase of financial assets	(179,762,667)	(27,457,172)
Receipts from sale of investments	200,225,904	31,194,186
Investment income received	1,438,000	296,374
Fee rebates received	126,160	8,294
Bank interest received	752	46
Interest paid	(875)	–
Operating expenses paid	(2,008,037)	(263,325)
Net cash inflow from operating activities	20,019,237	3,778,403
Cash flows from financing activities		
Distributions paid to holders of participating redeemable preference shares issued	–	–
Proceeds received from issue of participating redeemable preference shares	2,861,042	504,436
Payments on redemption of participating redeemable preference shares	(15,284,170)	(2,761,062)
Net cash outflow used in financing activities	(12,423,128)	(2,256,626)
Net increase in cash and cash equivalents	7,596,109	1,521,777
Cash and cash equivalents as at 1 June	641,092	81,866
Exchange losses on cash and cash equivalents	35,485	(2,826)
Movement in currency translation	(2,000)	–
Cash and cash equivalents as at 28 May	8,270,686	1,600,817

The notes on pages 38 to 66 form an integral part of these financial statements.

Cash Flow Statements

For the year ended 28 May 2021

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Cash flows from operating activities			
Purchase of financial assets	(131,142,020)	(15,316,381)	(8,297,281)
Receipts from sale of investments	144,917,316	17,179,132	9,841,450
Investment income received	1,054,791	80,044	9,637
Unclaimed distributions	–	–	–
Fee rebates received	87,391	17,374	18,591
Bank interest received	596	37	103
Interest paid	–	(24)	(1,207)
Operating expenses paid	(1,494,562)	(181,520)	(97,389)
Net cash inflow from operating activities	13,423,512	1,778,662	1,473,904
Cash flows from financing activities			
Distributions paid to holders of participating redeemable preference shares issued	–	–	–
Proceeds received from issue of participating redeemable preference shares	1,517,295	744,601	134,398
Payments on redemption of participating redeemable preference shares	(9,567,136)	(2,165,856)	(1,121,209)
Net cash outflow used in financing activities	(8,049,841)	(1,421,255)	(986,811)
Net increase in cash and cash equivalents	5,373,671	357,407	487,093
Cash and cash equivalents as at 1 June	441,041	102,641	19,217
Exchange losses on cash and cash equivalents	40,103	(1,958)	237
Movement in currency translation	–	–	–
Cash and cash equivalents as at 28 May	5,854,815	458,090	506,547

The notes on pages 38 to 66 form an integral part of these financial statements.

Cash Flow Statements continued

For the year ended 31 May 2020

	Company £	Cautious Balanced Strategy Fund £
Cash flows from operating activities		
Purchase of financial assets	(56,427,791)	(10,553,008)
Receipts from sale of investments	66,385,472	10,711,348
Investment income received	1,890,972	319,404
Unclaimed distributions	–	–
Fee rebates received	178,658	9,786
Bank interest received	17,699	2,557
Interest paid	(3,167)	(169)
Operating expenses paid	(2,091,665)	(260,692)
Net cash inflow from operating activities	9,950,178	229,226
Cash flows from financing activities		
Distributions paid to holders of participating redeemable preference shares issued	–	–
Proceeds received from issue of participating redeemable preference shares	5,471,712	1,992,630
Payments on redemption of participating redeemable preference shares	(18,132,662)	(2,772,860)
Net cash outflow from financing activities	(12,660,950)	(780,230)
Net (decrease) / increase in cash and cash equivalents	(2,710,772)	(551,004)
Cash and cash equivalents as at 1 June	3,372,699	635,186
Exchange losses on cash and cash equivalents	(21,025)	(2,316)
Movement in currency translation	190	–
Cash and cash equivalents as at 31 May	641,092	81,866

The notes on pages 38 to 66 form an integral part of these financial statements.

Cash Flow Statements continued

For the year ended 31 May 2020

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Cash flows from operating activities			
Purchase of financial assets	(40,630,990)	(3,038,0115)	(2,727,003)
Receipts from sale of investments	48,344,313	3,787,016	4,379,958
Investment income received	1,411,958	154,697	6,074
Unclaimed distributions	–	–	–
Fee rebates received	127,250	23,433	22,487
Bank interest received	13,360	1,103	839
Interest paid	(765)	(409)	(2,255)
Operating expenses paid	(1,554,213)	(185,192)	(113,205)
Net cash inflow from operating activities	7,710,913	742,633	1,566,895
Cash flows from financing activities			
Distributions paid to holders of participating redeemable preference shares issued	–	–	–
Proceeds received from issue of participating redeemable preference shares	2,044,278	737,446	862,144
Payments on redemption of participating redeemable preference shares	(11,982,121)	(1,425,470)	(2,413,519)
Net cash outflow from financing activities	(9,937,843)	(688,024)	(1,551,375)
Net (decrease) / increase in cash and cash equivalents	(2,226,930)	54,609	15,520
Cash and cash equivalents as at 1 June	2,675,847	51,927	12,275
Exchange losses on cash and cash equivalents	(7,876)	(3,895)	(8,578)
Movement in currency translation	–	–	–
Cash and cash equivalents as at 31 May	441,041	102,641	19,217

The notes on pages 38 to 66 form an integral part of these financial statements.

Investment Portfolios

Cautious Balanced Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Bond Funds 35.72% (55.06%)						
BlackRock Overseas Corporate Bond Fund	–	–	–	1,697,122	2,914,807	11.78
Fidelity Funds - Flexible Bond Fund	1,541,251	1,673,799	6.80	–	–	–
iShare FTSE UK Gilt All Stocks	106,863	1,474,175	5.99	–	–	–
iShares GBP Corporate Bond UCITS ETF	7,150	1,094,558	4.45	–	–	–
Jupiter JGF - Dynamic Bond	86,344	983,454	3.99	–	–	–
L&G Emerging Government Bond Fund	–	–	–	3,367,615	2,542,212	10.27
Lloyds Investment Funds High Income*	–	–	–	3,057,752	2,633,642	10.64
Lloyds Investment Funds Sterling Bond*	–	–	–	1,681,743	2,635,291	10.65
Muzinich Global Tactical Credit Hedged Founder Inc	9,576	983,447	3.99	–	–	–
PIMCO Global Investment Grade Credit Fund	–	–	–	136,561	2,901,921	11.72
PIMCO Select Funds Plc - UK Income Bond Fund	154,739	1,600,000	6.50	–	–	–
Vontobel Fund - Twentyfour Strategic Income	9,134	983,928	4.00	–	–	–
Equity Funds 44.16% (28.01%)						
Dodge & Cox Worldwide Funds Plc - U.S. Stock Fund	19,666	510,527	2.07	–	–	–
Duff & Phelps US Select Growth	2,055	515,868	2.09	–	–	–
Fidelity Funds - Emerging Asia Fund	190,694	454,806	1.85	–	–	–
Fidelity Funds - Global Technology Fund	139,405	771,887	3.13	–	–	–
iShares Vii Plc - iShares Core S&P 500 UCITS	1,680	505,530	2.05	–	–	–
Liontrust Global Funds Plc - Liontrust GF Special	52,048	1,224,213	4.97	–	–	–
Ninety One Global Strategy Fund - Global Environment Fund IX Acc GBP	26,525	732,613	2.98	–	–	–
Ninety One Global Strategy Fund - Global Multi-Asset Income Fund J Inc-2 GBP Hedged	50,691	987,465	4.01	–	–	–
Pictet - Japanese Equity Opportunities	5,172	493,328	2.00	–	–	–
Polar Capital Funds Plc - Healthcare Opportunities	15,944	747,608	3.04	–	–	–
Russell Continental Europe Equity Fund	–	–	–	24,982	503,146	2.03
Russell Emerging Markets Equity Fund	–	–	–	13,516	488,880	1.98
Russell Japan Equity Fund	–	–	–	37,835	1,054,839	4.26
Russell UK Equity Fund	–	–	–	259	3,581,078	14.47
Russell US Equity Fund	–	–	–	41,353	1,303,459	5.27
Schroder ISF Asian Total Return	1,039	480,474	1.95	–	–	–
Threadneedle Lux - UK Equity Income	93,256	997,075	4.05	–	–	–
Trojan Income Fund	474,816	743,419	3.02	–	–	–
Vanguard FTSE 250 UCITS ETF	48,000	1,711,200	6.95	–	–	–

Investment Portfolios continued

Cautious Balanced Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Property Funds 0.00% (1.78%)						
BlackRock Global Property Securities Fund	–	–	–	227,962	441,790	1.78
Absolute Return Funds 0.00% (14.82%)						
DWS Concept Kaldemorgen GBP	–	–	–	15,073	1,832,273	7.40
Newton Real Return Fund	–	–	–	1,461,670	1,837,904	7.42
Hedge Fund and Alternatives 8.67% (0.00%)						
Legg Mason Global Funds Plc - Legg Mason Western	11,547	1,129,215	4.59	–	–	–
Polar Capital Funds Plc - Global Convertible Fund	125,945	1,005,038	4.08	–	–	–
Structured Funds 5.08% (0.00%)						
Gemcap Investment Ireland - AHFM Defined Return Fund	1,126,228	1,249,886	5.08	–	–	–
Total value of investments		23,053,513	93.63		24,671,243	99.67
Other assets		1,611,295	6.54		108,960	0.44
Total assets		24,664,808	100.17		24,780,203	100.11
Liabilities		(40,686)	(0.17)		(27,189)	(0.11)
Net assets attributable to holders of participating redeemable preferences shares		24,624,122	100.00		24,753,014	100.00
		For the year ended 28.05.21			For the year ended 31.05.20	
Cost of investments purchased		£27,457,172			£10,553,008	
Proceeds from investments sold		£31,194,186			£10,711,348	

* From 1 December 2020 Lloyds Investment Funds High Income changed its name to Brooks Macdonald International Investment Funds High Income and Lloyds Investment Funds Sterling Bond changed to Brooks Macdonald International Investment Funds Sterling Bond.

Investment Portfolios continued

Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Bond Funds 5.02% (20.21%)						
BlackRock Overseas Corporate Bond Fund	—	—	—	8,402,523	14,431,334	11.50
L&G Emerging Government Bond Fund	—	—	—	6,635,300	5,008,988	3.99
Lloyds Investment Funds High Income*	—	—	—	6,880,854	5,926,479	4.72
Muzinich Global Tactical Credit Hedged Founder Inc	26,871	2,759,674	2.05	—	—	—
PIMCO Select Funds Plc - UK Income Bond Fund	385,728	3,988,428	2.97	—	—	—
Equity Funds 84.23% (68.94%)						
Blackrock Global Funds - Continental European	106,053	4,307,864	3.21	—	—	—
Dodge & Cox Worldwide Funds Plc - U.S. Stock Fund	159,784	4,147,987	3.09	—	—	—
Duff & Phelps US Select Growth	22,185	5,567,697	4.15	—	—	—
Fidelity Funds - Emerging Asia Fund	2,931,084	6,990,636	5.20	—	—	—
Fidelity Funds - Global Technology Fund	1,486,989	8,233,457	6.13	—	—	—
Hermes Investment Funds Plc - Hermes USD SMID	1,943,789	4,043,228	3.01	—	—	—
iShares Vii Plc - iShares Core S&P 500 UCITS	18,500	5,566,853	4.14	—	—	—
Liontrust Global Funds Plc - Liontrust GF Special	355,027	8,350,591	6.22	—	—	—
Ninety One Global Strategy Fund - Global Environment Fund IX Acc GBP	245,399	6,777,914	5.05	—	—	—
Ninety One Global Strategy Fund - Global Multi-Asset Income Fund J Inc-2 GBP Hedged	102,407	1,994,880	1.49	—	—	—
Old Mutual Global Smaller Companies Focus	1,431,025	5,507,584	4.10	—	—	—
Pictet - Japanese Equity Opportunities	70,860	6,758,591	5.03	—	—	—
Polar Capital Funds Plc - Healthcare Opportunities	140,306	6,578,954	4.90	—	—	—
Russell Asia Pacific Ex Japan Equity Fund	—	—	—	74,883	2,396,256	1.91
Russell Continental Europe Equity Fund	—	—	—	340,714	6,861,981	5.47
Russell Emerging Markets Equity Fund	—	—	—	184,356	6,668,174	5.32
Russell Investments U.S. Equity Fund	101,106	3,916,831	2.92	591,435	18,642,017	14.86
Russell Japan Equity Fund	—	—	—	393,996	10,984,613	8.76
Russell UK Equity Fund	—	—	—	1,467	20,246,365	16.14
Schroder ISF Asian Total Return	19,939	9,225,084	6.87	—	—	—
Threadneedle Lux - UK Equities Fund	198,361	8,395,656	6.25	593,763	20,669,836	16.48
Trojan Income Fund	3,529,034	5,525,409	4.11	—	—	—
Vanguard FTSE 250 UCITS ETF	315,000	11,229,750	8.36	—	—	—

Investment Portfolios continued

Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Property Funds 0.0% (4.74%)						
BlackRock Global Property Securities Fund	–	–	–	3,067,517	5,944,849	4.74
Absolute Return Funds 5.14% (5.80%)						
Newton Real Return Fund	–	–	–	5,787,709	7,277,465	5.80
Structured Returns 5.14% (0.00%)						
Gemcap Investment Ireland - AHFM Defined Return Fund	6,216,776	6,899,378	5.14	–	–	–
Hedge Fund and Alternatives 1.53% (0.00%)						
Legg Mason Global Funds Plc - Legg Mason Western	20,995	2,053,118	1.53	–	–	–
Total value of investments		128,819,564	95.92		125,058,357	99.69
Other assets		8,097,420	6.03		545,721	0.44
Total assets		136,916,984	101.95		125,604,078	100.13
Liabilities		(2,608,379)	(1.95)		(156,160)	(0.13)
Net assets attributable to holders of participating redeemable preferences shares		134,308,605	100.00		125,447,918	100.00
		For the year ended 28.05.21			For the year ended 31.05.20	
Cost of investments purchased		£131,142,020			£40,630,990	
Proceeds from investments sold		£144,917,316			£48,344,313	

* From 1 December 2020 Lloyds Investment Funds High Income changed its name to Brooks Macdonald International Investment Funds High Income.

Investment Portfolios continued

High Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Bond Funds 0.00% (7.72%)						
BlackRock Overseas Corporate Bond Fund	—	—	—	151,336	259,920	1.90
L&G Emerging Government Bond Fund	—	—	—	538,565	406,563	2.97
Robeco High Yield Bonds Fund	—	—	—	3,251	390,849	2.85
Equity Funds 94.97% (87.87%)						
Blackrock Global Funds - Continental European	15,779	640,926	4.25	—	—	—
Dodge & Cox Worldwide Funds Plc - U.S. Stock Fund	23,485	609,667	4.04	—	—	—
Duff&Phelps US Select Growth	3,017	757,279	5.02	—	—	—
Fidelity Funds - Emerging Asia Fund	320,366	764,073	5.06	—	—	—
Fidelity Funds - Global Technology Fund	171,004	946,848	6.27	—	—	—
Hermes Investment Funds Plc - Hermes USD SMID	210,815	438,776	2.91	—	—	—
iShares Vii Plc - iShares Core S&P 500 UCITS	2,680	806,441	5.34	—	—	—
Liontrust Global Funds Plc - Liontrust GF Special	39,352	925,608	6.13	—	—	—
Ninety One Global Strategy Fund - Global Environment Fund IX Acc GBP	32,479	897,077	5.94	—	—	—
Old Mutual Global Smaller Companies Focus	239,371	921,269	6.10	—	—	—
Pictet - Japanese Equity Opportunities	11,379	1,085,321	7.19	—	—	—
Polar Capital Funds Plc - Healthcare Opportunities	19,133	897,130	5.94	—	—	—
Russell Asia Pacific Ex Japan Equity Fund	—	—	—	14,115	451,668	3.30
Russell Continental Europe Equity Fund	—	—	—	100,187	2,017,768	14.72
Russell Emerging Markets Equity Fund	—	—	—	34,340	1,242,076	9.06
Russell Investments U.S. Quant Fund	14,680	630,938	4.18	51,597	1,801,255	13.14
Russell Japan Equity Fund	—	—	—	35,384	986,515	7.20
Russell UK Equity Fund	—	—	—	133	1,842,492	13.45
Russell US Equity Fund	—	—	—	57,939	1,826,248	13.33
Schroder ISF Asian Total Return	2,285	1,057,042	7.00	—	—	—
Threadneedle Lux - UK Equities Fund	22,385	947,427	6.28	53,796	1,872,710	13.67
Trojan Income Fund	494,065	773,557	5.12	—	—	—
Vanguard FTSE 250 UCITS ETF	34,737	1,238,374	8.20	—	—	—
Property Funds 0.00% (3.68%)						
BlackRock Global Property Securities Fund	—	—	—	260,225	504,317	3.68

Investment Portfolios continued

High Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 £	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 £	% of Total Net Assets
Hedge Funds and Alternatives 2.06% (0.00%)						
Legg Mason Global Funds Plc - Legg Mason Western	3,149	307,968	2.06	–	–	–
Total value of investments		14,645,721	97.03		13,602,381	99.27
Other assets		470,125	3.11		116,886	0.85
Total assets		15,115,846	100.14		13,719,267	100.12
Liabilities		(21,142)	(0.14)		(16,224)	(0.12)
Net assets attributable to holders of participating redeemable preferences shares		15,094,704	100.00		13,703,043	100.00
		For the year ended 28.05.21			For the year ended 31.05.20	
Cost of investments purchased		£15,316,381			£3,038,015	
Proceeds from investments sold		£17,179,132			£3,787,016	

Investment Portfolios continued

US\$ Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 US\$	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 US\$	% of Total Net Assets
Bond Funds 4.88% (25.83%)						
BlackRock GIF Emerging Market Government Bond Fund	–	–	–	3,267	420,600	6.02
Jupiter Asset Man -Dynamic Bond I USD Inc	31,906	381,595	4.88	–	–	–
Robeco Global Credits USD	–	–	–	2,467	271,141	3.88
Vanguard US Investment Grade Credit Fund	–	–	–	5,307	1,113,422	15.93
Equity Funds 81.62% (64.31%)						
Blackrock Global Funds - Continental European	4,484	243,991	3.12	–	–	–
Brown Advisory US Sustainable Growth Fund	25,402	641,404	8.21	–	–	–
Dodge & Cox Worldwide Funds Plc - U.S. Stock Fund	16,166	632,075	8.09	–	–	–
Edgewood L Select - US Select Growth	2,489	625,052	8.00	–	–	–
Fidelity Funds - Emerging Asia Fund	12,225	280,807	3.59	–	–	–
Fidelity Funds - Global Technology Fund	9,340	317,746	4.07	–	–	–
Granahan US Focused Growth Fund	24,642	609,157	7.79	–	–	–
Hermes Investment Funds Plc - Hermes USD SMID	209,601	619,057	7.92	–	–	–
Ishares Vii Plc Ishares Core S&P 500 UCITS ETF	950	405,954	5.19	–	–	–
Morgan Stanley Investment Funds - US Advantage	3,223	632,042	8.09	–	–	–
Ninety One Global Strategy Fund - Global Environment Fund IX Acc USD	8,299	309,046	3.95	–	–	–
Pictet - Japanese Equity Opportunities	2,314	311,990	3.99	–	–	–
Polar Capital Funds Plc - Healthcare Opportunities	4,489	298,736	3.82	–	–	–
Russell Asia Pacific Ex Japan Equity Fund	–	–	–	3,573	133,345	1.91
Russell Continental Europe Equity Fund	–	–	–	27,464	692,654	9.91
Russell Emerging Markets Equity Fund	–	–	–	1,150	434,672	6.22
Russell Japan Equity Fund	–	–	–	32,889	724,214	10.36
Russell UK Equity Fund	–	–	–	12,676	245,662	3.51
Russell US Equity Fund	–	–	–	36,624	1,140,116	16.31
Russell US Quant Equity Fund	–	–	–	36,592	1,124,478	16.09
Schroder Asian Total Return	1,037	452,537	5.79	–	–	–
Property Funds 0% (4.71%)						
BlackRock Developed Real Estate Fund	–	–	–	31,433	328,934	4.71
Absolute Return Funds 0% (4.87%)						
DWS Concept Kaldemorgen USD	–	–	–	3,047	340,310	4.87

Investment Portfolios continued

US\$ Growth Strategy

As at 28 May 2021

	Holding 28.05.21	Market Value 28.05.21 US\$	% of Total Net Assets	Holding 31.05.20	Market Value 31.05.20 US\$	% of Total Net Assets
Hedge Fund and Alternatives 2.06% (0%)						
Legg Mason Global Funds Plc - Legg Mason Western	1,423	161,010	2.06	—	—	—
Structured Return 5.04% (0.00%)						
Atlantic House Defined Returns Fund	304,497	393,958	5.04	—	—	—
Total value of investments		7,316,157	93.60		6,969,548	99.72
Other assets		516,165	6.60		29,678	0.42
Total assets		7,832,322	100.20		6,999,226	100.14
Liabilities		(15,706)	(0.20)		(9,986)	(0.14)
Net assets attributable to holders of participating redeemable preferences shares		7,816,616	100.00		6,989,240	100.00
		For the year ended 28.05.21			For the year ended 31.05.20	
Cost of investments purchased		\$8,297,281			\$2,727,003	
Proceeds from investments sold		\$9,841,450			\$4,379,958	

Notes to the Financial Statements

For the year ended 28 May 2021

1. The Company

The Company is domiciled and incorporated as a limited company in Jersey, Channel Islands under the Companies (Jersey) Law 1991 and is listed on The International Stock Exchange and has a secondary listing on the Malta Stock Exchange. Full details of the Company, Investment Objectives and Policy and Report of the Directors are stated on pages 2 to 9.

2. Basis of Preparation

2.1 Basis of preparation

The Financial Statements of the Company and the Funds have been prepared in accordance with International Financial Reporting Standards ('IFRS'). Within the Financial Statements the Company represents the total value of the Funds combined, with the exception of the Statements of Financial Position which also includes the Nominal Share values. The financial statements of the Company and the following Funds are prepared on the going concern basis:

- Cautious Balanced Strategy Fund
- Growth Strategy Fund
- High Growth Strategy Fund
- US\$ Growth Strategy Fund

The Directors have also chosen to adopt areas of the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued in May 2014 by the IMA (Investment Management Association) where this does not conflict with other reporting requirements.

The policies set out below have been consistently applied to all periods presented (unless otherwise stated).

The annual report and financial statements has been prepared under the historical cost convention, as modified by the revaluation of investments, held at fair value through the profit or loss and in accordance with the Companies (Jersey) Law 1991 and with the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended). Jersey is not part of the United Kingdom ('UK') and the Company is not regulated by the Financial Conduct Authority ('FCA') or the Prudential Regulation Authority ('PRA') of the UK.

The capital of the Company comprises various classes of Shares each relating to a separate Fund consisting of securities, cash, other assets and liabilities. This annual report presents the statements of financial position, statements of comprehensive income, statements of changes in net assets attributable to holders of participating redeemable preference shares, cash flow statements, investment portfolios, notes to the financial statements, performance records, change in net asset value per share and distribution tables. At the statement of financial position date there were four Funds in existence; Cautious Balanced Strategy Fund, Growth Strategy Fund, High Growth Strategy Fund and US\$ Growth Strategy Fund. The Directors may from time to time create further classes (Funds).

The net assets attributable to holders of participating redeemable preference shares are classified as financial liabilities and therefore, in the opinion of the Directors, the Capital of the Company is only represented by the Founders Shares. Details of Founders Shares are disclosed in Notes 3 and 13.

Where assets of an individual Fund are insufficient to meet that Fund's liabilities, then any liabilities that remain undischarged will revert to the Company as a whole and be allocated amongst the other Funds.

As per the Prospectus the Company's annual accounting date is the last Dealing Day of May.

2.2 Significant accounting estimates and judgements

The Company makes assumptions and estimates that affect the reported amounts of assets and liabilities at the statement of financial position date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The accounting policies deemed significant to the Company's results and financial position, based upon materiality and significant judgements and estimates, are discussed in the following notes. There are no significant estimates and judgements that have a material effect on the financial statements.

2.3 Going concern

The Financial Statements of the Company and Funds have been prepared in accordance with IFRS on the going concern basis. The Directors have a reasonable expectation that the Brooks Macdonald International Multi Strategy Fund Limited will continue as a going concern for the foreseeable future.

Notes to the Financial Statements continued

For the year ended 28 May 2021

3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all periods presented, unless otherwise stated in the following text:

The Directors also monitor new standards and ensure that they are applied when relevant.

3.1 Standards, amendments and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period beginning 1 June 2020 that have had a material impact on the Company.

3.2 The following new and revised standards, amendments and interpretations have been published but are not yet effective:

- IAS 1, 'Presentation of financial statements on classification of liabilities' (effective periods commencing on or after 1 January 2022).
- IFRS 17, 'Insurance contracts' (effective periods commencing on or after 1 January 2023).

Functional currency and presentational currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). The Directors have adopted sterling as the functional and presentational currency which reflects the Company's primary activity of investing in sterling share Classes and the regulatory environment of the majority of investors, being UK based. The Company has adopted sterling as its presentational and functional currency for the Cautious Balanced Strategy Fund, Growth Strategy Fund and High Growth Strategy Fund as the majority of the Shares in each Fund have been subscribed for in sterling and all non dealing related fees and expenses are paid in sterling.

The Company has adopted the US Dollar as its presentation and functional currency for the US\$ Growth Strategy Fund. The primary activity of this Strategy is to invest in US Dollar denominated securities, the majority of shares in this Strategy have been subscribed for in US Dollars and the primary currency in which income, fees and expenses are paid is the US Dollar.

Share premium and share capital currency translation

Share premium and share capital transactions are translated into sterling at the exchange rate ruling at the time of the transaction. The aggregated balance of net assets attributable to holders of participating redeemable preference Shares has been translated using the average exchange rate for the period.

Segmental reporting

The Company, at the statement of financial position date is organised into four business segments or Funds, each focusing on achieving returns by investing in a range of investments as described in the Investment Objectives and Policy on page 3.

The Company issues Shares which are allocated to the Fund selected by the investor. A separate account is maintained for each Fund, to which proceeds of issue, the income arising from those proceeds and expenses are allocated. Upon redemption, shareholders are entitled to their proportion of the net assets held in the Fund in which their Shares have been designated. A statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of participating redeemable preference shares and cash flow statement have been prepared for each Fund as well as for the Company as a whole.

Foreign currency translation

Assets and liabilities denominated in currencies other than the functional currency of the Company are translated at the rate of exchange ruling at the statement of financial position date. The currency profits or losses arising on translation, together with currency profits or losses realised during the period, are recognised in the statement of comprehensive income.

The rate of exchange to sterling from dollar ruling at 28 May 2021 used for the conversion of statement of financial position items was 1.41904 and the average rate for the period used for the conversion of the statement of comprehensive income was 1.34267.

Financial assets and financial liabilities at fair value through profit or loss

(a) Classification

The Company classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis.

Notes to the Financial Statements continued

For the year ended 28 May 2021

3. Summary of Significant Accounting Policies continued

Financial assets and financial liabilities at fair value through profit or loss (continued)

(a) Classification (continued)

The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Company's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale.

The collection of contractual cash flows is only incidental to achieving the Company's business model's objective and consequently, all investments are measured at fair value through profit or loss.

(b) Recognition

Purchases and sales are recognised on the trade date (the date on which the Company commits to purchase or sell the asset).

(c) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income as incurred. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value.

Gains and losses arising from changes in the fair value of financial assets or financial liabilities at fair value through profit or loss are recognised in the statement of comprehensive income in the period in which they arise.

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy, within which the fair value measurement is categorised in its entirety, is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. All financial instruments within each Company are categorised under level 1 (2019: All financial instruments level 1).

Creations receivable and Redemptions payable

Creations receivable represent the amount due from investors for the issue of participating shares. Redemptions payable represent the amount payable to investors following a cancellation of participating shares. These are recognised at fair value.

Investment sales receivable and Investment purchases payable

Investment sales receivable represent securities sold that have been contracted for but not yet settled or delivered on the statement of financial position date.

Investment purchases payable represent securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less impairment.

When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

A provision for impairment of amounts due on investment sales receivable is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from the broker is impaired.

Notes to the Financial Statements continued

For the year ended 28 May 2021

3. Summary of Significant Accounting Policies continued

Revenue recognition

Investment income from Fund investments is recognised in the statement of comprehensive income on an ex-dividend basis when the right to receive payment is established. When a Fund holds derivatives with offsetting market risks, it uses bid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid-market price to the net open position as appropriate, please note the Funds held no derivatives at 28 May 2021 (31 May 2020 : Nil).

Fee rebate income is recognised in the statement of comprehensive income on a time proportionate basis using the rates provided by the underlying fund managers.

Bank Interest is recognised in the statement of comprehensive income on a time proportionate basis using the effective interest rate method ("EIR"). The EIR is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial asset or liability, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

Transaction costs

There are no direct transaction costs related to the purchase or sale of underlying investments, however, the value of the underlying investments includes indirect transaction costs from the purchase and sale of underlying assets. These transaction costs do not form part of the disclosures herein.

Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets and financial liabilities held by the Company is the current mid-market price as permitted by IFRS 13 financial assets and financial liabilities at fair value at close of business on the last business day of the accounting period.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Overdraft facility

An overdraft facility of £5,000,000 was in place with Lloyds Bank Corporate Markets Jersey Branch, covering the maximum aggregated amount outstanding on all Funds managed by Brooks Macdonald International Multi Strategy Funds Limited at any time. The overdraft facility was closed on 31 December 2020. The closure of the overdraft facility was initiated by the Bank as the Company is no longer owned by Lloyds Banking Group. A revised overdraft facility was offered to the Company but it was not deemed necessary due to the redemption payments being 4 business days after the redemption dealing date from previously 1 business day.

Share capital

- (i) The Founders Shares have been subscribed for by the Manager and are non-participating. The holders thereof are entitled only to income arising on the assets represented by the Founders Shares. These Shares are classified as Ordinary Share capital in the statement of financial position.
- (ii) Unclassified Shares may be issued as either participating redeemable preference shares ('Participating Shares') or Nominal Shares. Participating Shares are redeemable at the shareholder's option and are classified as financial liabilities. Participating Shares are carried at the redemption amount that is payable if the holder exercises the right to redeem Shares at the statement of financial position date. Participating Shares are issued and redeemed at the holder's option at prices based on each Fund's net asset value per Share at the time of issue or redemption. Each Fund's net asset value per Share is calculated by dividing the net assets attributable to the holders of participating redeemable preference shares with the total number of Participating Shares in issue.

In accordance with the provisions of the Company's regulations, investments are valued based on the latest traded market price for the purpose of determining the net asset value per Share for subscriptions and redemptions.

The Shares are divided into funds according to the type of investment in which the proceeds of the issue of Shares in each Fund are invested. A separate portfolio of investments is maintained for each Fund.

Each holder of a Participating Share is entitled on a poll, to one vote for each Participating Share held. Participating Shares have a right to dividends declared. If any dividends are paid, different amounts of dividends may be payable in respect of different Funds.

Notes to the Financial Statements continued

For the year ended 28 May 2021

3. Summary of Significant Accounting Policies continued

(iii) Nominal Shares have been accounted for in accordance with the Companies (Jersey) Law 1991 and corresponding amounts have been included in debtors and financial liabilities.

A Nominal Share will be created when a Participating Share is cancelled. A Nominal Share will be cancelled when a Participating Share is created until the number of Nominal Shares falls to zero.

(iv) Both issued Nominal and Participating Shares have a nominal value of £ 0.01 per Share.

Details of the Company's Share capital transactions are shown in Note 13.

Share premium

The premium on issues and redemptions of Participating Shares is accounted for within the Share premium account which forms part of the net assets attributable to holders of participating redeemable preference Shares. Details are shown in Notes 14 and 16.

Distributions payable to holders of participating redeemable preference shares

Distributions to holders of Participating Shares are recognised and classified as finance costs when they are ratified by the Directors.

Distributions are calculated on an annual basis. A distributable amount includes both investment income (including equalisation from underlying funds) and bank interest received. Revenue expenses deducted include management fees, custodian fees, registrar fee and management expenses. There were no distributions paid to shareholders within the period.

Accrued income and expenses

Accrued income and expenses are recognised initially at fair value and subsequently stated at amortised cost using the EIR.

As at 28 May 2021 the Company held no commitments in respect of an obligation resulting from the occurrence of one or more future events not wholly within the Company's control.

Notes to the Financial Statements continued

For the year ended 28 May 2021

4. Other Accrued Income and Other Debtors

	Company £	Cautious Balanced Strategy Fund £
As at 28 May 2021		
Accrued dividend income	–	–
Fee rebate income accrued	9,467	659
Management and services fees	–	–
Cash due for Founders shares	1,000	–
Cash due for Nominal shares	22,934	–
Prepaid expenses	6,046	846
Total other accrued income and other debtors	39,447	1,505
As at 31 May 2020		
Accrued dividend income	90	–
Fee rebate income accrued	62,780	17,979
Management and services fees	–	–
Cash due for Founders shares	1,000	–
Cash due for Nominal shares	159,102	–
Total other accrued income and other debtors	222,972	17,979

5. Accrued Expenses and Other Creditors

	Company £	Cautious Balanced Strategy Fund £
As at 28 May 2021		
Due to Manager	137,975	18,545
Due to Custodian	11,678	1,885
Other Creditors	94,185	13,756
Total accrued expenses and other creditors	243,838	34,186
As at 31 May 2020		
Due to Manager	29,980	15,300
Due to Custodian	96,910	3,125
Other Creditors	80,761	8,764
Total accrued expenses and other creditors	207,651	27,189

Notes to the Financial Statements continued

For the year ended 28 May 2021

4. Other Accrued Income and Other Debtors

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
As at 28 May 2021			
Accrued dividend income	–	–	–
Fee rebate income accrued	6,723	1,096	1,404
Management and services fees	–	–	–
Cash due for Founders shares	–	–	–
Cash due for Nominal shares	–	–	–
Prepaid expenses	4,508	516	249
Total other accrued income and other debtors	11,231	1,612	1,653
As at 31 May 2020			
Accrued dividend income	–	7	103
Fee rebate income accrued	39,758	2,758	2,824
Management and services fees	–	–	–
Cash due for Founders shares	–	–	–
Cash due for Nominal shares	–	–	–
Total other accrued income and other debtors	39,758	2,765	2,927

5. Accrued Expenses and Other Creditors

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
As at 28 May 2021			
Due to Manager	103,738	11,533	5,902
Due to Custodian	8,099	1,153	767
Other Creditors	66,391	8,448	7,932
Total accrued expenses and other creditors	178,228	21,134	14,601
As at 31 May 2020			
Due to Manager	–	10,364	5,335
Due to Custodian	91,819	1,355	755
Other Creditors	64,341	4,505	3,896
Total accrued expenses and other creditors	156,160	16,224	9,986

Notes to the Financial Statements continued

For the year ended 28 May 2021

6. Net Gain on Financial Assets at Fair Value Through Profit or Loss

The net gain on investments during the period comprise:

	Company £	Cautious Balanced Strategy Fund £
Year ended 28 May 2021		
Proceeds from sales of investments during the period	202,794,258	31,194,186
Original cost of investments sold during the period	(173,665,850)	(28,460,160)
Realised foreign exchange losses	37,138	(2,334)
Net gains realised during the period	29,165,546	2,731,692
Realised gains on investments sold during the period	5,528,770	701,350
Realised losses on investments sold during the period	(465,177)	(69,142)
Movement in unrealised gains for the period	(2,400,693)	(614,742)
Movement in unrealised losses for the period	–	–
Unrealised foreign exchange (losses) / gains	(1,642)	(491)
Net gain on investments	26,763,211	2,116,459
Year ended 31 May 2020		
Proceeds from sales of investments during the period	66,066,487	10,711,348
Original cost of investments sold during the period	(60,456,998)	(10,079,140)
Realised foreign exchange losses	(21,088)	(2,402)
Net gains realised during the period	5,588,401	629,806
Realised gains on investments sold during the period	6,190,473	701,350
Realised losses on investments sold during the period	(580,984)	(69,142)
Movement in unrealised gains for the period	(3,441,928)	(143,617)
Movement in unrealised losses for the period	(6,141,969)	(468,218)
Unrealised foreign exchange gains	225	86
Net gain on investments	(3,995,271)	18,057

Notes to the Financial Statements continued

For the year ended 28 May 2021

6. Net Gain on Financial Assets at Fair Value Through Profit or Loss continued

The net gain on investments during the period comprise:

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Year ended 28 May 2021			
Proceeds from sales of investments during the period	147,091,153	17,179,132	9,841,466
Original cost of investments sold during the period	(126,459,383)	(13,163,802)	(7,495,449)
Realised foreign exchange gains (losses) / gains	40,432	(1,117)	213
Net gains realised during the period	20,672,202	4,014,213	2,346,230
Realised gains on investments sold during the period	4,479,283	348,137	–
Realised losses on investments sold during the period	(380,576)	(15,460)	–
Movement in unrealised gains for the period	(386,153)	(1,060,742)	(455,239)
Movement in unrealised losses for the period	–	–	–
Unrealised foreign exchange (losses) / gains	(329)	(841)	24
Net gain on investments	20,285,720	2,952,630	1,891,015
Year ended 31 May 2020			
Proceeds from sales of investments during the period	48,344,313	3,744,016	4,135,958
Original cost of investments sold during the period	(44,245,606)	(3,099,921)	(3,839,095)
Realised foreign exchange losses	(7,903)	(3,943)	(8,658)
Net gains realised during the period	4,090,804	640,152	288,205
Realised gains on investments sold during the period	4,479,283	688,981	406,225
Realised losses on investments sold during the period	(380,576)	(44,886)	(109,362)
Movement in unrealised gains for the period	(2,325,770)	(898,324)	(93,963)
Movement in unrealised losses for the period	(5,353,719)	(212,709)	(135,877)
Unrealised foreign exchange gains	27	48	80
Net gain on investments	(3,588,658)	(470,833)	58,445

Notes to the Financial Statements continued

For the year ended 28 May 2021

7. Other Income

	Company £	Cautious Balanced Strategy Fund £
Year ended 28 May 2021		
Fee rebate received*	73,829	(9,026)
Bank interest	679	46
Total other income	74,508	(8,980)
Year ended 31 May 2020		
Fee rebate received*	159,823	8,877
Bank interest	17,588	2,557
Total other income	177,411	11,434

* Negotiated fee rebates were received from the following underlying funds: Brooks Macdonald International Investment Funds Limited High Income, Brooks Macdonald International Investment Funds Limited Sterling Bond, Russell Continental Europe Equity Fund, Russell Emerging Markets Equity Fund, Russell Japan Equity Fund, Russell UK Equity Fund, Russell US Equity Fund, Russell Asia Pacific Ex Japan Fund and Russell US Quant Equity Fund.

Notes to the Financial Statements continued

For the year ended 28 May 2021

7. Other Income

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Year ended 28 May 2021			
Fee rebate received*	54,356	15,710	17,170
Bank interest	596	37	1
Total other income	54,952	15,747	17,171
Year ended 31 May 2020			
Fee rebate received*	112,420	21,483	21,577
Bank interest	13,360	1,103	719
Total other income	125,780	22,586	22,296

Notes to the Financial Statements continued

For the year ended 28 May 2021

8. Operating Expenses

	Notes	Company £	Cautious Balanced Strategy Fund £
Year ended 28 May 2021			
Payable to the Manager:			
Annual management fees	9	1,679,322	219,677
Registrar fees	9	61,658	7,610
Payable to the Custodian:			
Custodian fees	10	148,990	24,881
Other expenses:			
Administration expenses *		127,522	14,854
Audit fee		27,572	3,300
Total expenses		2,045,064	270,322
Total Expense Ratio **			1.81%
Year ended 31 May 2020			
Payable to the Manager:			
Annual management fees	9	1,732,430	206,129
Registrar fees	9	48,785	5,576
Payable to the Custodian:			
Custodian fees	10	152,429	25,325
Other expenses:			
Administration expenses *		91,257	12,857
Audit fee		27,595	3,300
Total expenses		2,052,496	253,187
Total Expense Ratio **			1.67%

* The Administration expenses include £12,500 (May 2020: £10,965 of Director fees (see Note 9)).

** The Total Expense Ratio ("TER") represents the total expenses charged to the Funds and includes the Annual Management Charge ("AMC"), the Custodian Fee, any underlying fund costs payable and the operating expenses incurred in running the Fund, expressed as a percentage of the average daily net asset values during the period.

Notes to the Financial Statements continued

For the year ended 28 May 2021

8. Operating Expenses

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Year ended 28 May 2021			
Payable to the Manager:			
Annual management fees	1,259,109	147,032	71,840
Registrar fees	48,326	4,446	1,713
Payable to the Custodian:			
Custodian fees	103,135	14,703	8,420
Other expenses:			
Administration expenses *	79,051	18,355	20,489
Audit fee	22,500	1,400	500
Total expenses	1,512,121	185,936	102,962
Total Expense Ratio **	2.01%	2.13%	2.27%

Year ended 31 May 2020

Payable to the Manager:			
Annual management fees	1,309,628	149,459	85,098
Registrar fees	39,551	2,642	1,286
Payable to the Custodian:			
Custodian fees	105,436	14,946	8,510
Other expenses:			
Administration expenses *	51,309	12,299	18,727
Audit fee	22,500	1,400	500
Total expenses	1,528,424	180,746	114,121
Total Expense Ratio **	1.78%	1.93%	1.95%

* The Administration expenses include £12,500 (May 2020: £10,965) of Director fees (see Note 9).

** The Total Expense Ratio ("TER") represents the total expenses charged to the Funds and includes the Annual Management Charge ("AMC"), the Custodian Fee, any underlying fund costs payable and the operating expenses incurred in running the Fund, expressed as a percentage of the average daily net asset values during the period.

Notes to the Financial Statements continued

For the year ended 28 May 2021

9. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial or operating decisions. The following are considered by the Directors of the Company to be related parties:

- The Manager, Brooks Macdonald International Fund Managers Limited.
- Lloyds Investment Fund Limited (former Manager).
- The Investment Manager, Brooks Macdonald Asset Management (International) Limited.
- Previously Schroder Investment Management Limited (former Investment Manager).
- Lloyds Bank Corporate Markets plc.
- Key management personnel and their close family members, and other entities over which they have significant influence.

The fees received by the Manager are set out in Note 8. The Investment Manager is paid by the Manager. Details of amounts due to the Manager at the end of the period are shown in Note 5.

All investor share transactions in the Company are facilitated through the Manager, the aggregate values of which are set out in the statement of changes in net assets attributable to holders of participating redeemable preference shares on pages 24 and 25.

At the period end the Manager held Participating Shares in the Company as follows:

	28 May 2021	31 May 2020
Cautious Balanced Strategy Fund	–	7,015
Growth Strategy Fund	–	7,167
High Growth Strategy Fund	–	6,935
US\$ Growth Strategy Fund	–	15,981
	–	37,098

(a) Management and Registrar fees

The Manager is entitled to a daily fee equal to the annual rate set out below by reference to the net assets of each Fund calculated daily and paid monthly by the Company.

The Management fee for each Fund is 1% of the mid market value of net assets of the Fund.

The Directors and the Manager may agree a higher fee for any Fund subject to a maximum annual rate of 2.00% of the mid market value of net assets of the Fund. If such a higher fee is agreed, shareholders of the relevant Fund will be given at least three months written notice before it comes into effect.

None of the Funds as represented within these financial statements invest in other Funds within the Company.

The Manager, in its capacity as Registrar, is entitled to a fee payable by the Company of £12.00 (May 2020: £12.00) for each shareholding which appears on the Share Register on the last business day of each annual and half yearly accounting period. The Manager and the Company may agree a higher fee.

Details of amounts due to the Manager at the end of the period are shown in Note 5.

(b) Key management personnel

N.L. Quesne is a Director of JTC PLC and B.C. James is an employee of JTC Fund Solutions (Jersey) Limited.

R. Hughes is a Director of the Manager, Brooks Macdonald International Fund Managers Limited and Chief Executive Office of Brooks Macdonald Asset Management (International) Limited.

(c) Directors' fees

Directors who are employees of the Brooks Macdonald International Group do not receive Directors' fees. Only independent Directors currently receive a fee of £12,500 per annum from the Company (May 2020: £12,500 per annum). At the next Annual General Meeting it will be proposed to fix the remuneration of each of the Directors at a maximum of £25,000 per annum.

Notes to the Financial Statements continued

For the year ended 28 May 2021

10. Custodian

The fees received by the Custodian are set out in Note 8. Details of amounts due to the Custodian at the end of the period are shown in Note 5.

The Custodian is entitled to an annual fee payable monthly by the Company, in respect of each Fund, at the rates set out in the table below by reference to the net asset value of each Fund calculated on a mid-market basis and subject to a minimum overall fee of £5,000 per annum per sterling Fund Class and US\$10,000 per US\$ Fund Class. The minimum fee for the US\$ Fund Classes has been waived until further notice.

The Custodian is entitled to reimbursement by each Fund of its expenses in connection with its duties as Custodian and to make transaction charges to cover the cost of effecting settlement of stock and cash.

The Custodian has also entered into a dealing platform agreement with Allfunds Bank International, S.A. Under the terms of that agreement, the Platform Provider will provide fully automated administration services, including dealing in and holding of units in recognized funds and/or other regulated collective investments which comprise the property of each Fund, transaction settlement services, static and dynamic data, post trading reporting and corporate actions.

Custodian Fee Rates

	Up to £50M	NAV of each Fund Next £50M	£100M Plus
Cautious Balanced Strategy Fund	0.100%	0.075%	0.050%
Growth Strategy Fund	0.100%	0.075%	0.050%
High Growth Strategy Fund	0.100%	0.075%	0.050%
	Up to US\$100M	NAV of each Fund Next US\$100M	US\$200M Plus
US\$ Growth Strategy Fund	0.100%	0.075%	0.050%

11. Controlling Party

In the opinion of the Directors, there is no ultimate controlling party of the Company as defined by International Accounting Standard (IAS) 24 Related Party Disclosures.

12. Equalisation

The price of a share includes an equalisation amount calculated by dividing the net undistributed income of that Fund by the number of shares in issue at the time when the prices are calculated. The payment of the first distribution after the issue of a share includes an amount of equalisation calculated by averaging the amounts received by way of equalisation during the period to which the distribution relates.

Notes to the Financial Statements continued

For the year ended 28 May 2021

13. Share Capital

Company	28 May 2021 £	31 May 2020 £
Authorised Share Capital:		
1,000 Founders Shares of £1	1,000	1,000
750,000,000 Unclassified Shares of 1p	7,500,000	7,500,000
	7,501,000	7,501,000
Issued Ordinary Share Capital:		
Founders Shares	1,000	1,000
Nominal Shares:		
Balance brought forward	159,102	85,753
Creations	98,754	108,396
Redemptions	(234,922)	(35,047)
Balance carried forward	22,934	159,102
Participating Shares:		
Balance brought forward	1,011,256	1,084,605
Creations	15,423	35,047
Redemptions	(98,754)	(108,396)
Balance carried forward	927,925	1,011,256

Fund	Shares	£	Shares	£
Cautious Balanced Strategy	17,921,390	179,214	19,632,752	196,328
Growth Strategy	65,797,659	657,977	71,311,157	713,112
High Growth Strategy	5,285,147	52,851	5,817,589	58,176
Total Sterling Funds	89,004,196	890,042	96,761,498	967,616
	Shares	US\$	Shares	US\$
US\$ Growth Strategy	3,787,749	130,963	4,363,427	136,719
	Shares	£	Shares	£
Total Company (Sterling equivalent)	92,791,945	927,925	101,124,925	1,011,256

Notes to the Financial Statements continued

For the year ended 28 May 2021

14. Share Premium

	28 May 2021 £	31 May 2020 £
Cautious Balanced Strategy	15,936,562	18,173,210
Growth Strategy	78,843,007	89,295,365
High Growth Strategy	3,643,684	5,057,989
Total Sterling Funds	98,423,253	112,526,564
	US\$	US\$
US\$ Growth Strategy	1,884,763	2,861,393
Total Company (Sterling equivalent)	97,538,078	112,368,769
Balance brought forward	112,368,769	124,932,866
Premium on creations	2,853,340	5,388,642
Premium on redemptions	(17,684,031)	(17,952,739)
Balance carried forward	97,538,078	112,368,769

Notes to the Financial Statements continued

For the year ended 28 May 2021

15. Capital Reserves

	Notes	Company £	Cautious Balanced Strategy Fund £
Net realised gains on investments brought forward as at 1 June 2020		48,555,649	5,577,892
Net realised gains for the year	6	29,165,546	2,731,692
Net realised gains on investments carried forward as at 1 June 2020		77,721,195	8,309,584
Net unrealised movement on investment brought forward		4,797,520	680,548
Net unrealised movement in the year	6	(2,402,335)	(615,233)
Net unrealised movement on investment carried forward		2,395,185	65,315
Total realised / unrealised movement carried forward		80,116,380	8,374,899
Net transfer (from) / to capital reserve brought forward		(743,219)	—
Net movement from capital reserve in the year		(153,358)	—
Net transfer (from) / to capital reserve carried forward		(896,577)	—
As at 28 May		79,219,803	8,374,899

Notes to the Financial Statements continued

For the year ended 28 May 2021

15. Capital Reserves

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Net realised gains on investments brought forward as at 1 June 2020	32,683,852	7,084,752	4,642,160
Net realised gains for the year	20,672,202	4,014,213	2,346,230
Net realised gains on investments carried forward as at 1 June 2020	53,356,054	11,098,965	6,988,390
Net unrealised movement on investment brought forward	2,519,104	1,371,688	521,655
Net unrealised movement in the year	(386,482)	(1,061,583)	(455,215)
Net unrealised movement on investment carried forward	2,132,622	310,105	66,440
Total realised / unrealised movement carried forward	55,488,676	11,409,070	7,054,830
Net transfer (from) / to capital reserve brought forward	(147,559)	81,941	(1,172,687)
Net movement from capital reserve in the year	–	(92,842)	(81,253)
Net transfer (from) / to capital reserve carried forward	(147,559)	(10,901)	(1,253,940)
As at 28 May	55,341,117	11,398,169	5,800,890

Notes to the Financial Statements continued

For the year ended 28 May 2021

16. Net assets attributable to holders of participating redeemable preference shares

		Company	Cautious Balanced
	Notes	£	Strategy Fund
As at 28 May 2021		£	£
Share capital	13	927,925	179,214
Share premium	14	97,538,078	15,936,562
Capital reserves	15	79,219,803	8,374,899
Undistributed income *		(400,049)	133,447
Movement in currency translation		2,250,043	–
Net assets attributable to holders of participating redeemable preference shares		179,535,800	24,624,122
As at 31 May 2020			
Share capital	13	1,011,256	196,328
Share premium	14	112,368,769	18,173,210
Capital reserves	15	52,609,950	6,258,440
Undistributed income *		(26,198)	125,036
Movement in currency translation		3,009,776	–
Net assets attributable to holders of participating redeemable preference shares		168,973,553	24,753,014

* Undistributed income under the accruals method as at 28 May 2021 amounts to (£547,946) (31 May 2020 amounts to (£44,590)).

Notes to the Financial Statements continued

For the year ended 28 May 2021

16. Net assets attributable to holders of participating redeemable preference shares

As at 28 May 2021	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Share capital	657,977	52,851	130,963
Share premium	78,843,007	3,643,684	1,884,763
Capital reserves	55,341,117	11,398,169	5,800,890
Undistributed income *	(53,496)	–	–
Movement in currency translation	–	–	–
Net assets attributable to holders of participating redeemable preference shares	134,308,605	15,094,704	7,816,616
As at 31 May 2020			
Share capital	713,112	58,176	136,719
Share premium	89,295,365	5,057,989	2,861,393
Capital reserves	35,055,397	8,538,381	3,991,128
Undistributed income *	(151,234)	–	–
Movement in currency translation	–	–	–
Net assets attributable to holders of participating redeemable preference shares	124,912,640	13,654,546	6,989,240

Notes to the Financial Statements continued

For the year ended 28 May 2021

17. Taxation

In accordance with International Accounting Standard (IAS) 12 Income Taxes, investment income is shown gross of withholding tax.

During the period ended 28 May 2021 no withholding tax was suffered (31 May 2020: Nil)

The Company is liable to be charged at a tax rate of 0% under Schedule D of the Income Tax (Jersey) Law 1961, as amended (the 'Income Tax Law') in respect of:

- (i) the income or profits of any trade carried on by the Company in Jersey or elsewhere,
- (ii) any interest of money, whether yearly or otherwise, or other annual payment paid to the Company, whether such payment is made within or outside of Jersey,
- (iii) dividends and other distributions of a company regarded as resident in Jersey paid to the Company,
- (iv) income arising to the Company from securities outside of Jersey and
- (v) any other income of the Company that is not derived from the ownership or disposal of land in Jersey.

It is not expected that the Company will be in receipt of income charged to tax under any Schedule under Income Tax Law other than Schedule D. As such the Company is no longer subject to the payment of tax in Jersey.

Jersey resident individuals should note that any income received from the Fund(s) will be paid gross and will be taxable under Schedule D Case III (D3) of the Income Tax (Jersey) Law 1961, as amended.

18. Investment Dealing

During the period no transactions in the property of the Funds were carried out through brokers. All transactions were carried out directly with the Fund Managers.

19. Financial risk management

Strategy in using financial instruments

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), liquidity risk, counter-party risk, capital risk and certain other risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Each Fund is able to use derivative financial instruments to moderate certain risk exposures, there were no such exposures as at 28 May 2021.

Each Fund's investment objectives and policy are stated on page 3.

To achieve these objectives the Fund's assets and liabilities comprise financial instruments held in accordance with the Fund's investment objectives and policy.

These may include:

- Investments including equity and non-equity Shares, bonds and floating rate securities
- Cash, liquid resources and short term debtors and creditors that arise directly from the investment activities
- Hedging instruments, such as forward exchange contracts and traded options, which a Fund may enter into for the purpose of managing the risks arising from the Fund's investment activities

Impact of Brexit

Following the UK formally leaving the EU on 31 January 2020 there was a period of negotiation ("the implementation period") in which the UK and EU discussed trade deals. During this 11 month period to 31 December 2020 the UK continued to follow all the EU's rules and its trading relationship remained the same. Subsequent to 31 December 2020, the Manager's status as the Company's non-EU Alternative Investment Fund Manager for the purpose of the Alternative Investment Fund Managers Directive has not been significantly impacted. The directors will review impact to the Company on a regular basis.

Market risk

All securities investments present a risk of loss of capital. The Manager moderates this risk through a careful selection of investments within specified limits. The maximum risk resulting from investments is determined by the fair value of those investments. The overall market position and therefore the risk exposure for each Fund are governed by the Prospectus, the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended) and the investment objectives for each Fund. These positions are monitored on a daily basis by the Manager and are reviewed on a quarterly basis by the Board of Directors.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial risk management continued

The Funds invest principally in equities, bonds and cash, dependent on each Fund's investment policy. The value of these are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual stock or be caused by general market factors (such as interest rates, government policy or the health of the underlying economy) which could affect the entire portfolio of a Fund.

The year end portfolios of each Fund are detailed on pages 30 to 37.

The Manager controls this risk on a Fund by Fund basis and monitors the movements in the equities, bonds and interest rates against the relevant equity and bond indices and market interest rates respectively.

Due to the effects of the COVID pandemic on the economic climate the market values of the funds have experienced volatility.

Price Risk

The Manager considers, given the conditions that were present at the height of COVID, that a reasonably possible movement in market risk components, should there be a another COVID spike, would be equivalent to 20% movement in equity and 9% movement in bond indices and a 1% movement in market interest rates.

The table below summarises, for each of the Funds, the impact of increases/ (decreases) in the equity and bond indices, and market interest rates on the net asset value as at 28 May 2021. The analysis is based on the assumption that the equity and bond indices increase / (decrease) by 20% and 9%, respectively and market interest rates increase / (decrease) by 1%, with all other variables held constant. The analysis also assumes that the movement in the portfolios of each Fund has perfect positive correlation with the equity and bond indices and market interest rates.

Period/year ended	Strategy	Value (base currency)	Equities 20% Movement in equity index	Bonds 9% Movement in bond index	Cash 1% Movement in interest rate
28.05.21	Cautious Balanced	24,624,122	2,175,203	791,402	16,008
31.05.20	Cautious Balanced	24,753,014	1,386,280	1,226,509	1,090
28.05.21	Growth	134,308,605	22,623,793	607,329	58,548
31.05.20	Growth	124,912,640	17,186,793	2,283,012	5,457
28.05.21	High Growth	15,094,704	2,867,551	–	4,581
31.05.20	High Growth	13,654,546	2,398,447	95,160	1,169
28.05.21	US\$ Growth	7,816,616	1,275,918	34,344	5,065
31.05.20	US\$ Growth	6,989,240	899,028	162,465	297

Interest rate risk

Each Fund receives income from its various investments. The income received by each Fund is not fixed in nature. It is derived from the securities held in the portfolio of each underlying Fund which may be varied from time to time in accordance with its investment objective and policy. In accordance with the Fund's policy, the Manager monitors the Strategy's overall interest rate sensitivity on a daily basis, and the Board of Directors reviews it on a quarterly basis. The interest bearing financial assets and liabilities held in the Funds expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial risk management continued

Foreign currency risk

A portion of the underlying financial assets of the Funds may be denominated in currencies other than the base currency with the effect that the statement of financial position and each Fund's total return can be significantly affected by currency movements. An investment in a currency other than the shareholders' own base currency will be subject to the movement of foreign exchange rates, which may cause additional favourable or unfavourable changes in value.

In respect of foreign currency exposure, derivative instruments will only be utilised where a forward exchange or currency option is used for the purpose of reduction of foreign currency risk, in order to hedge this exposure back to the base currency of the Fund.

The Company is not currently involved in any currency hedging transactions. In accordance with the Company's policy, the Manager monitors each Fund's currency position on a daily basis, and the Board of Directors reviews it on a quarterly basis. None of the underlying financial assets of the Funds were denominated in a currency other than base currency at 28 May 2021.

Credit risk

The Company takes on exposure to credit risk, which is the risk that a counter-party will be unable to pay amounts in full when due. Impairment provisions would be provided for losses that have been incurred by the statement of financial position date. As at 28 May 2021, no impairment provisions were required and there was no money overdue.

In accordance with each Fund's policy, the Manager monitors the Fund's credit position on a daily basis, and the Board of Directors reviews it on a quarterly basis.

Certain transactions that the Funds enter into expose them to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. It is the policy of the Manager to buy and sell investments only through approved brokers, or directly with the Fund Manager. Credit risk exposure is balanced by the regulatory obligation of the counter parties.

The risk to Shareholders is that one or more Funds will not have enough cash to cover redemptions. To counter this risk each Fund's cash is managed to meet its liabilities. Where investments cannot be realised in time to meet any redemptions of Participating Shares, each Fund may borrow up to 10% of its value to ensure settlement of its liabilities.

Borrowings during the period did not exceed the 10% limit.

The maximum credit risk of the Company in the event of other parties failing to perform their obligations is the Balance Sheet value of assets.

The effect of the COVID pandemic on credit risk is yet unknown, however to date no positions have defaulted.

Capital risk

Where the objective of the underlying Fund seeks to provide high or good levels of income, the investment policy which supports this may result in a gradual reduction in the capital value of the underlying Fund's Shares, except where bond prices are generally rising.

Capital risk management

The net assets attributable to holders of participating redeemable preference shares are classified as financial liabilities and therefore, in the opinion of the Directors, the Capital of the Company is only represented by the Founders Shares. Details of Founders Shares are shown in notes 3 and 13. Due to the nature and requirement for Founders' Shares the Directors have decided that no active capital risk management is required.

Due to the effects of the COVID pandemic on the economic climate the funds did see an increase in the number of redemptions, these were all paid in accordance with the terms as detailed in the prospectus.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial risk management continued

Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Company is the current mid price, these are updated each morning at 10am and represented in the Fund's daily share prices; the appropriate quoted market price for financial liabilities is the current asking price. When the Company holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate. If a significant movement in fair value occurs subsequent to the close of trading on the period end date, valuation techniques will be applied to determine the fair value. There have been no significant movements in the fair value of any holdings since the period end date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions at an arm's length basis.

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).
- The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable', requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

There have been no transfers between levels. The financial assets at fair value through profit or loss of the Company are all quoted in active markets and therefore fall under level 1 as defined above.

Derivatives

Derivatives will only be used where they accord with existing investment objectives and policy. They may not be used for the purpose of reducing risk independently of investment strategy in respect of the underlying physical assets or for merely speculative purposes. Derivatives will only be used for efficient portfolio management. Derivatives may not be used for the purpose of gearing or leveraging, or for purposes of producing, enhancing or generating income. No derivative can be traded on an Over The Counter basis, and no uncovered positions are allowed.

The underlying Funds may hold the following derivatives:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in the futures contracts value are settled daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market. Futures are settled on a net basis.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial risk management continued

(b) Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities prices. Where options are held by the underlying Funds, they are exchange-traded. The Funds are exposed to credit risk on purchased options only to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

The notional amounts of certain types of financial instrument provide a basis for comparison with instruments recognised on the statements of financial position, but they do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and do not therefore indicate the Company's exposure to credit or market price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms.

The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

During the period the Company did not enter into any derivative contracts.

Liquidity risk

The Company is exposed to daily cash redemptions of Participating Shares which are redeemed on demand at the holder's option.

It therefore invests all of its assets in investments that are traded in an active market and can be readily disposed of. From time to time assets held could become illiquid due to in-active trading. At 28 May 2021 the percentage of the assets within the portfolios which are subject to special arrangements arising from their illiquid nature is 0% (2020: 0%). As such each Fund's financial assets are considered to be readily realisable for cash.

The Manager manages each Fund's cash to meet its liabilities. Where investments cannot be realised in time to meet any redemptions of Participating Shares, each Fund may borrow up to 10% of its value to ensure settlement of its liabilities. Borrowings during the period did not exceed the 10% limit.

In accordance with the Company's policy, the Manager monitors each Fund's liquidity position on a daily basis, and the Board of Directors review it on a quarterly basis.

The table on the following pages analyses the Company's undiscounted financial liabilities into relevant maturity groups based on the remaining period at the statement of financial position date to the contractual maturity date.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial Risk Management continued

Liquidity risk continued

	Company £	Cautious Balanced Strategy Fund £
Year ended 28 May 2021		
Share Capital (less than 1 month)	182,040,995	24,624,122
Cancellation payable (1 month to 3 months)	— —	— —
Other liabilities (less than 1 month)	186,553	25,257
(1 month to 3 months)	57,285	8,929
Total financial liabilities	182,292,112	24,664,808
Year ended 31 May 2020		
Share Capital (less than 1 month)	169,133,655	24,753,014
Other liabilities (less than 1 month)	126,890	18,425
(1 month to 3 months)	80,761	8,764
Total financial liabilities	169,341,306	24,780,203

None of the Alternative Investment Fund's assets are subject to special arrangements arising from their illiquid nature in accordance with Article 23(4)(a) of Directive 2011/61/EU.

Cross Fund Liability

Shareholders should be aware that in the event of the Company being unable to meet liabilities attributable to any particular Fund or share class out of the assets attributable to such Fund or share class, the excess liabilities may have to be met out of the assets attributable to the other Funds or share classes.

Notes to the Financial Statements continued

For the year ended 28 May 2021

19. Financial Risk Management continued

Liquidity risk continued

	Growth Strategy Fund £	High Growth Strategy Fund £	US\$ Growth Strategy Fund US\$
Year ended 28 May 2021			
Share Capital (less than 1 month)	136,738,756	15,094,712	7,816,616
Proposed dividend (less than 1 month)	–	–	–
(1 month to 3 months)	–	–	–
Other liabilities (less than 1 month)	140,670	14,998	7,985
(1 month to 3 months)	37,558	6,136	6,616
Total financial liabilities	136,916,984	15,115,846	7,831,217
Year ended 31 May 2020			
Share Capital (less than 1 month)	124,912,640	13,654,546	6,989,240
Other liabilities (less than 1 month)	91,819	11,719	6,090
(1 month to 3 months)	64,341	4,505	3,896
Total financial liabilities	125,068,800	13,670,770	6,999,226

None of the Alternative Investment Fund's assets are subject to special arrangements arising from their illiquid nature in accordance with Article 23(4)(a) of Directive 2011/61/EU.

Notes to the Financial Statements continued

For the year ended 28 May 2021

20. Events After The Period End Date

New class launches

Subsequent to year end the Company launched a new class of shares known as 'A' Class shares. The new class of shares were launched in the following Sub-Funds:

Cautious Balanced Strategy

Growth Strategy

High Growth Strategy

The class 'A' shares shall be available primarily to financial institutions or intermediaries registered in equivalent jurisdictions having a minimum of £1 million (or currency equivalent) available for investment.

The rights and obligations of existing Participating Shares in issue in respect of each existing Sub-Fund shall remain unchanged.

Balanced Strategy launch

A new sterling base currency Sub-Fund to be known as Balanced Strategy is expected to launch after year end.

The new Sub-Fund shall seek to provide capital growth through exposure to a range of funds weighted towards growth asset classes, whilst maintaining a balanced weighting to fixed interest securities. The New Sub-Fund may be suitable for investors willing to invest for a minimum of five years, preferably ten years. The shares of the New Sub-Fund shall comprise 'A' class shares and 'B' class shares.

There are no other events after the period end date that require adjustment to and/or disclosure in these financial statements.

Performance Records

For the year ended 28 May 2021

Cautious Balanced Strategy Fund

Shares in the Fund were first offered to the public on the 14 September 2004 at an offer price of 100p per share.

Calendar Year/Period	Highest Offer Price p	Lowest Bid Price p	Income per Share p	Income per £1,000 Invested at 31/12/10 £
2012	108.30	101.50	3.30	34.71
2013	113.20	102.40	3.60	37.87
2014	112.40	104.60	2.60	27.35
2015	117.30	108.10	2.35	24.72
2016	123.10	107.30	1.95	20.51
2017	125.90	120.90	1.12	11.78
2018	126.10	117.70	0.55	5.79
2019	132.20	118.50	–	–
2020	133.40	111.90	–	–
2021	138.26	126.00	–	–

Growth Strategy Fund

Shares in the Fund were first offered to the public on the 14 September 2004 at an offer price of 100p per share.

Calendar Year/Period	Highest Offer Price p	Lowest Bid Price p	Income per Share p	Income per £1,000 Invested at 31/12/10 £
2012	129.20	117.00	2.20	20.07
2013	146.00	129.80	2.50	22.81
2014	149.50	138.80	2.50	22.81
2015	160.80	141.80	2.20	20.07
2016	171.30	137.70	1.95	17.79
2017	183.00	170.40	1.26	11.50
2018	187.60	164.70	0.44	4.01
2019	193.70	166.50	–	–
2020	197.80	147.10	–	–
2021	206.87	174.60	–	–

Performance Records continued

For the year ended 28 May 2021

High Growth Strategy Fund

Shares in the Fund were first offered to the public on the 14 September 2004 at an offer price of 100p per share.

Calendar Year/Period	Highest Offer Price p	Lowest Bid Price p	Income per Share p	Income per £1,000 Invested at 31/12/10 £
2012	138.20	121.40	—	—
2013	168.30	140.20	—	—
2014	180.80	162.30	—	—
2015	198.60	166.70	—	—
2016	221.10	162.20	—	—
2017	246.30	220.00	—	—
2018	256.70	217.80	—	—
2019	263.00	221.50	—	—
2020	270.30	192.70	—	—
2021	289.80	234.30	—	—

US\$ Growth Strategy Fund

Shares in the Fund were first offered to the public on the 14 October 2005 at an offer price of US\$1.00 per share.

Calendar Year/Period	Highest Offer Price c	Lowest Bid Price c	Income per Share c	Income per £1,000 Invested at 31/12/10 \$
2012	110.40	93.74	—	—
2013	137.10	111.80	—	—
2014	145.90	130.40	—	—
2015	150.90	130.30	—	—
2016	145.40	120.30	—	—
2017	166.00	143.20	—	—
2018	172.70	144.10	—	—
2019	172.80	146.30	—	—
2020	179.10	127.90	—	—
2021	206.85	160.10	—	—

Change in Net Asset Value per Share

For the year ended 28 May 2021

Year	Net Asset Value of Fund £	Number of Shares in Issue	Opening net asset value per share p	Return before operating charges p
Cautious Balanced Strategy Fund				
31.05.2019	25,449,864	20,241,353	123.45	2.17
31.05.2020	24,753,014	19,632,752	125.73	0.44
28.05.2021	24,624,122	17,921,390	126.08	11.91

Growth Strategy Fund

31.05.2019	138,461,152	76,677,172	183.34	(3.22)
31.05.2020	124,912,640	71,311,157	180.58	(5.05)
28.05.2021	134,308,605	65,797,659	175.16	30.22

High Growth Strategy Fund

31.05.2019	14,819,386	6,124,065	248.70	(6.53)
31.05.2020	13,654,546	5,817,589	241.99	(8.15)
28.05.2021	15,094,704	5,285,147	234.71	54.16

	Net Asset Value of Fund \$	Number of Shares in Issue	Opening net asset value per share c	Return before operating charges c
--	-------------------------------	---------------------------	--	--------------------------------------

US\$ Growth Strategy Fund

31.05.2019	8,567,290	5,417,259	163.80	(5.81)
31.05.2020	6,989,240	4,363,427	158.15	(0.63)
28.05.2021	7,816,616	3,787,749	160.17	47.91

Change in Net Asset Value per Share continued

For the year ended 28 May 2021

Operating charges	Return after operating charges	Distributions on shares	Appreciation / (Depreciation) on capital assets	Closing net asset value per share	Retained income per share
p	p	p	p	p	p
(1.35)	0.82	–	1.46	125.73	0.29
(1.29)	(0.85)	–	1.20	126.08	0.64
(1.51)	10.40	–	0.92	137.40	0.74
(2.15)	(5.37)	–	2.61	180.58	–
(2.14)	(7.19)	–	1.77	175.16	–
(2.30)	27.92	–	1.04	204.12	–
(3.02)	(9.55)	–	2.84	241.99	1.48
(3.11)	(11.26)	–	3.98	234.71	1.41
(3.52)	50.64	–	0.26	285.61	1.55
Operating charges	Return after operating charges	Distributions on shares	Appreciation / (Depreciation) on capital assets	Closing net asset value per share	Retained income per share
c	c	c	c	c	c
(2.05)	(7.86)	–	2.21	158.15	(20.03)
(2.62)	(3.25)	–	5.27	160.17	(26.88)
(2.72)	45.19	–	1.01	206.37	(30.96)

Notice of Meeting

Notice is hereby given that the 17th Annual General Meeting of Brooks Macdonald International Multi Strategy Fund Limited will be held at: 28 Esplanade, St Helier, Jersey, on 28 October 2021 at 9.30 a.m. for the following purposes:

Agenda

Ordinary Business

1. To appoint the Chairman of the meeting.

2. To read the convening notice.

3. RESOLUTION 1

To receive and if deemed appropriate, adopt the Annual Report and Audited Financial Statements of the Company for the year ended 28 May 2021.

4. RESOLUTION 2

To consider, and if deemed appropriate, re-elect Ross Davey Willcox as a Director of the Company.

5. RESOLUTION 3

To consider, and if deemed appropriate, re-elect Brian Charles James as a Director of the Company.

6. RESOLUTION 4

To consider, and if deemed appropriate, elect Nigel Anthony Le Quesne as a Director of the Company.

7. RESOLUTION 5

To consider, and if deemed appropriate, elect Richard John Hughes as a Director of the Company.

8. RESOLUTION 6

To consider, and if deemed appropriate, elect Michael Peter Farley as a Director of the Company.

9. RESOLUTION 7

To re-appoint PricewaterhouseCoopers C I L L P as Auditors of the Company for the ensuing year and to authorise the Directors to agree their remuneration.

10. RESOLUTION 8

To fix the remuneration of each of the Directors at a maximum of £25,000 per annum.

NOTES:

A Member entitled to attend and vote at this Meeting may appoint one or more Proxies to attend and, on a poll, vote instead of him. A Proxy need not be a Member of the Company. To be valid, completed proxy forms must be deposited at the Company's principal place of business not less than 48 hours before the appointed time for holding the meeting, or any adjournment thereof.

In the case of joint holders the vote of the senior shall be accepted to the exclusion of the vote of the other joint holders(s).

The quorum requirements is two members present in person or by proxy. If a quorum is not present, the meeting shall stand adjourned to 4 November 2021 at 9.30 a.m. at the same venue and at such adjourned meeting the shareholder's present in person or by proxy shall be the quorum.

By Order of the Board

JTC Fund Solutions (Jersey) Limited
28 Esplanade
St Helier
Jersey
JE2 3QA

13 September 2021

Brooks Macdonald International Multi Strategy Fund Form of Proxy

BLOCK LETTERS PLEASE.

FULL NAME(S)

ADDRESS:

I/We being a Member(s) of the above named Company hereby appoint the Chairman of the Meeting (see Note 1.) as my/our proxy to attend and vote for me/us on my/our behalf at the 17th Annual General Meeting of the Company to be held on 28 October at 9.30 a.m. and at any adjournment thereof.

Ordinary Resolutions:

1. To receive and if deemed appropriate, adopt the Annual Report and Audited Financial Statements of the Company for the year ended 28 May 2021.
2. To consider, and if deemed appropriate, re-elect Ross Davey Willcox as a Director of the Company.
3. To consider, and if deemed appropriate, re-elect Brian Charles James as a Director of the Company.
4. To consider, and if deemed appropriate, elect Nigel Anthony Le Quesne as a Director of the Company.
5. To consider, and if deemed appropriate, elect Richard John Hughes as a Director of the Company.
6. To consider, and if deemed appropriate, elect Michael Peter Farley as a Director of the Company.
7. To re-appoint PricewaterhouseCoopers CI LLP as Auditors of the Company for the and to authorise the Directors to agree their remuneration.
8. To fix the remuneration of each of the Directors at a maximum of £25,000 per annum.

	FOR	AGAINST

NOTES:

1. If you wish to appoint another person to be your proxy instead of the Chairman of the Meeting, you should delete the words "the Chairman of the Meeting", and write the name of your proxy in the space provided and initial the alteration.
2. Except as otherwise indicated by you, the proxy vote, or abstain from voting, at the meeting or any adjournment thereof as the proxy thinks fit.
3. In the case of a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
5. To be valid, forms of proxy must reach the registered office of the Company 28 Esplanade, St Helier, Jersey. JE2 3QA, not later than 48 hours before the time appointed for the meeting (or any adjourned meeting). Any power of attorney or other authority under which the form of proxy is signed must be sent with the form of proxy.

Signature

Date

