

IFSL James Hambro Umbrella Fund

Annual Report and Audited Financial Statements

for the year ended 31 March 2023

IFSL JAMES HAMBRO UMBRELLA FUND

CONTACT INFORMATION

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director (ACD) and Registrar

Investment Fund Services Limited (IFSL)
Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Investor Support: (0808) 178 9321 (FREEPHONE)

Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke - appointed 30 January 2023
Helen Derbyshire
Helen Redmond
Sally Helston - appointed 12 August 2022
Guy Sears (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

James Hambro & Partners LLP
45 Pall Mall
London
SW1Y 5JG

Authorised and regulated by the Financial Conduct Authority.

Depository

NatWest Trustee and Depository Services Limited
250 Bishopsgate
London
EC2M 4AA

Authorised and regulated by the Financial Conduct Authority.

Auditor

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

IFSL JAMES HAMBRO UMBRELLA FUND

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IFSL JAMES HAMBRO UMBRELLA FUND

AUTHORISED STATUS

IFSL James Hambro Umbrella Fund (the Company) is an open-ended investment company (OEIC) with variable capital incorporated under the OEIC Regulations. The Company is a UCITS Scheme as defined in the Collective Investment Schemes Sourcebook (COLL) and is also an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with registered number IC000687. The Company was authorised by an order made by the Financial Conduct Authority (FCA) with effect from 13 June 2008 and laid dormant until the scheme of amalgamation on 1 October 2012. The Company has an unlimited duration.

The Company currently has four sub-funds: IFSL James Hambro Barnham Broom Fund; IFSL James Hambro Master Fund; IFSL James Hambro Penrhos Fund; and IFSL James Hambro Rires Fund.

Shareholders of the sub-funds do not have any proprietary interest in the underlying assets of the Company and will not be liable for the debts of the Company. A sub-fund is not a legal entity. If the assets attributable to a sub-fund were insufficient to meet its liabilities the shortfall will not be met out of the assets attributable to one or more other sub-funds of the Company. The sub-funds are segregated by law under the Protected Cell Regime.

GENERAL INFORMATION

IFSL James Hambro Barnham Broom Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years, through both capital growth, which is profit on investments, and income, which is money paid out from an investment, such as interest and dividends.

Investment policy

The sub-fund will invest in a broad range of asset classes and investments across different industries and geographical regions, however not all assets classes may be held at all times. This will include:

- 40% to 85% in shares in companies;
- up to 35% in bonds and loans issued by governments, supra-national organisations and companies;
- up to 30% in real assets such as property, infrastructure and commodities (e.g. gold and raw materials); and
- up to 40% in cash.

These asset classes may be held directly (although the sub-fund will not invest directly in real assets), through other funds (which could include other funds managed by the Authorised Corporate Director or the Investment Manager), exchange traded funds, exchange traded contracts, investment trusts, or structured products, which are securities whose returns are linked to underlying assets or markets.

The sub-fund may also invest in preference shares, bonds which may be converted into shares (known as convertible bonds) and money market instruments, which are shorter term loans.

The sub-fund can use derivatives or forward transactions to manage currency exposure and for efficient portfolio management. The sub-fund will not always hold these, however at times they may be held for extended periods. The use of derivatives is not expected to have a significant impact on the risk profile of the sub-fund. Any underlying funds held within this sub-fund may also use derivatives to varying degrees.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy and when. Investments selected are based on those the Investment Manager believes will deliver returns consistent with the overall investment objective.

The Investment Manager will decide the proportion of the sub-fund to be held in each asset class, aiming to achieve a balance which appears most likely to deliver returns consistent with the overall investment objective. This decision, at any given time, will be influenced by the Investment Manager's view of current economic and other circumstances.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The sub-fund will be in the IA Mixed Investment 40-85% shares sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

IFSL JAMES HAMBRO UMBRELLA FUND

GENERAL INFORMATION

IFSL James Hambro Master Fund

Investment objective

The investment objective of the sub-fund is to provide income, that is, money paid out from an investment such as dividends from shares or interest from bonds. The sub-fund aims to grow the total annual income distribution per share paid out to shareholders, in line with inflation, measured using the UK Consumer Price Index, each year. The sub-fund also aims to increase the value of an investment over a minimum of 10 years.

Investment policy

The sub-fund will invest in a diversified portfolio of assets. Typically, around 70% of the Fund will be invested in shares in companies. However, the sub-fund is unconstrained and the equity allocation may be significantly lower in volatile market conditions in order to protect the value of the sub-fund.

The sub-fund will also invest in bonds, which are loans issued by companies, governments and other institutions. This may include investment grade bonds, where the issuer has a higher capacity to repay the debt, as well as sub-investment grade bonds, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest. Typically, around 10-30% of the sub-fund will be invested in bonds, however during extreme market conditions this may rise significantly higher, potentially up to 100% of the sub-fund.

The sub-fund may also invest in other securities whose returns are linked to the performance of a company, such as preference shares and warrants, money market instruments, which are shorter term loans. The sub-fund may also hold cash.

The sub-fund may invest in the above asset classes directly or gain exposure indirectly, through other funds (which could include other funds managed by the Authorised Corporate Director or the Investment Manager), including exchange-traded funds, which typically track an index and investment trusts.

The sub-fund is actively managed which means the Investment Manager decides the nature and timing of investment decisions in order to meet the overall objective. These decisions will be influenced by the Investment Manager's view of the current economic conditions and other factors such as interest rates.

Where the sub-fund invests directly in companies, there will be no particular emphasis on any industry or sector. However, there will be no investment in tobacco, alcohol or gambling companies (as defined by any of these activities representing more than 50% of the company's turnover).

The sub-fund may also use forward transactions and derivatives (which are instruments whose value is linked to the performance of an underlying asset or another variable factor, such as stock markets and currencies). These are used for efficient portfolio management; in order to protect the value of the sub-fund, to reduce the cost of investing, or to generate additional capital or income without significantly affecting the risk profile of the sub-fund. Whilst the sub-fund will not always use these instruments, at times they may be held for extended periods. Other funds held may also use derivatives to varying degrees.

Performance target

The performance target is the level of performance the sub-fund aims to deliver however there is no certainty this will be achieved. The sub-fund aims to grow the percentage of income paid out each year, net of fees, in line with (or better than) movements in the UK Consumer Price Index (UK CPI). The UK CPI is one of the most widely used measures of inflation.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The sub-fund will be a member of the IA Flexible Sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

IFSL James Hambro Penrhos Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years, through both capital growth, which is profit on investments, and income, which is money paid out from an investment, such as interest and dividends.

IFSL JAMES HAMBRO UMBRELLA FUND

GENERAL INFORMATION

IFSL James Hambro Penrhos Fund (continued)

Investment policy

The sub-fund will invest in a broad range of asset classes and investments across different industries and geographical regions, however not all assets classes may be held at all times. This will include:

- 40% to 85% in shares in companies;
- up to 35% in bonds and loans issued by governments, supra-national organisations and companies;
- up to 30% in real assets such as property, infrastructure and commodities (e.g. gold and raw materials); and
- up to 40% in cash.

These asset classes may be held directly (although the sub-fund will not invest directly in real assets), through other funds (which could include other funds managed by the Authorised Corporate Director or the Investment Manager), exchange traded funds, exchange traded contracts, investment trusts, or structured products, which are securities whose returns are linked to underlying assets or markets.

The sub-fund may also invest in preference shares, bonds which may be converted into shares (known as convertible bonds) and money market instruments, which are shorter term loans.

The sub-fund can use derivatives or forward transactions to manage currency exposure and for efficient portfolio management. The sub-fund will not always hold these, however at times they may be held for extended periods. The use of derivatives is not expected to have a significant impact on the risk profile of the sub-fund. Any underlying funds held within this sub-fund may also use derivatives to varying degrees.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy and when. Investments selected are based on those the Investment Manager believes will deliver returns consistent with the overall investment objective.

The Investment Manager will decide the proportion of the sub-fund to be held in each asset class, aiming to achieve a balance which appears most likely to deliver returns consistent with the overall investment objective. This decision, at any given time, will be influenced by the Investment Manager's view of current economic and other circumstances.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The sub-fund will be in the IA Mixed Investment 40-85% shares sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

IFSL James Hambro Rires Fund

Investment objective

The investment objective of the sub-fund is to grow the value of your investment over a period of at least 5 years, through both capital growth, which is profit on investments, and income, which is money paid out from an investment, such as interest and dividends.

Investment policy

The sub-fund will invest in a broad range of asset classes and investments across different industries and geographical regions, however not all assets classes may be held at all times. This will include:

- 40% to 85% in shares in companies;
- up to 35% in bonds and loans issued by governments, supra-national organisations and companies;
- up to 30% in real assets such as property, infrastructure and commodities (e.g. gold and raw materials); and
- up to 40% in cash.

These asset classes may be held directly (although the sub-fund will not invest directly in real assets), through other funds (which could include other funds managed by the Authorised Corporate Director or the Investment Manager), exchange traded funds, exchange traded contracts, investment trusts, or structured products, which are securities whose returns are linked to underlying assets or markets.

The sub-fund may also invest in preference shares, bonds which may be converted into shares (known as convertible bonds) and money market instruments, which are shorter term loans.

IFSL JAMES HAMBRO UMBRELLA FUND

GENERAL INFORMATION

IFSL James Hambro Rires Fund (continued)

Investment policy (continued)

The sub-fund can use derivatives or forward transactions to manage currency exposure and for efficient portfolio management. The sub-fund will not always hold these, however at times they may be held for extended periods. The use of derivatives is not expected to have a significant impact on the risk profile of the sub-fund. Any underlying funds held within this sub-fund may also use derivatives to varying degrees.

The sub-fund is actively managed, which means the Investment Manager decides which investments to buy and when. Investments selected are based on those the Investment Manager believes will deliver returns consistent with the overall investment objective.

The Investment Manager will decide the proportion of the sub-fund to be held in each asset class, aiming to achieve a balance which appears most likely to deliver returns consistent with the overall investment objective. This decision, at any given time, will be influenced by the Investment Manager's view of current economic and other circumstances.

Assessing performance

The Investment Association (IA), the trade body for UK investment managers, has created a number of 'sectors' as a way of dividing funds into broad groups with similar characteristics.

The sub-fund will be in the IA Mixed Investment 40-85% shares sector. You may want to assess the sub-fund's performance compared to the performance of this sector.

Rights and terms attached to each share class

A share of each class represents a proportional entitlement to the assets of the sub-fund. The allocation of income and taxation and the rights of each share in the event that a sub-fund is wound up are on the same proportional basis.

Changes in prospectus

There have been no significant changes since the last report.

Up to date Key Investor Information Documents, Prospectus and Long Reports and Financial Statements for any fund within the ACD's range, can be requested by the investor at any time.

Cross holdings

The sub-funds of the Company do not hold shares in other sub-funds of the Company.

Assessment of value

The ACD is required to carry out an assessment of value at least annually and publish its findings in a report to investors. The sub-funds of the Company are assessed and reported on, in a report which the ACD publishes on the website www.ifslfunds.com. The next report is expected to be published by 31 July 2023.

GENERAL INFORMATION

Remuneration policy

In line with the requirements of UCITS V, Investment Fund Services Limited (the AFM) 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 UCITS V. 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 senior staff is in line with the risk policies and objectives of the UCITS funds it manages.

The quantitative remuneration disclosures as at 30 September 2022 (the UCITS manager's year-end) are set out below:

	Number of identified staff	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
		£	£	£
Remuneration paid to staff of the UCITS manager who have a material impact on the risk profile of the Company				
Senior management	7	757,911	667,666	90,245
Risk takers and other identified staff	2	245,763	203,403	42,360
Allocation of total remuneration of the employees of the UCITS manager to the Company				
Senior management	0.09	9,953	8,768	1,185
Risk takers and other identified staff	0.03	3,227	2,671	556

The total number of staff employed by the UCITS manager's group was 236 as at 30 September 2022. The total remuneration paid to those staff was £14,048,823, of which £5,197,123 is attributable to the UCITS manager.

The allocation of remuneration to the UCITS manager is based on Assets Under Management (AUM). The allocation of remuneration to the Company is based on AUM where staff are not directly allocated to the Company and the figures disclosed only include remuneration paid to individuals directly employed by the UCITS manager's group. The way these disclosures are calculated may change in the future.

AUTHORISED CORPORATE DIRECTORS' STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
29 June 2023

STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) and the Investment Funds Sourcebook (FUND) requires the Authorised Corporate Director (ACD) to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Company comprising of its sub-funds and of its net revenue and the net capital losses for the year.

In preparing those financial statements the ACD is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to UK Authorised Funds issued in May 2014 and amended in June 2017;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is required to keep proper accounting records and to manage the Company in accordance with the COLL rules, the Instrument of Incorporation and the Prospectus. The ACD is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The ACD is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the auditor is unaware. It is the responsibility of the ACD to take all necessary steps as a director to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

Statement of the Depositary's Responsibilities and Report of the Depositary to the Shareholders of IFSL James Hambro Umbrella Fund (the Company) for the year ended 31 March 2023.

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

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

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

The Depositary must ensure that:

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

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

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

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

(ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

29 June 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL JAMES HAMBRO UMBRELLA FUND

Opinion

We have audited the financial statements of IFSL James Hambro Umbrella Fund ("the Company") comprising its sub-funds for the year ended 31 March 2023, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Company, which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Company comprising of its sub-funds as at 31 March 2023 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director's ("the ACD") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

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

Other information

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

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

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

We have nothing to report in this regard.

IFSL JAMES HAMBRO UMBRELLA FUND

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL JAMES HAMBRO UMBRELLA FUND

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

In our opinion:

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

Matters on which we are required to report by exception

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

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

Responsibilities of the Authorised Corporate Director (ACD)

As explained more fully in the ACDs responsibilities statement set out on page 5, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is 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 ACD either intends to wind up or terminate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF IFSL JAMES HAMBRO UMBRELLA FUND

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Principles (UK GAAP) including FRS 102, the Investment Management Association Statement of Recommended Practice, the FCA Collective Investment Schemes Sourcebook, the OEIC regulations, the Company's Instrument of Incorporation and
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators. We corroborated our enquiries through a review of the Company's documented policies and procedures.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified fraud risks with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution and incorrect valuation of unquoted investments. In response to our fraud risks, we tested the appropriateness of management's classification of material special dividends as either a capital or revenue return and tested the unquoted investment valuation by reviewing the price used, agreeing the valuation inputs to external sources where possible and providing challenge to management's valuations.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

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

Use of our report

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

Ernst & Young LLP
Statutory Auditor
Edinburgh

29 June 2023

Notes:

- 1 The maintenance and integrity of the Investment Fund Services Limited website is the responsibility of the ACD; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 31 March 2023

1.1 ACCOUNTING POLICIES

IFSL James Hambro Umbrella Fund (the Company) consists of four sub-funds: IFSL James Hambro Barnham Broom Fund; IFSL James Hambro Master Fund; IFSL James Hambro Penrhos Fund; and IFSL James Hambro Rires Fund.

These accounting policies apply to all sub-funds of the Company.

Basis of accounting

The financial statements have been prepared in compliance with Financial Reporting Standard (FRS) 102 and in accordance with the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (renamed to the Investment Association) in May 2014 and amended in June 2017.

The financial statements are prepared in sterling, which is the functional currency of the sub-funds. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for the next twelve months from the date these financial statements are authorised for issue. The ACD believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.

Revenue

Dividends from equities, preference shares and distributions receivable from onshore collective investment schemes are recognised when the security is quoted ex-dividend.

Income from offshore collective investment schemes is recorded on the ex-dividend date and additional reported income is recognised when reported.

Interest on debt securities is recognised on an accruals basis. Accrued interest purchased and sold on debt securities is excluded from the capital cost of these securities and is treated as revenue. Interest earned from debt securities is accounted for on an effective yield basis. Effective yield is where the interest arising on the security that is purchased at a discount or premium to the maturity value is amortised and recognised at a consistent rate over the life of the security.

Bank interest is accounted for on an accruals basis.

Allocation of revenue

Revenue, attributable after expenses to multiple share classes, with the exception of the ACD's fee, which is directly attributable to individual share classes, is allocated to share classes pro-rata to the value of net assets of the relevant share class on the day that the revenue is incurred.

Expenses

All expenses, other than those relating to the purchase and sale of investments, are charged initially against revenue on an accruals basis.

Distributions from Collective Investment Schemes

Distributions received from investments in collective investment schemes may include an element of equalisation which represents the average amount of revenue included in the price paid for the shares. Equalisation is treated as a return of capital for taxation purposes and does not carry a tax credit.

Valuation

The valuation point was 12:00 on 31 March 2023 being the last valuation point of the accounting period.

Listed investments are valued at fair value which is the bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the ACD's best estimate of the amount that would be received from the immediate transfer at arm's length in a manner designed to show fair value.

Where applicable, investment valuations exclude any element of accrued revenue.

Investments in collective investment schemes have been valued at cancellation price for dual-priced funds or the single price for single priced funds, using the latest available published prices at the period end.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 31 March 2023

ACCOUNTING POLICIES

Taxation

Corporation tax has been provided for at 20% on taxable income less expenses. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions, or events giving rise to them, occurred before the balance sheet date.

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 31 March 2023 being the last valuation point of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment at the principal amounts.

1.2 DISTRIBUTION POLICIES

The distribution policy for each sub-fund is to distribute all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on non-derivative instruments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution. Revenue recognised from holdings in accumulation shares in collective investment schemes, and from stock and special dividends is included in the amount available for distribution.

Distributions which have remained unclaimed by shareholders for six years are credited to the capital property of the sub-fund.

Equalisation

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

Stock and special dividends

Stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent and this forms part of the distributable revenue of the sub-fund.

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue of the sub-fund. Amounts recognised as capital are deducted from the cost of the investment.

Expenses

For the purposes of determining the distribution, the ACD's periodic charges are borne out of the revenue of IFSL James Hambro Barnham Broom Fund and IFSL James Hambro Rires Fund, and out of the capital of the IFSL James Hambro Master Fund. All expenses for the IFSL James Hambro Penrhos Fund are borne out of the capital of the sub-fund.

ACD Rebates

The expenses incorporate fees payable to the investment advisor, depositary, administrator, custodian, auditor and other associated fund costs including printing and registration fees.

With respect to the IFSL James Hambro Barnham Broom Fund, IFSL James Hambro Master Fund, and IFSL James Hambro Rires Fund, the ACD has agreed to cap the expenses of each sub-fund at the level of the ACD's periodic charge, therefore, these other expenses are not charged to the sub-funds and as such are not disclosed separately in Note 5.

1.3 RISK MANAGEMENT POLICIES

In pursuing the investment objectives, the sub-funds hold a number of financial instruments. The sub-funds' financial instruments comprise securities, together with cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued income.

The main risks arising from the sub-funds' financial instruments and the ACD's policies for managing these risks are summarised below. The ACD reviews (and agrees with the Depositary) the policies for managing each of these risks. The policies have remained unchanged since the beginning of the year to which these financial statements relate.

The sub-funds are managed according to the COLL 5, 'Investment and Borrowing Powers' which helps achieve the statutory objective of protecting consumers by laying down the minimum standards for the investments that may be held by an authorised fund. In particular: (a) the proportion of transferable securities and derivatives that may be held by the authorised fund is restricted if those transferable securities and derivatives are not listed on an eligible market. The intention of this is to restrict the transferable securities and derivatives that cannot be accurately valued and readily disposed of; and (b) authorised funds are required to comply with a number of investment rules that require the spreading of risk.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

for the year ended 31 March 2023

RISK MANAGEMENT POLICIES

Market price risk

Market price risk is the risk that the value of a sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-fund holds. It represents the potential loss a sub-fund might suffer through holding market positions in the face of price movements. Each sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the ACD in pursuance of the investment objectives and policies as set out in the Prospectus.

Foreign currency risk

The income and capital value of the sub-funds' investments can be affected by foreign currency translation movements as some of a sub-fund's assets and income may be denominated in currencies other than sterling which is the sub-fund's functional currency.

The ACD has identified three areas where foreign currency risk could impact the sub-funds. These are, movements in exchange rates affecting the value of investments, short term timing differences such as exposure to exchange rate movements in the period between when an investment purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movement in exchange rates affecting income received by a sub-fund. The sub-funds convert all receipts of income, received in currency, into sterling of the day of receipt.

To manage foreign currency risk the sub-funds are permitted to invest in forward foreign currency contracts for the purpose of reducing the exposure of the sub-funds to a foreign currency.

The foreign currency exposure within the sub-funds is monitored to ensure that this is manageable and sensible.

Interest rate risk

Interest rate risk is the risk that the value of the sub-funds' investment holdings will fluctuate as a result of changes in interest rates. The sub-funds' cash holdings are held in deposit accounts, whose rates are determined by the banks concerned on a daily basis.

The sub-funds invest in fixed and floating rate securities. The income of the sub-funds may be affected by changes to interest rates relevant to particular securities or as a result of the Investment Manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

Interest rate risk is managed through a limit framework and investment guidelines with which the sub-funds must comply. These include restrictions on position size, and the level of interest rate risk. The Investment Manager continuously reviews interest rates and inflation expectations, the assessment of this may result in a change in investment strategy.

Liquidity risk

The sub-funds' assets comprise mainly of readily realisable securities. The main liability of the sub-funds is the redemption of any shares that investors wish to sell. Assets of the sub-funds may need to be sold if insufficient cash is available to finance such redemptions. The liquidity of the sub-funds' assets is regularly reviewed by the ACD.

Credit and counterparty risk

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the sub-funds have fulfilled their responsibilities. The sub-funds only buy and sell investments through brokers which have been approved by the ACD as an acceptable counterparty.

The sub-funds invest in fixed and floating rate interest bonds, which are generally viewed as lower-risk investments than equities. However, the solvency of governments/organisations with whom the sub-funds invest cannot be guaranteed, and any difficulty may adversely affect the sub-fund's performance. The sub-funds are subject to investment limits for issuers of debt securities and will seek to minimise risk by diversifying portfolios.

The credit ratings for bonds held within the sub-funds are reviewed to ensure that they are appropriate in relation to the prospectus.

Concentration risk

Some of the underlying collective investment schemes invest solely in certain markets, such as UK shares or fixed interest securities. This allows them to focus on those markets' potential but means that they are not spread amongst a range of markets. Securities in the same market tend to be affected by the same factors, so the collective investment schemes may experience greater fluctuations in price. The asset allocations aim to minimise this risk whenever possible, whilst still meeting the objectives of the sub-funds.

NOTES TO THE FINANCIAL STATEMENTS - ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES
for the year ended 31 March 2023

RISK MANAGEMENT POLICIES

Derivatives and other financial instruments

The ACD is permitted to use derivatives for the purposes of efficient portfolio management. Forward currency transactions may also be entered to hedge the portfolio against currency movement. Investment performance of derivatives can be volatile and may present greater risks than traditional investments.

The ACD is obliged through FCA rules to put in place a risk management policy which sets out how the ACD measures and monitors these risks.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Performance to 31 March 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL James Hambro Barnham Broom Fund	2.62%	(4.41)%	22.07%	24.93%
IA Mixed Investment 40-85% Shares Sector	5.32%	(4.62)%	27.12%	22.42%

External Source of Economic Data: Morningstar (Income shares - quoted price to quoted price, net income reinvested).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

Investment commentary

After a difficult start to 2022, financial markets continued to fall in the first part of the year under review. The weakness in specific parts of the market became widespread as valuation concerns gave way to fears of persistent inflation and rising interest rates pushing economies into recession.

Over the year, global equities fell 6.6% in local currency terms whilst UK gilts fell 15.7% in sterling terms and US treasuries declined 3.2% in dollars. Gold provided greater protection in the second half of the period finishing the year up 5% in dollars. A bonus for sterling-based investors, and for the Fund, was the decline in the pound against most currencies including the dollar, which has itself been strong. The declines were spread across regions and industrial sectors with energy performing the best. The Fund has little exposure.

Equity valuations have adjusted materially lower over the twelve months with most markets now trading at or below their 30-year averages. Valuations could cheapen further but are at levels historically associated with reasonable annualised returns over the subsequent five years.

The Fund entered the period with 68% of its assets invested in equities balanced by a combination of defensive holdings, including government-issued bonds, gold, and cash. Equity exposure was reduced further during the early part of the period given our concerns over slowing economic growth and rising inflation. A handful of positions were sold outright but most of the adjustments came through the reduction in position sizes with the proceeds largely held in cash. The Fund's equity exposure reached a low of circa 63% and has been maintained at or somewhat above those levels since.

The residual shockwaves of the pandemic continue to reverberate, whilst the avoidance of the expected energy Armageddon has provided a boost to wallets and sentiment. The jury is still to deliver a verdict on whether a recession can be avoided or simply postponed. What seems certain is that central banks want to see clear trends towards lower inflation and softening wage inflation before deciding to alter the course of interest rate policy.

We spent much of last year building more resilience into portfolios given our concerns that the rapid tightening of financial conditions would ultimately lead to recessionary conditions. With yields having moved sharply higher we have been adding back to defensive sovereign bonds since the end of last summer whilst retaining exposure to gold, a tried and tested asset in uncertain times. Both have demonstrated their protective worth through the recent banking fears.

As higher interest rates make their way through the economic plumbing there may well be more accidents as the speculative excesses of the zero-rate era are laid bare. In this regard, commercial real estate is an asset class that is moving higher up the list of concerns for investors.

Almost all rate cycles have ended in a recession. We see insufficient evidence that this one, the fastest in 40 years, will not have the same result. We therefore retain our preference for caution and ensuring portfolios are shipshape to withstand whatever squalls appear on the horizon.

James Hambro & Partners LLP
12 May 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Income (pence per share)</u>				
Net income paid 31 May	0.5065	0.3325	-	0.1879
Net income paid 30 November		0.7602	0.2387	-

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 31 March 2023

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Liquidity 'Select' GBP	2,430,000
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	1,926,914
SPDR S&P US Dividend Aristocrats UCITS ETF	1,255,969
FTF ClearBridge Global Infrastructure Income 'I'	1,222,000
UK Treasury 1% 31.01.32	1,049,326
Lansdowne European 'F' GBP	990,000
UK Treasury 0.25% 31.07.31	989,529
Shell	864,377
Northrop Grumman	829,593
International Business Machines	801,629
Other purchases	3,325,817
Total purchases for the year	15,685,154
<u>Largest sales</u>	<u>Proceeds (£)</u>
UK Treasury Index-Linked 1.25% 22.11.27	1,468,705
Vontobel TwentyFour Absolute Return Credit 'AQQ' GBP	1,138,155
Pictet Global Environmental Opportunities 'I dy' GBP	1,094,127
iShares S&P US Banks UCITS ETF USD	1,053,003
AXA Framlington UK Mid Cap 'ZI' GBP	1,044,050
FP Foresight Global Real Infrastructure 'A' GBP	909,930
Polar Capital Global Technology 'I' Sterling	909,440
BlackRock European Dynamic 'FD' GBP	819,773
Brown Advisory US Mid-Cap Growth 'C' Dollar	788,881
Intuitive Surgical	695,120
Other sales	5,863,633
Total sales for the year	15,784,817

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

COMPARATIVE TABLE

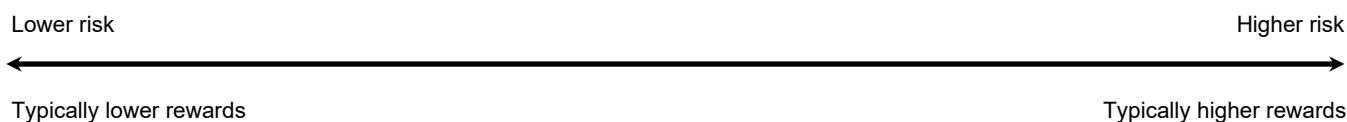
Income shares	Year to 31.03.2023	Year to 31.03.2022	Year to 31.03.2021
Change in net assets per share			
Opening net asset value per share	192.21	180.73	150.98
Return before operating charges*	(6.23)	14.67	32.06
Operating charges	(2.29)	(2.62)	(2.31)
Return after operating charges*	(8.52)	12.05	29.75
Distributions on income shares	(1.27)	(0.57)	-
Closing net asset value per share	182.42	192.21	180.73
* after direct transaction costs of:	0.04	0.05	0.10
Performance			
Return after charges ^A	(4.43)%	6.67%	19.70%
Other information			
Closing net asset value (£)	45,880,101	51,788,170	46,339,421
Closing number of shares	25,150,380	26,943,807	25,639,771
Operating charges	1.25% ^B	1.36% ^B	1.34%
Direct transaction costs	0.02%	0.03%	0.06%
Prices			
Highest share price	191.80p	203.90p	187.70p
Lowest share price	173.20p	180.60p	150.00p

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. Direct transaction costs are the total charges in the year, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value in the year and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio is used.

This sub-fnd has been measured as 4 because its investments have experienced moderate volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
DEBT SECURITIES (31 March 2022 - 2.82%)		
1,150,000 UK Treasury 0.25% 31.07.31	884,632	1.93
1,250,000 UK Treasury 1% 31.01.32	1,013,994	2.21
Total Debt Securities	<u>1,898,626</u>	<u>4.14</u>
EXCHANGE TRADED FUNDS (31 March 2022 - 7.14%)		
430,000 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	1,965,960	4.28
74,500 iShares Physical Gold ETC	2,320,186	5.06
22,400 SPDR S&P US Dividend Aristocrats UCITS ETF	1,222,723	2.67
Total Exchange Traded Funds	<u>5,508,869</u>	<u>12.01</u>
UNIT TRUSTS / OEICS (31 March 2022 - 30.76%)		
2,430,000 BlackRock ICS Sterling Liquidity 'Select' GBP	2,430,000	5.30
10,000 Brevan Howard Absolute Return Government Bond 'G' GBP	1,036,668	2.26
19,500 CG Portfolio 'The Dollar Fund' GBP Hedged	1,858,935	4.05
15,475 CRUX Asia ex-Japan 'F' GBP	1,159,232	2.53
959,630 Fidelity Emerging Markets Focus 'R' GBP	1,231,205	2.68
1,000,000 FTF ClearBridge Global Infrastructure Income 'S'	1,075,000	2.34
7,654 KLS Arete Macro 'IG' GBP	823,833	1.80
977 Lansdowne European 'F' GBP	1,028,511	2.24
8,175 Lazard Rathmore Alternative 'EA' GBP Hedged	1,047,321	2.28
5,465 Lumyna MW TOPS UCITS 'G' GBP	1,014,937	2.21
1,750,000 Schroder Global Energy Transition 'Q1' GBP	962,850	2.10
Total Unit Trusts / OEICs	<u>13,668,492</u>	<u>29.79</u>
EQUITIES (31 March 2022 - 52.39%)		
United Kingdom (31 March 2022 - 15.80%)		
Beverages (31 March 2022 - 1.35%)		
18,000 Diageo	649,350	1.42
Closed End Investments (31 March 2022 - 4.25%)		
35,000 Worldwide Healthcare Trust	1,081,500	2.36
Consumer Services (31 March 2022 - 2.28%)		
50,000 Compass Group	1,014,000	2.21
Industrial Metals and Mining (31 March 2022 - 2.79%)		
16,000 Rio Tinto	870,560	1.90
Industrial Support Services (31 March 2022 - 1.16%)		
20,000 Experian	529,800	1.15
Media (31 March 2022 - 1.51%)		
32,500 RELX	848,900	1.85
Oil, Gas and Coal (31 March 2022 - Nil)		
40,050 Shell	923,954	2.01
Real Estate Investment Trusts (31 March 2022 - 1.08%)		
Retailers (31 March 2022 - 1.38%)		
11,775 Next	771,498	1.68
Total United Kingdom	<u>6,689,562</u>	<u>14.58</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
Europe (31 March 2022 - 5.65%)		
1,200 LVMH Moët Hennessy Louis Vuitton	881,433	1.92
5,885 Nestlé	577,615	1.26
3,250 Sika	724,767	1.58
Total Europe	<u>2,183,815</u>	<u>4.76</u>
Far East (31 March 2022 - 3.54%)		
76,000 AIA Group	646,222	1.41
1,900 Keyence	741,515	1.62
9,000 Sony	651,936	1.42
Total Far East	<u>2,039,673</u>	<u>4.45</u>
North America (31 March 2022 - 27.40%)		
10,100 Alphabet 'C'	826,935	1.80
11,460 Amphenol 'A'	746,961	1.63
3,640 Aon	920,986	2.01
11,240 Charles Schwab	476,485	1.04
16,950 Coca-Cola	847,158	1.85
7,260 International Business Machines	758,208	1.65
11,500 JPMorgan Chase & Co	1,196,558	2.61
4,300 Microsoft	987,072	2.15
3,525 New Linde	1,001,100	2.18
2,035 Northrop Grumman	758,089	1.65
2,395 Pool	648,421	1.41
2,000 S&P Global	551,337	1.20
5,230 Texas Instruments	778,562	1.70
2,015 Thermo Fisher Scientific	916,495	2.00
4,100 Union Pacific	657,358	1.43
1,800 UnitedHealth Group	683,520	1.49
4,600 Visa 'A'	826,699	1.80
Total North America	<u>13,581,944</u>	<u>29.60</u>
Total Equities	<u>24,494,994</u>	<u>53.39</u>
Portfolio of investments	45,570,981	99.33
Net other assets	309,120	0.67
Total net assets	<u>45,880,101</u>	<u>100.00</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

STATEMENT OF TOTAL RETURN

for the year ended 31 March 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(2,640,418)		2,883,870
Revenue	4	845,682		673,064	
Expenses	5	<u>(478,346)</u>		<u>(501,424)</u>	
Net revenue before taxation		367,336		171,640	
Taxation	6	<u>(35,790)</u>		<u>(20,686)</u>	
Net revenue after taxation			<u>331,546</u>		<u>150,954</u>
Total return before distributions			(2,308,872)		3,034,824
Distributions	7		(331,546)		(150,953)
Change in net assets attributable to shareholders from investment activities			<u><u>(2,640,418)</u></u>		<u><u>2,883,871</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Opening net assets attributable to shareholders		51,788,170		46,339,421
Amounts receivable on issue of shares	139,931		2,982,235	
Amounts payable on cancellation of shares	<u>(3,407,582)</u>		<u>(417,357)</u>	
		(3,267,651)		2,564,878
Change in net assets attributable to shareholders from investment activities		(2,640,418)		2,883,871
Closing net assets attributable to shareholders		<u><u>45,880,101</u></u>		<u><u>51,788,170</u></u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

BALANCE SHEET
as at 31 March 2023

	Notes	31 March 2023 £	31 March 2022 £
Assets:			
Fixed Assets:			
Investments	14	45,570,981	48,221,846
Current Assets:			
Debtors	8	88,122	127,418
Cash and bank balances		388,235	3,861,809
Total assets		<u>46,047,338</u>	<u>52,211,073</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	240,332
Distribution payable on income shares	7	127,403	89,609
Other creditors	9	39,834	92,962
Total liabilities		<u>167,237</u>	<u>422,903</u>
Net assets attributable to shareholders		<u>45,880,101</u>	<u>51,788,170</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 11 to 14.

2 NET CAPITAL (LOSSES)/GAINS

The net (losses)/gains on investments during the year comprise:

	31 March 2023	31 March 2022
	£	£
Non-derivative securities (losses)/gains	(2,643,792)	2,884,324
Currency gains/(losses)	3,374	(454)
Net capital (losses)/gains	(2,640,418)	2,883,870

3 PURCHASES, SALES AND TRANSACTION COSTS

Purchases excluding transaction costs:

	31 March 2023	31 March 2022
	£	£
Equities	7,521,827	7,394,142
Debt securities	2,038,854	577,040
Collective Investment Schemes	6,117,449	2,851,521
	<u>15,678,130</u>	<u>10,822,703</u>
Equities: Commissions	2,724	3,786
Taxes and other charges	4,300	6,526
Total purchase transaction costs	<u>7,024</u>	<u>10,312</u>
Purchases including transaction costs	<u>15,685,154</u>	<u>10,833,015</u>

Purchase transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.04%	0.05%
Taxes and other charges	0.06%	0.09%

Sales excluding transaction costs:

Equities	7,069,657	4,098,962
Debt securities	1,468,705	921,074
Collective Investment Schemes	7,250,036	3,872,138
	<u>15,788,398</u>	<u>8,892,174</u>
Equities: Commissions	(3,506)	(2,129)
Taxes and other charges	(75)	(646)
Total sale transaction costs	<u>(3,581)</u>	<u>(2,775)</u>
Sales net of transaction costs	<u>15,784,817</u>	<u>8,889,399</u>

Sale transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.05%	0.05%
Taxes and other charges	0.00%	0.02%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.01%
Taxes and other charges	0.01%	0.02%
	<u>0.02%</u>	<u>0.03%</u>

No significant in-specie transfers were identified in the year (2022: nil).

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date	<u>0.05%</u>	<u>0.06%</u>
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IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

4 REVENUE	31 March 2023	31 March 2022
	£	£
UK dividends (franked)	239,558	270,227
UK dividends (unfranked)	9,661	5,631
Overseas income non-taxable	417,031	287,823
Overseas income taxable	61,103	59,342
Interest on debt securities	92,214	50,041
Bank credit interest	26,115	-
Total revenue	<u>845,682</u>	<u>673,064</u>

5 EXPENSES	31 March 2023	31 March 2022
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	478,346	501,423
Sundry expense	-	1
Total expenses	<u>478,346</u>	<u>501,424</u>

The net audit fee is £7,260 (2022: £6,150) which is being met by the ACD.

6 TAXATION	31 March 2023	31 March 2022
	£	£
a Analysis of the tax charge for the year		
Overseas tax	35,790	20,686
Total tax charge (see note 6(b))	<u>35,790</u>	<u>20,686</u>

b Factors affecting the tax charge for the year
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.

Net revenue before taxation	367,336	171,640
Corporation tax at 20% (2022: 20%)	73,467	34,328
Effects of:		
Revenue not subject to taxation	(131,318)	(111,610)
Unrelieved excess management expenses	57,851	77,282
Overseas tax	35,790	20,686
Total tax charge (see note 6(a))	<u>35,790</u>	<u>20,686</u>

At 31 March 2023 the sub-fund has deferred tax assets of £502,215 (2022: £444,365) arising from surplus management expenses of £2,511,075 (2022: £2,221,823) which have not been recognised due to uncertainty over the availability of future taxable profits.

7 DISTRIBUTIONS	31 March 2023	31 March 2022
	£	£
The distributions take account of revenue received or deducted on the issue and cancellation of shares, and comprise:		
Interim	198,919	61,178
Final	127,403	89,609
Amounts deducted on cancellation of shares	5,447	159
Amounts (deducted)/received on issue of shares	(203)	7
Revenue brought forward	(20)	-
Distributions	<u>331,546</u>	<u>150,953</u>
Net revenue after taxation	<u>331,546</u>	<u>150,953</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

8 DEBTORS	31 March 2023	31 March 2022
	£	£
Amounts receivable for issue of units	20,834	937
Accrued income	54,676	113,701
Currency receivables	-	8
Taxation recoverable	12,612	12,772
Total debtors	<u>88,122</u>	<u>127,418</u>

9 OTHER CREDITORS	31 March 2023	31 March 2022
	£	£
Amounts payable for cancellation of shares	-	50,018
ACD's periodic charge	39,834	42,944
Total other creditors	<u>39,834</u>	<u>92,962</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD in respect of the ACD's periodic charge are disclosed in note 5. Amounts due to the ACD at the year end are £19,000 (2022: £92,025).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

Income	1.00%
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12 SHAREHOLDERS' FUNDS RECONCILIATION

	Income
Opening shares in issue at 1 April 2022	<u>26,943,807</u>
Share issues	75,243
Share cancellations	(1,868,670)
Closing shares in issue at 31 March 2023	<u>25,150,380</u>

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £2,278,549 (2022: £2,411,092). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 31 March 2023:	Investments	Net current assets	Total
	£	£	£
Danish kroner	-	1,033	1,033
Euro	881,433	511	881,944
Hong Kong dollar	646,222	-	646,222
Japanese yen	1,393,451	3,517	1,396,968
Swiss franc	1,302,382	16,631	1,319,013
US dollar	17,124,852	7,493	17,132,345
	<u>21,348,340</u>	<u>29,185</u>	<u>21,377,525</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

RISK DISCLOSURES

Foreign currency risk (continued)

Foreign currency exposure at 31 March 2022:	Investments £	Net current assets £	Total £
Danish kroner	-	996	996
Euro	1,512,868	8,686	1,521,554
Hong Kong dollar	610,025	-	610,025
Japanese yen	1,219,722	2,565	1,222,287
Swiss franc	1,415,579	4,005	1,419,584
US dollar	18,778,387	8,851	18,787,238
	<u>23,536,581</u>	<u>25,103</u>	<u>23,561,684</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £1,068,876 (2022: £1,178,084). A five per cent increase would have an equal and opposite effect.

Interest rate risk

31 March 2023

31 March 2022

£

£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate	5,289,489	6,377,953
Financial assets non-interest bearing instruments	40,757,849	45,833,120
Financial liabilities floating rate	-	(240,332)
Financial liabilities non-interest bearing instruments	(167,237)	(182,571)
	<u>45,880,101</u>	<u>51,788,170</u>

As most of the sub-fund's financial assets are non-interest bearing, an interest rate sensitivity analysis has not been included.

Liquidity risk

31 March 2023

31 March 2022

£

£

The following table provides a maturity analysis of the sub-fund's financial liabilities:

Within one year:

Bank overdrafts	-	240,332
Distribution payable on income shares	127,403	89,609
Other creditors	39,834	92,962
	<u>167,237</u>	<u>422,903</u>

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 March 2023		31 March 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	31,902,488	-	32,292,729	-
Level 2 - Observable market data	13,668,493	-	15,929,117	-
Level 3 - Unobservable data	-	-	-	-
	<u>45,570,981</u>	<u>-</u>	<u>48,221,846</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

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

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

Level 3 - Valuation techniques using unobservable inputs.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

15 POST BALANCE SHEET EVENTS

Since 31 March 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 March 2023^A	26 June 2023	Movement (%)
Income	183.00	180.70	(1.26)%

^A This Net Asset Value differs from that in the Comparative Table as it is the quoted Net Asset Value.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO BARNHAM BROOM FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 April 2022 to 30 September 2022

Group 1: shares purchased prior to 1 April 2022

Group 2: shares purchased on or after 1 April 2022

		Net revenue 30 September 2022 pence per share	Equalisation 30 September 2022 pence per share	Distribution paid 30 November 2022 pence per share	Distribution paid 30 November 2021 pence per share
Income	Group 1	0.7602p	-	0.7602p	0.2387p
	Group 2	0.6181p	0.1421p	0.7602p	0.2387p

Final distribution for the period from 1 October 2022 to 31 March 2023

Group 1: shares purchased prior to 1 October 2022

Group 2: shares purchased on or after 1 October 2022

		Net revenue 31 March 2023 pence per share	Equalisation 31 March 2023 pence per share	Distribution paid 31 May 2023 pence per share	Distribution paid 31 May 2022 pence per share
Income	Group 1	0.5065p	-	0.5065p	0.3325p
	Group 2	0.1445p	0.3620p	0.5065p	0.3325p

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Performance to 31 March 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL James Hambro Master Fund	7.15%	(0.33)%	23.46%	26.42%
IA Flexible Sector	4.62%	(3.98)%	30.42%	23.93%

External Source of Economic Data: Morningstar (Income shares - quoted price to quoted price, net income reinvested).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

Investment commentary

After a difficult start to 2022, financial markets continued to fall in the first part of the year under review. The weakness in specific parts of the market became widespread as valuation concerns gave way to fears of persistent inflation and rising interest rates pushing economies into recession.

Over the year, global equities fell over 6.6% in local currency terms whilst UK gilts fell almost 15.7% in sterling terms and US treasuries declined over 3.2% in dollars. A bonus for sterling-based investors, and for the Fund, was the decline in the pound against most currencies including the dollar, which has itself been strong. The declines were spread across regions and industrial sectors with energy performing the best.

Equity valuations have adjusted materially lower over the twelve months with most markets now trading at or below their 30-year averages. Valuations could cheapen further but are at levels historically associated with reasonable annualised returns over the subsequent five years.

The Fund entered the period with 71% of its assets invested in equities balanced by a combination of defensive holdings, including government-issued bonds, absolute return funds and cash. Equity exposure was reduced further during the early part of the period given our concerns over slowing economic growth and rising inflation. A handful of positions were sold outright but most of the adjustments came through the reduction in position sizes with the proceeds largely held in cash. The Fund's equity exposure reached a low of circa 65% and has been maintained at or somewhat above those levels since.

We have sought to selectively take advantage of falling markets and an example is our newer position in the US company Texas Instruments. With yields having moved higher we have been adding back to defensive government bonds since the end of last summer.

Looking ahead, we remain focused on the outlook for global growth and the difficulty of taming inflation. Recent economic data has been better than anticipated but the adage goes that every interest rate cycle involves the Federal Reserve raising rates until they break something. The recent banking sector troubles highlight that the risks from the extremes of recent years have started to be exposed. We will monitor events closely and retain the flexibility to adjust course quickly.

James Hambro & Partners LLP
12 May 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Income (pence per share)</u>				
Net income paid 31 May	4.3201	3.7987	2.3026	2.2342
Net income paid 30 November		4.7797	3.5718	2.4346

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
ILF GBP Liquidity '3'	2,500,000
BlackRock ICS Sterling Liquidity 'Select' GBP	2,250,000
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	1,928,140
Shell	1,494,372
FP Foresight Global Real Infrastructure 'A' GBP	1,308,615
Texas Instruments	828,200
Intuit	703,414
Union Pacific	326,213
Nestlé	323,567
3i Group	301,747
Other purchases	280,853
Total purchases for the year	12,245,121
<u>Largest sales</u>	<u>Proceeds (£)</u>
Vontobel TwentyFour Absolute Return Credit 'AQG' GBP	2,009,091
Unilever	1,475,496
Polar Capital Global Technology 'I' Sterling	1,167,980
Taiwan Semiconductor Manufacturing Co ADR	1,053,443
Comcast 'A'	1,002,670
Allegion	811,105
Intuit	700,404
RELX	580,425
LVMH Moët Hennessy Louis Vuitton	521,375
Hipgnosis Songs Fund	521,153
Other sales	2,424,255
Total sales for the year	12,267,397

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

COMPARATIVE TABLE

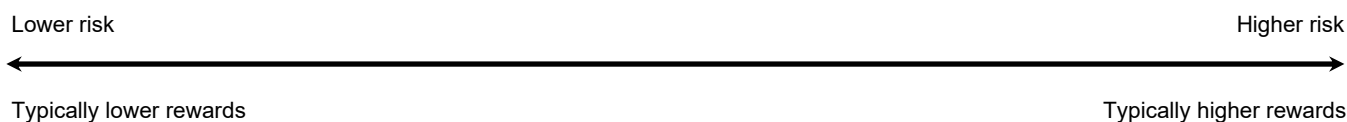
<u>Income shares</u>	Year to 31.03.2023	Year to 31.03.2022	Year to 31.03.2021
Change in net assets per share			
Opening net asset value per share	364.99	350.63	304.67
Return before operating charges*	1.77	25.43	53.82
Operating charges	(3.42)	(3.70)	(3.12)
Return after operating charges*	(1.65)	21.73	50.70
Distributions on income shares	(9.10)	(7.37)	(4.74)
Closing net asset value per share	354.24	364.99	350.63
* after direct transaction costs of:	0.10	0.08	0.22
Performance			
Return after charges ^A	(0.45)%	6.20%	16.64%
Other information			
Closing net asset value (£)	53,944,751	56,454,363	55,552,766
Closing number of shares	15,228,474	15,467,185	15,843,899
Operating charges	0.97% ^B	1.00% ^B	0.92%
Direct transaction costs	0.03%	0.02%	0.07%
Prices			
Highest share price	367.00p	387.70p	357.80p
Lowest share price	327.10p	345.90p	301.50p

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. Direct transaction costs are the total charges in the year, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value in the year and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio is used.

The sub-fund has been measured as 4 because its investments have experienced moderate volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
DEBT SECURITIES (31 March 2022 - 1.95%)		
289,100 UK Treasury Index-Linked 4.125% 22.07.30	1,006,302	1.87
Total Debt Securities	1,006,302	1.87
EXCHANGE TRADED FUNDS (31 March 2022 - 1.58%)		
162,000 iShares \$ TIPS UCITS ETF GBP Hedged	803,763	1.49
430,000 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	1,965,960	3.64
Total Exchange Traded Funds	2,769,723	5.13
UNIT TRUSTS / OEICS (31 March 2022 - 23.72%)		
2,250,000 BlackRock ICS Sterling Liquidity 'Select' GBP	2,250,000	4.17
19,920 CG Portfolio 'The Dollar Fund' GBP Hedged	1,898,974	3.52
935,150 Fidelity Global Dividend 'W'	2,086,320	3.87
1,050,000 FP Foresight Global Real Infrastructure 'A' GBP	1,179,570	2.19
2,250,000 ILF GBP Liquidity '3'	2,250,000	4.17
324,000 Janus Henderson UK Absolute Return 'I'	590,652	1.09
7,297 KLS Arete Macro 'IG' GBP	785,388	1.46
3,865,000 M&G Corporate Bond 'I' Sterling	1,353,523	2.51
2,245,000 Schroder Global Energy Transition 'Q1' GBP	1,235,199	2.29
1,716,750 Trojan Income 'X'	1,574,603	2.92
Total Unit Trusts / OEICs	15,204,229	28.19
EQUITIES (31 March 2022 - 70.74%)		
United Kingdom (31 March 2022 - 21.30%)		
Closed End Investments (31 March 2022 - 9.88%)		
1,605,500 BBGI Global Infrastructure	2,414,672	4.48
1,992,300 Sequoia Economic Infrastructure Income Fund	1,599,817	2.97
	4,014,489	7.45
Consumer Services (31 March 2022 - 2.07%)		
50,180 Compass Group	1,017,650	1.89
Industrial Metals and Mining (31 March 2022 - 2.51%)		
23,275 Rio Tinto	1,266,393	2.35
Industrial Support Services (31 March 2022 - 1.86%)		
28,525 Experian	755,627	1.40
Investment Banking and Brokerage Services (31 March 2022 - 1.05%)		
67,000 3i Group	1,123,255	2.08
Media (31 March 2022 - Nil)		
52,650 RELX	1,375,724	2.55
Oil, Gas and Coal (31 March 2022 - Nil)		
68,350 Shell	1,576,834	2.92
Personal Care, Drug and Grocery Stores (31 March 2022 - 2.32%)		
Retailers (31 March 2022 - 1.61%)		
15,000 Next	982,800	1.82
Total United Kingdom	12,112,772	22.46

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
Europe (31 March 2022 - 13.13%)		
200,000 E.ON	2,020,104	3.74
1,750 LVMH Moët Hennessy Louis Vuitton	1,285,423	2.38
15,825 Nestlé	1,553,231	2.88
11,000 Novartis	815,263	1.51
Total Europe	<u>5,674,021</u>	<u>10.51</u>
Far East (31 March 2022 - 5.81%)		
125,000 AIA Group	1,062,866	1.97
57,500 Shenzhou International Group Holdings	487,734	0.90
14,600 Sony	1,057,585	1.96
Total Far East	<u>2,608,185</u>	<u>4.83</u>
North America (31 March 2022 - 30.50%)		
32,050 Coca-Cola	1,601,852	2.97
15,350 JPMorgan Chase & Co	1,597,144	2.96
5,727 Microsoft	1,314,642	2.44
26,100 Mondelez International	1,466,873	2.72
7,200 New Linde	2,044,800	3.79
27,700 Pfizer	903,412	1.68
2,550 S&P Global	702,955	1.30
5,800 Texas Instruments	863,415	1.60
18,600 The TJX Companies	1,155,680	2.14
8,070 Union Pacific	1,293,874	2.40
1,925 UnitedHealth Group	730,987	1.36
5,500 Visa 'A'	988,444	1.83
Total North America	<u>14,664,078</u>	<u>27.19</u>
Total Equities	<u>35,059,056</u>	<u>64.99</u>
Portfolio of investments	54,039,310	100.18
Net other liabilities	(94,559)	(0.18)
Total net assets	<u>53,944,751</u>	<u>100.00</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

STATEMENT OF TOTAL RETURN

for the year ended 31 March 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(1,285,457)		2,556,798
Revenue	4	1,466,113		1,310,298	
Expenses	5	<u>(378,404)</u>		<u>(401,294)</u>	
Net revenue before taxation		1,087,709		909,004	
Taxation	6	<u>(70,560)</u>		<u>(60,567)</u>	
Net revenue after taxation			<u>1,017,149</u>		<u>848,437</u>
Total return before distributions			(268,308)		3,405,235
Distributions	7		(1,395,540)		(1,143,964)
Change in net assets attributable to shareholders from investment activities			<u>(1,663,848)</u>		<u>2,261,271</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Opening net assets attributable to shareholders		56,454,363		55,552,766
Amounts payable on cancellation of shares	<u>(845,764)</u>	(845,764)	<u>(1,359,674)</u>	(1,359,674)
Change in net assets attributable to shareholders from investment activities		(1,663,848)		2,261,271
Closing net assets attributable to shareholders		<u>53,944,751</u>		<u>56,454,363</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

BALANCE SHEET
as at 31 March 2023

	Notes	31 March 2023 £	31 March 2022 £
Assets:			
Fixed Assets:			
Investments	14	54,039,310	55,321,094
Current Assets:			
Debtors	8	242,056	257,368
Cash and bank balances		353,553	1,496,448
Total assets		<u>54,634,919</u>	<u>57,074,910</u>
Liabilities:			
Creditors:			
Distribution payable on income shares	7	657,890	587,557
Other creditors	9	32,278	32,990
Total liabilities		<u>690,168</u>	<u>620,547</u>
Net assets attributable to shareholders		<u><u>53,944,751</u></u>	<u><u>56,454,363</u></u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 11 to 14.

2 NET CAPITAL (LOSSES)/GAINS

31 March 2023

31 March 2022

£

£

The net (losses)/gains on investments during the year comprise:

Non-derivative securities (losses)/gains	(1,298,749)	2,562,259
Currency gains/(losses)	13,206	(5,375)
Transaction write-backs/(charges)	86	(86)
Net capital (losses)/gains	(1,285,457)	2,556,798

3 PURCHASES, SALES AND TRANSACTION COSTS

31 March 2023

31 March 2022

£

£

Purchases excluding transaction costs:

Equities	6,175,101	7,572,456
Collective Investment Schemes	6,058,615	860,961
	<u>12,233,716</u>	<u>8,433,417</u>

Equities:	Commissions	2,465	3,766
	Taxes and other charges	8,940	4,695

Total purchase transaction costs	<u>11,405</u>	<u>8,461</u>
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Purchases including transaction costs	<u>12,245,121</u>	<u>8,441,878</u>
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Purchase transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.04%	0.05%
	Taxes and other charges	0.14%	0.06%

Sales excluding transaction costs:

Equities	8,844,156	6,511,952
Collective Investment Schemes	3,427,071	3,253,681
	<u>12,271,227</u>	<u>9,765,633</u>

Equities:	Commissions	(3,724)	(3,537)
	Taxes and other charges	(106)	(596)

Total sale transaction costs	<u>(3,830)</u>	<u>(4,133)</u>
------------------------------	----------------	----------------

Sales net of transaction costs	<u>12,267,397</u>	<u>9,761,500</u>
---------------------------------------	--------------------------	-------------------------

Sale transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.04%	0.05%
	Taxes and other charges	0.00%	0.01%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.01%
Taxes and other charges	0.02%	0.01%
	<u>0.03%</u>	<u>0.02%</u>

No significant in-specie transfers were identified in the year (2022: nil).

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Transaction handling (write-backs)/charges

These are (write-backs)/charges payable to the trustee in respect each transaction. (£86) £86

Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date 0.08% 0.05%

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

4 REVENUE	31 March 2023	31 March 2022
	£	£
UK dividends (franked)	391,409	378,697
UK dividends (unfranked)	51,714	39,856
Overseas income non-taxable	837,936	783,261
Overseas income taxable	93,881	97,879
Interest on debt securities	72,047	10,605
Bank credit interest	19,126	-
Total revenue	<u>1,466,113</u>	<u>1,310,298</u>

5 EXPENSES	31 March 2023	31 March 2022
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	378,404	401,286
Sundry expense	-	8
Total expenses	<u>378,404</u>	<u>401,294</u>

The net audit fee is £7,260 (2022: £6,150) which is being met by the ACD.

6 TAXATION	31 March 2023	31 March 2022
	£	£
a Analysis of the tax charge for the year		
Overseas tax	70,560	60,567
Total tax charge (see note 6(b))	<u>70,560</u>	<u>60,567</u>

b Factors affecting the tax charge for the year
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.

Net revenue before taxation	1,087,709	909,004
Corporation tax at 20% (2022: 20%)	217,542	181,801
Effects of:		
Revenue not subject to taxation	(245,869)	(232,392)
Unrelieved excess management expenses	28,327	50,591
Overseas tax	70,560	60,567
Total tax charge (see note 6(a))	<u>70,560</u>	<u>60,567</u>

At 31 March 2023 the sub-fund has deferred tax assets of £371,381 (2022: £343,054) arising from surplus management expenses of £1,856,906 (2022: £1,715,271) which have not been recognised due to uncertainty over the availability of future taxable profits.

7 DISTRIBUTIONS	31 March 2023	31 March 2022
	£	£
The distributions take account of revenue received or deducted on the issue and cancellation of shares, and comprise:		
Interim	730,473	553,686
Final	657,890	587,557
Amounts deducted on cancellation of shares	7,182	2,730
Revenue brought forward	(5)	(9)
Distributions	<u>1,395,540</u>	<u>1,143,964</u>
Net revenue after taxation	1,017,149	848,438
ACD fees paid from capital	378,391	295,526
	<u>1,395,540</u>	<u>1,143,964</u>

8 DEBTORS	31 March 2023	31 March 2022
	£	£
Accrued income	158,151	214,477
Currency Receivables	-	13
Taxation recoverable	83,905	42,878
Total debtors	<u>242,056</u>	<u>257,368</u>

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IFSL JAMES HAMBRO MASTER FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

9 OTHER CREDITORS

	31 March 2023	31 March 2022
	£	£
ACD's periodic charge	32,278	32,904
Accrued expenses	-	86
Total other creditors	<u>32,278</u>	<u>32,990</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD in respect of the ACD's periodic charge are disclosed in note 5. Amounts due to the ACD at the year end are £32,278 (2022: £32,904).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

Income	0.70%
--------	-------

12 SHAREHOLDERS' FUNDS RECONCILIATION

	Income
Opening shares in issue at 1 April 2022	<u>15,467,185</u>
Share cancellations	<u>(238,711)</u>
Closing shares in issue at 31 March 2023	<u>15,228,474</u>

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £2,701,966 (2022: £2,766,055). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 31 March 2023:	Investments	Net current assets	Total
	£	£	£
Danish kroner	-	1,535	1,535
Euro	4,681,252	32,126	4,713,378
Hong Kong dollar	1,550,600	-	1,550,600
Japanese yen	1,057,585	3,185	1,060,770
Swedish kroner	-	583	583
Swiss Franc	2,368,494	19,852	2,388,346
US dollar	14,664,077	17,029	14,681,106
	<u>24,322,008</u>	<u>74,310</u>	<u>24,396,318</u>

Foreign currency exposure at 31 March 2022:	Investments	Net current assets	Total
	£	£	£
Danish kroner	-	1,480	1,480
Euro	5,121,946	34,044	5,155,990
Hong Kong dollar	1,589,412	-	1,589,412
Japanese yen	1,690,619	4,183	1,694,802
Swedish kroner	-	612	612
Swiss Franc	2,287,836	15,361	2,303,197
US dollar	17,228,462	24,038	17,252,500
	<u>27,918,275</u>	<u>79,718</u>	<u>27,997,993</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £1,219,816 (2022: £1,399,900). A five per cent increase would have an equal and opposite effect.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

RISK DISCLOSURES

Interest rate risk

31 March 2023
£

31 March 2022
£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate	9,179,338	2,600,109
Financial assets non-interest bearing instruments	45,455,581	54,474,801
Financial liabilities non-interest bearing instruments	(690,168)	(620,547)
	<u>53,944,751</u>	<u>56,454,363</u>

As most of the sub-fund's financial assets are non-interest bearing, an interest rate sensitivity analysis has not been included.

Liquidity risk

31 March 2023
£

31 March 2022
£

The following table provides a maturity analysis of the sub-fund's financial liabilities:

Within one year:

Distribution payable on income shares	657,890	587,557
Other creditors	32,278	32,990
	<u>690,168</u>	<u>620,547</u>

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 March 2023		31 March 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	38,835,082	-	41,937,652	-
Level 2 - Observable market data	15,204,228	-	13,383,442	-
Level 3 - Unobservable data	-	-	-	-
	<u>54,039,310</u>	<u>-</u>	<u>55,321,094</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 31 March 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 March 2023 ^A	26 June 2023	Movement (%)
Income	358.70	351.30	(2.06)%

^A This Net Asset Value differs from that in the Comparative Table as it is the quoted Net Asset Value.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO MASTER FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 April 2022 to 30 September 2022

Group 1: shares purchased prior to 1 April 2022

Group 2: shares purchased on or after 1 April 2022

		Net revenue 30 September 2022 pence per share	Equalisation 30 September 2022 pence per share	Distribution paid 30 November 2022 pence per share	Distribution paid 30 November 2021 pence per share
Income	Group 1	4.7797p	-	4.7797p	3.5718p
	Group 2	4.7797p	-	4.7797p	3.5718p

Final distribution for the period from 1 October 2022 to 31 March 2023

Group 1: shares purchased prior to 1 October 2022

Group 2: shares purchased on or after 1 October 2022

		Net revenue 31 March 2023 pence per share	Equalisation 31 March 2023 pence per share	Distribution paid 31 May 2023 pence per share	Distribution paid 31 May 2022 pence per share
Income	Group 1	4.3201p	-	4.3201p	3.7987p
	Group 2	4.3201p	-	4.3201p	3.7987p

IFSL JAMES HAMBRO UMBRELLA FUND
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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Performance to 31 March 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL James Hambro Penrhos Fund	2.83%	(4.57)%	20.38%	21.65%
IA Mixed Investment 40-85% Shares Sector	5.32%	(4.62)%	27.12%	22.42%

External Source of Economic Data: Morningstar (Income shares - quoted price to quoted price, net income reinvested).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

Investment commentary

After a difficult start to 2022, financial markets continued to fall in the first part of the year under review. The weakness in specific parts of the market became widespread as valuation concerns gave way to fears of persistent inflation and rising interest rates pushing economies into recession.

Over the year, global equities fell 6.6% in local currency terms whilst UK gilts fell 15.7% in sterling terms and US treasuries declined 3.2% in dollars. Gold provided greater protection in the second half of the period finishing the year up 5% in dollars. A bonus for sterling-based investors, and for the Fund, was the decline in the pound against most currencies including the dollar, which has itself been strong. The declines were spread across regions and industrial sectors with energy performing the best. The Fund has little exposure to energy given its investment restrictions.

Equity valuations have adjusted materially lower over the twelve months with most markets now trading at or below their 30-year averages. Valuations could cheapen further but are at levels historically associated with reasonable annualised returns over the subsequent five years.

The Fund entered the period with 68% of its assets invested in equities balanced by a combination of defensive holdings, including government-issued bonds, gold, and cash. Equity exposure was reduced further during the early part of the period given our concerns over slowing economic growth and rising inflation. A handful of positions were sold outright but most of the adjustments came through the reduction in position sizes with the proceeds largely held in cash. The Fund's equity exposure reached a low of circa 63% and has been maintained at or somewhat above those levels since.

Investors are struggling to predict the future path of growth and with it interest rates in the face of conflicting data. There remains a disconnect between the current environment and the future slowdown that many expect. Employment, wage growth and consumer spending all point to a healthy environment for the important services sector even as leading indicators, principally in manufacturing, indicate tough times ahead.

The residual shockwaves of the pandemic continue to reverberate, whilst the avoidance of the expected energy Armageddon has provided a boost to wallets and sentiment. The jury is still to deliver a verdict on whether a recession can be avoided or simply postponed. What seems certain is that central banks want to see clear trends towards lower inflation and softening wage inflation before deciding to alter the course of interest rate policy.

We spent much of last year building more resilience into portfolios given our concerns that the rapid tightening of financial conditions would ultimately lead to recessionary conditions. With yields having moved sharply higher we have been adding back to defensive sovereign bonds since the end of last summer whilst retaining exposure to gold, a tried and tested asset in uncertain times. Both have demonstrated their protective worth through the recent banking fears.

As higher interest rates make their way through the economic plumbing there may well be more accidents as the speculative excesses of the zero-rate era are laid bare. In this regard, commercial real estate is an asset class that is moving higher up the list of concerns for investors.

Almost all rate cycles have ended in a recession. We see insufficient evidence that this one, the fastest in 40 years, will not have the same result. We therefore retain our preference for caution and ensuring portfolios are shipshape to withstand whatever squalls appear on the horizon.

James Hambro & Partners LLP
12 May 2023

IFSL JAMES HAMBRO UMBRELLA FUND
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AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Income (pence per share)</u>				
Net income paid 28 February	11.2266	8.5612	3.6294	7.1784
Net income paid 31 May	12.4240	14.0802	9.9013	12.0625
Net income paid 31 August		10.4264	5.6585	4.2042
Net income paid 30 November		16.6337	14.8350	10.1795

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Liquidity 'Select' GBP	400,000
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	295,654
FTF ClearBridge Global Infrastructure Income 'I'	204,930
UK Treasury 1% 31.01.32	199,476
UK Treasury 0.25% 31.07.31	168,306
Lansdowne European 'F' GBP	165,000
Shell	152,659
Northrop Grumman	136,567
International Business Machines	135,813
SPDR S&P US Dividend Aristocrats UCITS ETF	127,559
Other purchases	440,553
Total purchases for the year	2,426,517
<u>Largest sales</u>	<u>Proceeds (£)</u>
Vontobel TwentyFour Absolute Return Credit 'AQQ' GBP	237,528
iShares S&P US Banks UCITS ETF USD	231,840
UK Treasury Index-Linked 1.25% 22.11.27	209,815
Trojan Income 'X'	193,000
Lyxor / Tiedemann Arbitrage Strategy 'I' GBP	188,186
Pictet Global Environmental Opportunities 'I dy' GBP	186,757
Brown Advisory US Mid-Cap Growth 'C' Dollar	170,924
BlackRock European Dynamic 'FD' GBP	162,896
Polar Capital Global Technology 'I' Sterling	150,626
Allianz All China Equity 'WT' GBP	145,077
Other sales	840,461
Total sales for the year	2,717,110

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

COMPARATIVE TABLE

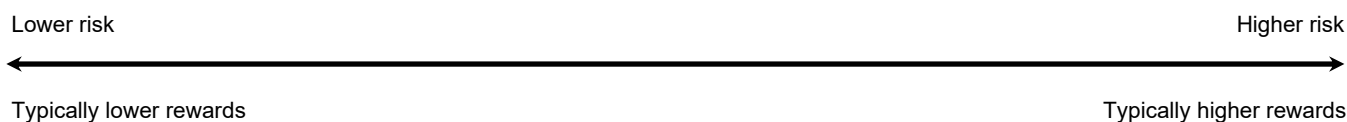
<u>Income shares</u>	Year to 31.03.2023	Year to 31.03.2022	Year to 31.03.2021
Change in net assets per share			
Opening net asset value per share	3,391.27	3,242.33	2,745.56
Return before operating charges*	(94.32)	249.61	577.93
Operating charges	(49.63)	(57.54)	(53.25)
Return after operating charges*	(143.95)	192.07	524.68
Distributions on income shares	(50.71)	(43.13)	(27.91)
Closing net asset value per share	3,196.61	3,391.27	3,242.33
* after direct transaction costs of:	0.68	0.74	1.70
Performance			
Return after charges ^A	(4.24)%	5.92%	19.11%
Other information			
Closing net asset value (£)	7,706,309	8,663,572	8,473,772
Closing number of shares	241,077	255,467	261,348
Operating charges	1.54% ^B	1.68% ^B	1.70%
Direct transaction costs	0.02%	0.02%	0.05%
Prices			
Highest share price	3376.90p	3,629.80p	3,370.20p
Lowest share price	3046.30p	3,191.20p	2,728.70p

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. Direct transaction costs are the total charges in the year, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value in the year and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio is used.

The sub-fund has been measured as 4 because its investments have experienced moderate volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL JAMES HAMBRO UMBRELLA FUND
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PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
DEBT SECURITIES (31 March 2022 - 2.41%)		
195,600 UK Treasury 0.25% 31.07.31	150,464	1.95
225,000 UK Treasury 1% 31.01.32	182,519	2.37
Total Debt Securities	332,983	4.32
EXCHANGE TRADED FUNDS (31 March 2022 - 7.94%)		
66,000 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	301,752	3.92
15,850 iShares Physical Gold ETC	493,623	6.41
2,275 SPDR S&P US Dividend Aristocrats UCITS ETF	124,183	1.61
Total Exchange Traded Funds	919,558	11.94
UNIT TRUSTS / OEICS (31 March 2022 - 35.26%)		
400,000 BlackRock ICS Sterling Liquidity 'Select' GBP	400,000	5.19
1,520 Brevan Howard Absolute Return Government Bond 'G' GBP	157,574	2.04
2,825 CG Portfolio 'The Dollar Fund' GBP Hedged	269,307	3.49
2,570 CRUX Asia ex-Japan 'F' GBP	192,519	2.50
189,275 Fidelity Emerging Markets Focus 'R' GBP	242,840	3.15
167,700 FTF ClearBridge Global Infrastructure Income 'S'	180,278	2.34
1,560 KLS Arete Macro 'IG' GBP	167,912	2.18
163 Lansdowne European 'F' GBP	171,418	2.22
1,145 Lazard Rathmore Alternative 'EA' GBP Hedged	146,689	1.90
1,035 Lumyna MW TOPS UCITS 'G' GBP	192,216	2.49
330,000 Schroder Global Energy Transition 'Q1' GBP	181,566	2.36
Total Unit Trusts / OEICs	2,302,319	29.86
EQUITIES (31 March 2022 - 50.81%)		
United Kingdom (31 March 2022 - 13.68%)		
Beverages (31 March 2022 - 2.02%)		
4,500 Diageo	162,338	2.11
Closed End Investments (31 March 2022 - 2.78%)		
4,750 Worldwide Healthcare Trust	146,775	1.90
Consumer Services (31 March 2022 - 1.72%)		
9,000 Compass Group	182,520	2.37
Industrial Metals and Mining (31 March 2022 - 2.85%)		
3,200 Rio Tinto	174,112	2.26
Industrial Support Services (31 March 2022 - 1.73%)		
5,000 Experian	132,450	1.72
Oil, Gas and Coal (31 March 2022 - Nil)		
7,000 Shell	161,490	2.10
Real Estate Investment Trusts (31 March 2022 - 1.18%)		
Retailers (31 March 2022 - 1.40%)		
2,000 Next	131,040	1.70
Total United Kingdom	1,090,725	14.16
Europe (31 March 2022 - 5.98%)		
250 LVMH Moët Hennessy Louis Vuitton	183,632	2.38
1,285 Nestlé	126,123	1.64
495 Sika	110,388	1.43
Total Europe	420,143	5.45

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
Far East (31 March 2022 - 4.03%)		
15,200 AIA Group	129,245	1.68
300 Keyence	117,081	1.52
1,500 Sony	108,656	1.41
Total Far East	<u>354,982</u>	<u>4.61</u>
North America (31 March 2022 - 27.12%)		
1,500 Alphabet 'C'	122,812	1.59
1,920 Amphenol 'A'	125,145	1.62
665 Aon	168,257	2.18
1,880 Charles Schwab	79,697	1.03
2,900 Coca-Cola	144,941	1.88
1,230 International Business Machines	128,457	1.67
2,200 JPMorgan Chase & Co	228,907	2.97
700 Microsoft	160,686	2.09
580 New Linde	164,720	2.14
335 Northrop Grumman	124,796	1.62
410 Pool	111,003	1.44
870 Texas Instruments	129,512	1.68
335 Thermo Fisher Scientific	152,370	1.98
800 Union Pacific	128,265	1.66
310 UnitedHealth Group	117,717	1.53
950 Visa 'A'	170,731	2.22
Total North America	<u>2,258,016</u>	<u>29.30</u>
Total Equities	<u>4,123,866</u>	<u>53.52</u>
Portfolio of investments	7,678,726	99.64
Net other assets	27,583	0.36
Total net assets	<u>7,706,309</u>	<u>100.00</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

STATEMENT OF TOTAL RETURN
for the year ended 31 March 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(399,274)		505,834
Revenue	4	139,613		121,492	
Expenses	5	<u>(102,074)</u>		<u>(116,069)</u>	
Net revenue before taxation		37,539		5,423	
Taxation	6	<u>(7,722)</u>		<u>(4,222)</u>	
Net revenue after taxation			<u>29,817</u>		<u>1,201</u>
Total return before distributions			(369,457)		507,035
Distributions	7		(125,675)		(112,656)
Change in net assets attributable to shareholders from investment activities			<u>(495,132)</u>		<u>394,379</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the year ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Opening net assets attributable to shareholders		8,663,572		8,473,772
Amounts receivable on issue of shares	82,956		124,299	
Amounts payable on cancellation of shares	<u>(545,087)</u>		<u>(328,878)</u>	
		(462,131)		(204,579)
Change in net assets attributable to shareholders from investment activities		(495,132)		394,379
Closing net assets attributable to shareholders		<u>7,706,309</u>		<u>8,663,572</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

BALANCE SHEET
as at 31 March 2023

	Notes	31 March 2023 £	31 March 2022 £
Assets:			
Fixed Assets:			
Investments	14	7,678,726	8,353,364
Current Assets:			
Debtors	8	11,560	62,624
Cash and bank balances		63,989	342,338
Total assets		<u>7,754,275</u>	<u>8,758,326</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	39,824
Distribution payable on income shares	7	29,951	35,970
Other creditors	9	18,015	18,960
Total liabilities		<u>47,966</u>	<u>94,754</u>
Net assets attributable to shareholders		<u><u>7,706,309</u></u>	<u><u>8,663,572</u></u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 11 to 14.

2 NET CAPITAL (LOSSES)/GAINS

The net (losses)/gains on investments during the year comprise:

	31 March 2023	31 March 2022
	£	£
Non-derivative securities (losses)/gains	(399,477)	505,993
Currency gains	641	266
Transaction charges	(438)	(425)
Net capital (losses)/gains	<u>(399,274)</u>	<u>505,834</u>

3 PURCHASES, SALES AND TRANSACTION COSTS

Purchases excluding transaction costs:

	31 March 2023	31 March 2022
	£	£
Equities	1,131,913	1,450,714
Debt securities	367,782	-
Collective Investment Schemes	925,635	377,798
	<u>2,425,330</u>	<u>1,828,512</u>

Equities:	Commissions	426	692
	Taxes and other charges	761	751

Total purchase transaction costs	<u>1,187</u>	<u>1,443</u>
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Purchases including transaction costs	<u>2,426,517</u>	<u>1,829,955</u>
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Purchase transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.04%	0.05%
	Taxes and other charges	0.07%	0.05%

Sales excluding transaction costs:

Equities	988,892	984,487
Debt securities	209,815	221,058
Collective Investment Schemes	1,518,897	996,651
	<u>2,717,604</u>	<u>2,202,196</u>

Equities:	Commissions	(479)	(479)
	Taxes and other charges	(15)	(7)

Total sale transaction costs	<u>(494)</u>	<u>(486)</u>
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Sales net of transaction costs	<u>2,717,110</u>	<u>2,201,710</u>
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Sale transaction costs expressed as a percentage of the principal amount:

Equities:	Commissions	0.05%	0.05%
	Taxes and other charges	0.00%	0.00%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.01%
Taxes and other charges	0.01%	0.01%
	<u>0.02%</u>	<u>0.02%</u>

No significant in-specie transfers were identified in the year (2022: nil).

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Transaction handling charges

These are charges payable to the trustee in respect each transaction.

<u>£438</u>	<u>£425</u>
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Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date	<u>0.04%</u>	<u>0.05%</u>
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IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

4 REVENUE	31 March 2023	31 March 2022
	£	£
UK dividends (franked)	39,875	50,943
UK dividends (unfranked)	1,407	1,028
Overseas income non-taxable	68,656	47,557
Overseas income taxable	10,342	13,512
Interest on debt securities	14,427	8,452
Bank credit interest	4,906	-
Total revenue	<u>139,613</u>	<u>121,492</u>

5 EXPENSES	31 March 2023	31 March 2022
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	82,274	92,269
Administration fees	2,649	7,336
KIID fee	589	634
	<u>85,512</u>	<u>100,239</u>
Other expenses:		
Depositary's fees	2,561	3,247
Safe Custody fees	4,520	5,066
Financial Conduct Authority fee	117	117
Audit fee	9,364	7,380
Bank credit interest	-	20
	<u>16,562</u>	<u>15,830</u>
Total expenses	<u>102,074</u>	<u>116,069</u>

The net audit fee is £7,260 (2022: £6,150).

6 TAXATION	31 March 2023	31 March 2022
	£	£
a Analysis of the tax charge for the year		
Overseas tax	7,722	4,222
Total tax charge (see note 6(b))	<u>7,722</u>	<u>4,222</u>

b Factors affecting the tax charge for the year
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.

Net revenue/(expense) before taxation	37,539	5,423
Corporation tax at 20% (2022: 20%)	7,508	1,085
Effects of:		
Revenue not subject to taxation	(21,706)	(19,700)
Unrelieved excess management expenses	14,198	18,615
Overseas tax	7,722	4,222
Total tax charge (see note 6(a))	<u>7,722</u>	<u>4,222</u>

At 31 March 2023 the sub-fund has deferred tax assets of £204,047 (2022: £189,848) arising from surplus management expenses of £1,020,234 (2022: £949,241) which have not been recognised due to uncertainty over the availability of future taxable profits.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

7 DISTRIBUTIONS

31 March 2023

31 March 2022

£

£

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

First interim	25,946	14,966
Second interim	40,977	39,111
Third interim	27,710	22,123
Final	29,951	35,970

Amounts deducted on cancellation of shares	1,304	576
Amounts added on issue of shares	(213)	(90)
Distributions	125,675	112,656

Net revenue after taxation	29,817	1,201
Total expenses paid from capital	102,074	116,049
Tax relief on ACD fee in capital	(6,216)	(4,594)
	125,675	112,656

8 DEBTORS

31 March 2023

31 March 2022

£

£

Sales awaiting settlement	-	38,416
Accrued income	9,903	22,255
Currency receivables	-	2
Taxation recoverable	1,657	1,951
Total debtors	11,560	62,624

9 OTHER CREDITORS

31 March 2023

31 March 2022

£

£

ACD's periodic charge	6,916	7,459
Accrued expenses	11,099	11,501
Total other creditors	18,015	18,960

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD in respect of the ACD's periodic charge and other fees are disclosed in note 5. Amounts due to the ACD at the year end are £7,451 (2022: £10,356).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

Income	1.03%
--------	-------

12 SHAREHOLDERS' FUNDS RECONCILIATION

	Income
Opening shares in issue at 1 April 2022	255,467
Share issues	2,548
Share cancellations	(16,938)
Closing shares in issue at 31 March 2023	241,077

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £383,936 (2022: £417,668). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 31 March 2023:	Investments £	Net current assets £	Total £
Euro	183,632	121	183,753
Hong Kong dollar	129,244	-	129,244
Japanese yen	225,737	573	226,310
Swiss franc	236,511	2,442	238,953
US dollar	2,875,824	1,274	2,877,098
	<u>3,650,948</u>	<u>4,410</u>	<u>3,655,358</u>

Foreign currency exposure at 31 March 2022:	Investments £	Net current assets £	Total £
Euro	263,150	1,329	264,479
Hong Kong dollar	122,005	-	122,005
Japanese yen	227,192	465	227,657
Swiss franc	254,400	825	255,225
US dollar	3,229,010	1,502	3,230,512
	<u>4,095,757</u>	<u>4,121</u>	<u>4,099,878</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £182,768 (2022: £204,994). A five per cent increase would have an equal and opposite effect.

Interest rate risk

The interest rate risk profile of financial assets and liabilities consists of the following:

	31 March 2023 £	31 March 2022 £
Financial assets floating rate	1,256,298	746,269
Financial assets non-interest bearing instruments	6,497,977	8,012,058
Financial liabilities floating rate	-	(39,824)
Financial liabilities non-interest bearing instruments	(47,966)	(54,931)
	<u>7,706,309</u>	<u>8,663,572</u>

As most of the sub-fund's financial assets are non-interest bearing, an interest rate sensitivity analysis has not been included.

Liquidity risk

The following table provides a maturity analysis of the sub-fund's financial liabilities:

	31 March 2023 £	31 March 2022 £
Within one year:		
Bank overdrafts	-	39,824
Distribution payable on income shares	29,951	35,970
Other creditors	18,015	18,960
	<u>47,966</u>	<u>94,754</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 March 2023		31 March 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	5,376,408	-	5,298,390	-
Level 2 - Observable market data	2,302,318	-	3,054,974	-
Level 3 - Unobservable data	-	-	-	-
	<u>7,678,726</u>	<u>-</u>	<u>8,353,364</u>	<u>-</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 31 March 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)			Movement (%)
	31 March 2023 ^A	26 June 2023		
Income	3,209.70	3,160.70		(1.53)%

^A This Net Asset Value differs from that in the Comparative Table as it is the quoted Net Asset Value.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO PENRHOS FUND

DISTRIBUTION TABLE

First interim distribution for the period from 1 April 2022 to 30 June 2022

Group 1: shares purchased prior to 1 April 2022

Group 2: shares purchased on or after 1 April 2022

		Net revenue 30 June 2022 pence per share	Equalisation 30 June 2022 pence per share	Distribution paid 31 August 2022 pence per share	Distribution paid 31 August 2021 pence per share
Income	Group 1	10.4264p	-	10.4264p	5.6585p
	Group 2	8.9373p	1.4891p	10.4264p	5.6585p

Second interim distribution for the period from 1 July 2022 to 30 September 2022

Group 1: shares purchased prior to 1 July 2022

Group 2: shares purchased on or after 1 July 2022

		Net revenue 30 September 2022 pence per share	Equalisation 30 September 2022 pence per share	Distribution paid 30 November 2022 pence per share	Distribution paid 30 November 2021 pence per share
Income	Group 1	16.6337p	-	16.6337p	14.8350p
	Group 2	16.6337p	-	16.6337p	14.8350p

Third interim distribution for the period from 1 October 2022 to 31 December 2022

Group 1: shares purchased prior to 1 October 2022

Group 2: shares purchased on or after 1 October 2022

		Net revenue 31 December 2022 pence per share	Equalisation 31 December 2022 pence per share	Distribution paid 28 February 2023 pence per share	Distribution paid 28 February 2022 pence per share
Income	Group 1	11.2266p	-	11.2266p	8.5612p
	Group 2	1.2780p	9.9486p	11.2266p	8.5612p

Final distribution for the period from 1 January 2023 to 31 March 2023

Group 1: shares purchased prior to 1 January 2023

Group 2: shares purchased on or after 1 January 2023

		Net revenue 31 March 2023 pence per share	Equalisation 31 March 2023 pence per share	Distribution paid 31 May 2023 pence per share	Distribution paid 31 May 2022 pence per share
Income	Group 1	12.4240p	-	12.4240p	14.0802p
	Group 2	5.3333p	7.0907p	12.4240p	14.0802p

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 March 2023

Performance to 31 March 2023

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL James Hambro Rires Fund	2.67%	(4.47)%	16.10%	17.75%
IA Mixed Investment 40-85% Shares Sector	5.32%	(4.62)%	27.12%	22.42%

External Source of Economic Data: Morningstar (Income shares - quoted price to quoted price, net income reinvested).

The performance figures above are based on quoted prices and will, therefore, differ from the performance in the Comparative Table.

Capital at risk. Past performance is not a reliable indicator of future performance; the value of your investment and any income from it can go down as well as up. Performance returns are based on the net asset value with distributable income reinvested and take account of all ongoing charges, but not entry charges (if applicable). The past performance of this unit class is calculated in sterling.

Investment commentary

After a difficult start to 2022, financial markets continued to fall in the first part of the year under review. The weakness in specific parts of the market became widespread as valuation concerns gave way to fears of persistent inflation and rising interest rates pushing economies into recession.

Over the year, global equities fell 6.6% in local currency terms whilst UK gilts fell 15.7% in sterling terms and US treasuries declined 3.2% in dollars. Gold provided greater protection in the second half of the period finishing the year up 5% in dollars. A bonus for sterling-based investors, and for the Fund, was the decline in the pound against most currencies including the dollar, which has itself been strong. The declines were spread across regions and industrial sectors with energy performing the best. The Fund has little exposure to energy given its investment restrictions.

Equity valuations have adjusted materially lower over the twelve months with most markets now trading at or below their 30-year averages. Valuations could cheapen further but are at levels historically associated with reasonable annualised returns over the subsequent five years.

The Fund entered the period with 68% of its assets invested in equities balanced by a combination of defensive holdings, including government-issued bonds, gold, and cash. Equity exposure was reduced further during the early part of the period given our concerns over slowing economic growth and rising inflation. A handful of positions were sold outright but most of the adjustments came through the reduction in position sizes with the proceeds largely held in cash. The Fund's equity exposure reached a low of circa 63% and has been maintained at or somewhat above those levels since.

The residual shockwaves of the pandemic continue to reverberate, whilst the avoidance of the expected energy Armageddon has provided a boost to wallets and sentiment. The jury is still to deliver a verdict on whether a recession can be avoided or simply postponed. What seems certain is that central banks want to see clear trends towards lower inflation and softening wage inflation before deciding to alter the course of interest rate policy.

We spent much of last year building more resilience into portfolios given our concerns that the rapid tightening of financial conditions would ultimately lead to recessionary conditions. With yields having moved sharply higher we have been adding back to defensive sovereign bonds since the end of last summer whilst retaining exposure to gold, a tried and tested asset in uncertain times. Both have demonstrated their protective worth through the recent banking fears.

As higher interest rates make their way through the economic plumbing there may well be more accidents as the speculative excesses of the zero-rate era are laid bare. In this regard, commercial real estate is an asset class that is moving higher up the list of concerns for investors.

Almost all rate cycles have ended in a recession. We see insufficient evidence that this one, the fastest in 40 years, will not have the same result. We therefore retain our preference for caution and ensuring portfolios are shipshape to withstand whatever squalls appear on the horizon.

James Hambro & Partners LLP
12 May 2023

Distributions

	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>	<u>Year 2020</u>
<u>Income (pence per share)</u>				
Net income paid 31 May	4.2564	2.5699	-	1.6749
Net income paid 30 November		5.2001	1.5166	-

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

AUTHORISED INVESTMENT MANAGER'S REPORT
for the year ended 31 March 2023

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
BlackRock ICS Sterling Liquidity 'Select' GBP	750,000
iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	627,420
SPDR S&P US Dividend Aristocrats UCITS ETF	452,624
Schroder Asian Income 'Z' GBP	423,037
UK Treasury 0.25% 31.07.31	417,454
Shell	408,179
UK Treasury 1% 31.01.32	403,385
FTF ClearBridge Global Infrastructure Income 'I'	391,040
Northrop Grumman	372,340
Charles Schwab	318,652
Other purchases	2,027,460
Total purchases for the year	6,591,591
<u>Largest sales</u>	<u>Proceeds (£)</u>
BlackRock ICS Sterling Liquidity 'Select' GBP	750,869
North Atlantic Smaller Companies Investment Trust	545,712
UK Treasury Index-Linked 1.25% 22.11.27	419,630
AXA Framlington UK Mid Cap 'ZI' GBP	384,650
iShares S&P US Banks UCITS ETF USD	358,978
Vontobel TwentyFour Absolute Return Credit 'AQQ' GBP	346,395
Pictet Global Environmental Opportunities 'I dy' GBP	340,067
Polar Capital Global Technology 'I' Sterling	284,200
BlackRock European Dynamic 'FD' GBP	279,796
Allianz All China Equity 'WT' GBP	232,406
Other sales	1,360,528
Total sales for the year	5,303,231

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

COMPARATIVE TABLE

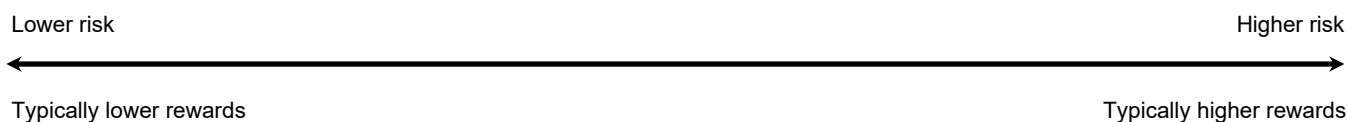
<u>Income shares</u>	Year to 31.03.2023	Year to 31.03.2022	Year to 31.03.2021
Change in net assets per share			
Opening net asset value per share	1,648.25	1,567.96	1,355.65
Return before operating charges*	(57.57)	107.27	232.31
Operating charges	(19.60)	(22.89)	(20.00)
Return after operating charges*	(77.17)	84.38	212.31
Distributions on income shares	(9.46)	(4.09)	-
Closing net asset value per share	1,561.62	1,648.25	1,567.96
* after direct transaction costs of:	0.44	0.35	0.87
Performance			
Return after charges ^A	(4.68)%	5.38%	15.66%
Other information			
Closing net asset value (£)	16,990,755	15,743,355	15,127,643
Closing number of shares	1,088,023	955,154	964,796
Operating charges	1.25% ^B	1.38% ^B	1.33%
Direct transaction costs	0.03%	0.02%	0.06%
Prices			
Highest share price	1640.60p	1,747.90p	1,607.30p
Lowest share price	1489.80p	1,541.30p	1,347.60p

^A The return after charges is calculated using the underlying investments bid prices.

^B From 30 April 2021, the Operating Charges (or Ongoing Charges Figure) calculation has been extended to include, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

Operating charges are the same as the ongoing charges and are the total expenses paid by each share class in the year. Direct transaction costs are the total charges in the year, included in the purchase and sale of investments in the portfolio of the sub-fund. These amounts are expressed as a percentage of the average net asset value in the year and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR



1	2	3	4	5	6	7
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This indicator aims to give you a measure of the price movement of the sub-fund based on past data. It uses historic returns over the last five years. If five years' data is not available, simulated data based on a representative portfolio is used.

The sub-fund has been measured as 4 because its investments have experienced moderate volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
DEBT SECURITIES (31 March 2022 - 2.65%)		
500,000 UK Treasury 0.25% 31.07.31	384,622	2.26
455,000 UK Treasury 1% 31.01.32	369,094	2.17
Total Debt Securities	753,716	4.43
EXCHANGE TRADED FUNDS (31 March 2022 - 7.63%)		
140,000 iShares \$ Treasury Bond 7-10yr UCITS ETF GBP Hedged	640,080	3.77
29,400 iShares Physical Gold ETC	915,617	5.39
7,650 SPDR S&P US Dividend Aristocrats UCITS ETF	417,582	2.46
Total Exchange Traded Funds	1,973,279	11.62
UNIT TRUSTS / OEICS (31 March 2022 - 30.80%)		
3,350 Brevan Howard Absolute Return Government Bond 'G' GBP	347,284	2.04
6,000 CG Portfolio 'The Dollar Fund' GBP Hedged	571,980	3.37
4,885 CRUX Asia ex-Japan 'F' GBP	365,935	2.15
303,065 Fidelity Emerging Markets Focus 'R' GBP	388,832	2.29
450,000 FTF ClearBridge Global Infrastructure Income 'S'	483,750	2.85
4,000 KLS Arete Macro 'IG' GBP	430,544	2.53
311 Lansdowne European 'F' GBP	327,253	1.93
2,430 Lazard Rathmore Alternative 'EA' GBP Hedged	311,314	1.83
1,880 Lumyna MW TOPS UCITS 'G' GBP	349,146	2.05
500,000 Schroder Asian Income 'Z' GBP	402,450	2.37
700,000 Schroder Global Energy Transition 'Q1' GBP	385,140	2.27
Total Unit Trusts / OEICs	4,363,628	25.68
EQUITIES (31 March 2022 - 55.66%)		
United Kingdom (31 March 2022 - 19.58%)		
Beverages (31 March 2022 - 2.35%)		
9,500 Diageo	342,712	2.02
Closed End Investments (31 March 2022 - 6.14%)		
10,000 Worldwide Healthcare Trust	309,000	1.82
Consumer Services (31 March 2022 - 1.84%)		
17,500 Compass Group	354,900	2.09
Industrial Metals and Mining (31 March 2022 - 2.92%)		
6,500 Rio Tinto	353,665	2.08
Leisure Goods (31 March 2022- 2.47%)		
324 Brompton Bicycle ^A	379,080	2.23
Media (31 March 2022 - 1.35%)		
8,850 RELX	231,162	1.36
Oil, Gas and Coal (31 March 2022 - Nil)		
18,000 Shell	415,260	2.44
Real Estate Investment Trusts (31 March 2022 - 1.18%)		
Retailers (31 March 2022 - 1.33%)		
3,450 Next	226,044	1.33
Total United Kingdom	2,611,823	15.37

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

PORTFOLIO STATEMENT

as at 31 March 2023

Holding or nominal value	Bid value £	Percentage of total net assets %
Europe (31 March 2022 - 6.36%)		
650 LVMH Moët Hennessy Louis Vuitton	477,443	2.81
2,150 Nestlé	211,023	1.24
950 Sika	211,855	1.25
Total Europe	900,321	5.30
Far East (31 March 2022 - 4.16%)		
27,400 AIA Group	232,980	1.37
700 Keyence	273,190	1.61
3,200 Sony	231,799	1.36
Total Far East	737,969	4.34
North America (31 March 2022 - 25.56%)		
2,700 Alphabet 'C'	221,062	1.30
4,150 Amphenol 'A'	270,496	1.59
1,180 Aon	298,561	1.76
5,000 Charles Schwab	211,960	1.25
5,000 Coca-Cola	249,899	1.47
2,140 International Business Machines	223,494	1.32
3,500 JPMorgan Chase & Co	364,170	2.14
1,400 Microsoft	321,372	1.89
1,165 New Linde	330,860	1.95
950 Northrop Grumman	353,899	2.08
750 Pool	203,055	1.20
1,650 Texas Instruments	245,627	1.45
650 Thermo Fisher Scientific	295,644	1.74
1,360 Union Pacific	218,051	1.28
640 UnitedHealth Group	243,029	1.43
1,750 Visa 'A'	314,505	1.85
Total North America	4,365,684	25.70
Total Equities	8,615,797	50.71
Portfolio of investments	15,706,420	92.44
Net other assets	1,284,335	7.56
Total net assets	16,990,755	100.00

^A Unlisted security.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

STATEMENT OF TOTAL RETURN

for the year ended 31 March 2023

	Notes	31 March 2023		31 March 2022	
		£	£	£	£
Income:					
Net capital (losses)/gains	2		(840,040)		751,320
Revenue	4	264,936		211,021	
Expenses	5	<u>(157,196)</u>		<u>(162,918)</u>	
Net revenue before taxation		107,740		48,103	
Taxation	6	<u>(12,935)</u>		<u>(8,478)</u>	
Net revenue after taxation			<u>94,805</u>		<u>39,625</u>
Total return before distributions			(745,235)		790,945
Distributions	7		(94,805)		(39,625)
Change in net assets attributable to shareholders from investment activities			<u><u>(840,040)</u></u>		<u><u>751,320</u></u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the year ended 31 March 2023

	31 March 2023		31 March 2022	
	£	£	£	£
Opening net assets attributable to shareholders		15,743,355		15,127,643
Amounts receivable on issue of shares	3,228,830		855,248	
Amounts payable on cancellation of shares	<u>(1,141,390)</u>		<u>(990,856)</u>	
		2,087,440		(135,608)
Change in net assets attributable to shareholders from investment activities		(840,040)		751,320
Closing net assets attributable to shareholders		<u><u>16,990,755</u></u>		<u><u>15,743,355</u></u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

BALANCE SHEET
as at 31 March 2023

	Notes	31 March 2023 £	31 March 2022 £
Assets:			
Fixed Assets:			
Investments	14	15,706,420	15,229,820
Current Assets:			
Debtors	8	28,452	40,201
Cash and bank balances		1,316,677	606,224
Total assets		<u>17,051,549</u>	<u>15,876,245</u>
Liabilities:			
Creditors:			
Bank overdrafts		-	95,341
Distribution payable on income shares	7	46,311	24,547
Other creditors	9	14,483	13,002
Total liabilities		<u>60,794</u>	<u>132,890</u>
Net assets attributable to shareholders		<u>16,990,755</u>	<u>15,743,355</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

1 ACCOUNTING, DISTRIBUTION AND RISK MANAGEMENT POLICIES

Please refer to the notes applicable to the Company on pages 11 to 14.

2 NET CAPITAL (LOSSES)/GAINS

The net (losses)/gains on investments during the year comprise:

	31 March 2023	31 March 2022
	£	£
Non-derivative securities (losses)/gains	(838,910)	751,061
Currency (losses)/gains	(1,130)	259
Net capital (losses)/gains	<u>(840,040)</u>	<u>751,320</u>

3 PURCHASES, SALES AND TRANSACTION COSTS

Purchases excluding transaction costs:

	31 March 2023	31 March 2022
	£	£
Equities	3,029,618	2,241,108
Debt securities	820,838	-
Collective Investment Schemes	<u>2,737,857</u>	<u>720,182</u>
	6,588,313	2,961,290
Equities: Commissions	1,244	1,068
Taxes and other charges	<u>2,034</u>	<u>1,359</u>
Total purchase transaction costs	<u>3,278</u>	<u>2,427</u>
Purchases including transaction costs	<u><u>6,591,591</u></u>	<u><u>2,963,717</u></u>

Purchase transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.04%	0.05%
Taxes and other charges	0.07%	0.06%

Sales excluding transaction costs:

Equities	1,963,739	1,413,998
Debt securities	419,630	460,537
Collective Investment Schemes	<u>2,920,965</u>	<u>974,265</u>
	5,304,334	2,848,800
Equities: Commissions	(1,082)	(762)
Taxes and other charges	<u>(21)</u>	<u>(963)</u>
Total sale transaction costs	<u>(1,103)</u>	<u>(963)</u>
Sales net of transaction costs	<u><u>5,303,231</u></u>	<u><u>2,847,837</u></u>

Sale transaction costs expressed as a percentage of the principal amount:

Equities: Commissions	0.06%	0.05%
Taxes and other charges	0.00%	0.01%

Total purchases and sales transaction costs expressed as a percentage of the average net asset value over the year:

Commissions	0.01%	0.01%
Taxes and other charges	<u>0.01%</u>	<u>0.01%</u>
	<u><u>0.02%</u></u>	<u><u>0.02%</u></u>

No significant in-specie transfers were identified in the year (2022: nil).

Transaction costs are commissions paid to agents, levies by regulatory agencies and securities exchanges, and transfer taxes and duties associated with investment transactions on the sub-fund. These exclude any differences between quoted bid and offer prices or internal administrative on holding costs.

Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date	<u><u>0.04%</u></u>	<u><u>0.11%</u></u>
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IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

4 REVENUE	31 March 2023	31 March 2022
	£	£
UK dividends (franked)	83,902	88,523
UK dividends (unfranked)	2,563	1,873
Overseas income non-taxable	119,520	85,518
Overseas income taxable	11,592	19,969
Interest on debt securities	28,431	15,138
Bank credit interest	18,928	-
Total revenue	<u>264,936</u>	<u>211,021</u>

5 EXPENSES	31 March 2023	31 March 2022
	£	£
Payable to the ACD or associate:		
ACD's periodic charge	157,196	162,918
Total expenses	<u>157,196</u>	<u>162,918</u>

The net audit fee is £7,810 (2022: £6,150) which is being met by the ACD.

6 TAXATION	31 March 2023	31 March 2022
	£	£
a Analysis of the tax charge for the year		
Overseas tax	12,935	8,478
Total tax charge (see note 6(b))	<u>12,935</u>	<u>8,478</u>

b Factors affecting the tax charge for the year
The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an open ended investment company (20%). The differences are explained below.

Net revenue/(expense) before taxation	107,740	48,103
Corporation tax at 20% (2022: 20%)	21,548	9,621
Effects of:		
Revenue not subject to taxation	(40,684)	(34,808)
Unrelieved excess management expenses	19,136	25,187
Overseas tax	12,935	8,478
Total tax charge (see note 6(a))	<u>12,935</u>	<u>8,478</u>

At 31 March 2023 the sub-fund has deferred tax assets of £190,367 (2022: £171,231) arising from surplus management expenses of £951,837 (2022: £856,156) which have not been recognised due to uncertainty over the availability of future taxable profits.

7 DISTRIBUTIONS	31 March 2023	31 March 2022
	£	£
The distributions take account of revenue received or deducted on the issue and cancellation of shares, and comprise:		
Interim	50,829	15,172
Final	46,311	24,547
Amounts (received)/deducted on cancellation of shares	1,327	(71)
Amounts deducted/(received) on issue of shares	(3,662)	(23)
Distributions	<u>94,805</u>	<u>39,625</u>
Net revenue after taxation	<u>94,805</u>	<u>39,625</u>

8 DEBTORS	31 March 2023	31 March 2022
	£	£
Accrued income	21,267	35,640
Currency receivables	-	3
Taxation recoverable	7,185	4,558
Total debtors	<u>28,452</u>	<u>40,201</u>

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

9 OTHER CREDITORS

	31 March 2023	31 March 2022
	£	£
ACD's periodic charge	14,483	13,002
Total other creditors	<u>14,483</u>	<u>13,002</u>

10 RELATED PARTIES

The ACD is involved in all transactions in the shares of the sub-fund, the aggregate values of which are set out in the statement of change in net assets attributable to shareholders and note 7. Amounts due to/from the ACD in respect of share transactions at the year end are disclosed in notes 8 and 9. Amounts paid to the ACD in respect of the ACD's periodic charge are disclosed in note 5. Amounts due to the ACD at the year end are £14,483 (2022: £13,002).

11 SHARE CLASSES

The share classes in issue for the sub-fund and the annual management charge for each share class is as follows:

Income	1.00%
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12 SHAREHOLDERS' FUND RECONCILIATION

	<u>Income</u>
Opening shares in issue at 1 April 2022	955,154
Share issues	205,744
Share cancellations	(72,875)
Closing shares in issue at 31 March 2023	<u>1,088,023</u>

13 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the sub-fund's portfolio would have the effect of increasing the return and net assets by £785,321 (2022: £761,491). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the sub-fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Foreign currency exposure at 31 March 2023:	Investments £	Net current assets £	Total £
Danish kroner	-	354	354
Euro	477,443	3,171	480,614
Japanese yen	504,989	1,271	506,260
Hong Kong Dollar	232,980	-	232,980
Swiss franc	422,878	5,400	428,278
US dollar	5,698,881	2,335	5,701,216
	<u>7,337,171</u>	<u>12,531</u>	<u>7,349,702</u>

Foreign currency exposure at 31 March 2022:	Investments £	Net current assets £	Total £
Danish kroner	-	341	341
Euro	544,825	4,395	549,220
Japanese yen	434,476	913	435,389
Hong Kong Dollar	219,930	-	219,930
Swiss franc	456,683	2,322	459,005
US dollar	5,224,705	2,673	5,227,378
	<u>6,880,619</u>	<u>10,644</u>	<u>6,891,263</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of increasing the return and net assets by £367,485 (2022: £344,563). A five per cent increase would have an equal and opposite effect.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2023

RISK DISCLOSURES

Interest rate risk

31 March 2023

31 March 2022

£

£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets floating rate	1,316,677	606,225
Financial assets interest bearing instruments	1,741,080	770,919
Financial assets non-interest bearing instruments	13,993,792	14,499,101
Financial liabilities floating rate	-	(95,341)
Financial liabilities non-interest bearing instruments	(60,794)	(37,549)
	<u>16,990,755</u>	<u>15,743,355</u>

As most of the sub-fund's financial assets are non-interest bearing, an interest rate sensitivity analysis has not been included.

Liquidity risk

31 March 2023

31 March 2022

£

£

The following table provides a maturity analysis of the sub-fund's financial liabilities:

Within one year:

Bank overdrafts	-	95,341
Distribution payable on income shares	46,311	24,547
Other creditors	14,483	13,002
	<u>60,794</u>	<u>132,890</u>

14 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 March 2023		31 March 2022	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	10,963,711	-	9,992,927	-
Level 2 - Observable market data	4,363,629	-	4,848,093	-
Level 3 - Unobservable data ^A	379,080	-	388,800	-
	<u>15,706,420</u>	<u>-</u>	<u>15,229,820</u>	<u>-</u>

^A Brompton Bicycle is unlisted and is valued by the Investment Manager based on the latest information received from the company.

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the sub-fund classifies fair value measurement under the following levels:

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

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

Level 3 - Valuation techniques using unobservable inputs.

15 POST BALANCE SHEET EVENTS

Since 31 March 2023, the Net Asset Value per share has changed as follows:

	Net Asset Value per share (pence)		
	31 March 2023 ^A	26 June 2023	Movement (%)
Income	1,565.70	1,548.20	(1.12)%

^A This Net Asset Value differs from that in the Comparative Table as it is the quoted Net Asset Value.

IFSL JAMES HAMBRO UMBRELLA FUND
IFSL JAMES HAMBRO RIRES FUND

DISTRIBUTION TABLE

Interim distribution for the period from 1 April 2022 to 30 September 2022

Group 1: shares purchased prior to 1 April 2022

Group 2: shares purchased on or after 1 April 2022

		Net revenue 30 September 2022 pence per share	Equalisation 30 September 2022 pence per share	Distribution paid 30 November 2022 pence per share	Distribution paid 30 November 2021 pence per share
Income	Group 1	5.2001p	-	5.2001p	1.5166p
	Group 2	5.0484p	0.1517p	5.2001p	1.5166p

Final distribution for the period from 1 October 2022 to 31 March 2023

Group 1: shares purchased prior to 1 October 2022

Group 2: shares purchased on or after 1 October 2022

		Net revenue 31 March 2023 pence per share	Equalisation 31 March 2023 pence per share	Distribution paid 31 May 2023 pence per share	Distribution paid 31 May 2022 pence per share
Income	Group 1	4.2564p	-	4.2564p	2.5699p
	Group 2	2.2357p	2.0207p	4.2564p	2.5699p

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