

Kleinwort Hambros Elite PCC Limited

Annual Report and Audited Financial Statements
For the year ended 31 July 2021

Guernsey Registered Company Number: 42365



SOCIETE GENERALE GROUP

Kleinwort Hambros Elite PCC Limited

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Investor Information

General information

Kleinwort Hambros Elite PCC Limited ("the Company") was incorporated as a company with limited liability in Guernsey on 30 September 2004 and is authorised by the Guernsey Financial Services Commission ("GFSC") as a Class B Scheme under The Protection of Investors (Bailliwick of Guernsey) Law, 1987. The Company is an open-ended investment Protected Cell Company governed by the provisions of The Companies (Guernsey) Law, 2008 ("The Law"). The assets of each cell are held in a segregated portfolio. Persons investing and dealing in a cell of the Company only have recourse to the assets attributable to that particular Cell. They have no recourse to the assets of any other Cell, except as provided under the Law against any non-cellular assets of the Company. Therefore under Guernsey Law the assets of any series cell are not exposed to the liabilities of other series within the umbrella structure.

Principal activity and investment objective

The investment philosophy of the Company is to achieve long-term capital growth, income or total return (depending on the specific objectives of each Cell).

As at 31 July 2021, the Company had five Cells with four listed on The International Stock Exchange ('TISE').

The Company currently has four active Cells which include multiple share classes. Twenty three classes within four of the Cells, are listed on TISE.

The functional and reporting currency of the Company and of each Cell is pounds sterling. The Alternative Investment Fund Manager is SG Kleinwort Hambros Bank (CI) Limited.

The Cells

Kleinwort Hambros Elite Multi Asset Balanced Fund

This Fund was launched on 3 October 2005, the investment objective of the Cell is to achieve long term equity returns with a moderate level of risk through a well diversified portfolio across asset classes.

The Cell will seek to achieve its objective by investing directly in a range of equities, bonds, money market instruments, derivative instruments, forward transactions, collective investment schemes and other instruments as the Alternative Investment Fund Manager may consider appropriate in achieving the overall objective of the Cell. The Cell may use derivatives for investment purposes as well as for efficient portfolio management.

Kleinwort Hambros Elite Multi Asset Conservative Fund

This Fund was launched on 3 August 2005, the investment objective of the Cell is to achieve consistent returns with a low level of risk through a well diversified portfolio across asset classes.

The Cell will seek to achieve its objective by investing directly in a range of equities, bonds, money market instruments, derivative instruments, forward transactions, collective investment schemes and other instruments as the Alternative Investment Fund Manager may consider appropriate in achieving the overall objective of the Cell. The Cell may use derivatives for investment purposes as well as for efficient portfolio management.

Kleinwort Hambros Elite Multi Asset Growth Fund

This Fund was launched on 11 September 2007 the investment objective of the Cell is to outperform equity returns with equity-like risk through a well diversified portfolio across asset classes.

The Cell will seek to achieve its objective by investing directly in a range of equities, bonds, money market instruments, derivative instruments, forward transactions, collective investment schemes and other instruments as the Alternative Investment Fund Manager may consider appropriate in achieving the overall objective of the Cell. The Cell may use derivatives for investment purposes as well as for efficient portfolio management.

Kleinwort Hambros Elite International Equity Fund

This Fund was launched on 12 October 2012, the investment objective of the Cell is to maximise capital growth over medium to long term. The Cell will seek to achieve its objective through a diversified portfolio of predominantly international equity based securities.

The Alternative Investment Fund Manager may also choose to hold collective investment schemes, cash, money market instruments and other instruments (such as, but not limited to, warrants, convertible preference shares and structured products) as the Alternative Investment Fund Manager may consider appropriate in achieving the overall objective of the Cell. The Cell may use derivatives for investment purposes as well as for efficient portfolio management.

Kleinwort Hambros Elite Trojan Fund

The Participating Share share class of this Fund holds illiquid investment assets in EEA Life Settlements Fund. The Cell is currently in run-off.

Investor Information (continued)

Cells and Class Names

Kleinwort Hambros Elite Multi Asset Balanced Fund:

- A GBP Income Reporting Shares*
- A GBP Reinvest Reporting Shares*
- B GBP Income Reporting Shares*
- C GBP Income Reporting Shares*
- A USD Accumulating Non-reporting Shares*
- A EUR Accumulating Reporting Shares*
- B USD Accumulating Non-reporting Shares*
- B EUR Accumulating Non-reporting Shares*
- B GBP Accumulating Non-reporting Shares*

Kleinwort Hambros Elite Multi Asset Conservative Fund:

- A GBP Income Reporting Shares*
- A EUR Accumulating Reporting Shares*
- B USD Accumulating Non-reporting Shares*
- B EUR Accumulating Non-reporting Shares*
- B GBP Accumulating Non-reporting Shares*

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- A GBP Income Reporting Shares*
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- B GBP Income Reporting Shares*
- B USD Accumulating Non-reporting Shares*
- B EUR Accumulating Non-reporting Shares*
- B GBP Accumulating Non-reporting Shares*

Kleinwort Hambros Elite International Equity Fund

- A GBP Income Reporting Shares*
- A GBP Reinvest Reporting Shares*
- B GBP Accumulating Non-reporting Shares*

Kleinwort Hambros Elite Trojan Fund

- Participating Shares (suspended)

*These share classes are listed on the TISE.

Investor Information (continued)

Directors

R Phillips (Chairman)

Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

M Maubec

Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

M Wilson (resigned 3 February 2020)

Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

P Garrard (appointed 17 January 2020)

Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

Registered Office

Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

Administrator, Company Secretary, Designated Manager, Registrar and Sponsor to the TISE Listing

JTC Fund Solutions (Guernsey) Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port
Guernsey GY1 2HT

Custodian

BNP Paribas Securities Services SCA – Guernsey Branch
BNP Paribas House
St Julian's Avenue
St Peter Port
Guernsey GY1 1WA

Independent Auditor

Deloitte LLP
Regency Court
Glategny Esplanade
St Peter Port
Guernsey GY1 3HW

Legal Advisers

Carey Olsen
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

Alternative Investment Fund Manager

SG Kleinwort Hambros Bank (CI) Limited
Guernsey Branch
Hambro House
St. Julian's Avenue
St. Peter Port
Guernsey GY1 3AE

Sub-Investment Manager

SG Kleinwort Hambros Bank Limited
8 St James Square
London
SW1Y 4JU

Alternative Investment Fund Manager's Report

Kleinwort Hambros Elite Multi Asset Conservative Fund

The fund rose 3.1% over the 12-month period ending 31st July 2021. Over the same time period its benchmark, the Morningstar Moderately Cautiously peer group, appreciated 8.0%.

The equity allocation was the major driver of the fund's performance, with the majority coming from the US exposure. Fixed income positioning delivered a modest positive return driven by its investment grade bonds, partially offset by the sell-off in government bonds. The alternatives were the main detractor, driven by the gold position, though this was partially offset by the trading strategies which delivered a small positive return.

In August 2020 the US 10-year inflation breakeven rate rose by 20 bps to 1.53% and was back to the level it was in late February 2020, having bottomed at 0.5% in the middle of March. In the short term the pandemic will be deflationary, though in the medium term it may be inflationary as supply chains struggle to meet pent up demand. North America continues to be hardest to read due to the uneven spread of the virus.

Market dynamics changed dramatically in November. News flow on the various vaccines and to a lesser extent the Biden victory in the US presidential election were the catalysts for a material rotation in markets from 'growth' stocks to 'value' stocks.

A Brexit trade deal was finally agreed in December, removing a large degree of uncertainty, reflected in sterling/dollar ending the year at c. \$1.36, a 30-month high. In the short term, the rapidly rising Covid-19 cases will clearly lead to a more subdued economic performance in the first quarter of 2021 before vaccinations progressively allow restrictions to be eased.

As 2021 arrived, inflationary pressures were emerging within the UK with rising input costs becoming more apparent as commodity prices move higher. The situation leaves the UK in a tricky position in the short term, though keeping policy broadly unchanged seems the most likely path to be adopted.

Chinese GDP grew 2.3% in 2020, While better than other major economies it's still their slowest growth since 1976. The industrial sector continues to lead the recovery there, with industrial output rising 7.3% for the year.

In contrast, GDP in the US fell by 3.5% in 2020 and consumer spending was down by slightly more, reflecting the increase in unemployment. The Biden administration's expansionary policy agenda should provide support to the recovery this year, along with the vaccination programme.

February witnessed a very sharp rise seen in government bond yields across most Western economies. In both the US and the UK, the 10-year yield rose by around 50bps to 1.40% and 0.83% respectively. This continued into March with the US 10-year Treasury yield rising by another 30bps to 1.73%. Rises in European yields were more subdued, due to further short-term lockdown measures on the Continent.

In the US, the Conference Board consumer confidence survey saw its biggest increase in 18 years. Most of the real time data points suggest very strong activity levels in recent weeks, particularly in areas such as airlines, hotels and hospitality, particularly in the southern states.

Despite positive economic data and company commentary, bond yields fell before and after the Federal Reserve meeting in June. That meeting signalled a slightly earlier increase in interest rates than had previously been communicated. This is an entirely reasonable position for the Fed to take given the evidence of economic recovery and inflationary pressures.

In line with lower bond yields and a more defensive market, most commodity prices continued to retreat from their mid-May highs, albeit it was noticeable that iron ore recovered markedly from its prior month's weakness.

US 10-year bond yields fell 25 basis points to 1.22% in July. Opinions are very divided as to why this occurred despite very strong inflation prints. A combination of investor activity and the Fed effectively buying back all of the new issuance during the last three months contributed to this.

In the UK, there was evidence of a slowing of the trajectory of the economic recovery. The labour market is tightening, with vacancies back above the February 2020 level and numbers in employment only fractionally lower in June.

Kleinwort Hambros Elite Multi Asset Balanced Fund

The fund rose 9.2% over the 12-month period ending 31st July 2021. Over the same time period its benchmark, the Morningstar Moderate Allocation peer group, appreciated 13.6%.

The equity allocation was the major driver of the fund's performance, with the majority coming from the US exposure. Fixed income positioning was flat: the positive return from its investment grade bonds was offset by the sell-off in government bonds. The alternatives were the main detractor, driven by the gold position, though this was partially offset by the trading strategies which delivered a small positive return.

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Alternative Investment Fund Manager's Report (continued)

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In the UK, there was evidence of a slowing of the trajectory of the economic recovery. The labour market is tightening, with vacancies back above the February 2020 level and numbers in employment only fractionally lower in June.

Kleinwort Hambros Elite Multi Asset Growth Fund

The fund rose 14.6% over the 12-month period ending 31st July 2021. Over the same time period its benchmark, the Morningstar moderately Adventurous Allocation peer group, appreciated 17.6%.

The equity allocation was the major driver of the fund's performance, with the majority coming from the US exposure. Fixed income delivered a modest negative return, impacted by the sell-off in government bonds. The alternatives were the biggest detractor, driven by the gold position, though this was partially offset by the trading strategies which delivered a small positive return.

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Alternative Investment Fund Manager's Report (continued)

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Kleinwort Hambros Elite International Equity Fund

The last 17 months have seen the world face a pandemic of epic proportions. Initially defenseless, the only government response was to isolate and quarantine before – amazingly – the introduction of a range of vaccines that are slowly allowing the world to reopen.

Thus, we open the year under review with the world having seen the opening four months of recovery from the depths of the pandemic sell-off that bottomed out March 2020. Vaccines were on the horizon, but not visibly forthcoming. We had positioned the portfolio to be roughly two-thirds in the US and one-third international of which half was in Europe (including the UK) and half in Asia. There was a defensive value skew as, politically, we were still in a world of Donald Trump, of Sino-American tensions and continuing Brexit issues and economically it was a world eking out incremental employment gains with tepid but positive growth under the prevailing lockdown conditions.

In that vein, August markets normally face a doldrum month drifting, often aimlessly, with the light summer news flow. Concomitantly, since the onset of lockdown, equities were at the whim of the pace of new Covid-19 cases. Thus, there was concern the resurgence of cases in the US and additionally in Spain & France, would limit gains. Yet instead, international equities rallied meaningfully. It appeared Covid concerns had moved on and investors were assessing the depth of economic scarring from the disease instead

We also saw that the holidays prompted some enthusiasm for value names over growth – tech had had a stellar run, could cruise lines and hospitality retail recovering lost ground be a better bet? It did act to the benefit of the portfolio. However, widespread plans to have kids go back to school meant there was a growing assumption that workers would begin to return to offices in greater numbers improving the outlook further. Moreover, the economic landscape could be transformed – possibly with work-from-home remaining

a greater part of work life. Tech – and a growth focus with it – started to recover their momentum as the big names – for example Apple (which is by then was worth as much as the entire FTSE 100) – soared and August steamed ahead with the portfolio garnered a 3.9% return over the month versus 3.9% for the MSCI benchmark.

Then came commentaries suggesting “September is never a good month in election years”, “September's often the worst month of the year”, or even just “we need a correction to get these markets looking reasonably valued”. September was almost set up to fail.

So, it was maybe no surprise US equities posted four weeks of declines in a row. Between the 2nd and 23rd, US equities slipped about 10% – a correction in market parlance. Equity markets weren't so problematic internationally but then they hadn't been ridden so hard in August. Even so Europe also stumbled 5%, but Japanese equities were almost flat. At least UK equities still eked out a gain but the same could not be said for the portfolio as it slipped 0.6% while the benchmark gained 0.3%

The market volatility was triggered by the technology sector as those companies fostering an improved work-from-home capability had surged in value and left prices hard to justify. Consequently, investors fled tech with the US-based sector names tumbling by nearly 17% and by now we were still 65% invested in the US. We responded by selling some of our exposure to PayPal, Taiwan Semi, Itochu, NextEra, Cap Gemini & Union Pacific and adding Fujitsu & Secom. The trades meant we sold down our US exposure and shifted some investment overseas to Japan.

By the time the markets attempted to recover they were broadly back to end-July levels when the worries then were the level of any extra stimulus, the possibility of a second wave of infections and hopes for a vaccine.

The continued fall in October equity returns looked to be driven by the concomitant Covid-19 resurgence. However, the near-identical performance between growth and value stocks belied the Covid-19 presumption. If investors were truly worried about further lockdowns, then equity trends apparent during the earlier 2020 lockdowns – when growth massively outperformed value – should be repeated. Since growth and value stocks differed by less than 0.2% over the month and day-by-day trends tracked, neither rising infections nor lockdowns appeared legitimate drivers. Moreover, limited differentials between the sterling and dollar-denominated returns indicates it wasn't Brexit concerns either.

So, if not Covid-19, if not Brexit, the only remaining issue was the outcome of the US election – even here in the UK. When you consider equity returns were effectively nil between the beginning of the month and the 26th and it was only in those final five trading days where the markets actually registered a loss, In hindsight, it looked like the cause must have been the anticipation of something risky early-November, namely the election. . In any event, no matter what strategy a portfolio was focused to, it faced downward pressure sliding by a significant 5.2% by the end of the month versus only 2.7% for the MSCI – our worst month of the year.

Alternative Investment Fund Manager's Report (continued)

But then Biden's victory combined with the Congressional results allowed investors to be happier and major markets rallied – especially as the knife-edge outcome encouraged the Democrats to look more centrist. Moreover, the repeated and ongoing positive vaccine news after each weekend through the month - first Pfizer-BioNTech, next Moderna and then Astra-Oxford - allowed markets to move up a percent or so a week on hopes of the end to lockdowns. As a result November was another solid month, indeed, great month for equities. You have to cast back to January 1975 - decades ago - for as strong a single month's capital gain on the global MSCI index as was seen. Certainly the portfolio saw a strong benefit with broad-based gains as it rallied 9.4%, its best month in the period under review versus only 8.9% for the MSCI as we made up some lost ground.

The vaccine news also allowed investors to consider the shape of the post-Covid-19 world. Oil rallied. The strong stay-at-home names, such as Netflix, Domino's Pizza, Unilever, and NVIDIA lost some of their pace, and Covid-19-sensitives, such as the cruise lines, hotels and airlines were able to recoup some of their heavily lost ground. Consequently, November was a rare month where value outperformed growth. Valuations also looked more stretched in the US compared to the UK so we trimmed AvalonBay – its apartments possibly being less attractive in a Covid world – and sold Allianz, Compass (another Covid victim), Curtiss-Wright and NTT and put the proceeds into Charter Communications (relying on work-from-home demand remaining), AutoNation (as car owners renewed their parked cars) Paccar (as supply networks tried to refresh) and Glaxo (as hospitals resumed elective surgeries), China Construction Bank & TDK as we looked to reinvigorate the portfolio with more optimistic-outlook type names..

December continued by delivering a decent close to 2020 albeit with somewhat of a return to normality. After the market slide in March when Covid-19 first struck, after the stimulus-fuelled rally of the summer, after the US autumnal pre-election dip and subsequent recovery, or even after the Covid-vaccine fuelled surge in value stocks, December at least looked like many months seen pre-pandemic - not too hot, not too cold - with the 1¾% sterling gain within the general range of the normality of the last dozen years or so. Certainly, there was an air of economic recovery exhibited by the sector moves, with the basic materials, technology, consumer discretionary and financial sectors leading the charge up 2¾% or more. Meanwhile at the other end utilities, property and consumer staples with the laggards all either down or flat. To meet cash needs we trimmed a little off Avery Dennison, Xylem & Texas Instruments.

Beyond the sector moves, once again, growth outperformed value & growth outperformed income, this time by about 1½% over the month in either case. The market rallied with a reasonable degree of Christmas optimism unfettered by any apparent Covid-induced skew. Only the continuation of the Brexit-influenced rally in the pound – the last one triggered by the will-they-won't-they politics of doing a deal – visibly trimmed back gains for Sterling investors. Still, the portfolio

did manage to post a 1.5% gain (versus 2.4% for the MSCI) to close the year 8.7% up over the period of review so far.

We then entered 2021, a world many hoped free of Brexit dealings, Covid-19 and lockdown. We've seen the story change with each passing month. The portfolio remained about 64¾% invested in the US, 17½% in Asia and 17¾% in Europe.

Janus, the uniquely Roman god of beginnings, transitions and endings, is a fitting tutelary deity for January. The start of 2021 saw hopes for a sunny post-Covid world with vaccines injecting optimism into the market. 2021 saw the first footsteps of Britain out of the EU, out of transition and under the new deal, the political wrangling now concluded. 2021 saw the first Democrats elected to the US Senate in decades – and like buses two came along at once after the long wait. Consequently, President Biden's stimulus was likely to be more and faster. Equities rallied nearly 2.8% on such prevailing optimism, with British ones in the vanguard rallying over 6% at one point.

Then Janus turned. Vaccinations would take time, and Europe voiced frustrations over delayed supplies. Brexit brought food shortages to the shelves of Northern Ireland and a paperwork morass at Dover. Then, while Trump may have been on his way out, his supporters made their way in, storming the Capitol Building and pushing Democrats to deflect from Biden's uncluttered pathway and push for Trump's rapid impeachment. Thus, those early gains evaporated in a pessimistic fog before the month was done and we were back where we were at the beginning and the portfolio was down 1.9% to start the new year while the MSCI fell 0.9%.

Suddenly, February saw action in longer-dated government bonds with yields picking up dramatically over the month. The move signalled a significant shift in the inflation expectations within the bond market and its effect started to spill out into equities. Effectively, the substantial lockdown-driven Covid-19 retreat reinforced by the increased roll-out of vaccines meant investors refocused on an improving economic outlook. However, coupled with better growth came anxieties over the course of inflation over the medium term and consequently rising rates. Certainly, prices should reflate back to normal, the worry is capacity constraints could drive them higher.

Accordingly, as those yields rose, there was a concomitant equity shift. First the high-priced high-flyers of 2020 saw their wings clipped since speculative investors would see their investment costs rise. Next, unleashed from lockdown, the heavily battered-down higher-volatility names of 2020 started truly to rally. Then, as rates spiked further, high-yield equities started to fade as competition from bonds looked stronger.

However, the high-flyers & high-yielders are worth more than 2020's Covid-battered names. So as airlines & cruise lines soared, the bigger Teslas, Qualcomms & Apples types faded dragging indices with them and erasing most of the gain and once again markets were much where they started 2021. It was just the higher – or what should be higher – dividend

Alternative Investment Fund Manager's Report (continued)

companies that still struggled. Given the global turbulence, it was no surprise to see the portfolio slip, but luckily only by 0.6% over February with the MSCI up 0.6%.

A year after Covid-19 began its explosive assault across the western democracies, the market focus appeared to finally be moving on. The first week of March brought the idea home as there was a decided continuation in the dislocate in the performance of various subsets of the equity markets.

The noticeable divergence in performance between growth and value equities with value recovering lost relative ground as the high-flying work-from-home names found their altitude trimmed continued and was substantially amplified over the first week in March but had mostly run its course by the 5th as the rapid reset was mostly done. Meanwhile, income equities – often value's twin though not in February – also began delivering relative gains echoing value's move almost step for step. Income's resurgence was unsurprising when you consider, for example, the resumption of HSBC's omitted disbursements amidst other recovering dividends. Finally, higher volatility shares – the beaten-up ones that saw the biggest declines over 2020 – also started outperforming and the portfolio garnered a 5.2% return over the month and begin to touch levels higher than pre-Covid. We used the opportunity to trim back a little US exposure when meeting cash needs as the portfolio was posting a 5.2% over March while the MSCI only managed 3.8%.

Thus, it appeared Covid-19 was finally taking a back seat as the anticipated reopening of the global economy took over the driving powered by the accelerating roll-out of vaccines and the effect of the ongoing lockdowns. It seemed April would provide the better numbers for the portfolio.

April did, as the portfolio gained a further 3.9% on the month (MSCI 4.2%) but April also saw change. The significant facet of equity gains since mid-February was the strong outperformance by value stocks over growth driven by twin expectations of enhanced economic growth and concomitantly a higher-for-longer trend in inflation. Certainly, the economic data has been improving and the ongoing and accelerating roll-out of vaccines and the unlocking of the global lockdown conditions does reinforce the improving expectations for the global economy. The inflation situation is more nuanced, and April, despite the strong market gains, saw the inflation expectations shift. We took that as an opportunity for a significant shift in our equity positions. Out went Fidelity National, Open Text, Merck, AvalonBay, Cintas & Akamai – all names that looked to be fully-valued, and in came Croda (a UK-based oleo-chemicals business) alongside two other UK names, IMI & Aviva. We also added Apple, Amazon & PNC Financial in the US. The move added some of the higher-profile US growth names but also shifted net funds into the UK as we saw – and still see – the market as undervalued.

May too saw reasonable gains across most global equity markets ... until one accounts for sterling. After a shaky April close saw the pound trade down to slightly over \$1.38, it quickly rallied to \$1.42 after the Scottish Nationalists failed to capture a Holyrood majority. The 2.8% currency appreciation

against the dollar was softly echoed in the 1.1% move against the Euro. Consequently, equity gains were once again eroded by currency losses as May's slender 0.7% US rally – or less when you focus on the more tech-focussed Nasdaq – turned to 2.1% losses. The decline was akin to the downshift in Japanese equities where a 1.3% gain became a 1.5% loss and Europe's 3.3% jump narrowing to a still robust 2.2% while British equities posted a reasonable 1.1% gain. The portfolio meanwhile declined 1.7% due to the scale of international exposure which stood at close to 89% while the MSCI fell 1.1%

Since then the softer data in turn allowed investors to ease their concerns over sustained inflation and concomitantly fret less about any imminent tapering of central government stimulus or early need to raise rates. Consequent hopes for a smooth recovery lifted energy and material prices – and the energy & materials sectors – while the more value-oriented sectors made relative gains over growth. There has been concern at times over Covid, and, in China, angst over increased regulations from the central government. However, the western economies have been chugging along reasonably and the portfolio, given the reduced Asian exposure (down to 13% by early June), fared well. Given the more benign West and fraught East, the portfolio has done quite well, adding 2.8% in June and another 2.3% in July (the MSCI was 4.3% and -0.0% respectively) to close out the period under review 22.6% higher than a year ago and not too far off the 25.5% gross total return of the MSCI All World index (net dividends) in sterling-terms over the same period which consider our more defensive stance was reasonable.

Kleinwort Hambros Elite Trojan Fund

The Fund continues to be in run-off, holding a combination of cash and the EEA Life Settlement Fund (EEA).

The EEA shares are themselves in run-off and are returning cash to shareholders when sufficient is available.

There have been no further distributions from EEA during this financial year and, given the small percentage of the original value of the Fund still outstanding, it remains unlikely that there will be any further distribution from the Fund until the EEA fund is entirely liquidated.

The Directors conducted a search for a buyer of the EEA Life Settlements Fund in order that the Fund may be fully wound up and remaining funds returned to investors sooner. However this search has been unsuccessful to date. Should a buyer be found in future, it would be expected to be at a discount to NAV but would allow for the earlier return of funds to KH Elite Trojan Fund shareholders and avoid ongoing running costs. The Directors had received a previous offer to sell the shares to a third party at a substantial discount to NAV, but remain satisfied that declining the offer was the most appropriate course of action at that time as investors have already received more than they would have done under the terms of that offer.

The Directors have negotiated reduced expenses for the ongoing maintenance of the fund in order to ensure that the best payout can be ensured for investors.

Directors' Report

The Directors of Kleinwort Hambros Elite PCC Limited (the "Company") are pleased to submit their annual report and the audited financial statements for the year ended 31 July 2021 with comparatives for the year ended 31 July 2020.

Results and dividends

The results for the year are shown in the Statement of Total Return on pages 22 and 23.

The Directors are entitled, in their sole discretion, to declare and pay dividends.

In accordance with the Cell Particulars, dividends can be declared on 31 January, 30 April, 31 July and 31 October in each year in respect of Kleinwort Hambros Elite International Equity Fund.

Dividends can also be declared on 31 January and 31 July in each year in respect of Kleinwort Hambros Elite Multi Asset Conservative Fund and declared on 31 July each year in respect of Kleinwort Hambros Elite Multi Asset Balanced Fund and Kleinwort Hambros Elite Multi Asset Growth Fund.

Dividend income will be distributed within two months of the relevant date (the "Payment Date") to all shareholders registered on the register as of the date of declaration of the dividend.

No dividends are declared by Kleinwort Hambros Elite Trojan Fund.

Under Guernsey law, companies can pay dividends in excess of accounting profit provided they satisfy the solvency test prescribed under the Law. The solvency test considers whether a company is able to pay its debts when they become due and whether the value of a company's assets are greater than its liabilities after any dividend is paid.

All expenses in respect of the Kleinwort Hambros Elite Multi Asset Conservative Fund have been charged to capital as prescribed by the Cell Particulars of each cell.

Directors' Interests

The Directors have shares in the Company as follows:

During the year and currently Mr Philips directly holds 168,976 shares in the Kleinwort Hambros Elite Multi Asset Balanced Fund.

During the year and currently Mr Garrard indirectly holds 13,986 shares as well as 91,423 shares in the Kleinwort Hambros Elite Multi Asset Balanced Fund and Kleinwort Hambros Elite Multi Asset Growth Fund respectively.

Going concern

In the opinion of the Directors, there is a reasonable expectation that the Company has adequate resources to continue in operational existence at least 12 months from the date of signing of these financial statements. For this reason the financial statements have been prepared on the going concern basis.

The Directors have arrived at this opinion by considering, inter alia, the following factors:

- the Company has sufficient liquidity to meet all on-going expenses (net current asset position at 31 July 2021 of £3,990,126* (2020: £5,133,645);
- in the event of significant cell share redemptions the Directors can suspend all dealings;
- the Company holds a large amount of investments which are able to be settled within three business days of the trade date and therefore will have sufficient resources to meet future redemption requests and other liquidity requirements;
- the Company deals on a weekly basis and has a settlement period of up to seven days following the relevant dealing day. On this basis, the Company is well placed to meet all future cash flows associated with redemption requests; and
- the Kleinwort Hambros Elite Trojan Fund continues to be in run-off. This does not have a significant effect on the going concern of the Company as the remaining Cells continue to operate as usual. The last valuation date of the Cell was 31 July 2021. The costs of the Cells are regularly reviewed. Refer to note 6.

Covid-19 Pandemic

The financial year of the Fund's began with a new global economic and social environment. Governments worldwide implemented lockdowns and social distancing measures in response to the Covid-19 pandemic with only essential workers and those who could work from home being able to continue working. The initial market response, in March 2020, had seen a dramatic fall in risk assets as investors feared for company earnings and economic activity.

However, by the time the financial year began many markets had recovered much of their losses as policymakers reacted swiftly to prevent economic disaster. Furlough arrangements, quantitative easing measures and fiscal policy were all utilised and combined with negative real yields across the major economies provided support to equity markets. Growth shares such as some of the technology sector outperformed the value sector as they were better positioned to continue providing services, or even benefit from increased business due to the lockdowns.

The world's leading pharmaceutical companies set about developing new vaccines at record pace and mass vaccination programmes are well under way. By the end of January equity markets were significantly higher than their pre-pandemic levels and even the value sector was beginning to recover as the economy returned to a positive trend and investors anticipate economies opening up, lockdowns easing and monetary policy remaining loose. On an historic basis, equity valuations remain expensive, however we remain tolerant of this given the interest rate environment, positive momentum and the expansionary economic regime. We are therefore cautiously overweight equities but remain alert to the risks.

Directors' Report (continued)

*The year end net current asset position is derived as follows:

Total assets	£133,618,617
Less total liabilities	(£5,514,722)
Less investment assets	(£124,113,769)
	£3,990,126

Three year record net asset value per share

The net asset value per share for the years 2019 to 2021 is summarised in the table below.

	2021	2020	2019
Multi Asset Balanced Fund			
A GBP Income Reporting Shares	£1.99	£1.83	£1.81
A GBP Reinvest Reporting Shares	£1.99	£1.83	£1.81
B GBP Income Reporting Shares	£1.92	£1.76	£1.75
C GBP Income Reporting Shares	£1.00	-	-
A USD Accumulating Non-reporting Shares	\$1.61	\$1.48	\$1.45
A EUR Accumulating Reporting Shares	€1.34	€1.24	€1.24
B USD Accumulating Non-reporting Shares	\$1.56	\$1.44	\$1.41
B EUR Accumulating Non-reporting Shares	€1.36	€1.27	€1.27
B GBP Accumulating Non-reporting Shares	£1.56	£1.43	£1.42
Multi Asset Conservative Fund			
A GBP Income Reporting Shares	£1.15	£1.13	£1.13
A EUR Accumulating Reporting Shares	€1.15	€1.14	€1.11
B USD Accumulating Non-reporting Shares	\$1.29	\$1.25	\$1.21
B EUR Accumulating Non-reporting Shares	€1.13	€1.11	€1.10
B GBP Accumulating Non-reporting Shares	£1.27	£1.24	£1.21
Multi Asset Growth Fund			
A GBP Income Reporting Shares	£1.99	£1.74	£1.77
A GBP Reinvest Reporting Shares	£1.99	£1.74	£1.76
B GBP Income Reporting Shares	£1.83	£1.61	£1.63
B USD Accumulating Non-reporting Shares	\$1.84	\$1.61	\$1.61
B EUR Accumulating Non-reporting Shares	€1.61	€1.43	€1.46
B GBP Accumulating Non-reporting Shares	£1.83	£1.61	£1.63
International Equity Fund			
A GBP Income Reporting Shares	£2.08	£1.69	£1.86
A GBP Reinvest Reporting Shares	£2.10	£1.71	£1.88
B GBP Accumulating Non-reporting Shares	£2.61	£2.14	£2.35

The above table does not include those share classes which are not active or have been fully redeemed.

Directors

The Directors are noted on page 5. None of the Directors has a service contract with the Company and no such contract is proposed. As at 31 July 2021 none of the Directors, their associates or the Alternative Investment Manager held any participating shares in the Company. Mr Garrard has waived his entitlement to Directors' fees, Mr Phillips is entitled to a fee of £25,000 per annum and Mr Maubec is entitled to a fee of £17,500 per annum.

Related parties

Details of the related parties are disclosed in note 11 to the financial statements.

Taxation

States of Guernsey Income Tax has granted the Company exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and the income of the Company may be distributed or accumulated without deduction of Guernsey income tax. Exemption under the above mentioned Ordinance entails payment of an annual fee of £1,200.

Auditor

Deloitte LLP has expressed its willingness to continue in office as auditor and a resolution to re-appoint it is proposed for consideration at the next Annual General Meeting of the Company.

Directors' Report (continued)

UK Offshore Fund Rules and Reporting Fund Regime

The Company complies with the provisions of the UK Offshore Fund Rules to enable UK investors to benefit from capital (as opposed to income) tax on gains made on the disposal of shares. The Company is comprised of a number of Cells and share classes that are each treated as separate funds for the purpose of these rules.

The Reporting Fund regime requires funds entered into the regime to disclose certain information to UK investors for each reporting period.

The following Funds have been accepted into the Reporting Fund regime:

- Kleinwort Hambros Elite Multi Asset Conservative Fund – A GBP Income Reporting Shares
- Kleinwort Hambros Elite Multi Asset Conservative Fund – A EUR Accumulating Reporting Shares
- Kleinwort Hambros Elite Multi Asset Balanced Fund – A GBP Income Reporting Shares
- Kleinwort Hambros Elite Multi Asset Balanced Fund – A GBP Reinvest Reporting Shares
- Kleinwort Hambros Elite Multi Asset Balanced Fund – B GBP Income Reporting Shares
- Kleinwort Hambros Elite Multi Asset Balanced Fund – C GBP Income Reporting Shares
- Kleinwort Hambros Elite Multi Asset Balanced Fund – A EUR Accumulating Reporting Shares
- Kleinwort Hambros Elite Multi Asset Growth Fund – A GBP Income Reporting Shares
- Kleinwort Hambros Elite Multi Asset Growth Fund – A GBP Reinvest Reporting Shares
- Kleinwort Hambros Elite Multi Asset Growth Fund – B GBP Income Reporting Shares
- Kleinwort Hambros Elite International Equity Fund – A GBP Income Reporting Shares
- Kleinwort Hambros Elite International Equity Fund – A GBP Reinvest Reporting Shares

*Fully redeemed during the year.

The Alternative Investment Fund Managers Directive

The Directive, which was implemented by EU Member States in 2013, covers the management, administration and marketing of Alternative Investment Funds ("AIFs"). Its focus is on regulating Alternative Investment Fund Managers ("AIFMs") established in the EU and prohibits such managers from managing any AIFs or marketing shares in such funds to investors in the EU unless an Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") authorisation is granted to the AIFM. The Fund is a non-EU AIF whose AIFM is SG Kleinwort Hambros Bank (CI) Limited, a non-EU AIFM for the purpose of the AIFMD 2011/61/EU.

Directors' responsibilities

The Law in Guernsey requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of profit and loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and 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 enable them to ensure that the financial statements comply with the Law, The Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), The Authorised Collective Investment Schemes (Class B) Rules, 2013, and the principal documents. They are also responsible for the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

At the date of approval of the financial statements each of the persons who are a Director confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of the Law.

Roger Phillips

12 January 2022

Custodian Report to the Shareholders of Kleinwort Hambros Elite PCC Limited for the Year Ended 31 July 2021

In respect of the year ended 31 July 2021, we state that in our opinion, JTC Fund Solutions (Guernsey) Limited (the “Designated Manager”), has managed Kleinwort Hambros Elite PCC Limited (the “Company”):

- a) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the principal documents, by the scheme particulars and by the Protection of Investors (Bailiwick of Guernsey) Law, 1987; and
- b) in accordance with the provisions of the principal documents and the Authorised Collective Investment Schemes (Class B) Rules 2013.

**BNP Paribas Securities Services SCA -
Guernsey Branch as Custodian of Kleinwort
Hambros Elite PCC Limited**

12 January 2022

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Kleinwort Hambros Elite PCC Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 July 2021 and of its total return for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements which comprise:

- the statement of total return;
- the statement of changes in net assets attributable to shareholders;
- the balance sheet;
- the related notes 1 to 20;
- the Cell Portfolio of Investments; and
- the Cell Summary of Material Portfolio Changes.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion





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

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

3. Summary of our audit approach

Key audit matters	<p>The key audit matter that we identified in the current year was Valuation of investments.</p> <p>Within this report, key audit matters are identified as follows:</p> <div>  Newly identified </div> <div>  Increased level of risk </div> <div>  Similar level of risk </div> <div>  Decreased level of risk </div>
Materiality	The materiality that we used in the current year was £2.56m which was determined on the basis of 2% of net assets attributable to shareholders as at 31 July 2021.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in our approach	In the prior year, Ownership of Investments was considered to be a KAM. However, following our risk assessment in the current year, it is no longer considered to be a KAM. There have been no other significant changes in our approach in the current year.

4. Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the reasonableness and appropriateness of management's assumptions;
- Evaluating the financing facilities available to the Company including the nature of the facilities, repayment terms and covenants; and
- Evaluating the relevance and reliability of the underlying data used by management to make the assessment.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

5. 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 and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters 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.

5.1 Valuation of the investments



Key audit matter description	<p>The Company's investments (see note 16 and the individual Cell Portfolio Statements) included at fair value of £124,113,769 (2020: £137,266,504) comprise 96.89% (2020: 96.39%) of its Net Asset Value (NAV). The investments include listed securities; and corporate and government bonds. All investments are held at fair value through profit or loss which is determined based on market prices and accounting policies as set out in Note 2.</p> <p>Whilst valuation processes for these investments are not considered to be complex, nor do they involve significant judgements and estimates to be made, the investments are the most quantitatively significant balance and are an area of focus because they are the main driver of the Company's performance and NAV. Valuation of investments has been identified as a fraud risk.</p> <p>Although substantially all of the investments are listed and/or have quoted market pricing data available which is used to value the securities, there is a risk that the investments are incorrectly valued due to factors including stale prices, low volume traded securities and errors in third party prices. Where investments are not regularly traded there is a greater risk that the quoted price is not reflective of fair value and this should be taken into consideration in management's assessment.</p>
How the scope of our audit responded to the key audit matter	<p>In order to test valuations as at 31 July 2021, we performed the following procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding of the relevant controls over the valuation of investments, including relevant controls adopted by the Company's administrator; • Assessed management's valuation policy and methodology adopted and compared this to the requirements of IFRS 13 and industry practice; • Tested initial cost and cut-off of investment transactions by agreeing the purchase and sale of a sample of equity shares to independent confirmations from the custodian; • Tested the reasonableness of exchange rates used in converting investments denominated in currencies other than the Pounds sterling, by comparing rates used to independent sources; • Tested 100% of the valuations of investments by agreeing the prices directly to independent third-party sources; • Performed inquiries with the investment manager to understand the impact of Covid-19 on the investment portfolio and steps taken to address this up to and post Company's year-end; • Analysed the trading history of investments to establish whether they have been traded on a frequent basis and values at which they have been traded, to assess whether there are unusual price movements indicating the year prices are stale; and • Reviewed the financial statements for appropriate disclosures of investments.
Key observations	<p>As a result of our testing, we concluded that the valuation of investments and related disclosures are appropriate.</p>

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

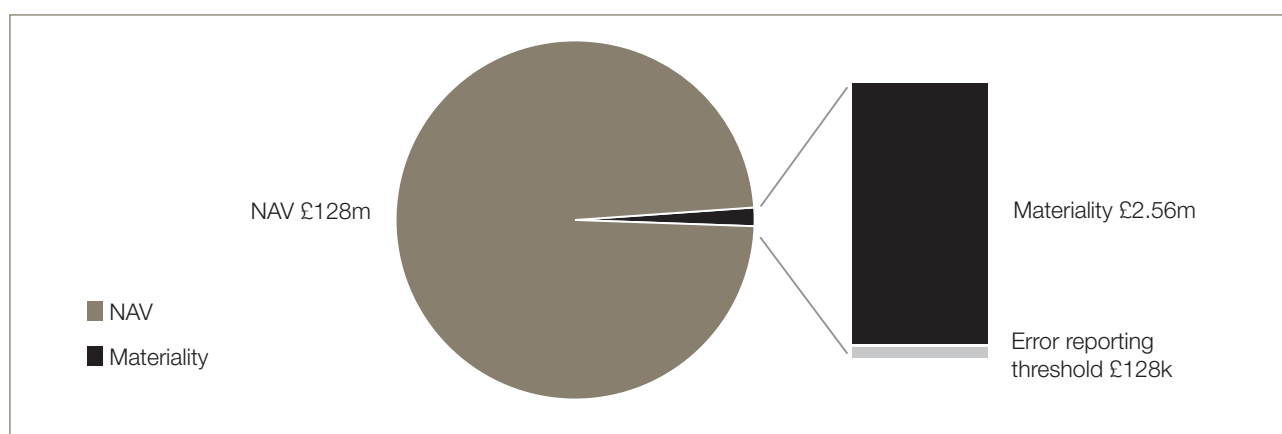
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

Materiality	£2,560,000 (2020: £2,840,000)
Basis for determining materiality	2% (2020: 2%) of net assets attributable to shareholders as at 31 July 2021
Rationale for the benchmark applied	Net asset value is the key performance indicator of the Company. The holders of equity are interested in capital appreciation of their investment; thus NAV is considered to be an appropriate basis to set materiality.



6.2. Performance Materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of the Company's materiality for the 2021 audit (2020: 70%). In determining performance materiality, we considered the following factors:

- Our risk assessment, including our assessment of the Company's overall control environment; and
- Our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.

6.3. Error Reporting Threshold

We agreed with the Board of Directors that we would report to the Board all audit differences in excess of £128,000 (2020: £142,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the Company and its environment, including internal control and assessing the risks of material misstatement. Our audit scope included obtaining an understanding of accounting processes and controls in place at the third-party accounting service provider. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of the Company, taking account of the structure of the Company.

7.2. Our consideration of the control environment

The Company is administered by a Guernsey regulated service organisation and, as part of our audit procedures we obtained an understanding of the relevant controls in operation at the service provider that impacted our audit and based on our understanding and review of the relevant controls identified in the service organisation's system and organisation controls ("ISAE3402") report which are applicable to the risks we identified, we took a controls reliance approach on relevant controls in our revenue and investment testing.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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'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 or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

10. Auditor's responsibilities for the audit of the financial statements

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

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

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management, and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement and relevant internal specialists, including valuation specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation of investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies (Guernsey) Law, 2008, The International Stock Exchange Listing Rules and relevant tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

Independent Auditor's Report to the Members of Kleinwort Hambros Elite PCC Limited (continued)

11.2. Audit response to risks identified

As a result of performing the above, we identified Valuation of Investments as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- enquiring of management concerning actual and potential litigation and claims;
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Matters on which we are required to report by exception

12.1. Adequacy of explanations received and accounting records

Under the Companies (Guernsey) Law, 2008 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; or
- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records.

We have nothing to report in respect of these matters.

13. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Crowley, FCA
For and on behalf of Deloitte LLP
Recognised Auditor
St Peter Port, Guernsey
12 January 2022

Statement of Total Return

For the year ended 31 July 2021

		Total	Non-Cellular	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund
		2021	2021	2021	2021	2021
	Notes	£	£	£	£	£
Net capital gains/(losses)	3	15,394,587	-	6,026,797	197,477	5,788,801
Capital expenditure	4	(203,192)	-	-	(203,192)	-
Revenue	5	1,436,046	-	679,059	150,329	272,633
Expenses	6	(2,489,153)	-	(1,291,750)	-	(884,495)
Interest payable and similar charges		(8,398)	-	(3,449)	(1,961)	(2,438)
Net (expense)/revenue before taxation		(1,061,505)	-	(616,140)	148,368	(614,300)
Taxation	7	(71,661)	-	-	-	-
Net (expense)/revenue for the financial period		(1,133,166)	-	(616,140)	148,368	(614,300)
Total return/(loss) before distribution		14,058,229	-	5,410,657	142,653	5,174,501
Distributions	8	(159,885)	-	(2,740)	(157,145)	-
Change in net assets attributable to shareholders from investment activities		13,898,344	-	5,407,917	(14,492)	5,174,501
Earnings per share	14		-	0.11	0.02	0.17

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2021

		Total	Non-Cellular	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund
		2021	2021	2021	2021	2021
	Notes	£	£	£	£	£
Opening net assets attributable to shareholders		142,400,149	100	70,953,745	10,954,273	45,127,004
Effect of foreign exchange rate changes		-	-	-	-	-
Amounts receivable on issues	13	8,544,957		5,145,655	40,705	3,057,122
Amounts payable on redemptions	13	(36,837,175)	-	(19,954,544)	(4,193,266)	(11,182,110)
Net redemptions		(28,292,218)	-	(14,808,889)	(4,152,561)	(8,124,988)
Retained distribution on accumulation shares		97,619	-	-	97,619	-
Change in net assets attributable to shareholders from investment activities		13,898,344	-	5,407,917	(14,492)	5,174,501
Closing net assets attributable to shareholders		128,103,894	100	61,552,774	6,884,839	42,176,515

The results above derive from continuing operations, except for the Trojan Fund that is being wound up.

The Company has no recognised gains or losses other than those reflected in the Statement of Total Return above; therefore a Statement of Total Recognised Gains and Losses has not been prepared.

The notes on pages 30 to 56 form an integral part of these financial statements.

International Equity Fund	Trojan Fund
2021	2021
£	£
3,391,699	(10,187)
-	-
334,025	-
(309,027)	(3,881)
(550)	-
24,448	(3,881)
(71,661)	-
(47,213)	(3,881)
3,344,486	(14,068)
-	-
3,344,486	(14,068)
0.48	(0.04)

International Equity Fund	Trojan Fund
2021	2021
£	£
15,165,897	199,130
-	-
301,475	-
(1,507,255)	-
(1,205,780)	-
-	-
3,344,486	(14,068)
17,304,603	185,064

Statement of Total Return

For the year ended 31 July 2020

		Total	Non-Cellular	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund
		2020	2020	2020	2020	2020
	Notes	£	£	£	£	£
Net capital (losses)/gains	3	(2,290,058)	-	(18,880)	128,935	213,546
Capital expenditure	4	(233,272)	-	(18,366)	-	(214,906)
Revenue	5	1,990,503	-	36,639	927,474	170,331
Expenses	6	(2,450,791)	-	-	(1,256,531)	-
Interest payable and similar charges		(2,012)	-	-	-	(552)
Net (expense)/revenue before taxation		(462,300)	-	36,639	(329,057)	169,779
Taxation	7	(89,556)	-	-	-	-
Net (expense)/revenue for the financial period		(551,856)	-	36,639	(329,057)	169,779
Total (loss)/return before distribution		(3,075,186)	-	(607)	(200,122)	168,419
Distributions	8	(307,002)	-	(135,641)	(31)	(169,997)
Change in net assets attributable to shareholders from investment activities		(3,382,188)	-	(136,248)	(200,153)	(1,578)
Earnings per share	14		-	(0.00)	(0.00)	0.02

Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 July 2020

		Total	Non-Cellular	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund
		2020	2020	2020	2020	2020
	Notes	£	£	£	£	£
Opening net assets attributable to shareholders		162,784,414	100	8,953,063	72,442,944	11,439,334
Effect of foreign exchange rate changes		-	-	-	-	-
Amounts receivable on issues	13	7,793,513		21,296	5,952,179	979,724
Amounts payable on redemptions	13	(24,918,501)	-	(8,838,111)	(7,241,225)	(1,586,118)
Net (redemptions)/issues		(17,124,988)	-	(8,816,815)	(1,289,046)	(606,394)
Retained distribution on accumulation shares		122,911	-	-	-	122,911
Change in net assets attributable to shareholders from investment activities		(3,382,188)	-	(136,248)	(200,153)	(1,578)
Closing net assets attributable to shareholders		142,400,149	100	-	70,953,745	10,954,273

The results above derive from continuing operations, except for the Trojan Fund that is being wound up.

The Company has no recognised gains or losses other than those reflected in the Statement of Total Return above; therefore a Statement of Total Recognised Gains and Losses has not been prepared.

The notes on pages 30 to 56 form an integral part of these financial statements.

Multi Asset Growth Fund	International Equity Fund	Trojan Fund
2020	2020	2020
£	£	£
(1,014,725)	(1,599,659)	725
-	-	-
462,384	393,566	109
(874,842)	(312,226)	(7,192)
-	(1,460)	-
(412,458)	79,880	(7,083)
-	(89,556)	-
(412,458)	(9,676)	(7,083)
(1,427,183)	(1,609,335)	(6,358)
-	(1,333)	-
(1,427,183)	(1,610,668)	(6,358)
(0.04)	(0.22)	(0.02)

Multi Asset Growth Fund	International Equity Fund	Trojan Fund
2020	2020	2020
£	£	£
51,732,021	18,011,464	205,488
-	-	-
727,387	112,927	-
(5,905,221)	(1,347,826)	-
(5,177,834)	(1,234,899)	-
-	-	-
(1,427,183)	(1,610,668)	(6,358)
45,127,004	15,165,897	199,130

Balance Sheet

As at 31 July 2021

		Total	Non-Cellular	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund
		2021	2021	2021	2021	2021
	Notes	£	£	£	£	£
Assets						
Fixed assets						
Investments	16	124,113,769	-	59,311,802	6,622,922	40,749,095
Current assets						
Debtors	9	8,078,010	-	4,659,987	421,309	2,958,281
Cash and bank balances	2	1,426,838	100	-	787,633	-
Total Assets		133,618,617	100	63,971,789	7,831,864	43,707,376
Creditors						
Bank overdrafts	18	(4,577,101)	-	(2,008,146)	(875,710)	(1,136,980)
Distributions payable	8	(18,069)	-	-	(18,069)	-
Other creditors	10	(919,552)	-	(410,869)	(53,246)	(393,881)
Other creditors and accruals		(937,621)	-	(410,869)	(71,315)	(393,881)
Total Liabilities		(5,514,722)	-	(2,419,015)	(947,025)	(1,530,861)
Net assets attributable to holders of Management shares		100	100	-	-	-
Net assets attributable to holders of Redeemable Participating and Management Shares	13	128,103,795	-	61,552,774	6,884,839	42,176,515
Net asset value per Participating Share				1.59	1.15	1.60
A GBP/EUR Income Reporting Shares		-	-	2.00	1.15	2.00
A GBP Reinvest Reporting Shares		-	-	2.00	-	2.00
B GBP/EUR Income Reporting Shares		-	-	1.92	-	1.84
A USD Accumulating Non-reporting Shares		-	-	1.62	-	-
A EUR Accumulating Reporting Shares		-	-	1.34	1.16	-
B USD Accumulating Non-reporting Shares		-	-	1.57	1.30	1.84
B EUR Accumulating Non-reporting Shares		-	-	1.36	1.14	1.62
B GBP Accumulating Non-reporting Shares		-	-	1.56	1.27	1.84

The financial statements on pages 22 to 56 were approved by the Board of Directors on 12 January 2022 and are signed on its behalf by:

Roger Phillips

Date: 12 January 2022

The notes on pages 30 to 56 form an integral part of these financial statements.

International Equity Fund	Trojan Fund
2021	2021
£	£
17,297,732	132,218
38,329	104
585,731	53,374
17,921,792	185,696
(556,265)	-
-	-
(60,924)	(632)
(60,924)	(632)
(617,189)	(632)
-	-
17,304,603	185,064
2.59	0.56
2.08	-
2.10	-
-	-
-	-
-	-
-	-
-	-
-	-
2.62	-

Balance Sheet

As at 31 July 2020

		Total	Non-Cellular	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund
		2020	2020	2020	2020	2020
	Notes	£	£	£	£	£
Assets						
Fixed assets						
Investments	16	137,266,504	-	-	67,881,879	10,616,407
Current assets						
Debtors	9	122,156	-	-	55,970	14,517
Cash and bank balances	2	5,970,326	100	-	3,412,201	500,692
Total Assets		143,358,986	100	-	71,350,050	11,131,616
Creditors						
Bank overdrafts	18	(154,983)	-	-	-	(128,358)
Distributions payable	8	(17,220)	-	-	-	(16,652)
Other creditors	10	(786,634)	-	-	(396,305)	(32,333)
Other creditors and accruals		(803,854)	-	-	(396,305)	(48,985)
Total Liabilities		(958,837)	-	-	(396,305)	(177,343)
Net assets attributable to holders of Management shares		-	100	-	-	-
Net assets attributable to holders of Redeemable Participating and Management Shares	13	142,400,149	100	-	70,953,745	10,954,273
Net asset value per Participating Share					1.46	1.15
A GBP/EUR Income Reporting Shares		-	-	-	1.83	1.13
A GBP Reinvest Reporting Shares		-	-	-	1.83	-
B GBP/EUR Income Reporting Shares		-	-	-	1.76	-
A USD Accumulating Non-reporting Shares		-	-	-	1.48	-
A EUR Accumulating Reporting Shares		-	-	-	1.24	1.14
B USD Accumulating Non-reporting Shares		-	-	-	1.44	1.25
B EUR Accumulating Non-reporting Shares		-	-	-	1.27	1.11
B GBP Accumulating Non-reporting Shares		-	-	-	1.43	1.24

The notes on pages 30 to 56 form an integral part of these financial statements.

Multi Asset Growth Fund	International Equity Fund	Trojan Fund
2020	2020	2020
£	£	£
43,493,203	15,132,611	142,404
44,554	7,015	100
1,915,606	84,472	57,255
45,453,363	15,224,098	199,759
-	(26,625)	-
-	(568)	-
(326,359)	(31,008)	(629)
(326,359)	(31,576)	(629)
(326,359)	(58,201)	(629)
-	-	-
45,127,004	15,165,897	199,130
1.46	2.12	0.56
1.74	1.69	-
1.74	1.71	-
1.61	-	-
-	-	-
-	-	-
1.61	-	-
1.43	-	-
1.61	2.14	-

Notes to the Financial Statements

For the year ended 31 July 2021

1. Principal activity

The Company was registered as a company with limited liability in Guernsey on 30 September 2004 and is authorised by the GFSC as a Class B Scheme under The Protection of Investors (Bailiwick of Guernsey) Law, 1987, (as amended).

The Company is an open-ended investment Protected Cell Company governed by the provisions of the Law and has elected to be treated as an authorised investment scheme under the Authorised Collective Investment Schemes (Class B) Rules, 2013. The Company retains the option to create new Cells with different investment objectives and terms in the future. The active Cells in issue as at 31 July 2021 are as follows:

- Kleinwort Hambros Elite Multi Asset Conservative Fund
- Kleinwort Hambros Elite Multi Asset Balanced Fund
- Kleinwort Hambros Elite Multi Asset Growth Fund
- Kleinwort Hambros Elite International Equity Fund
- Kleinwort Hambros Elite Trojan Fund

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements:

Basis of preparation

These financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, and in accordance with the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", issued by the Investment Association (the "IA SORP") in May, 2014, as applicable for a Guernsey incorporated company.

These financial statements have been prepared under the historical cost convention, as modified for the revaluation of investments and derivatives.

Any departure from the IA SORP is detailed in the notes below.

Departure from IA SORP

As far as possible these accounts have been prepared in accordance with IA SORP except for the below:

- All expenses in respect of the Multi Asset Conservative Fund has been charged to capital in accordance with the Scheme Particulars of the Cells and are shown in the Statement of Total Return as 'Capital expenditure'. This is a departure from the IA SORP that requires expenses only to be charged against revenue.

- A comparative table as required by, and set out in, Appendix A of the IA SORP has not been prepared. Due to the number of share classes per Cell, disclosing this level of disclosure would not be practical. The Directors have therefore only disclosed the NAV per Share Class in line with prior periods.
- For quoted investments, fair value should be determined by reference to the bid market price ruling at the balance sheet date, or if this is not available, the latest bid price for the quoted investment. Unquoted investments are valued by the Directors based upon prices received from investment advisers, fund managers and other sources where available. Prices generally reflect the prices at which it would be possible to redeem or add to the Company's holding excluding exit and entry charges. Net asset values reported to the market via TISE announcements are on a mid pricing basis of underlying investments, whereas financial statements that are IA SORP compliant have to be prepared on a bid basis. The Directors, however, do not consider the bid price adjustment to have a material impact on the total net asset value of the Company or individual Cell share classes therefore no adjustments to the financial statements have been made.

Functional and presentational currency

The financial information shown in the financial statements is shown in pounds sterling, being the Company's functional and presentational currency.

Financial Assets

All financial assets are initially measured at cost, except those which are classified at fair value through profit or loss, which are initially measured at fair value (which is normally cost less transaction costs).

Investments and forward currency contracts are held at fair value as described below. Debtors and prepayments, as well as cash at bank, that are receivable within one year are measured at the undiscounted receivable amount. There are no debtors or prepayments due in more than one year.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of ownership are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes to the Financial Statements (continued)

Financial Liabilities

Financial liabilities include creditors and accrued expenses. All financial liabilities are due within one year at recognition and measured at the undiscounted amount payable.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Investments

Investments are classified as financial assets at fair value through profit or loss. For quoted investments, fair value is determined by reference to the mid market price ruling at the balance sheet date, or if this is not available, the latest mid price for the quoted investment.

Unquoted investments are valued by the Directors based upon prices received from investment advisers, fund managers and other sources where available. Prices generally reflect the prices at which it would be possible to redeem or add to the Company's holding excluding exit and entry charges. Net asset values reported to the market via TISE announcements are on a mid pricing basis of underlying investments, whereas financial statements that are IA SORP compliant have to be prepared on a bid basis. The Directors, however, do not consider the bid price adjustment to have a material impact on the total net asset value of the Company or individual cell share classes therefore no adjustments to the financial statements have been made. (Total Net Asset Value impact £27,420 (2020: £36,713). The investment in EEA Life Settlements Fund is based on the 30 June 2021 price being the latest price available on the valuation date 31 July 2021 and subsequently had this been adjusted to the Total Net Asset, impact would be (£2,553) (2020: £8,448).

Realised gains and losses arising on the disposal of investments are calculated by reference to the sale proceeds and the average cost attributable to the proportion of the investment sold. The purchase and sales of investments are accounted for on the trade date. Unrealised gains and losses are calculated by reference to the carrying value at the year end and the carrying costs of investments held. All realised and unrealised gains and losses on investments are reflected in the Statement of Total Return.

The valuation point of the investments in the Company's portfolio was 31 July 2021 except in relation to the Trojan Fund where the investment was valued at 30 June 2021. The intention of the valuation at this date was to estimate the fair value of the investments.

Derivative financial instruments

Derivatives are initially recognised in the financial statements at cost, being the fair value of consideration given, and are subsequently re-measured at their fair value. Unrealised fair value gains or losses on these derivative financial instruments are included in the Statement of Total Return.

Kleinwort Hambros Elite Multi Asset Conservative Fund, Kleinwort Hambros Elite Multi Asset Balanced Fund and Kleinwort Hambros Elite Multi Asset Growth Fund also invest in forward exchange contracts. A futures contract gives the holder the obligation to buy or sell a certain underlying instrument at a certain date in future. Buying a call option gives the buyer the right but not an obligation to buy the underlying security at a specified price at a future date. Buying a put option gives the buyer the right but not an obligation to sell the underlying security at a specified price at a future date. Unrealised gains and losses arising on the open future positions, call and put options at year-end are included in the statement of total return.

Foreign exchange

Foreign currency assets and liabilities are translated into pounds sterling, euros or US dollars, as appropriate, at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate of exchange ruling on the transaction date. Differences thus arising are included in the statement of total return.

The balance sheets of those cells whose base currency is not pounds sterling are translated into pounds sterling at the rates of exchange ruling at the year end. Exchange differences arising between the translation into pounds sterling of the net assets of these cells at rates ruling at the beginning and end of the year are recognised in the statement of changes in net assets attributable to shareholders.

Income

Bond interest and interest on deposits and call accounts are accrued on a day-to-day basis. Dividends are accrued on an ex-dividend basis and gross of withholding taxes.

Expenses

Expenses are accrued on a day-to-day basis. All expenses in respect of the Kleinwort Hambros Elite Multi Asset Conservative Fund has been charged to capital and are shown in the Statement of Total Return as 'Capital expenditure'. Expenses in respect of all other cells are charged against revenue.

Notes to the Financial Statements (continued)

Equalisation

Subscription and redemption prices of shares will include equalisation amounts equivalent to the amount of net income attributable to each share in issue or deemed to be in issue on the relevant dealing day. Equalisation is applied so as to adjust net undistributed income for each class when accounting for the issue or redemption of shares on different dealing days. Equalisation payments will normally be repaid to shareholders with the first dividend paid after the issue of the relevant shares as a return of initial capital invested. The income element of the issues and redemption prices is accounted for against distributions within the statement of total return.

Cash and cash equivalents

Cash and cash equivalents consist of cash held at bank and cash on margin accounts.

Statement of cash flows

The Company is exempt from preparing a Statement of Cash Flows as it meets all the criteria set out in FRS 102 section 7. Therefore these accounts do not include a Statement of Cash Flows.

Critical assumptions and judgements

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Valuation of investments is considered a key area where judgement is applied. The Directors valued all the investments in other investment funds at the net asset value of the fund as at the relevant valuation date as determined in accordance with the terms of the funds and as notified to the Company by the relevant fund manager or relevant administrator. The valuation date of each fund may not always be coterminous with the valuation date of the Company and in such cases the valuation of the fund at the last valuation date is used. The net asset values reported by the relevant fund managers and / or the relevant fund administrators and used by the Directors as at 31 July 2021, may be unaudited as at that date and may differ from the amounts which would have been realised from a redemption of the investment in the relevant fund as at 31 July 2021. As at the year end, investments which had fair values that were considered to be categorised as level 3 are included in note 16 where the fair value categories of investments are disclosed.

Notes to the Financial Statements (continued)

3. Net capital gains/(losses)

For the year ended 31 July 2021

	Total	Elite Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Realised gains on non derivative investments	13,112,828	6,625,256	816,007	5,083,527	588,037	-
Unrealised gains/(losses) on non derivative investments	4,709,733	344,455	(446,985)	2,007,523	2,814,928	(10,187)
(Losses)/gains on derivative instruments	(2,389,024)	(941,946)	(160,388)	(1,287,151)	461	-
Foreign exchange losses	(38,950)	(968)	(11,157)	(15,098)	(11,727)	-
Total	15,394,587	6,026,797	197,477	5,788,801	3,391,699	(10,187)

For the year ended 31 July 2020

	Total	Sterling Fixed Income Fund	Elite Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£
Realised gains/(losses) on non derivative investments	4,647,455	(50,954)	2,639,907*	96,389	1,588,513	379,940	(6,340)
Unrealised (losses)/gains on non derivative investments	(5,448,300)	32,074	(1,872,040)*	184,614	(1,835,221)	(1,964,792)	7,065
Losses on derivative instruments	(1,429,953)	-	(631,522)	(64,844)	(732,929)	(658)	-
Foreign exchange losses	(59,260)	-	(7,410)	(2,613)	(35,088)	(14,149)	-
Total	(2,290,058)	(18,880)	128,935	213,546	(1,014,725)	(1,599,659)	725

*An amount of £3,267,371 has been reallocated between realised and unrealised.

Notes to the Financial Statements (continued)

4. Capital expenditure

All expenses in respect of the Kleinwort Hambros Multi Asset Conservative Fund has been charged to capital and are shown in the Statement of Total Return as 'Capital expenditure'. The details of these expenses are disclosed in note 6. The breakdown of these expenses charged against capital is as follows:

For the year ended 31 July 2021

	Total	Multi Asset Conservative Fund
	2021	2021
	£	£
Investment management fee	145,349	145,349
Custodian fee	6,482	6,482
Other expenses		
GFSC and other regulatory fees	2,759	2,759
Legal fees	2,360	2,360
Admin fees	23,805	23,805
Directors fees	2,817	2,817
Audit fee	3,582	3,582
Sundry expenses	16,038	16,038
Total other expenses	51,361	51,361
Total expenses	203,192	203,192

For the year ended 31 July 2020

	Total	Sterling Fixed Income Fund	Multi Asset Conservative Fund
	2020	2020	2020
	£	£	£
Investment management fee	163,543	5,084	158,459
Custodian fee	6,997	497	6,500
Other expenses			
GFSC and other regulatory fees	3,171	225	2,946
Legal fees	1,666	64	1,602
Admin fees	23,146	3,076	20,070
Directors fees	3,525	165	3,360
Audit fee	2,670	285	2,385
Sundry expenses	28,554	8,970	19,584
Total other expenses	62,732	12,785	49,947
Total expenses	233,272	18,366	214,906

Notes to the Financial Statements (continued)

5. Revenue

For the year ended 31 July 2021

	Total	Elite Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund
	2021	2021	2021	2021	2021
	£	£	£	£	£
Investment income	1,436,046	679,059	150,329	272,633	334,025
Total income	1,436,046	679,059	150,329	272,633	334,025

For the year ended 31 July 2020

	Total	Sterling Fixed Income Fund	Elite Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£
Investment income	1,981,940	36,143	920,872	170,331	461,028	393,566	-
Bank interest	8,563	496	6,602	-	1,356	-	109
Total income	1,990,503	36,639	927,474	170,331	462,384	393,566	109

Notes to the Financial Statements (continued)

6. Expenses

Alternative Investment Fund Manager's fees

The Alternative Investment Fund Manager has agreed with the Company that until further notice its investment management fee per annum in respect of each of the share classes attributable to the Net Asset Value of each respective share class will be as follows:

Kleinwort Hambros Elite Multi Asset Balanced Fund

'A' GBP Income Reporting Shares 1.25%
'A' GBP Reinvest Reporting Shares 1.25%
'B' GBP Income Reporting Shares 1.5%
'B' GBP Accumulating Non-Reporting Shares 1.5%
'C' GBP Income Reporting Shares 0.6%
'A' EUR Accumulating Reporting Shares 1.25%
'B' EUR Accumulating Non-Reporting Shares 1.5%
'A' USD Accumulating Non-Reporting Shares 1.25%
'B' USD Accumulating Non-Reporting Shares 1.5%

Kleinwort Hambros Elite Multi Asset Conservative Fund

'A' GBP Income Reporting Shares 1.25%
'B' GBP Income Reporting Shares 1.5%
'B' GBP Accumulating Non-Reporting Shares 1.5%
'B' EUR Accumulating Non-Reporting Shares 1.5%
'B' USD Accumulating Non-Reporting Shares 1.5%

Kleinwort Hambros Elite Multi Asset Growth Fund

'A' GBP Income Reporting Shares 1.25%
'A' GBP Reinvest Reporting Shares 1.25%
'B' GBP Income Reporting Shares 1.5%
'B' GBP Accumulating Non-Reporting Shares 1.5%
'B' EUR Accumulating Non-Reporting Shares 1.5%
'B' USD Accumulating Non-Reporting Shares 1.5%

Kleinwort Hambros Elite International Equity Fund

'A' GBP Income Reporting Shares 1.25%
'A' GBP Reinvest Reporting Shares 1.25%
'B' GBP Accumulating Non-Reporting Shares 1.5%

Kleinwort Hambros Elite Trojan Fund

The Alternative Investment Fund Manager has agreed with the Company that until further notice its investment management fee in respect of the Cell will be 0.3% per annum of the Net Asset Value of the Cell. These fees have been waived for 2020 and 2021.

These fees will be accrued weekly and payable monthly in arrears. The fees of the Sub-Alternative Investment Fund Manager will be borne out of the investment management fees paid to the Alternative Investment Fund Manager.

Custodian fees

In respect of Kleinwort Hambros Elite Multi Asset Conservative Fund, Kleinwort Hambros Elite Multi Asset Balanced Fund, Kleinwort Hambros Elite Sterling Fixed Income Fund, Kleinwort Hambros Elite Multi Asset Growth Fund and Kleinwort Hambros Elite International Equity Fund, the Custodian is entitled to receive a fee of up to 0.06 percent per annum of each Cell's Net Asset Value, subject to a minimum of £6,500 per annum, payable monthly in arrears.

At present, the Custodian intends to charge the Cell in accordance with the Net Asset Value of the Company, as set out in the following tiered structure, but subject to a minimum fee of £6,500 per annum payable by the Cell.

£0 to £400,000,000	0.035% per annum
£400,000,001 to £500,000,000	0.03% per annum
Above £500,000,000	0.025% per annum

In respect of the Kleinwort Hambros Elite Trojan Fund, the Custodian is entitled to receive a fee of 0.035 percent per annum of the net asset value of each Cell subject to a minimum of £3,200 per annum (£6,500 per annum up to 1 September 2020).

Administrator's fees

The Administrator has agreed with the Company that until further notice its administration fee shall be accrued weekly and payable monthly in arrears at the rate of 0.15% per annum of the Net Asset Value of all Cells across all share classes.

In addition to this fee, the Administrator shall also be entitled to receive a fee of £50 per trading transaction.

The Administrator is entitled to be reimbursed by the Company in respect of all out of pocket expenses incurred by the Administrator in connection with the administration of the cells of the Company. Any such expenses which are not attributable to a particular cell will be apportioned between the relevant cells pro rata to their respective Net Asset Values.

No administration fees are charged to the Kleinwort Hambros Elite Trojan Fund.

Notes to the Financial Statements (continued)

6. Expenses (continued)

For the year ended 31 July 2021

	Total	Multi Asset Balanced Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021
	£	£	£	£	£
Investment management fee	1,966,285	1,018,520	701,443	246,322	-
Custodian fee	52,238	25,550	16,778	6,483	3,427
Other expenses					
GFSC and other regulatory fees	14,388	6,715	4,900	2,532	241
Legal fees	19,597	10,158	7,311	2,128	-
Admin fees	222,318	116,696	78,506	27,116	-
Directors fees	39,567	20,990	13,839	4,686	52
Audit fee	48,294	26,395	16,334	5,504	61
Sundry expenses	126,466	66,726	45,384	14,256	100
Total other expenses	470,630	247,680	166,274	56,222	454
Total expenses	2,489,153	1,291,750	884,495	309,027	3,881

The cell expenses of Kleinwort Hambros Elite Multi Asset Conservative Fund are charged directly to capital.

For the year ended 31 July 2020

	Total	Multi Asset Balanced Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020
	£	£	£	£	£
Investment management fee	1,912,313	981,294	687,104	243,915	-
Custodian fee	53,810	24,460	16,345	6,500	6,505
Other expenses					
GFSC and other regulatory fees	14,361	6,659	4,874	2,587	241
Legal fees	18,492	10,257	6,212	2,023	-
Admin fees	211,026	109,428	74,050	27,548	-
Directors fees	39,550	20,906	13,698	4,895	51
Audit fee	30,335	15,945	10,458	3,926	6
Sundry expenses	170,904	87,582	62,101	20,832	389
Total other expenses	484,668	250,777	171,393	61,811	687
Total expenses	2,450,791	1,256,531	874,842	312,226	7,192

The cell expenses of Kleinwort Hambros Elite Sterling Fixed Income Fund and Kleinwort Hambros Elite Multi Asset Conservative Fund are charged directly to capital.

Notes to the Financial Statements (continued)

7. Taxation

States of Guernsey Income Tax has granted the Company exemption from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and the income of the Company may be distributed or accumulated without deduction of Guernsey income tax. Exemption under the above mentioned Ordinance entails payment of an annual fee of £1,200.

Guernsey's Corporate Tax Regime has a standard rate of income tax of 0%. The Company expects for the foreseeable future to continue to be able to apply for exemption from Guernsey Income Tax for the applicable fee.

Overseas income is shown gross and any withholding tax deducted is shown separately in the statement of total return and therefore the tax charge shown in the statement of total return relates to withholding tax on the Company's investment income.

Notes to the Financial Statements (continued)

8. Distributions

For the year ended 31 July 2021

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	International Equity Fund
	2021	2021	2021	2021
	£	£	£	£
Interim dividend paid 31 March 2021 (Ex-dividend 27 January 2021)	74,045	-	74,045	-
Final dividend paid 30 September 2021 (Ex-dividend 28 July 2021)	59,775	2,740	57,035	-
Accrued income paid on shares redeemed	26,204	-	26,204	-
Equalisation received on shares issued	(139)	-	(139)	-
Dividends declared during the year	159,885	2,740	157,145	-
Dividend per share 31 December 2020				
- A GBP/EUR Income Reporting	-	-	-	-
- A Reinvested Reporting	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-
- C Income Reporting	-	-	-	-
- A USD Accumulating Reporting	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	-
- A USD Accumulating Non-Reporting	-	-	-	-
- B USD Accumulating Non-Reporting	-	-	-	-
- B EUR Accumulating Non-Reporting	-	-	-	-
- B GBP Accumulating Non-Reporting	-	-	-	-
Dividend per share 31 March 2021				
- A GBP/EUR Income Reporting	-	-	-	-
- A GBP Reinvested Reporting	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-
- A Income Reporting	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	-
- A USD Accumulating Reporting	-	-	-	-
- A Accumulating Non-Reporting	-	-	-	-
- B USD Accumulating Non-Reporting	-	-	(0.96)	-
- B EUR Accumulating Non-Reporting	-	-	(0.83)	-
- B GBP Accumulating Non-Reporting	-	-	(0.91)	-
Dividend per share 30 June 2021				
- A GBP/EUR Income Reporting	-	-	-	-
- A GBP Reinvested Reporting	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-
- B GBP Accumulating Non-Reporting	-	-	-	-
Dividend per share 30 September 2021				
- A GBP/EUR Income Reporting	-	-	-	-
- A Reinvested Reporting	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-
- A Income Reporting	-	(0.27)	(0.96)	-
- A EUR Accumulating Reporting	-	-	-	-
- A USD Accumulating Reporting	-	-	-	-
- A USD Accumulating Non-Reporting	-	-	-	-
- A EUR Accumulating Reporting	-	-	(0.95)	-
- B USD Accumulating Non-Reporting	-	-	(1.04)	-
- B EUR Accumulating Non-Reporting	-	-	(0.93)	-
- B GBP Accumulating Non-Reporting	-	-	(1.03)	-

Notes to the Financial Statements (continued)

8. Distributions (continued)

For the year ended 31 July 2020

	Total	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund	International Equity Fund
	2020	2020	2020	2020	2020
	£	£	£	£	£
Interim dividend paid 31 December 2019 (Ex-dividend 29 October 2019)	-	-	-	-	-
Interim dividend paid 28 March 2020 (Ex-dividend 29 January 2020)	94,235	-	-	94,235	-
Interim dividend paid 28 June 2020 (Ex-dividend 26 April 2020)	-	-	-	-	-
Final dividend paid 30 September 2019 (Ex-dividend 29 July 2020)	73,142	-	-	72,574	568
Accrued income paid on shares redeemed	140,899	135,917	31	4,131	820
Equalisation received on shares issued	(1,274)	(276)	-	(943)	(55)
Dividends declared during the year	307,002	135,641	31	169,997	1,333
Dividend per share 31 December 2019					
- A GBP/EUR Income Reporting	-	-	-	-	-
- A Reinvested Reporting	-	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-	-
- C Income Reporting	-	-	-	-	-
- A USD Accumulating Reporting	-	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	-	-
- A USD Accumulating Non-Reporting	-	-	-	-	-
- B USD Accumulating Non-Reporting	-	-	-	-	-
- B EUR Accumulating Non-Reporting	-	-	-	-	-
- B GBP Accumulating Non-Reporting	-	-	-	-	-
Dividend per share 31 March 2020					
- A GBP/EUR Income Reporting	-	-	-	(0.98)	-
- A GBP Reinvested Reporting	-	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-	-
- C Income Reporting	-	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	(1.03)	-
- A USD Accumulating Reporting	-	-	-	-	-
- A Accumulating Non-Reporting	-	-	-	-	-
- B USD Accumulating Non-Reporting	-	-	-	(0.99)	-
- B EUR Accumulating Non-Reporting	-	-	-	(1.03)	-
- B GBP Accumulating Non-Reporting	-	-	-	(0.98)	-
Dividend per share 28 June 2020					
- A GBP/EUR Income Reporting	-	-	-	-	-
- A GBP Reinvested Reporting	-	-	-	-	-
- B GBP/EUR Income Reporting	-	-	-	-	-
- B GBP Accumulating Non-Reporting	-	-	-	-	-
Dividend per share 30 September 2020					
- A GBP/EUR Income Reporting	-	-	-	(0.77)	(0.24)
- A Reinvested Reporting	-	-	-	-	(0.24)
- B GBP/EUR Income Reporting	-	-	-	-	-
- C Income Reporting	-	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	(0.74)	-
- A USD Accumulating Reporting	-	-	-	-	-
- A USD Accumulating Non-Reporting	-	-	-	-	-
- A EUR Accumulating Reporting	-	-	-	-	-
- B USD Accumulating Non-Reporting	-	-	-	(0.85)	-
- B EUR Accumulating Non-Reporting	-	-	-	(0.72)	-
- B GBP Accumulating Non-Reporting	-	-	-	(0.82)	-

Notes to the Financial Statements (continued)

9. Debtors

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Accrued income	191,767	91,090	5,105	58,298	37,274	-
Amounts receivable on investments	7,872,391	4,559,746	416,192	2,896,453	-	-
Forward exchange contracts	5,580	4,898	12	670	-	-
Sundry debtors	8,272	4,253	-	2,860	1,055	104
Total	8,078,010	4,659,987	421,309	2,958,281	38,329	104

	Total	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£
Accrued income	56,367	-	29,653	8,554	13,508	4,652	-
Amounts receivable on investments	-	-	-	-	-	-	-
Forward exchange contracts	44,933	-	16,464	3,937	24,532	-	-
Sundry debtors	20,856	-	9,853	2,026	6,514	2,363	100
Total	122,156	-	55,970	14,517	44,554	7,015	100

10. Other creditors

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Sundry creditors	(518,203)	(248,692)	(36,637)	(171,318)	(60,924)	(632)
Amounts payable on investments	-	-	-	-	-	-
Forward exchange contracts	(401,349)	(162,177)	(16,609)	(222,563)	-	-
Total	(919,552)	(410,869)	(53,246)	(393,881)	(60,924)	(632)

	Total	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£	£
Sundry creditors	(272,332)	-	(130,822)	(22,021)	(87,852)	(31,008)	(629)
Amounts payable on investments	-	-	-	-	-	-	-
Forward exchange contracts	(514,302)	-	(265,483)	(10,312)	(238,507)	-	-
Total	(786,634)	-	(396,305)	(32,333)	(326,359)	(31,008)	(629)

Notes to the Financial Statements (continued)

11. Related party transactions

JTC Fund Solutions (Guernsey) Limited (the “Administrator”), SG Kleinwort Hambros Bank (CI) Limited (the “Alternative Investment Fund Manager”), BNP Paribas Securities Services SCA – Guernsey Branch (the “Custodian”) and the Directors are regarded as related parties.

The Administrator was registered in Guernsey on 11 May 1978.

The only related party transactions are described below:

Directors fees of £42,384 were paid during the year (2020: £43,075) of which £9,832 was due at the year-end (2020: £10,626).

The fees and expenses payable to the Administrator, the Alternative Investment Fund Manager and the Custodian are explained in notes 4 and 6. The balances payable at the end of the year were £48,931, £361,821 and £10,105 respectively (31 July 2020: £18,689, £174,925 and £5,130 respectively).

Directors' Interests have been included within the Directors' Report on page 11.

12. Share capital

The Company was incorporated with an authorised share capital of £100 divided into 100 Management Shares of £1.00 each (“Management Shares”), all of which have been allotted and issued to the Manager, credited as fully paid up and an unlimited number of shares of no par value (the “Shares”). Under Guernsey Company Law Management Shares are created in order that the preference shares may have a preference over some other class of share capital.

The Management Shares carry no right to dividends from the Company and carry no voting rights whilst any shares in any cell are in issue. In a winding up of the Company the Management Shareholders rank only for a return of paid up capital. As a result of these rights, Management Shares are classified as equity.

The Shares issued by any cell are redeemable at the option of Shareholders and carry the right to a proportionate share in the assets of the Cell and to any dividends that may be declared. Holders of Shares are entitled to receive notice of all general meetings of the Company and to attend and vote thereat. The holder of each Share is entitled, on a poll, to one vote for each Share of which he is a holder. Shares are redeemable by Shareholders at prices based on the value of the Cell's net assets as determined in accordance with its Articles of Association. The Participating Shareholders are the only class of shareholder with rights to any capital surplus of the Cell. As such, and in accordance with FRS 102 the Shares are presented as liabilities.

In certain cells a number of share sub classes have been created which attract differing levels of fees (refer to note 6 for details).

Notes to the Financial Statements (continued)

12. Share capital (continued)

For the year ended 31 July 2021

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Non-Cellular						
At 31 July 2021						
Management Shares	100	-	-	-	-	-
Cellular						
Redeemable Participating						
As at 31 July 2020	96,691,734	48,614,549	9,554,369	31,015,585	7,152,519	354,712
Issued	5,136,313	3,264,272	34,714	1,688,838	148,489	-
Redeemed	(23,681,581)	(13,111,001)	(3,613,571)	(6,340,702)	(616,307)	-
At 31 July 2021	78,146,466	38,767,820	5,975,512	26,363,721	6,684,701	354,712

For the year ended 31 July 2020

	Total	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	Elite International Equity Fund	Trojan Fund
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Non-Cellular							
At 31 July 2020							
Management Shares	100	-	-	-	-	-	-
Cellular							
Redeemable Participating							
As at 31 July 2019	107,849,965	5,083,240	50,140,326	10,046,224	34,513,903	7,711,560	354,712
Issued	5,116,082	13,129	3,609,615	979,075	458,666	55,597	-
Redeemed	(16,274,313)	(5,096,369)	(5,135,392)	(1,470,930)	(3,956,984)	(614,638)	-
At 31 July 2020	96,691,734	-	48,614,549	9,554,369	31,015,585	7,152,519	354,712

Notes to the Financial Statements (continued)

13. Net assets attributable to Participating Shareholders

For the year ended 31 July 2021

The net assets attributable to participating shareholders are represented by the following:

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Balanced Fund				
Balance at 31 July 2020	25,305,648	46,277,713	(629,616)	70,953,745
Received on issue of participating shares	5,145,655	-	-	5,145,655
Payable on redemptions of participating shares	(19,954,544)	-	-	(19,954,544)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	6,026,797	-	6,026,797
Net (expense)/revenue after tax and distributions	-	-	(618,879)	(618,879)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2021	10,496,759	52,304,510	(1,248,495)	61,552,774

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Conservative Fund				
Balance at 31 July 2020	8,181,001	2,926,970	(153,698)	10,954,273
Received on issue of participating shares	40,705	-	-	40,705
Payable on redemptions of participating shares	(4,193,266)	-	-	(4,193,266)
Retained distribution on accumulation shares	-	97,619	-	97,619
Net capital gains/(losses)	-	197,477	-	197,477
Net (expense)/revenue after tax and distributions	-	-	(8,777)	(8,777)
Other losses - Capital expenses	-	(203,192)	-	(203,192)
Balance at 31 July 2021	4,028,440	3,018,874	(162,475)	6,884,839

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Growth Fund				
Balance at 31 July 2020	16,784,867	29,823,856	(1,481,719)	45,127,004
Received on issue of participating shares	3,057,122	-	-	3,057,122
Payable on redemptions of participating shares	(11,182,110)	-	-	(11,182,110)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	5,788,801	-	5,788,801
Net (expense)/revenue after tax and distributions	-	-	(614,302)	(614,302)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2021	8,659,879	35,612,657	(2,096,021)	42,176,515

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros International Equity Fund				
Balance at 31 July 2020	(1,174,077)	16,477,630	(137,656)	15,165,897
Received on issue of participating shares	301,475	-	-	301,475
Payable on redemptions of participating shares	(1,507,255)	-	-	(1,507,255)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	3,391,699	-	3,391,699
Net (expense)/revenue after tax and distributions	-	-	(47,213)	(47,213)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2021	(2,379,857)	19,869,329	(184,869)	17,304,603

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Trojan Fund				
Balance at 31 July 2020	587,270	(328,156)	(59,984)	199,130
Received on issue of participating shares	-	-	-	-
Payable on redemptions of participating shares	-	-	-	-
Net capital gains/(losses)	-	(10,187)	-	(10,187)
Net (expense)/revenue after tax and distributions	-	-	(3,879)	(3,879)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2021	587,270	(338,343)	(63,863)	185,064

Notes to the Financial Statements (continued)

13. Net assets attributable to Participating Shareholders (continued)

For the year ended 31 July 2021 (continued)

	Share Premium	Capital Reserve	Revenue Reserve	Total
Total	£	£	£	£
Balance at 31 July 2020	48,316,135	97,783,174	(3,699,260)	142,400,049
Effect on Foreign exchange rates	-	-	-	-
Received on issue of participating shares	8,544,957	-	-	8,544,957
Payable on redemptions of participating shares	(36,837,175)	-	-	(36,837,175)
Retained distribution on accumulation shares	-	97,619	-	97,619
Net capital gains/(losses)	-	15,394,587	-	15,394,587
Net (expense)/revenue after tax and distributions	-	-	(1,293,050)	(1,293,050)
Other losses - Capital expenses	-	(203,192)	-	(203,192)
Balance at 31 July 2021	20,023,917	113,072,188	(4,992,310)	128,103,795

Notes to the Financial Statements (continued)

13. Net assets attributable to Participating Shareholders (continued)

For the year ended 31 July 2020

The net assets attributable to participating shareholders are represented by the following:

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Sterling Fixed Income Fund				
Balance at 31 July 2019	7,448,241	2,642,407	(1,137,585)	8,953,063
Received on issue of participating shares	21,296	-	-	21,296
Payable on redemptions of participating shares	(8,838,111)	-	-	(8,838,111)
Net capital gains/(losses)	-	(18,880)	-	(18,880)
Net (expense)/revenue after tax and distributions	-	-	(99,002)	(99,002)
Other losses - Capital expenses	-	(18,366)	-	(18,366)
Balance at 31 July 2020	(1,368,574)	2,605,161	(1,236,587)	-

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Balanced Fund				
Balance at 31 July 2019	26,594,694	46,148,778	(300,528)	72,442,944
Received on issue of participating shares	5,952,179	-	-	5,952,179
Payable on redemptions of participating shares	(7,241,225)	-	-	(7,241,225)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	128,935	-	128,935
Net (expense)/revenue after tax and distributions	-	-	(329,088)	(329,088)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2020	25,305,648	46,277,713	(629,616)	70,953,745

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Conservative Fund				
Balance at 31 July 2019	8,787,395	2,805,419	(153,480)	11,439,334
Received on issue of participating shares	979,724	-	-	979,724
Payable on redemptions of participating shares	(1,586,118)	-	-	(1,586,118)
Retained distribution on accumulation shares	-	122,911	-	122,911
Net capital gains/(losses)	-	213,546	-	213,546
Net (expense)/revenue after tax and distributions	-	-	(218)	(218)
Other losses - Capital expenses	-	(214,906)	-	(214,906)
Balance at 31 July 2020	8,181,001	2,926,970	(153,698)	10,954,273

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Multi Asset Growth Fund				
Balance at 31 July 2019	21,962,701	30,838,581	(1,069,261)	51,732,021
Received on issue of participating shares	727,387	-	-	727,387
Payable on redemptions of participating shares	(5,905,221)	-	-	(5,905,221)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	(1,014,725)	-	(1,014,725)
Net (expense)/revenue after tax and distributions	-	-	(412,458)	(412,458)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2020	16,784,867	29,823,856	(1,481,719)	45,127,004

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros International Equity Fund				
Balance at 31 July 2019	60,822	18,077,289	(126,647)	18,011,464
Received on issue of participating shares	112,927	-	-	112,927
Payable on redemptions of participating shares	(1,347,826)	-	-	(1,347,826)
Retained distribution on accumulation shares	-	-	-	-
Net capital gains/(losses)	-	(1,599,659)	-	(1,599,659)
Net (expense)/revenue after tax and distributions	-	-	(11,009)	(11,009)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2020	(1,174,077)	16,477,630	(137,656)	15,165,897

Notes to the Financial Statements (continued)

13. Net assets attributable to Participating Shareholders (continued)

For the year ended 31 July 2020 (continued)

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Kleinwort Hambros Trojan Fund				
Balance at 31 July 2019	587,270	(328,881)	(52,901)	205,488
Received on issue of participating shares	-	-	-	-
Payable on redemptions of participating shares	-	-	-	-
Net capital gains/(losses)		725	-	725
Net (expense)/revenue after tax and distributions	-	-	(7,083)	(7,083)
Other losses - Capital expenses	-	-	-	-
Balance at 31 July 2020	587,270	(328,156)	(59,984)	199,130

	Share Premium	Capital Reserve	Revenue Reserve	Total
	£	£	£	£
Total				
Balance at 31 July 2019	65,441,123	100,183,593	(2,840,402)	162,784,314
Effect on Foreign exchange rates	-	-	-	-
Received on issue of participating shares	7,793,513	-	-	7,793,513
Payable on redemptions of participating shares	(24,918,501)	-	-	(24,918,501)
Retained distribution on accumulation shares	-	122,911	-	122,911
Net capital gains/(losses)	-	(2,290,058)	-	(2,290,058)
Net (expense)/revenue after tax and distributions	-	-	(858,858)	(858,858)
Other losses - Capital expenses	-	(233,272)	-	(233,272)
Balance at 31 July 2020	48,316,135	97,783,174	(3,699,260)	142,400,049

Notes to the Financial Statements (continued)

14. Earnings per share

	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021
	£	£	£	£	£
Change in net assets attributable to shareholders	5,410,657	142,653	5,174,501	3,344,486	(14,068)
Weighted average number of shares in issue	47,719,179	8,777,232	30,626,632	6,981,363	353,739
Gain/(Loss) per share	0.11	0.02	0.17	0.48	(0.04)

	Sterling Fixed Income Fund	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£
Change in net assets attributable to shareholders	(607)	(200,122)	168,419	(1,427,183)	(1,609,335)	(6,358)
Weighted average number of shares in issue	4,707,528	49,378,514	9,923,853	32,701,020	7,421,005	354,711
Gain/(Loss) per share	(0.00)	(0.00)	0.02	(0.04)	(0.22)	(0.02)

Notes to the Financial Statements (continued)

15. Contingent liabilities

There are no contingent liabilities at the balance sheet date.

16. Financial instruments and associated risks

The Board reviews and agrees policies for managing its risk exposure. These policies are summarised below and have remained unchanged during the year under review.

The financial instruments held by the Company comprise investments, derivatives, some cash and liquid resources and various items such as debtors and creditors that arise directly from the Company's operations. The instruments held by the Company mainly consist of securities quoted on a recognised investment exchange. The main risks arising from the Company's financial instruments are market price risk, interest rate risk, liquidity risk, currency risk and credit risk.

Market price risk

Market price risk is the possibility that future changes in market prices may make a financial instrument less valuable or more onerous. The Company's market price risk is managed by the Alternative Investment Fund Manager through diversification of the investment portfolio in accordance with the investment policy of each Cell.

The Company's exposure to market price risk is comprised mainly of movements in the value of the Company's investments. The Company's investment portfolio complies with the investment parameters as disclosed in its prospectus and supplemental scheme particulars.

The Directors valued all the investments in other investment funds at the net asset value of the fund as at the relevant valuation date as determined in accordance with the terms of the funds and as notified to the Company by the relevant fund manager or relevant administrator. The valuation date of each fund may not always be coterminous with the valuation date of the Company and in such cases the valuation of the fund at the last valuation date is used. The net asset values reported by the relevant fund managers and / or the relevant fund administrators and used by the Directors as at 31 July 2021, may be unaudited as at that date and may differ from the amounts which would have been realised from a redemption of the investment in the relevant fund as at 31 July 2021.

Market risks arise due to the possible movement in foreign currency exchange rates, indices and securities values underlying these instruments. In addition, because of the low margin deposits normally required in relation to notional contract sizes, a high degree of leverage may be typical of a futures account.

Fair value

The Company has adopted "Amendments to FRS 102", section 34 which establishes a hierarchy to be used to estimate the fair value of investments that are publicly traded or whose fair value can be reliably measured if they are not publicly traded. The levels of the hierarchy are as follows:

- (1) Fair value based on a quoted price for an identical instrument in an active market and will generally include equities, some highly liquid bonds and exchange traded derivatives.
- (2) Fair value based on a valuation technique using observable market data and will generally include evaluated pricing techniques using inputs such as quoted prices for similar instruments, interest rates, yield curves or credit spreads.
- (3) Fair value based on a valuation technique that relies significantly on non-observable market data and will include values not primarily derived from observable market data.

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 data" 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.

Level 3 investments - These include investments which are not quoted in an active market or have market values which are not readily available and are valued based on the most recent transactions or market information available.

Notes to the Financial Statements (continued)

16. Financial instruments and associated profile (continued)

The following table analyses within the fair value hierarchy the Company's investments measured at fair value:

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Level 1	123,968,561	59,302,705	6,620,639	40,747,485	17,297,732	-
Level 2	-	-	-	-	-	-
Level 3*	145,208	9,097	2,283	1,610	-	132,218
	124,113,769	59,311,802	6,622,922	40,749,095	17,297,732	132,218

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£
Level 1	137,103,467	67,867,121	10,612,380	43,491,355	15,132,611	-
Level 2	-	-	-	-	-	-
Level 3*	163,037	14,758	4,027	1,848	-	142,404
	137,266,504	67,881,879	10,616,407	43,493,203	15,132,611	142,404

*There were no transfers between levels in the current year. All level 3 investments relate to transfers from level 2 to level 3 during the prior year.

Other financial instruments are not considered material to the Company.

Level 3 securities can be reconciled as follows:

	Total	Multi Asset Balanced Fund	Multi Asset Conservative Fund	Multi Asset Growth Fund	International Equity Fund	Trojan Fund
	2021	2021	2021	2021	2021	2021
	£	£	£	£	£	£
Opening as at 1 August 2020	163,037	14,758	4,027	1,848	-	142,404
Unrealised loss	(17,829)	(5,661)	(1,744)	(238)	-	(10,186)
Closing as at 31 July 2021	145,208	9,097	2,283	1,610	-	132,218

Sensitivity Analysis

Were investment prices to increase or decrease by 10% (2020: 5%), if all other variables remained constant, the market value of the investment would increase or decrease in each of the Cells as follows:

	Increase	Decrease	Increase	Decrease
	2021	2021	2020	2020
Multi Asset Balanced Fund	5,931,180	(5,931,180)	3,394,094	(3,394,094)
Multi Asset Conservative Fund	662,292	(662,292)	530,820	(530,820)
Multi Asset Growth	4,074,910	(4,074,910)	2,174,660	(2,174,660)
International Equity Fund	1,729,773	(1,729,773)	756,631	(756,631)
Trojan Fund	13,222	(13,222)	7,120	(7,120)

Notes to the Financial Statements (continued)

16. Financial instruments and associated risks (continued)

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. The Alternative Investment Fund Manager assesses the risk associated with fixed interest investment by performing financial analysis on the issuing companies as part of its normal scrutiny of prospective investments. The Alternative Investment Fund Manager also monitors the creditworthiness of the counterparties with which the Company holds cash and cash equivalents. The Company holds cash with BNP Paribas Securities Services SCA - Guernsey Branch which has been assigned a P-1 rating by Moody's Investors Service.

A Cell may invest in collective investment schemes. Investment limit restrictions within the Scheme Particulars are taken into consideration when investing. All portfolios are monitored post-trade to ensure no investment limit restrictions have been breached.

Liquidity risk

Liquidity risk is the risk that the Company will encounter when realising assets or otherwise raising funds to meet financial commitments.

The maturity of the Cells' cash and financial assets and liabilities (excluding participating redeemable shares and investments) relating to the cash and investment activities are within 1 year. Some of the Company's investments may comprise securities which are traded in recognised financial markets. The Company may also invest in securities which may lack an established secondary trading market or are otherwise considered illiquid. Liquidity of a security relates to the ability to easily dispose of the security and the price to be obtained and does not generally relate to the credit risk or likelihood of receipt of cash at maturity. Consequently, no further disclosure on the maturity of investments is made in assessing the liquidity risk of investments.

The Company also manages its liquidity risk through its borrowing facility and is further disclosed in Note 18.

Currency profile

Currency profile is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates and arises where instruments are denominated in a currency different from the base currency of the Company. The Manager may from time to time arrange for the Cells to enter into transactions in derivative instruments such as options, swaps and forward foreign exchange contracts and take short positions with a view to hedging the Cells' currency exposure.

Custody risk

Custody risk is the risk that the Company will suffer the loss of securities held in custody as a result of insolvency, negligence or fraudulent action of the Custodian or of a Sub-Custodian.

The Company appointed BNP Paribas Securities Services SCA - Guernsey Branch as the Custodian of the Company and the assets of the Cells contained therein by an agreement dated 12 October 2012. BNP Paribas Securities Services SCA - Guernsey Branch, is licensed by the GFSC under the provisions of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).

The Custodian ensures that the Company is not exposed to custody risk by holding the assets of the Company in a non-trading nominee company. This arrangement ensures that the Company's assets are segregated from the assets of BNP Paribas and are therefore protected.

Interest rate and currency profile

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's investments in corporate and government loans as well as cash.

None of the Cells held corporate or government bonds as at 31 July 2021. Therefore no interest rate profile is presented for 31 July 2021.

Notes to the Financial Statements (continued)

16. Financial instruments and associated risks (continued)

Interest rate and currency profile (continued)

The interest rate and currency profile of the Company as at 31 July 2021 is as follows:

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
Multi Asset Balanced Fund	£	£	£	£
Euro	(1,217,178)	(82,039)	-	(1,135,139)
Sterling	63,456,174	63,718,200	-	(262,026)
US dollars	(686,222)	(75,240)	-	(610,982)
Balance at 31 July 2021	61,552,774	63,560,921	-	(2,008,147)

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
Multi Asset Conservative Fund	£	£	£	£
Euro	(789,593)	(16,934)	-	(772,659)
Sterling	7,778,769	6,991,136	-	787,633
US dollars	(104,337)	(1,286)	-	(103,051)
Balance at 31 July 2021	6,884,839	6,972,916	-	(88,077)

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
Multi Asset Growth Fund	£	£	£	£
Euro	(261,630)	(147,153)	-	(114,477)
Sterling	42,723,019	43,539,423	-	(816,404)
US dollars	(284,874)	(78,775)	-	(206,099)
Balance at 31 July 2021	42,176,515	43,313,495	-	(1,136,980)

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
International Equity Fund	£	£	£	£
Australian dollars	522,035	389,600	-	132,435
Canadian dollars	516,691	392,539	-	124,152
Euro	1,284,441	1,273,802	-	10,639
Hong Kong dollar	305,715	305,715	-	-
Japanese yen	1,576,871	1,566,636	-	10,235
Sterling	2,162,923	2,719,188	-	(556,265)
Swedish krona	400,310	400,310	-	-
Swiss franc	-	-	-	-
US dollars	10,513,480	10,205,209	-	308,271
Chinese Yuan	22,137	22,137	-	-
Balance at 31 July 2021	17,304,603	17,275,136	-	29,467

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
Elite Trojan Fund	£	£	£	£
Sterling	185,064	131,689	-	53,375
Balance at 31 July 2021	185,064	131,689	-	53,375

The floating rate financial assets comprise bank balances that bear interest based on the rates prevailing for each currency and floating rate note investments.

Notes to the Financial Statements (continued)

16. Financial instruments and associated risks (continued)

Interest rate and currency profile (continued)

The interest rate and currency profile of the Company as at 31 July 2020 is as follows:

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets
Multi Asset Balanced Fund	£	£	£	£
Euro	345,893	17,796	-	328,097
Sterling	70,772,104	67,784,462	-	2,987,642
US dollars	(164,252)	(260,713)	-	96,461
Balance at 31 July 2020	70,953,745	67,541,545	-	3,412,200

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
Multi Asset Conservative Fund	£	£	£	£
Euro	452,721	4,273	-	448,448
Sterling	10,458,959	10,587,316	-	(128,357)
US dollars	42,593	(9,651)	-	52,244
Balance at 31 July 2020	10,954,273	10,581,938	-	372,335

	Total	Financial assets/(liabilities) on which no interest is paid	Fixed rate assets	Floating rate assets
Multi Asset Growth Fund	£	£	£	£
Euro	182,584	21,589	-	160,995
Sterling	44,960,047	43,421,440	-	1,538,607
US dollars	(15,627)	(231,633)	-	216,006
Balance at 31 July 2020	45,127,004	43,211,396	-	1,915,608

	Total	Financial assets on which no interest is paid	Fixed rate assets	Floating rate assets/(liabilities)
International Equity Fund	£	£	£	£
Australian dollars	415,512	415,512	-	-
Canadian dollars	792,979	819,604	-	(26,625)
Euro	1,402,367	1,389,795	-	12,572
Hong Kong dollar	242,030	229,342	-	12,688
Japanese yen	1,029,236	1,016,855	-	12,381
Sterling	1,485,612	1,477,825	-	7,787
Swedish krona	312,792	312,792	-	-
Swiss franc	3,024	-	-	3,024
US dollars	9,482,345	9,446,324	-	36,021
Balance at 31 July 2020	15,165,897	15,108,049	0	57,848

	Total	Financial assets on which no interest is paid	Fixed rate assets	Floating rate assets
Elite Trojan Fund	£	£	£	£
Sterling	199,130	141,875	-	57,255
Balance at 31 July 2020	199,130	141,875	-	57,255

The floating rate financial assets comprise bank balances that bear interest based on the rates prevailing for each currency and floating rate note investments.

Notes to the Financial Statements (continued)

16. Financial instruments and associated risks (continued)

Sensitivity Analysis

If the value of the Pound Sterling increased or decreased by 10% (2020: 5%), if all other variables remained constant, the NAV would increase or decrease in each of the Cells as follows:

	Increase 2021	Decrease 2021	Increase 2020	Decrease 2020
Multi Asset Balanced Fund	(211,489)	173,036	9,560	(8,650)
Multi Asset Conservative Fund	(99,326)	81,266	26,069	(23,586)
Multi Asset Growth	(60,723)	49,682	8,787	(7,950)
International Equity Fund	1,679,949	(1,376,516)	720,015	(651,442)

17. Capital Management

The capital structure of the Fund at period end consists of the net assets attributable to the Participating Shareholders of each of the cells. The Manager monitors the risks associated with the invested capital, including managing of the liquidity of the Fund so as to be able to meet the redemption requests of the unit holders.

Refer to Borrowing facilities note 18 where borrowings have been disclosed.

18. Borrowing facilities

At 31 July 2021 the Company had a €3,000,000 (2020: €3,000,000) facility with BNP Paribas to utilise on behalf of all the cells.

The facility will be made available for a maximum of 5 consecutive days and is primarily available to meet any shortfall arising out of the failure of transactions to settle in the expected timescale.

The Company had drawn down the following amounts as at 31 July 2021: Kleinwort Hambros International Equity Fund £556,265 (2020: £26,625), Kleinwort Hambros Multi Asset Growth Fund £1,136,980 (2020: £Nil), Kleinwort Hambros Multi Asset Balanced Fund £2,008,146 (2020: £Nil) and Kleinwort Hambros Multi Asset Conservative Fund £875,710 (2020: £128,358).

19. Ultimate Controlling Party

The issued share capital of the Company is owned by numerous parties and therefore, in the opinion of the Directors, there is no ultimate controlling party in the Company.

Notes to the Financial Statements (continued)

20. Events after the Balance Sheet Date

Subsequent to the year end, the Net Asset Value per unit of the Cells have changed as set out in the tables below. This movement takes into account routine transactions but also reflects the market movements in recent months.

Cell	Net Asset Value Per Share as at 31 July 2021	Net Asset Value Per Share as at 30 November 2021	Increase / (decrease) in Net Asset Value	% Change
Multi Asset Balanced Fund	1.59	1.50	(0.09)	(5.7)
Multi Asset Conservative Fund	1.15	1.15	-	-
Multi Asset Growth Fund	1.60	1.61	0.01	0.6
International Equity Fund	2.59	2.66	0.07	2.7
Trojan Fund*	0.56	0.52	(0.04)	(7.1)

*The KH Hambros Trojan Fund most recent valuation date of the Cell was 30 October 2020.

Distributions

On 28 July 2021 the following dividends were declared: Kleinwort Hambros Multi Asset Conservative Fund £57,035 and Kleinwort Hambros Multi Asset Balanced Fund £2,740. These dividends were paid on 30 September 2021.

Cell Portfolio of Investments

Kleinwort Hambros Elite Multi Asset Balanced Fund

As at 31 July 2021

Nominal	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	Funds 96.34% (2020: 95.67%)				
	United Kingdom				
1,175,500	FIL Investment Services(UK)Limited Institutional Emerging Markets W Acc	1,572,178	2,490,885	4.05	
195,042	Tapestry Investment Co Pcc Ltd	-	7,412	0.01	
9,137,200	M&G Corp Bond I GBP Inc	3,817,396	3,901,584	6.34	
12,260	iShares V Plc S&P 500	858,128	1,234,030	2.00	
306,400	Baillie Gifford Ov	3,242,326	3,590,947	5.83	
10,730	Pictet - Global Environmental Opportunities	2,948,427	3,114,061	5.06	
		12,438,455	14,338,919	23.29	18.23
	Euroland				
6,175	Robeco Lux SA US Premium Equities	2,001,593	2,481,980	4.03	
1,588,984	Hermes Investment Management	3,156,671	3,715,203	6.04	
67,300	Blackrock Luxembourg S.A. Continental Europe	1,442,334	2,486,062	4.04	
527,200	Lyxor Core Multi Units Lx	3,663,722	6,157,696	10.00	
13,030	Lyxor Investment S Trend	1,672,517	1,861,557	3.02	
16,675	Lyxor Newcits I. SI2 GBP	1,708,902	1,862,307	3.03	
59,940	Multi Units Lux FTSE	8,832,345	8,646,344	14.04	
313,600	ETFS Hedged Metal Gold	2,647,873	3,103,856	5.04	
364,840	Invesco Management Bond Z Qd Dis	3,783,738	4,086,646	6.64	
459,700	J O Hambro Capital Management Limited Continental Euro	2,455,717	2,476,404	4.02	
1,890,112	AXA World Funds - Framlington UK I Distribution GBP	1,890,112	1,909,013	3.10	
18,514	Lyxor Newcits IRL PLC - Lyxor/Tiedemann Arbitrage	1,851,412	1,839,917	2.99	
58,200	Threadneedle LUX - UK Equities Fund	1,871,223	1,871,892	3.04	
		36,978,159	42,498,877	69.03	70.29
	United States of America				
12,450	Ngam Sa Loomis Sayles US	1,733,302	2,472,321	4.02	
		1,733,302	2,472,321	4.02	7.15
	Equities 0.00% (2020: 0.00%)				
	United Kingdom				
561,734	Duet Real Estate Finance	234,852	1,685	0.00	
		234,852	1,685	0.00	-
	Total Investments	51,384,768	59,311,802	96.34	95.67
	Net Current Assets		2,240,972	3.66	4.33
	Net Assets attributable to Participating Shareholders as at 31 July 2021		61,552,774	100.00	100.00

*These investments are in liquidation and are reflected at their carrying values as at 31 July 2021.

The investments held by the cell as at 31 July 2021 were all listed or quoted securities.

As at 31 July 2021, the credit rating of the debt investments held by the Cell ranged from AAA to BBB- as provided by Standard & Poors credit rating agency.

The Cell has elected not to present the debt element of the portfolio broken down by credit rating as there are no debt investments below investment grade and therefore the level of credit risk in this element of the portfolio is deemed to be low and as such providing a breakdown on this basis is not deemed to add any significant meaningful information.

Cell Portfolio of Investments (continued)

Kleinwort Hambros Multi Asset Conservative Fund

As at 31 July 2021

Nominal	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	Funds 96.17% (2020: 96.92%)				
	United Kingdom				
66,531	FIL Investment Services(UK)Limited Institutional Emerging Markets W Acc	99,065	140,979	2.05	
135,400	Threadneedle UK Inc	191,650	206,418	3.00	
60,079	Tapestry Investment Company	-	2,283	0.03	
17,200	Baillie Gifford Ov	173,663	201,581	2.93	
27,930	ETFS Hedged Metal Gold	225,955	276,437	4.01	
3,100	Ishares Gbp Corporate Bond Ucits Etf	490,962	484,267	7.02	
720	Pictet - Global Environmental Opportunities	198,526	208,958	3.03	
41,900	Algebris Ucits Plc-Algebris Financial Credit Fund	488,973	484,783	7.03	
		1,868,794	2,005,706	29.10	28.82
	Euroland				
1,745	Algebris UCITS Funds plc	199,921	211,703	3.07	
14,600	iShares II Plc Core UK Gilts UCT ETF GBP	218,961	208,433	3.03	
36,000	Pimco Global	483,798	507,960	7.38	
7,200	Multi Units Lux FTSE	1,042,995	1,038,597	15.09	
23,675	Lyxor Core Multi Units Lx	173,738	276,524	4.02	
1,465	Lyxor Investment S Trend	183,039	209,300	3.04	
2,500	Lyxor Newcits I. SI2 GBP	250,000	279,207	4.06	
11,650	Multi Units Lux FTSE	215,304	207,603	3.02	
45,450	Invesco Management Bond Z Qd Dis	487,461	509,095	7.39	
5,665	Blackrock Luxembourg S.A. Continental Europe	177,528	209,265	3.04	
38,700	J O Hambro Capital Management Limited Continental Euro	206,735	208,477	3.03	
2,772	Lyxor Newcits IRL PLC - Lyxor/Tiedemann Arbitrage	277,181	275,460	4.00	
		3,916,661	4,141,624	60.17	63.16
	Japan 3.88% (2020: 0.00%)				
114,400	Hermes Investment Management Asia Ex-Japan Equity	252,468	267,479	3.88	
		252,468	267,479	3.88	-
	United States of America 3.02% (2020: 7.00%)				
1,048	Ngam Sa Loomis Sayles US	141,679	208,113	3.02	
		141,679	208,113	3.02	4.94
	Total Investments	6,179,602	6,622,922	96.17	96.92
	Net Current Assets		261,917	3.83	3.08
	Net Assets attributable to Participating Shareholders as at 31 July 2021		6,884,839	100.00	100.00

*These investments are in liquidation and are reflected at their carrying values as at 31 July 2021.

The investments held by the cell as at 31 July 2021 were all listed or quoted securities.

As at 31 July 2021, the credit rating of the debt investments held by the Cell ranged from AAA to BBB- as provided by Standard & Poors credit rating agency.

The Cell has elected not to present the debt element of the portfolio broken down by credit rating as there are no debt investments below investment grade and therefore the level of credit risk in this element of the portfolio is deemed to be low and as such providing a breakdown on this basis is not deemed to add any significant meaningful information.

Cell Portfolio of Investments (continued)

Kleinwort Hambros Multi Asset Growth Fund

As at 31 July 2021

United Kingdom	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	Funds 96.61% (2020: 96.38%)				
	United Kingdom				
1,426,194	FIL Investment Services(UK)Limited Institutional Emerging Markets W Acc	2,077,912	3,022,105	7.17	
8,113	Tapestry Investment Co PCC Ltd	43	308	-	
282,800	Baillie Gifford Ov	2,928,955	3,314,359	7.86	
174,700	ETFS Hedged Metal Gold	1,511,827	1,729,093	4.09	
10,400	Pictet - Global Environmental Opportunities	2,853,711	3,018,288	7.15	
45,950	Blackrock Global Funds - Asian Growth Leaders Fund	996,196	859,265	2.03	
		10,368,644	11,943,418	28.30	24.19
	Euroland				
8,550	Robeco Lux SA US Premium Equities	2,804,291	3,436,587	8.15	
1,267,600	Hermes Investment Management	2,150,778	2,963,776	7.03	
69,900	Blackrock Luxembourg S.A. Continental Europe	1,558,365	2,582,106	6.12	
11,945	Ishares Vii Plc - Ishares Core S&P 500 Ucits	2,367,585	3,838,167	9.10	
364,900	Lyxor Core Multi Units Lx	2,507,615	4,262,032	10.11	
6,010	Lyxor Investment S Trend	758,201	858,631	2.04	
7,695	Lyxor Newcits I. SI2 GBP	790,271	859,398	2.04	
8,890	Multi Units Lux FTSE	1,245,934	1,282,383	3.04	
2,180,709	AXA World Funds - Framlington UK	2,180,709	2,202,516	5.22	
477,400	J O Hambro Capital Management Limited Continental Euro	2,550,271	2,571,754	6.10	
8,543	Lyxor Newcits IRL PLC - Lyxor/Tiedemann Arbitrage	854,339	849,035	2.01	
43,100	Threadneedle LUX - UK Equities Fund	1,390,540	1,386,230	3.29	
		21,158,899	27,092,615	64.25	59.81
	United States of America				
8,620	Ngam Sa Loomis Sayles US	1,200,249	1,711,760	4.06	
		1,200,249	1,711,760	4.06	12.38
	Equities 0.00% (2020: 0.00%)				
	United Kingdom				
434,628	Duet Real Estate Finance	168,533	1,302	-	-
		168,533	1,302	-	-
	Total Investments	32,896,325	40,749,095	96.61	96.38
	Net Current Assets		1,427,420	3.39	3.62
	Net Assets attributable to Participating Shareholders as at 31 July 2021		42,176,515	100.00	100.00

*These investments are in liquidation and are reflected at their carrying values as at 31 July 2021.

The investments held by the cell as at 31 July 2021 were all listed or quoted securities.

As at 31 July 2021, the credit rating of the debt investments held by the Cell ranged from AAA to BBB- as provided by Standard & Poors credit rating agency.

The Cell has elected not to present the debt element of the portfolio broken down by credit rating as there are no debt investments below investment grade and therefore the level of credit risk in this element of the portfolio is deemed to be low and as such providing a breakdown on this basis is not deemed to add any significant meaningful information.

Cell Portfolio of Investments (continued)

Kleinwort Hambros Elite International Equity Fund

As at 31 July 2021

Nominal	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	Equities 99.96% (2020: 99.78%)				
	Asia				
610,000	China Construction Bank	295,950	305,715	1.77	
17,332	Itochu Corp	292,494	367,292	2.12	
4,172	Taiwan Semiconductor ADR	172,337	350,042	2.03	
		760,781	1,023,049	5.92	9.12
	Canada				
6,000	CGI Inc	304,491	392,540	2.27	
		304,491	392,540	2.27	2.83
	Euroland				
4,890	Vinci	257,124	372,378	2.15	
2,354	CapGemini SE Eur8	212,050	366,093	2.12	
11,200	Upm-Kymmene Corp NPV	342,780	329,244	1.90	
33,495	HEXAGON AB-B	207,087	400,311	2.31	
		1,019,041	1,468,026	8.48	10.06
	United Kingdom				
125,400	TAYLOR WIMPEY PLC	279,981	206,471	1.19	
4,200	HOYA CORPORATION	309,856	423,821	2.45	
2,400	VISA INC CLASS A	346,165	425,460	2.46	
3,318	ABBVIE INC COM USD0.01	255,691	277,435	1.60	
4,390	MEDTRONIC PLC USD0.0001	402,859	414,752	2.40	
19,171	Smith & Nephew PLS USD	250,293	280,232	1.62	
17,871	RELX Plc GBP	188,833	377,882	2.18	
2,271	Icon Plc	244,930	397,177	2.30	
939	Linde Plc	129,653	207,348	1.20	
42,831	Tate & Lyle Plc	334,470	316,778	1.83	
28,261	Glaxosmithkline Plc	413,394	400,713	2.32	
78,454	AVIVA PLC COMMON STOCK	316,120	303,892	1.76	
6,088	CRODA INTL.	422,579	512,670	2.96	
21,201	IMI PLC	343,762	372,184	2.15	
		4,238,586	4,916,815	28.42	25.73

Cell Portfolio of Investments (continued)

Kleinwort Hambros Elite International Equity Fund (continued)

As at 31 July 2021

Nominal	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	United States of America				
1,654	Amgen Inc (USD)	208,006	287,395	1.66	
1,886	Berkshire Hathaway Class'b'	197,979	377,643	2.18	
6,340	Nextera Energy Inc	110,004	355,276	2.05	
4,229	Waste Management Inc	134,217	451,011	2.61	
2,480	Avery Dennison Corporation Common Stock	162,024	375,833	2.17	
10,974	Bank Of America Corporation	238,756	302,719	1.75	
3,683	Johnson & Johnson	370,092	456,242	2.64	
2,073	Microsoft Corporation	130,893	424,877	2.46	
2,870	Texas Instruments Inc	198,084	393,586	2.27	
2,006	Union Pacific Com USD	192,232	315,717	1.82	
2,429	Walt Disney Co	180,386	307,512	1.78	
3,951	Xylem Inc	241,297	357,674	2.07	
1,900	HCA Holdings Inc	213,497	339,283	1.96	
2,158	Dollar General C	178,958	361,185	2.09	
1,812	Paypal Holdings Inc	123,785	359,157	2.08	
1,438	Costco Wholesale	233,833	444,565	2.57	
1,951	Take Two Interactive	180,073	243,405	1.41	
4,651	Dr Horton Inc	189,795	319,207	1.84	
3,243	Autonation Inc	147,832	283,060	1.64	
544	Charter Communications Inc Com Usd0.001	268,241	291,234	1.68	
4,529	Paccar Inc	305,085	270,374	1.56	
142	AMAZON.COM INC COM USD.01	340,813	339,981	1.96	
3,463	APPLE INC	322,601	363,415	2.10	
2,377	PNC FINANCIAL SERVICES	329,154	311,829	1.80	
		5,197,637	8,332,180	48.15	49.30
	Australia				
5,500	Rio Tinto Ltd	231,196	389,600	2.25	
		231,196	389,600	2.25	2.74
	Japan				
5,000	Secom Co Npv	363,532	270,442	1.56	
2,600	Fujitsu Ltd	269,679	317,506	1.83	
2,300	Tdk Corp	227,186	187,574	1.08	
		860,397	775,522	4.47	-
	Total Investments	12,612,129	17,297,732	99.96	99.78
	Net Current Assets		6,871	0.04	0.22
	Net Assets attributable to Participating Shareholders as at 31 July 2021		17,304,603	100.00	100.00

The investments held by the cell as at 31 July 2021 were all listed or quoted securities.

As at 31 July 2021, the credit rating of the debt investments held by the Cell ranged from AAA to BBB- as provided by Standard & Poors credit rating agency.

The Cell has elected not to present the debt element of the portfolio broken down by credit rating as there are no debt investments below investment grade and therefore the level of credit risk in this element of the portfolio is deemed to be low and as such providing a breakdown on this basis is not deemed to add any significant meaningful information.

Cell Portfolio of Investments (continued)

Kleinwort Hambros Global Trojan Fund

As at 31 July 2021

Nominal	Description	Cost £	Market Value £	% of Net Assets	% of Net Assets 2020
	Funds 71.44% (2020: 71.51%)				
	United Kingdom				
1,198	EEA Life Settlements Ltd	186,829.00	132,218.00	71.44	
		186,829.00	132,218.00	71.44	71.51
	Total Investments	186,829.00	132,218.00	71.44	71.51
	Net Current Assets		52,846.00	28.56	28.49
	Net Assets attributable to Participating Shareholders as at 31 July 2021		185,064	100.00	100.00

Cell Summary of Material Portfolio Changes

Kleinwort Hambros Elite Multi Asset Balanced Fund

For the year ended 31 July 2021

Acquisitions	Cost £
Funds	
Pictet - Global Environmental Opportunities	3,830,482
Lyxor Msci World Esg Trend Leaders Dr Ucits Etf	3,749,254
Multi Units Luxembourg Lyxor Ftse Actuaries Uk	3,341,096
J O Hambro Capital Management Ltd Continental Euro	2,972,289
Hermes Investment Management Asia Ex-Japan Equity	2,780,520
M&G Investment Man Corporate Bond I Gbp Inc	2,427,322
Baillie Gifford Worldwide Japanese Fund	2,320,984
Threadneedle Lux - UK Equities Fund	2,279,548
AXA World Funds-Framlington UK	2,238,412
Lyxor Newcits IRL PLC	2,215,412
	28,155,319
Top 10 acquisitions in the year	28,155,319

Disposals	Proceeds £
Funds	
Ishares S&P 500 Gbp Hedged Ucits Etf	5,136,878
Multi Units Luxembourg Lyxor Ftse Actuaries Uk	4,887,078
Wisdomtree Hdg Met Physical Gold - Gbp Daily	4,154,841
Lyxor Msci World Esg Trend Leaders Dr Ucits Etf	3,687,535
Loomis Sayles Us Growth Equity Fund	3,513,410
Blackrock Luxembourg S.A. Continental Europe	3,023,748
Lyxor Core Morningstar Us Dr Ucits Etf	2,701,396
AXA World Funds-Framlington UK	2,558,651
Lyxor Dimension IRL PLC	2,362,134
SPDR FTSE UK All share Ucits Etf	2,270,759
	34,296,430
Top 10 disposals in the year	34,296,430

Cell Summary of Material Portfolio Changes (continued)

Kleinwort Hambros Multi Asset Conservative Fund

For the year ended 31 July 2021

Acquisitions	Cost £
Funds	
Jupiter Jgf - Dynamic Bond	750,381
Ishares Gbp Corporate Bond Ucits Etf	744,362
Blackrock Luxembourg S.A. Continental Europe	639,942
Lyxor Newcits IRL PLC	411,681
Hermes Investment Management Asia Ex-Japan Equity	387,654
Lyxor Msci World Esg Trend Leaders Dr Ucits Etf	309,004
Pictet - Global Environmental Opportunities	296,410
J O Hambro Capital Mgt Ltd Continental Euro A Gbp	294,878
Threadneedle Lux - UK Equities Fund	179,053
Fil Inv Services(Uk)Ltd Instl Emg Mkts W Acc Nav	175,018
	4,188,383
Top 10 acquisitions in the year	4,188,383

Disposals	Proceeds £
Funds	
M&G Investment Man Corporate Bond I Gbp Inc	837,181
Wisdomtree Hdg Met Physical Gold - Gbp Daily	737,201
Lyxor Core Morningstar Us Dr Ucits Etf	609,258
Multi Units Luxembourg Lyxor Ftse Actuaries Uk	500,457
Blackrock Luxembourg S.A. Continental Europe	498,060
Lyxor Dimension IRL PLC	478,461
Fil Inv Services(Uk)Ltd Instl Emg Mkts W Acc Nav	446,833
Neuberger Berman Short Duration Em Market Debt Fd	446,368
J O Hambro Capital Mgt Ltd Continental Euro A Gbp	441,430
Loomis Sayles Us Growth Equity Fund	426,655
	5,421,904
Top 10 disposals in the year	5,421,904

Cell Summary of Material Portfolio Changes (continued)

Kleinwort Hambros Multi Asset Growth Fund

For the year ended 31 July 2021

Acquisitions	Cost £
Funds	
Pictet - Global Environmental Opportunities	3,616,529
Lyxor Msci World Esg Trend Leaders Dr Ucits Etf	3,444,369
J O Hambro Capital Mgt Ltd Continental Euro A Gbp	2,994,725
AXA World Funds-Framlington UK	2,519,809
Threadneedle Lux - UK Equities Fund	2,006,765
SPDR FTSE UK All share Ucits Etf	1,953,245
Multi Units Luxembourg Lyxor Ftse Actuaries Uk	1,865,388
Baillie Gifford Worldwide Japanese Fund	1,413,285
Wells Fargo Lux Worldwide Fund - Us All Cap Growth	1,397,980
Fil Inv Services(Uk)Ltd Instl Emg Mkts W Acc Nav	1,236,768
	22,448,863
Total acquisitions in the year	22,448,863

Disposals	Proceeds £
Funds	
Multi Units Luxembourg Lyxor Ftse Actuaries Uk	6,131,587
Lyxor Msci World Esg Trend Leaders Dr Ucits Etf	3,387,670
SPDR S&P 500 Ucits Etf	3,099,679
Wisdomtree Hdq Met Physical Gold - Gbp Daily	3,025,664
AXA World Funds-Framlington UK	2,711,179
Loomis Sayles Us Growth Equity Fund	2,584,247
Jupiter Unit Trust Managers European Fund	2,550,252
SPDR FTSE UK All share Ucits Etf	2,030,824
Ishares Core S&P 500 Ucits	1,898,225
Blackrock Luxembourg S.A. Continental Europe	1,847,260
	29,266,587
Top 10 disposals in the year	29,266,587

Cell Summary of Material Portfolio Changes (continued)

Kleinwort Hambros Elite International Equity Fund

For the year ended 31 July 2021

Acquisitions	Cost £
Equities	
Croda International PLC	422,579
Secom Co Npv	363,532
IMI PLC	343,762
Amazon	340,813
PNC Financial Services Group	329,154
Apple Inc	322,601
Aviva PLC	316,120
Paccar Inc	305,085
Fujitsu Ltd	269,679
Charter Communications Inc Com Usd0.001	268,241
	3,281,566
Top 10 acquisitions in the year	3,281,566

Disposals	Proceeds £
Equities	
Fidelity National Information Services Inc	398,057.00
Open Text Corporation	388,160.00
Allianz Ag Common Stock No Par	381,094.00
Nippon Telegraph & Telephone Corp Npv	350,237.00
Avalonbay Communities Inc	333,891.00
Cintas Corporation	301,014.00
Merck & Co Inc	298,528.00
Compass Group Plc - Ord Gbp0.1105	262,769.00
Akamai Technologies Inc	254,227.00
Taiwan Semiconductor Sponsored Adr	238,650.00
	3,206,627
Top 10 disposals in the year	3,206,627

Cell Summary of Material Portfolio Changes (continued)

Kleinwort Hambros Trojan Fund

For the year ended 31 July 2021

Disposals	Proceeds £
Funds	
	-
Total disposals in the year	-

Alternative Investment Fund Manager's Directive

In accordance with the Alternative Investment Fund Managers Directive (the 'Directive'), SG Kleinwort Hambros Bank (CI) Limited in its capacity as Alternative Investment Fund Manager ('AIFM') is required to disclose specific information in relation to the following aspects of the Company's management:

Leverage and borrowing

Leverage is defined as any method by which the Company increases its exposure through borrowing or the use of derivatives. 'Exposure' is defined in two ways – 'gross method' and 'commitment method' – and the Company must not exceed maximum exposures under both methods. 'Gross method' exposure is calculated as the sum of all positions of the Company (both positive and negative), that is, all eligible assets, liabilities and derivatives, including derivatives held for risk reduction purposes. 'Commitment method' exposure is also calculated as the sum of all positions of the Company (both positive and negative), but after netting off derivative and security positions as specified by the Directive.

For the "Gross method", the following has been excluded:

- the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF that are readily convertible to a known amount of cash, subject to an insignificant risk of changes in value; and
- cash borrowings that remain in cash or cash equivalents as defined above and where the amounts of that payable are known should be excluded from the calculation.

The total amount of leverage calculated as at 31 July 2021 is as follows:

Gross method	0.966
Commitment method	0.977

Liquidity

The Alternative Investment Fund Manager's policy is that the Company should normally be close to fully invested (i.e. with liquidity of 5% or less) but this is subject to the need to retain liquidity for the purpose of effecting the cancellation of Units, and the efficient management of the Company in accordance with its objectives. There may therefore be occasions when there will be higher levels of liquidity, for example following the issue of shares or the realisation of investments. This policy has been applied consistently throughout the review period and as a result the Alternative Investment Fund Manager has not introduced any new arrangements for managing the Company's liquidity.

Risk management policy note

Please refer to Note 16, Risk management policies, in the Notes to the Financial Statements on pages 30 to 56, where the current risk profile of the Company and the risk management systems employed by the Alternative Investment Fund Manager to manage those risks, are set out.

Remuneration

The AIFM is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the Directive. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its Directors and senior management is in line with the risk policies and objectives of the AIFs it manages. AIFM paid no Directors' fees or any remuneration to senior staff management for the year ended 31 July 2021.