

# Investments

## **HBOS UK Investment Funds ICVC Annual Report and Financial Statements**

**For the year ended 31st January 2019**



**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
*for the year ended 31st January 2019*

## Contents

Introduction*	1
Director's Report and Statement*	2
Independent Auditors' Report	7
Statement of the Authorised Corporate Director's (ACD's) Responsibilities	9
Statement of the Depositary's Responsibilities in respect of the Scheme and Report of the Depositary	9
Investment markets overview*, Comparative table, Material portfolio changes*, Portfolio statement*, Securities Financing Transactions (SFT) and Financial statements:	
Corporate Bond Fund	10
UK Equity Income Fund	31
UK FTSE 100 Index Tracking Fund	59
UK FTSE All-Share Index Tracking Fund	79
UK Growth Fund	107
Notes to the Financial Statements	136
Distribution Tables	163
Additional Information*	181

\*Collectively, these comprise the Authorised Corporate Director's Report.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

# **Introduction**

## **Annual Report and Financial Statements**

We are pleased to present the Annual Report and Financial Statements for the HBOS UK Investment Funds ICVC ("the Company") for the year ended 31st January 2019. The financial statements have been prepared on an individual basis for all Funds as permitted by the Financial Conduct Authority's ("the FCA") Collective Investment Schemes Sourcebook ("the COLL Sourcebook").

As required by the COLL Sourcebook, information for each of the five Funds has also been included.

## **About the Company**

The HBOS UK Investment Funds ICVC is an Open-Ended Investment Company ("OEIC") with variable capital incorporated in England and Wales and authorised by the Financial Conduct Authority "the FCA" (previously the Financial Services Authority "the FSA") with effect from 20th September 2000. The Company is managed by HBOS Investment Fund Managers Limited, the Authorised Corporate Director ("the ACD"), who is responsible for the day to day running of the Company including the preparation of interim and annual reports. The property of the Company is entrusted to State Street Trustees Limited ("the Depositary").

The objective of the Company is to invest the Scheme Property in transferable securities, money market instruments, cash and near cash, Derivatives and forward transactions, deposits and units (as defined in the COLL Sourcebook) of collective investment schemes in accordance with the COLL Sourcebook, with the aim of spreading investment risk and giving its Shareholders the benefit of the results of the management of that property. The Shareholders have no interest in the Scheme Property, and are not liable for the debts of the Company.

The Company is a UCITS scheme operating in accordance with the COLL Sourcebook and is structured as an umbrella company, as defined in the Open-Ended Investment Company Regulations 2001 ("the OEIC Regulations"), in that it currently contains five Funds, each with different investment objectives. New Funds may be established from time to time by the ACD with the approval of the FCA. Within the financial statements there is an investment review for each Fund as at 31st January 2019, which includes details of the investment objectives.

The Corporate Bond Fund was launched on 11th September 2002.

The following four Funds were launched on 3rd November 2000 following the conversion of four existing unit trusts:

UK Equity Income Fund  
UK FTSE 100 Index Tracking Fund  
UK FTSE All-Share Index Tracking Fund  
UK Growth Fund

# Director's Report and Statement

## Director's Report

HBOS Investment Fund Managers Limited is the Authorised Corporate Director ("the ACD") and Registrar for the HBOS UK Investment Funds ICVC. HBOS Investment Fund Managers Limited is authorised and regulated by the Financial Conduct Authority ("the FCA"). The ACD is the sole director.

The HBOS UK Investment Funds ICVC is an Open-Ended Investment Company with variable capital under Regulation 12 (Authorisation) of the Open-Ended Investment Companies Regulations 2001. It is a UCITS scheme and is structured as an umbrella scheme with five Funds. The shareholders are not liable for any debts of the Company.

The assets of each Fund are separate from those of every other Fund and are invested in accordance with the investment objective and investment policy applicable to that Fund. The investment objective for each of the five Funds, together with the ACD's policy for achieving those objectives and a review of the investment activities during the year, is set out in the respective investment market overview in this report.

The assets of each Fund belong exclusively to that Fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for such purpose.

Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investments provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund of the Company in every circumstance.

New Funds may be established from time to time by the ACD with the approval of the FCA and Depositary.

The ultimate parent undertaking of the ACD is Lloyds Banking Group plc.

The statement of the ACD's Responsibilities is set out on page 9 of this report. The names and addresses of the ACD, the Depositary, the Investment Adviser, the Registrar and the Auditors can be found on page 181 of this report.

During the year there have been a number of changes to the Company. These changes are detailed below in the section Prospectus changes.

### Prospectus changes

During the year and up to the date of this report, the following changes were made to the Company and therefore the following changes were reflected in the Prospectus of HBOS UK Investment Funds ICVC:

- The ACD has, under an administration services agreement, appointed Diligenta to provide the services of a transfer agent. Diligenta is a UK-based subsidiary of Tata Consultancy Services (TCS) and is authorised and regulated by the FCA (firm reference number 438831). The services undertaken by Diligenta include the processing of applications for buying and selling Shares, the servicing of certain investor requests and other administration services relating to the Company. The Prospectus of the Company was updated with effect from 1st March 2018 to disclose these administration services arrangements.

The administration address for any customer queries for Retail Share Classes C, F, G, P, Q and R is HIFML Administration, PO Box 28132, 15 Dalkeith Road, Edinburgh EH16 9BF.

The administration address for Retail Share Class A and the Institutional Share Class is HIFML Administration, PO Box 30000, 15 Dalkeith Road, Edinburgh EH16 9AT.

- In light of the implementation of the EU Benchmark Regulation, the Prospectus of the Company was amended on 23rd November 2018 to disclose the name of the administrators of the benchmark indices of the relevant Funds as required by this Regulation.

A copy of the Prospectus is available on request.

### Sub-fund cross-holdings

As at 31st January 2019 there were no shares in sub-funds of the HBOS UK Investment Funds ICVC held by other sub-funds of the Company.

### Remuneration disclosures

The Undertakings for Collective Investment in Transferable Securities V (UCITS V) Directive requires the annual report of UCITS funds to contain a remuneration disclosure. The requirements include disclosing the total amount of remuneration paid by the UCITS fund providers to its staff for the financial year, split into fixed and variable remuneration.

This section provides an analysis of remuneration awards made by Lloyds Banking Group ('the Group') to its UCITS Identified Staff for the Group's financial year to 31st December 2018, together with an explanation of the Group's remuneration policies, structure and governance.

# Director's Report and Statement (continued)

## Director's Report (continued)

### Remuneration disclosures (continued)

#### Quantitative remuneration disclosure

**Aggregate remuneration paid for the year ended 31st December 2018 to senior management and members of staff whose actions have a material impact on the risk profile of the UCITS (Identified Staff)**

	Senior management	Risk Takers	Control staff	Other members of staff with material impact	Total
Fixed remuneration	£642,034	£1,266,618	£1,252,776	£0	£3,161,428
Variable remuneration	£634,034	£1,183,469	£1,242,776	£0	£3,060,279
Carried interest	£0	£0	£0	£0	£0
<b>TOTAL</b>	<b>£1,276,068</b>	<b>£2,450,087</b>	<b>£2,495,552</b>	<b>£0</b>	<b>£6,221,707</b>
Number of Identified Staff <sup>1</sup>	4	5	5	0	14

<sup>1</sup> Excludes contractors as well as colleagues who receive remuneration in respect of their normal professional Group activities only and do not receive any remuneration specifically in relation to UCITS activities. There are 5 additional individuals falling into this category.

Staff shown in the table above are employed by the Group in relation to activities relating to the management of UCITS funds and are subject to the Group remuneration policy. They also perform other Group activities; no staff are directly employed by the UCITS funds. The investment management of the UCITS funds is carried out by an external investment adviser, Aberdeen Asset Investments Limited (AAIL) and the fees paid for these services are disclosed in the external investment adviser fees table.

Some individuals are subject to more than one regulatory regime, e.g. AIFMD, UCITS V and CRD IV, therefore the enhanced CRD IV regulatory requirements such as clawback apply.

#### Quantitative UCITS disclosure

The table below shows the total net asset value of all funds the identified staff are responsible for, specifically highlighting the proportion of the assets related to the HBOS UK Investment Funds ICVC.

As at 31st December 2018 the assets under management for all funds were as follows:		
	Net asset value £	% of total assets
HBOS Actively Managed Portfolio Funds ICVC	63,973,717	0.36%
HBOS International Investment Funds ICVC	2,770,712,176	15.62%
HBOS Property Investment Funds ICVC	446,346,014	2.52%
HBOS Specialised Investment Funds ICVC	3,561,923,528	20.08%
<b>HBOS UK Investment Funds ICVC</b>	<b>10,898,893,251</b>	<b>61.42%</b>
<b>Total: HBOS Investment Fund Managers Limited</b>	<b>17,741,848,686</b>	<b>100.00%</b>

#### External investment adviser fees

The table below is a summary of the annual investment adviser fees paid to external investment advisers for investment management services, for the year to 31st December 2018, specifically highlighting the proportion of the fees related to the HBOS UK Investment Funds ICVC.

These fees are paid by HBOS Investment Fund Managers Limited.

Annual investment adviser fees paid to external investment advisers for the year to 31st December 2018 were:		
	Fees £	% of total fees
HBOS Actively Managed Portfolio Funds ICVC	372,267	2.06%
HBOS International Investment Funds ICVC	3,072,275	17.00%
HBOS Property Investment Funds ICVC	21,897	0.12%
HBOS Specialised Investment Funds ICVC	5,708,574	31.59%
<b>HBOS UK Investment Funds ICVC</b>	<b>8,898,424</b>	<b>49.23%</b>
<b>Total: HBOS Investment Fund Managers Limited</b>	<b>18,073,437</b>	<b>100.00%</b>

Aberdeen Asset Investments Limited is subject to remuneration rules under Directive 2013/36/EU ("CRD IV") that are equally as effective as those applicable under the UCITS V regime. Staff employed by Aberdeen Asset Investments Limited who are "Identified Staff" for the purposes of the Guidelines published from time to time by the European Securities and Markets Authority are subject to remuneration rules commensurate with those which apply to Identified Staff of the UCITS. Aberdeen Asset Investments Limited makes information on remuneration publicly available in accordance with the disclosure requirements.

## **Director's Report and Statement (continued)**

### **Director's Report (continued)**

#### **Remuneration disclosures (continued)**

##### **Qualitative remuneration disclosure**

##### **Decision-making process for remuneration policy**

The Group has a strong belief in aligning the remuneration delivered to the Group's executives with the successful performance of the business and, through this, the delivery of long-term, superior and sustainable returns to shareholders. It has continued to seek the views of shareholders and other key stakeholders with regard to remuneration policy and seeks to motivate, incentivise and retain talent while being mindful of the economic outlook. An essential component of the Group's approach to remuneration is the governance process that underpins it. This ensures that the policy is robustly applied and risk is managed appropriately.

The overarching purpose of the Remuneration Committee is to consider, agree and recommend to the Board an overall remuneration policy and philosophy for the Group that is defined by, supports and is closely aligned to its long-term business strategy, business objectives, risk appetite and values and recognises the interests of relevant stakeholders.

The remuneration policy governs all aspects of remuneration and applies in its entirety to all divisions, business units and companies in the Group, including wholly-owned overseas businesses and all colleagues, contractors and temporary staff. The Committee reviews the policy annually and pays particular attention to the top management population, including the highest paid colleagues in each division, those colleagues who perform senior management functions for the Group and Material Risk Takers.

##### **Governance and risk management**

An essential component of the approach to remuneration is the governance process that underpins it. This ensures that the policy is robustly applied and risk is managed appropriately.

In addition to setting the overall remuneration policy and philosophy for the Group, the Remuneration Committee ensures that colleagues who could have a material impact on the Group's risk profile are provided with appropriate incentives and reward to encourage them to enhance the performance of the Group and that they are recognised for their individual contribution to the success of the organisation, whilst ensuring that there is no reward for excessive risk taking. The Remuneration Committee works closely with the Risk Committee in ensuring the Group Performance Share (GPS) plan outcome is moderated. The two committees determine whether the proposed GPS outcome and performance assessments adequately reflect the risk appetite and framework of the Group; whether it took account of current and future risks; and whether any further adjustment is required or merited. The Group and the Remuneration Committee are determined to ensure that the aggregate of the variable remuneration for all colleagues is appropriate and balanced with the interests of shareholders and all other stakeholders.

The Remuneration Committee's terms of reference are available from the Company Secretary and are displayed on the Group's website, [www.lloydsbankinggroup.com/ourgroup/corporate-governance](http://www.lloydsbankinggroup.com/ourgroup/corporate-governance). These terms are reviewed each year to ensure compliance with the remuneration regulations and were last updated in November 2018.

The Remuneration Committee appoints independent consultants to provide advice on specific matters according to their particular expertise. During the year, Mercer (part of the MMC group of companies) was the appointed adviser to the Remuneration Committee.

##### **Composition of the Remuneration Committee**

The members of the Committee during 2018 were Anita Frew (chairman until September 2018), Lord Blackwell, Alan Dickinson, Stuart Sinclair (chairman from September 2018), and Sara Weller.

##### **Role of the relevant stakeholders**

During 2018, the Committee has consulted extensively with a number of shareholders and key stakeholders, such as the Group's main regulators, the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). The Chairman of the Remuneration Committee has also met with the Group's recognised unions.

The Group conducts colleague surveys every six months to measure engagement and culture. The engagement survey includes specific questions relating to reward and discussions on the Group's remuneration approach takes place with union representatives during the annual pay review cycle and on relevant employee reward matters.

##### **Link between pay and performance**

The Group's approach to reward is intended to provide a clear link between remuneration and delivery of its key strategic objectives, supporting the aim of becoming the best bank for customers, and through that, for shareholders. To this end, the performance management process has been developed, with the close participation of the Group's Risk team, to embed performance measures across the Group's reward structure which are challenging and reflect Group and divisional achievement in addition to personal contribution.

The use of a balanced scorecard approach to measure performance enables the Remuneration Committee to assess the performance of the Group and its senior executives in a consistent and performance-driven way. The Group's remuneration policy supports the business values and strategy, based on building long-term relationships with customers and colleagues and managing the financial consequences of business decisions across the entire economic cycle.

## Director's Report and Statement (continued)

### Director's Report (continued)

#### Remuneration disclosures (continued)

##### Design and structure of remuneration processes

When establishing the remuneration policy and associated frameworks, the Group is required to take into account its size, organisation and the nature, scope and complexity of its activities.

Remuneration is delivered via a combination of fixed and variable remuneration. Fixed remuneration reflects the role, responsibility and experience of a colleague. Variable remuneration is based on an assessment of individual, business area and Group performance. The mix of variable and fixed remuneration is driven by seniority, grade and role. Taking into account the expected value of awards, the performance-related elements of pay make up a considerable proportion of the total remuneration package for Identified Staff, whilst maintaining an appropriate balance between the fixed and variable elements.

Remuneration for control functions is set in relation to benchmark market data to ensure that it is possible to attract and retain staff with the appropriate knowledge, experience and skills. An appropriate balance between fixed and variable compensation supports this approach. Generally, control function staff receive a higher proportion of fixed remuneration than other colleagues. Particular attention is paid to ensure remuneration for control function staff is linked to the performance of their function and independent from the business areas they control.

The information below summarises the different remuneration elements for Identified Staff.

##### Base salary

Base salaries are reviewed annually, taking into account individual performance and market information.

##### Fixed share award

The fixed share award, made annually, delivers Lloyds Banking Group shares over a period of five years. It ensures that total fixed remuneration is commensurate with the role and provides a competitive reward package, with an appropriate balance of fixed and variable remuneration, in line with regulatory requirements.

The fixed share award can be amended or withdrawn in the following circumstances:

- to reflect a change in role;
- to reflect a Group leave policy (e.g. parental leave or sickness absence);
- termination of employment with the Group;
- if the award would be inconsistent with any applicable legal, regulatory or tax requirements or market practice.

##### Benefits and all employee share plans

Core benefits for UK-based colleagues include pension, private medical insurance, life insurance, car or car allowance (eligibility dependent on grade) and other benefits that may be selected through the Group's flexible benefits plan. Benefits can be amended or withdrawn in the following circumstances:

- to reflect a change to colleague contractual terms;
- to reflect a change of grade;
- termination of employment with the Group;
- to reflect a change of Reward Strategy/benefit provision;
- if the award would be inconsistent with any statutory or tax requirements.

##### Short-term variable remuneration arrangements

The Group Performance Share (GPS) plan is an annual discretionary bonus plan.

The plan is designed to reflect specific goals linked to the performance of the Group. The majority of colleagues participate in the GPS plan.

Individual GPS awards are based upon individual contribution, overall Group financial results and Balanced Scorecard ratings over the past financial year. The Group's total risk-adjusted GPS outcome is determined by the Remuneration Committee annually as a percentage of the Group's underlying profit, modified for:

- Group Balanced Scorecard performance
- Collective and discretionary adjustments to reflect risk matters and/or other factors.

The Group applies deferral arrangements to GPS and variable pay awards made to colleagues.

GPS awards for Identified Staff are subject to deferral and a holding period in line with regulatory requirements and market practice.

## **Director's Report and Statement (continued)**

### **Director's Report (continued)**

#### **Remuneration disclosures (continued)**

##### **Group Ownership Share Plan**

The Group Ownership Share (GOS) plan is a core part of the reward strategy and an important tool for aligning the Group's reward strategy to the long-term performance of the business.

Through the application of carefully considered, stretching target measures, the Group can ensure that awards are forfeited or restricted where performance does not meet the desired level.

The GOS plan pays out in shares based on performance against Group financial and other non-financial strategic targets measured over a three-year period. Shares are released in line with regulatory requirements and market practice.

##### **Deferral, vesting and performance adjustment**

At least 40 per cent of Identified Staff variable remuneration above certain thresholds is deferred into Lloyds Banking Group Shares.

For all Identified Staff, GPS is deferred in line with the regulatory requirements and subject to a 12-month retention period.

For all colleagues, any deferred variable remuneration amount is subject to performance adjustment (malus) in accordance with the Group's Deferral and Performance Adjustment Policy.

### **Director's Statement**

In accordance with the rules in the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, I hereby approve the report and financial statements on behalf of the Authorised Corporate Director of the HBOS UK Investment Funds ICVC.

**Sean Lowther**

**Director**

**HBOS Investment Fund Managers Limited**

16th May 2019



## **Independent auditors' report to the Shareholders of HBOS UK Investment Funds ICVC**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, HBOS UK Investment Funds ICVC's financial statements:

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 31st January 2019 and of the net revenue and the net capital losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

HBOS UK Investment Funds ICVC (the "Company") is an Open Ended Investment Company ("OEIC") with five sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheets as at 31st January 2019; the Statements of Total Return and the Statements of Change in Net Assets Attributable to Shareholders for the year then ended; the Distribution Tables; Summary of Significant Accounting Policies applicable to all sub-funds; and the Notes to the Financial Statements, which include a description of the significant accounting policies for each of the sub-funds.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Authorised Corporate Director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's or any of the sub-funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's or any of the sub-funds' ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's or any of the sub-funds' business and the wider economy.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

#### **Authorised Corporate Director's Report**

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the Shareholders of HBOS UK Investment Funds ICVC (continued)**

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the Authorised Corporate Director for the financial statements*

As explained more fully in the Statement of the Authorised Corporate Director's (ACD's) Responsibilities set out on page 9, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

#### *Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes Sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Opinion on matter required by the Collective Investment Schemes Sourcebook**

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

#### **Collective Investment Schemes Sourcebook exception reporting**

Under the Collective Investment Schemes Sourcebook we are also required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

## Statement and Reports

### Statement of the Authorised Corporate Director's (ACD's) Responsibilities

The rules in the Collective Investment Schemes Sourcebook issued by the Financial Conduct Authority ("the FCA") require the ACD to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net gains and losses on the property of the Company for the year then ended. In preparing the financial statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- comply with the requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014;
- follow generally accepted UK accounting principles and applicable UK accounting standards; 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 responsible for keeping proper accounting records and for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the FCA Rules.

The ACD has general responsibility for taking such steps as are reasonably open to it to prevent and detect fraud and other irregularities.

### Statement of the Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Shareholders of the HBOS UK Investment Funds ICVC ("the Company")

#### *Statement of the Depositary's responsibilities in respect of the Scheme*

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), 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 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 ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and 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.

## Corporate Bond Fund

### Investment markets overview

#### Investment objective

The investment objective of the Corporate Bond Fund is to provide an above average income from a diversified portfolio of interest bearing securities.

#### Investment policy

The portfolio is invested primarily in a wide range of investment grade interest bearing securities, principally sterling and euro denominated, offering a yield in excess of the FTSE FTA Government Securities All Stocks Index. If the FTSE FTA Government Securities All Stocks Index is discontinued or the basis of compilation of that index is changed, another index or basis which (as nearly as possible) will give a similar result to that which would have been the case but for the discontinuance or change will be used.

Derivatives may be used for efficient portfolio management purposes only.

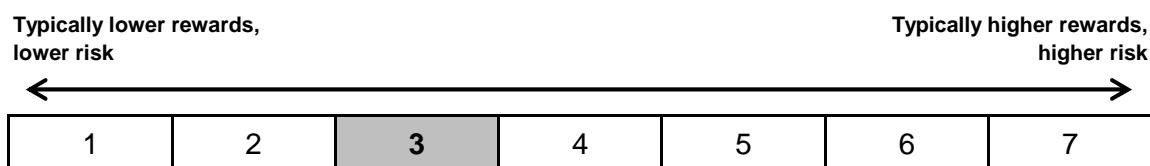
#### UCITS scheme

The Fund would qualify as a UCITS scheme operating under Chapter 5 of the COLL Sourcebook if it were in itself an Open-Ended Investment Company in respect of which an authorisation order made by the FCA were in force. Not more than 10% of the scheme property may consist of units in collective investment schemes.

#### Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to the fund Risk Profiles we used to determine our investment portfolios (where we used our own methodology to take an overall look at the funds' risks and aims and group our funds into Cautious/Medium, Medium, Medium/Adventurous, Adventurous Profiles).



The Fund is ranked at 3\* because it has experienced low to medium levels of volatility over the past 5 years.

\* As disclosed in the key investor information document dated 4th February 2019.

#### Investment review

Performance	01/02/18 to 31/01/19 %	01/02/17 to 31/01/18 %	01/02/16 to 31/01/17 %	01/02/15 to 31/01/16 %	01/02/14 to 31/01/15 %
Corporate Bond Fund	0.67	6.59	8.64	(2.64)	11.36

Source: Lipper after 1st February 2018 and Financial Express for previous years.

Basis: Percentage growth, total return Share Class C (gross of annual management charge), published prices at 12.00pm.

Past performance is not a guide to future performance. The value of an investment and the revenue from it may go up and down and you may get back less than invested.

Volatility returned to risk markets at the beginning of the review period, with credit spreads widening in both February and March. The main drivers were an escalation in fears of a trade war between the world's two largest economies, China and the US, along with rising inflation and some softer economic data globally. The trade issue remained in the spotlight through most of the review period as did, within the UK, the Brexit negotiations. Concerns around the potential impact of both these factors gradually led to a deterioration in the global economic backdrop over the year and influenced financial markets throughout. Alongside these issues for much of the period we saw increasingly hawkish central bank rhetoric which caused a pick-up in volatility in risk.

Credit spreads widened through the spring months, with the economic environment and European politics – in the form of Italian political instability – causing some concern. With monetary policy being gradually tightened in a number of jurisdictions including the UK, risk assets globally began to price in this new environment.

Corporate bond markets were materially calmer over the summer of 2018. Spreads tightened modestly in both investment grade and high yield markets, supported by fundamental data and lower-than-expected levels of new issuance. Government bond yields rose on a rising trend, however, led by US Treasuries as higher inflation and tighter monetary policy were priced in. Developed markets materially outperformed emerging markets which were particularly affected by the weakness in Turkey and Argentina. Towards the end of the quarter, the sterling market investment grade market lagged other markets as Brexit concerns increased.

## **Corporate Bond Fund**

### **Investment markets overview (continued)**

#### Investment review (continued)

The final three months of 2018 were once again challenging for risk assets globally with stocks and commodities falling and credit spreads widening as a deteriorating global economic outlook was priced into the market. Trade tensions between the US and China and the ongoing challenges of Brexit added to worries for investors. As we moved into 2019, corporate bond markets were more stable, recovering significantly from the weakness of late 2018. In an almost complete reversal of the situation seen earlier in the period, rhetoric around trade tensions was calmer and the US Federal Reserve adopted a much more dovish tone, appearing to have paused its interest rate-hiking cycle for the time being. The technical backdrop also improved, as new bond supply failed to meet expectations.

Financials were weak early on. Residential mortgage-backed securities added performance in February and March, with their floating rate nature offsetting a rise in yields. The prevailing “risk-off” environment from April through to June exerted a negative impact on returns. While exposure to some of the higher risk (and therefore underperforming) regions such as Italy was light, overweight positions in some of the more volatile areas and sectors such as financials detracted. In contrast, exposure in the Fund to AAA rated quasi-government agencies benefited the Fund. Over the summer, the Fund’s overweight in higher-risk assets added value as corporate bonds rallied. For asset allocation, the largest contributors were the Fund’s overweight position in subordinated insurance, and an underweight in water utilities. Subordinated insurance was particularly strong, as risk appetite returned in the aftermath of the Italian elections and as the country’s political situation calmed down.

Fund performance suffered in the final three months of the review period when risk assets globally sold off. Exposure to the higher-beta financial sector was negative; banks in particular performed poorly. Although the Fund’s allocation to high yield corporate bonds was pared back in 2018, holdings in the asset class were also moderately detrimental. Interest rate exposure and holdings in higher quality debt boosted returns as a result of their safe-haven status. At the stock level, holdings which underperformed included UK insurer Direct Line. Floating rate notes underperformed as government bond yields fell.

Avoiding bonds issued by UK-domiciled roadside assistance groups RAC and AA were beneficial as both underperformed. US conglomerate GE was also weak through most of the period having issued a series of profit warnings and credit ratings downgrades. The Fund was short of this issuer and benefited as a result although a recovery late in the period caused a recovery in spread levels.

The sell-off in the last three months of 2018 left much of the corporate bond universe looking relatively cheap, albeit spreads re-traced some of their underperformance in January. This reflects a slightly calmer macroeconomic background globally. While the asset class still offers good value, it is prudent to reduce risk. The twin threads of a global economic slowdown and – closer to home – the risks around Brexit mean that volatility may persist in 2019. This is likely to provide opportunities to add value within the Fund.

Aberdeen Asset Investments Limited  
February 2019

## Corporate Bond Fund

### Comparative table

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class B</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	36.05	34.08	31.61
Return before operating charges*	0.25	2.25	3.00
Operating charges	(0.28)	(0.28)	(0.26)
Return after operating charges*	(0.03)	1.97	2.74
Distributions	(1.25)	(1.25)	(1.35)
Retained distributions on accumulation shares	1.25	1.25	1.08
Closing net asset value per share	36.02	36.05	34.08
*after direct transaction costs of:	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	(0.08%)	5.78%	8.68%
<b>Other information</b>			
Closing net asset value (£'000)	13,461	14,863	14,568
Closing number of shares	37,371,000	41,231,000	42,751,000
Operating charges#	0.78%	0.78%	0.78%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices**</b>			
Highest share price	36.10	36.39	35.79
Lowest share price	35.18	34.05	30.98

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Share class converted from net to gross on 1st February 2017.

## **Corporate Bond Fund**

### **Comparative table (continued)**

	<b>31/01/19</b>	<b>31/01/18</b>	<b>31/01/17</b>
	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
<b>Share Class C</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	35.88	34.00	31.61
Return before operating charges*	0.25	2.25	2.99
Operating charges	(0.37)	(0.37)	(0.35)
Return after operating charges*	(0.12)	1.88	2.64
Distributions	(1.16)	(1.16)	(1.26)
Retained distributions on accumulation shares	1.16	1.16	1.01
Closing net asset value per share	35.76	35.88	34.00
*after direct transaction costs of:			
	0.00	0.00	0.00
<b>Performance</b>			
Return after charges^	(0.33%)	5.53%	8.34%
<b>Other information</b>			
Closing net asset value (£'000)	678,372	742,752	773,444
Closing number of shares	1,897,169,000	2,070,179,000	2,274,659,000
Operating charges#	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices**</b>			
Highest share price	35.88	36.23	35.74
Lowest share price	34.93	33.98	30.97

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This can be different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Share class converted from net to gross on 1st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class D</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	23.93	23.44	22.45
Return before operating charges*	0.16	1.53	2.11
Operating charges	(0.24)	(0.25)	(0.24)
Return after operating charges*	(0.08)	1.28	1.87
Distributions on income shares	(0.76)	(0.79)	(0.88)
Closing net asset value per share	23.09	23.93	23.44
*after direct transaction costs of:			
	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	(0.33%)	5.46%	8.35%
<b>Other information</b>			
Closing net asset value (£'000)	670,799	773,897	848,917
Closing number of shares	2,905,582,000	3,233,502,000	3,622,342,000
Operating charges#	1.03%	1.03%	1.03%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices**</b>			
Highest share price	23.85	24.06	25.01
Lowest share price	22.74	23.02	22.00

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Share class converted from net to gross on 1st February 2017.



## **Corporate Bond Fund**

### **Comparative table (continued)**

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class E</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	23.53	23.04	22.07
Return before operating charges*	0.15	1.51	2.08
Operating charges	(0.18)	(0.19)	(0.18)
Return after operating charges*	(0.03)	1.32	1.90
Distributions on income shares	(0.81)	(0.83)	(0.93)
Closing net asset value per share	22.69	23.53	23.04
*after direct transaction costs of:			
	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	(0.13%)	5.73%	8.59%
<b>Other information</b>			
Closing net asset value (£'000)	108,409	124,071	134,718
Closing number of shares	477,700,000	527,360,000	584,785,000
Operating charges#	0.78%	0.78%	0.78%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices**</b>			
Highest share price	23.46	24.47	24.59
Lowest share price	22.36	23.42	21.62

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Share class converted from net to gross on 1st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class H***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	100.85	99.62
Return before operating charges*	0.66	5.33
Operating charges	(0.51)	(0.49)
Return after operating charges*	0.15	4.84
Distributions on income shares	(3.72)	(3.61)
Closing net asset value per share	97.28	100.85
*after direct transaction costs of:		
	0.00	0.00
<b>Performance</b>		
Return after charges	0.15%	4.86%
<b>Other information</b>		
Closing net asset value (£'000)	33,533	30,543
Closing number of shares	34,469,000	30,285,000
Operating charges#	0.51%	0.51%
Direct transaction costs	0.00%	0.00%
<b>Prices**</b>		
Highest share price	100.60	103.15
Lowest share price	95.87	99.62

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class I</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	23.95	23.45	22.46
Return before operating charges*	0.15	1.54	2.12
Operating charges	-	-	-
Return after operating charges*	0.15	1.54	2.12
Distributions on income shares	(1.00)	(1.04)	(1.13)
Closing net asset value per share	23.10	23.95	23.45
*after direct transaction costs of:			
	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	0.63%	6.57%	9.44%
<b>Other information</b>			
Closing net asset value (£'000)	199,597	236,544	260,313
Closing number of shares	864,147,679	987,862,679	1,110,222,679
Operating charges#Δ	0.00%	0.00%	0.00%
Direct transaction costs	0.00%	0.00%	0.00%
<b>Prices**</b>			
Highest share price	23.91	24.51	25.05
Lowest share price	22.77	23.43	22.01

#Operating charges are representative of the ongoing charges figure.

ΔFees are payable by institutional investors in this share class to the ACD outside the Fund.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

Share class converted from net to gross on 1st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class K***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	100.85	99.62
Return before operating charges*	0.66	5.34
Operating charges	(0.26)	(0.25)
Return after operating charges*	0.40	5.09
Distributions on income shares	(3.97)	(3.86)
Closing net asset value per share	97.28	100.85
*after direct transaction costs of:		
	0.00	0.00
<b>Performance</b>		
Return after charges	0.40%	5.11%
<b>Other information</b>		
Closing net asset value (£'000)	3,872	3,510
Closing number of shares	3,980,000	3,480,000
Operating charges#	0.26%	0.26%
Direct transaction costs	0.00%	0.00%
<b>Prices**</b>		
Highest share price	100.60	103.17
Lowest share price	95.89	99.62

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class P***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	104.50	99.62
Return before operating charges*	0.72	5.38
Operating charges	(0.53)	(0.50)
Return after operating charges*	0.19	4.88
Distributions	(3.91)	(3.65)
Retained distributions on accumulation shares	3.91	3.65
Closing net asset value per share	104.69	104.50
*after direct transaction costs of:	0.00	0.00
<b>Performance</b>		
Return after charges	0.18%	4.90%
<b>Other information</b>		
Closing net asset value (£'000)	43,952	34,663
Closing number of shares	41,985,000	33,170,000
Operating charges#	0.51%	0.51%
Direct transaction costs	0.00%	0.00%
<b>Prices**</b>		
Highest share price	104.80	105.52
Lowest share price	102.20	99.62

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## Corporate Bond Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class S***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	104.76	99.62
Return before operating charges*	0.73	5.40
Operating charges	(0.28)	(0.26)
Return after operating charges*	0.45	5.14
Distributions	(4.18)	(3.91)
Retained distributions on accumulation shares	4.18	3.91
Closing net asset value per share	105.21	104.76
*after direct transaction costs of:	0.00	0.00
<b>Performance</b>		
Return after charges	0.43%	5.16%
<b>Other information</b>		
Closing net asset value (£'000)	957	854
Closing number of shares	910,000	815,000
Operating charges#	0.26%	0.26%
Direct transaction costs	0.00%	0.00%
<b>Prices**</b>		
Highest share price	105.20	105.75
Lowest share price	102.50	99.62

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## **Corporate Bond Fund**

### **Material portfolio changes**

<b>Major purchases</b>	<b>Cost £'000</b>	<b>Major sales</b>	<b>Proceeds £'000</b>
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3◊	285,970	Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3◊	330,389
UK Long Gilt Bond Futures September 2018	124,301	UK Long Gilt Bond Futures September 2018	126,106
UK Long Gilt Bond Futures June 2018	123,655	UK Long Gilt Bond Futures June 2018	125,305
UK Long Gilt Bond Futures December 2018	49,004	UK Long Gilt Bond Futures March 2018	124,662
UK Long Gilt Bond Futures March 2019	48,920	UK Long Gilt Bond Futures December 2018	49,249
General Motors Financial 2.25% 06/09/2024	18,474	Standard Life Aberdeen 6.75% Perpetual◊	23,757
UK Treasury 4.5% 07/03/2034	13,900	ESB Finance 6.5% 05/03/2020	19,467
UK Treasury 6% 07/12/2028	11,363	Cooperatieve Rabobank 6.91% Perpetual	14,675
Quadgas Finance 3.375% 17/09/2029	11,311	Orange 8.125% 20/11/2028	14,625
ABN AMRO Bank 2.375% 07/12/2021	11,215	United Utilities Water 5.75% 25/03/2022	14,263

Purchases and sales of Futures have been included at the value of their exposure.

◊Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## Corporate Bond Fund

### Portfolio statement

as at 31st January 2019

	Nominal Values	Market Value £'000	% of Net Assets
<b>EURO DENOMINATED BONDS (4.61%, 31/01/18 3.80%)</b>			
<b>Corporate Bonds</b>			
ABN AMRO Bank 2.875% 18/01/2028	EUR24,700,000	22,706	1.30
AG Insurance 3.5% 30/06/2047	EUR2,600,000	2,297	0.13
Allianz Finance II 5.75% 08/07/2041	EUR18,800,000	18,274	1.04
Deutsche Bank 5% 24/06/2020	EUR3,600,000	3,285	0.19
National Westminster Bank 1.841% Perpetual	EUR7,500,000	6,329	0.36
Telefonica Europe 3.875% Perpetual	EUR7,900,000	6,350	0.36
Unitymedia Hessen 6.25% 15/01/2029	EUR7,110,000	6,829	0.39
Volkswagen International Finance 1.875% 30/03/2027	EUR5,800,000	4,828	0.27
Volkswagen International Finance 3.25% 18/11/2030	EUR8,100,000	7,259	0.41
Vonovia Finance 4% Perpetual	EUR3,000,000	2,740	0.16
		<b>80,897</b>	<b>4.61</b>
<b>TOTAL EURO DENOMINATED BONDS</b>			
		<b>80,897</b>	<b>4.61</b>
<b>STERLING DENOMINATED BONDS (88.71%, 31/01/18 88.32%)</b>			
<b>Asset-Backed Securities</b>			
Income Contingent Student Loans 2 2007-2009 2.5% 24/07/2058	GBP7,687,000	6,826	0.39
Motor 2016-1 1.3% 25/11/2025	GBP14,212,733	14,139	0.81
SLM Student Loan Trust 2003-12 1.45% 15/03/2038	GBP7,238,716	6,971	0.40
		<b>27,936</b>	<b>1.60</b>
<b>Corporate Bonds</b>			
ABN AMRO Bank 2.375% 07/12/2021	GBP11,000,000	11,210	0.64
America Movil 5% 27/10/2026	GBP8,000,000	9,455	0.54
America Movil 5.75% 28/06/2030	GBP10,000,000	12,817	0.73
Anglian Water Osprey Financing 5% 30/04/2023	GBP5,300,000	5,131	0.29
Anglian Water Services Financing 6.293% 30/07/2030	GBP3,050,000	4,102	0.23
Anheuser-Busch 2.85% 25/05/2037	GBP10,072,000	9,260	0.53
Annington Funding 3.184% 12/07/2029	GBP6,000,000	5,929	0.34
Annington Funding 3.685% 12/07/2034	GBP10,630,000	10,659	0.61
Annington Funding 3.935% 12/07/2047	GBP2,060,000	2,081	0.12
APT Pipelines 3.5% 22/03/2030	GBP6,700,000	6,922	0.40
Aroundtown 3.25% 18/07/2027	GBP7,470,000	7,269	0.42
Assura Financing 3% 19/07/2028	GBP2,662,000	2,672	0.15
AT&T 4.375% 14/09/2029	GBP10,500,000	11,366	0.65
AT&T 4.25% 01/06/2043	GBP8,740,000	9,084	0.52
AT&T 4.875% 01/06/2044	GBP4,700,000	5,320	0.30
Aviva 6.625% 03/06/2041	GBP4,562,000	4,956	0.28
Aviva 6.875% 20/05/2058	GBP8,150,000	9,858	0.56
Aviva 5.9021% Perpetual	GBP8,961,000	9,232	0.53
Aviva 6.125% Perpetual	GBP15,950,000	16,857	0.96
AXA 5.453% Perpetual	GBP17,830,000	18,577	1.06
Bank of America 2.3% 25/07/2025	GBP12,400,000	12,322	0.70
Bank of Scotland 9.375% 15/05/2021†	GBP10,410,000	11,963	0.68
Barclays 2.375% 06/10/2023	GBP6,440,000	6,291	0.36
Barclays 3.125% 17/01/2024	GBP9,375,000	9,367	0.53
Barclays 3.25% 17/01/2033	GBP4,962,000	4,554	0.26
Barclays Bank 10% 21/05/2021	GBP17,401,000	20,069	1.15
Barclays Bank 7.125% Perpetual	GBP6,967,000	7,330	0.42
Barclays Bank 14% Perpetual	GBP10,310,000	10,750	0.61
BAT International Finance 7.25% 12/03/2024	GBP9,000,000	10,885	0.62
BG Energy Capital 5% 04/11/2036	GBP7,500,000	10,223	0.58
Birmingham Airport Finance 6.25% 22/02/2021	GBP5,000,000	5,420	0.31
BL Superstores Finance 5.578% 04/10/2030	GBP5,060,000	5,805	0.33
BP Capital Markets 2.274% 03/07/2026	GBP8,340,000	8,350	0.48
BPCE 5.25% 16/04/2029	GBP9,000,000	10,419	0.60
Bromford Housing 3.125% 03/05/2048	GBP4,100,000	4,096	0.23
BUPA Finance 2% 05/04/2024	GBP2,740,000	2,707	0.16
BUPA Finance 5% 08/12/2026	GBP6,000,000	6,505	0.37



## Corporate Bond Fund

### Portfolio statement (continued)

as at 31st January 2019

	Nominal Values	Market Value £'000	% of Net Assets
<b>STERLING DENOMINATED BONDS (continued)</b>			
<b>Corporate Bonds (continued)</b>			
Cadent Finance 2.625% 22/09/2038	GBP10,000,000	9,278	0.53
Canadian Imperial Bank of Commerce 1.125% 30/06/2022	GBP15,800,000	15,600	0.89
Catalyst Housing 3.125% 31/10/2047	GBP4,140,000	4,094	0.23
Channel Link 3.043% 30/06/2050	GBP3,520,000	3,452	0.20
Channel Link 3.848% 30/06/2050	GBP1,160,000	1,205	0.07
Cheltenham & Gloucester 11.75% Perpetual†	GBP1,800,000	3,691	0.21
Cie de Saint-Gobain 5.625% 15/11/2024	GBP13,500,000	15,794	0.90
Circle Anglia Social Housing 7.25% 12/11/2038	GBP2,990,000	4,843	0.28
Citigroup 2.75% 24/01/2024	GBP4,280,000	4,329	0.25
City Greenwich Lewisham Rail Link 9.375% 11/10/2020	GBP1,120,001	1,172	0.07
Clarion Funding 3.125% 19/04/2048	GBP4,350,000	4,302	0.25
Clydesdale Bank 4.625% 08/06/2026	GBP4,880,000	5,818	0.33
Connect Plus M25 Issuer 2.607% 31/03/2039	GBP5,631,925	5,724	0.33
Co-operative 2011 7.5% 08/07/2026	GBP5,045,000	5,511	0.32
CPUK Finance 3.69% 28/02/2047	GBP6,852,000	7,029	0.40
Crh Finance UK 4.125% 02/12/2029	GBP3,422,000	3,788	0.22
CYBG 5% 09/02/2026	GBP8,631,000	8,458	0.48
CYBG 4% 25/09/2026	GBP3,813,000	3,655	0.21
Daily Mail & General Trust 6.375% 21/06/2027	GBP8,500,000	9,628	0.55
Deutsche Bank 1.875% 28/02/2020	GBP7,000,000	6,933	0.40
Deutsche Bank 1.75% 16/12/2021	GBP5,000,000	4,790	0.27
Digital Stout 3.75% 17/10/2030	GBP3,651,000	3,670	0.21
Direct Line Insurance 4.75% Perpetual	GBP7,000,000	5,679	0.32
DNB Bank 4.25% 27/01/2020	GBP10,900,000	11,193	0.64
DS Smith 2.875% 26/07/2029	GBP2,640,000	2,507	0.14
E.ON International Finance 6.375% 07/06/2032	GBP8,000,000	10,838	0.62
EE Finance 4.375% 28/03/2019	GBP8,589,000	8,623	0.49
Electricite de France 5.5% 27/03/2037	GBP9,000,000	11,383	0.65
Electricite de France 5.5% 17/10/2041	GBP14,400,000	18,537	1.06
Electricite de France 5.125% 22/09/2050	GBP7,000,000	8,806	0.50
Electricite de France 6% 23/01/2114	GBP3,000,000	4,075	0.23
Electricite de France 6% Perpetual	GBP7,400,000	7,411	0.42
EMH Treasury 4.5% 29/01/2044	GBP4,800,000	5,753	0.33
Enel Finance International 5.625% 14/08/2024	GBP1,100,000	1,253	0.07
Enel Finance International 5.75% 14/09/2040	GBP5,882,000	7,204	0.41
Eversholt Funding 3.529% 07/08/2042	GBP3,600,000	3,443	0.20
FCE Bank 2.727% 03/06/2022	GBP4,450,000	4,354	0.25
First Hydro Finance 9% 31/07/2021	GBP11,960,000	13,985	0.80
FirstGroup 8.75% 08/04/2021	GBP11,000,000	12,337	0.70
Friends Life 8.25% 21/04/2022	GBP5,000,000	5,901	0.34
Fuller Smith & Turner 6.875% 30/04/2028	GBP2,500,000	3,056	0.17
Gatwick Funding 6.125% 02/03/2028	GBP6,000,000	7,365	0.42
Gatwick Funding 4.625% 27/03/2036	GBP7,000,000	8,260	0.47
Gatwick Funding 2.625% 07/10/2048	GBP6,370,000	5,553	0.32
General Electric 4.875% 18/09/2037	GBP4,132,000	3,913	0.22
General Motors Financial 2.25% 06/09/2024	GBP9,500,000	9,003	0.51
GKN 6.75% 28/10/2019	GBP5,000,000	5,155	0.29
GlaxoSmithKline Capital 5.25% 10/04/2042	GBP4,500,000	6,241	0.36
HBOS Sterling Finance Jersey 7.881% Perpetual†	GBP5,000,000	6,963	0.40
Heathrow Finance 5.75% 03/03/2025	GBP4,365,000	4,523	0.26
Heathrow Funding 6.45% 10/12/2031	GBP8,550,000	11,881	0.68
Heathrow Funding 4.625% 31/10/2046	GBP9,000,000	11,156	0.64
Heathrow Funding 2.75% 09/08/2051	GBP2,960,000	2,662	0.15
HSBC 5.75% 20/12/2027	GBP16,169,000	19,104	1.09
HSBC 6% 29/03/2040	GBP6,350,000	7,993	0.46
HSBC 5.875% Perpetual	GBP6,060,000	6,019	0.34
HSBC Bank Capital Funding Sterling 1 5.844% Perpetual	GBP13,362,000	16,461	0.94
Imperial Brands Finance 5.5% 28/09/2026	GBP11,638,000	13,342	0.76
Informa 3.125% 05/07/2026	GBP8,214,000	8,296	0.47

## Corporate Bond Fund

### Portfolio statement (continued)

as at 31st January 2019

	Nominal Values	Market Value £'000	% of Net Assets
<b>STERLING DENOMINATED BONDS (continued)</b>			
<b>Corporate Bonds (continued)</b>			
innogy Finance 6.5% 20/04/2021	GBP20,119,000	22,142	1.26
innogy Finance 6.125% 06/07/2039	GBP14,600,000	20,490	1.17
InterContinental Hotels 3.875% 28/11/2022	GBP14,448,000	15,325	0.87
InterContinental Hotels 3.75% 14/08/2025	GBP7,600,000	7,932	0.45
Intu Metrocentre Finance 4.125% 06/12/2028	GBP6,350,000	6,193	0.35
John Lewis 8.375% 08/04/2019	GBP5,390,000	5,444	0.31
Lloyds Bank 7.625% 22/04/2025†	GBP16,030,000	20,220	1.15
Lloyds Bank 6.5% 17/09/2040†	GBP8,000,000	12,247	0.70
London & Quadrant Housing Trust 2.625% 28/02/2028	GBP8,548,000	8,516	0.49
London Power Networks 5.125% 31/03/2023	GBP8,992,000	10,166	0.58
London Power Networks 6.125% 07/06/2027	GBP9,550,000	12,071	0.69
Manchester Airport Group Funding 4.125% 02/04/2024	GBP5,600,000	6,150	0.35
Marks & Spencer 4.75% 12/06/2025	GBP11,050,000	11,588	0.66
McDonald's 4.125% 11/06/2054	GBP5,000,000	5,876	0.34
NewRiver REIT 3.5% 07/03/2028	GBP4,790,000	4,576	0.26
NGG Finance 5.625% 18/06/2073	GBP15,349,000	16,414	0.94
NIE Finance 6.375% 02/06/2026	GBP4,515,000	5,713	0.33
Northern Gas Networks Finance 5.875% 08/07/2019	GBP7,750,000	7,889	0.45
Northumbrian Water Finance 2.375% 05/10/2027	GBP9,358,000	9,163	0.52
Notting Hill Genesis 2.875% 31/01/2029	GBP2,120,000	2,117	0.12
Nottingham Building Society 7.875% Perpetual	GBP1,500,000	1,781	0.10
Orange 3.25% 15/01/2032	GBP6,600,000	6,751	0.39
Orange 5.875% Perpetual	GBP10,000,000	10,626	0.61
Paragon Banking 7.25% 09/09/2026	GBP3,022,000	3,133	0.18
Peabody Capital No 2 3.25% 14/09/2048	GBP6,380,000	6,319	0.36
Porterbrook Rail Finance 4.625% 04/04/2029	GBP12,810,000	14,166	0.81
Premiertel 6.175% 08/05/2032	GBP7,534,350	8,906	0.51
Prudential 11.375% 29/05/2039	GBP3,670,000	3,783	0.22
Prudential 5.625% 20/10/2051	GBP5,754,000	5,998	0.34
Prudential 5% 20/07/2055	GBP1,800,000	1,888	0.11
Prudential 5.7% 19/12/2063	GBP10,286,000	11,885	0.68
QBE Insurance 6.115% 24/05/2042	GBP11,126,000	11,982	0.68
Quadgas Finance 3.375% 17/09/2029	GBP11,373,000	11,297	0.64
RI Finance Bonds No 3 6.125% 13/11/2028	GBP599,000	666	0.04
Royal Bank of Scotland 2.875% 19/09/2026	GBP4,650,000	4,518	0.26
RSA Insurance 5.125% 10/10/2045	GBP4,500,000	4,805	0.27
Santander UK 5.25% 16/02/2029	GBP6,332,000	8,050	0.46
Santander UK 3.875% 15/10/2029	GBP6,000,000	6,711	0.38
Scentre Group Trust 1/2 2.375% 08/04/2022	GBP8,800,000	8,903	0.51
Segro 2.875% 11/10/2037	GBP8,210,000	7,739	0.44
Severn Trent Utilities Finance 6.125% 26/02/2024	GBP6,828,000	8,085	0.46
Severn Trent Utilities Finance 2.75% 05/12/2031	GBP10,000,000	9,914	0.57
Shaftesbury Chinatown 2.348% 30/09/2027	GBP3,870,000	3,711	0.21
Society of Lloyd's 4.75% 30/10/2024	GBP4,519,000	4,829	0.28
South Eastern Power Networks 5.625% 30/09/2030	GBP3,133,000	3,985	0.23
Southern Water Greensands Financing 8.5% 15/04/2019	GBP7,500,000	7,583	0.43
SP Distribution 5.875% 17/07/2026	GBP2,270,000	2,790	0.16
SSE 3.875% Perpetual	GBP8,300,000	8,294	0.47
Stagecoach 4% 29/09/2025	GBP10,612,000	10,867	0.62
Standard Chartered 5.125% 06/06/2034	GBP6,250,000	7,079	0.40
Standard Chartered 4.375% 18/01/2038	GBP2,900,000	3,395	0.19
Svenska Handelsbanken 2.75% 05/12/2022	GBP15,000,000	15,560	0.89
Swan Housing Capital 3.625% 05/03/2048	GBP3,400,000	3,495	0.20
Swedbank 1.25% 29/12/2021	GBP6,689,000	6,600	0.38
TC Dudgeon Ofco 3.158% 12/11/2038	GBP4,015,000	4,152	0.24
Telecom Italia 6.375% 24/06/2019	GBP4,900,000	4,967	0.28
Telereal Securitisation 4.0902% 10/12/2033	GBP14,050,000	14,559	0.83
Thames Water Kemble Finance 7.75% 01/04/2019	GBP5,470,000	5,495	0.31
Thames Water Kemble Finance 5.875% 15/07/2022	GBP4,530,000	4,608	0.26

## Corporate Bond Fund

### Portfolio statement (continued)

as at 31st January 2019

	Nominal Values	Market Value £'000	% of Net Assets
<b>STERLING DENOMINATED BONDS (continued)</b>			
<b>Corporate Bonds (continued)</b>			
Thames Water Utilities Cayman Finance 2.375% 03/05/2023	GBP3,750,000	3,637	0.21
Thames Water Utilities Cayman Finance 2.875% 03/05/2027	GBP4,000,000	3,833	0.22
Thames Water Utilities Cayman Finance 3.5% 25/02/2028	GBP3,000,000	3,141	0.18
Thames Water Utilities Cayman Finance 1% 13/09/2030	GBP4,630,000	5,051	0.29
Thames Water Utilities Cayman Finance 2.625% 24/01/2032	GBP3,400,000	3,196	0.18
Thames Water Utilities Cayman Finance 7.738% 09/04/2058	GBP4,370,000	7,921	0.45
THFC Funding No 3 5.2% 11/10/2043	GBP3,750,000	4,939	0.28
Time Warner Cable 5.75% 02/06/2031	GBP13,550,000	15,629	0.89
Total Capital International 1.75% 07/07/2025	GBP8,779,000	8,774	0.50
Trafford Centre Finance 8.28% 28/10/2022	GBP2,239,875	2,480	0.14
Trafford Centre Finance 4.75% 28/04/2029	GBP6,000,000	6,384	0.36
Tritax Big Box REIT 2.625% 14/12/2026	GBP3,808,000	3,741	0.21
Tritax Big Box REIT 3.125% 14/12/2031	GBP4,494,000	4,395	0.25
UBS AG London 1.25% 10/12/2020	GBP9,447,000	9,394	0.54
UNITE 3.5% 15/10/2028	GBP6,800,000	6,867	0.39
United Utilities Water Finance 2% 14/02/2025	GBP10,000,000	9,885	0.56
University of Cambridge 2.35% 27/06/2078	GBP2,225,000	2,130	0.12
Verizon Communications 3.375% 27/10/2036	GBP5,775,000	5,867	0.34
Virgin Media Secured Finance 5.125% 15/01/2025	GBP1,076,000	1,084	0.06
Virgin Media Secured Finance 4.875% 15/01/2027	GBP3,300,000	3,160	0.18
Virgin Media Secured Finance 5% 15/04/2027	GBP5,810,000	5,617	0.32
Vodafone 3% 12/08/2056	GBP7,921,000	6,553	0.37
Volkswagen Financial Services 1.875% 07/09/2021	GBP5,000,000	4,936	0.28
Welltower 4.8% 20/11/2028	GBP5,000,000	5,631	0.32
Western Power Distribution 3.625% 06/11/2023	GBP7,050,000	7,341	0.42
Western Power Distribution East Midlands 5.25% 17/01/2023	GBP9,900,000	11,138	0.64
Western Power Distribution South West 5.875% 25/03/2027	GBP9,000,000	11,070	0.63
Western Power Distribution West Midlands 6% 09/05/2025	GBP9,000,000	10,857	0.62
Westfield America Management 2.625% 30/03/2029	GBP4,140,000	4,051	0.23
Westpac Banking 1% 30/06/2022	GBP9,300,000	9,137	0.52
Yorkshire Building Society 3.5% 21/04/2026	GBP5,300,000	5,443	0.31
Yorkshire Power Finance 7.25% 04/08/2028	GBP9,850,000	13,745	0.78
Yorkshire Water Services Odsal Finance 6.5876% 21/02/2023	GBP6,553,000	7,769	0.44
Yorkshire Water Services Odsal Finance 6.454% 28/05/2027	GBP4,551,000	5,903	0.34
		1,453,611	82.93
<b>Government Bonds</b>			
Mexico Government International Bond 5.625% 19/03/2114	GBP2,000,000	1,970	0.11
UK Treasury 2% 07/09/2025	GBP4,113,000	4,382	0.25
UK Treasury 4.25% 07/03/2036	GBP1,900,000	2,655	0.15
		9,007	0.51
<b>Mortgage-Backed Securities</b>			
Alba 2006-2 A3a (FRN) 1.07638% 15/12/2038	GBP3,439,520	3,210	0.18
BL Superstores Finance 5.27% 04/10/2030	GBP4,432,552	4,814	0.28
British Land 5.357% 31/03/2028	GBP4,173,946	5,059	0.29
British Land 5.264% 24/09/2035	GBP10,000,000	12,701	0.72
Feldspar 2016-1 (FRN) 1.60638% 15/09/2045	GBP4,782,077	4,768	0.27
Finsbury Square 2016-1 (FRN) 2.38781% 16/02/2058	GBP687,259	688	0.04
Intu Debenture 5.562% 31/12/2027	GBP3,396,800	3,507	0.20
Offa No 1 (FRN) 2.15088% 14/06/2050	GBP3,708,153	3,702	0.21
Tesco Property Finance 1 7.6227% 13/07/2039	GBP1,376,139	1,851	0.11
Tesco Property Finance 3 5.744% 13/04/2040	GBP3,641,365	4,239	0.24
Tesco Property Finance 4 5.8006% 13/10/2040	GBP2,734,345	3,210	0.18
THFC Funding No 2 6.35% 08/07/2041	GBP6,500,000	9,490	0.54
Unite USAF II 3.374% 30/06/2028	GBP6,760,000	7,162	0.41
		64,401	3.67
<b>TOTAL STERLING DENOMINATED BONDS</b>		<b>1,554,955</b>	<b>88.71</b>

## Corporate Bond Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings or Nominal Values	Market Value £'000	% of Net Assets
<b>US DOLLAR DENOMINATED BONDS (1.91%, 31/01/18 1.08%)</b>			
<b>Corporate Bonds</b>			
BHP Finance 6.75% 19/10/2075	USD5,652,000	4,665	0.26
BP Capital Markets America 2.75% 10/05/2023	USD10,256,000	7,670	0.44
Energy Transfer Operating 4.95% 15/06/2028	USD5,653,000	4,316	0.25
NatWest Markets 7.125% 15/10/2093	USD9,000,000	9,502	0.54
Vodafone 6.25% 03/10/2078	USD10,066,000	7,318	0.42
		<b>33,471</b>	<b>1.91</b>
<b>TOTAL US DOLLAR DENOMINATED BONDS</b>		<b>33,471</b>	<b>1.91</b>
<b>FINANCIALS (3.46%, 31/01/18 5.36%)</b>			
<b>Non-Equity Investment Instruments</b>			
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 <sup>†</sup>	60,723	60,723	3.46
		<b>60,723</b>	<b>3.46</b>
<b>TOTAL FINANCIALS</b>		<b>60,723</b>	<b>3.46</b>
<b>DERIVATIVES (0.16%, 31/01/18 -0.02%)</b>			
<b>Futures Contracts</b>			
UK Long Gilt Bond Futures March 2019	400	472	0.03
		<b>472</b>	<b>0.03</b>
<b>Forward Currency Contracts</b>			
Bought EUR932,000 for GBP814,065 Settlement 14/03/2019		2	0.00
Bought EUR2,906,000 for GBP2,588,630 Settlement 14/03/2019		(43)	0.00
Sold EUR96,875,000 for GBP86,343,331 Settlement 14/03/2019		1,473	0.08
Sold USD46,194,000 for GBP36,030,934 Settlement 14/03/2019		916	0.05
		<b>2,348</b>	<b>0.13</b>
<b>TOTAL DERIVATIVES</b>		<b>2,820</b>	<b>0.16</b>
<b>Portfolio of investments<sup>^</sup></b>		<b>1,732,866</b>	<b>98.85</b>
<b>Net other assets</b>		<b>20,086</b>	<b>1.15</b>
<b>Total net assets</b>		<b>1,752,952</b>	<b>100.00</b>

All holdings are admitted to official stock exchange listings unless otherwise stated.

Holdings are denominated in Sterling unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

<sup>^</sup>Including derivative liabilities.

<sup>†</sup>This investment is a related party (see note 13).

<sup>♦</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## Corporate Bond Fund

### Securities Financing Transactions (SFT)

as at 31st January 2019

#### 1) Global Data

Proportion of securities and commodities on loan as at 31st January 2019	£'000	%
Total lendable assets excluding cash and cash equivalents:	1,678,473	
Securities and commodities on loan	60,011	3.58%
Assets engaged in SFTs and total return swaps as at 31st January 2019	£'000	%
Fund assets under management (AUM)	1,768,035	
Absolute value of assets engaged in:		
Securities lending	60,011	3.39%

#### 2) Concentration Data

##### Top 10 collateral issuers

Name and value of collateral and commodities received as at 31st January 2019	£'000
Cash Collateral	37,104
United States of America Treasury	7,365
Government of United Kingdom	4,599
Inter-American Development Bank	2,589
Nederlandse Waterschapsbank	2,104
BayernLB	2,096
Landwirtschaftliche Rentenbank	1,198
Natixis	1,100
CADES	945
Nationwide Building Society	734

##### Top 10 counterparties

Name and value of outstanding transactions as at 31st January 2019	£'000
<b>Securities lending</b>	
Barclays Bank	24,391
Credit Suisse Securities (Europe)	18,828
Citigroup Global Markets (UK)	7,080
Deutsche Bank	5,763
JP Morgan Securities	2,909
HSBC Bank	1,040

#### 3) Aggregate Transaction Data

##### Type, quality and currency of collateral as at 31st January 2019

Type	Quality	Currency	£'000
<b>Securities lending</b>			
Fixed Income	Investment Grade	Sterling	9,803
Fixed Income	Investment Grade	Danish krone	45
Fixed Income	Investment Grade	Euro	1,485
Fixed Income	Investment Grade	US dollar	14,327
Cash	Cash Collateral	Sterling	37,104
Total collateral held			62,764

## Corporate Bond Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 3) Aggregate Transaction Data (continued)

Maturity tenor of collateral (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	37,104	-	-	2,104	980	22,576	-	62,764
	37,104	-	-	2,104	980	22,576	-	62,764

Counterparty details as at 31st January 2019

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Germany	Bi-lateral	5,766
Securities lending	United Kingdom	Bi-lateral	31,338
Securities lending	United Kingdom	Tri-party	25,660
Total collateral held			62,764

Maturity tenor of SFTs and total return swaps (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	-	60,011	60,011
	-	-	-	-	-	-	60,011	60,011

#### 4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

#### 5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 31st January 2019	£'000
State Street	37,104
Euroclear	21,135
Crest	4,525
Number of custodians safekeeping collateral	3

#### 6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

#### 7) Return and Cost

for the year ended 31st January 2019

	Collective Investment Undertaking £'000	Manager of Collective Investment Undertaking £'000	Third Parties (e.g. lending agent) £'000	Total £'000
Securities lending				
Gross return	98	7	26	131
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

\*All direct costs from securities lending are borne by lending agent.

## Corporate Bond Fund

### Statement of total return

for the year ended 31st January 2019

	Notes	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	3		(61,457)		51,253
Revenue	4	71,572		79,344	
Expenses	5	(16,086)		(17,746)	
Interest payable and similar charges		<u>(4)</u>		<u>(16)</u>	
Net revenue before taxation		55,482		61,582	
Taxation	6	<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>55,482</u>		<u>61,582</u>
<b>Total return before distributions</b>			<b>(5,975)</b>		<b>112,835</b>
Distributions	7		(63,477)		(69,413)
<b>Change in net assets attributable to shareholders from investment activities</b>			<u><b>(69,452)</b></u>		<u><b>43,422</b></u>

### Statement of change in net assets attributable to shareholders

for the year ended 31st January 2019

	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,961,697		2,031,960
Amounts receivable on creation of shares	37,455		42,203	
Amounts payable on cancellation of shares	<u>(202,298)</u>		<u>(182,641)</u>	
		(164,843)		(140,438)
Dilution adjustment		661		557
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(69,452)		43,422
Retained distributions on accumulation shares		24,800		26,180
Unclaimed distributions		89		16
<b>Closing net assets attributable to shareholders</b>		<u><b>1,752,952</b></u>		<u><b>1,961,697</b></u>

Notes to the financial statements are on pages 136 to 162.

## Corporate Bond Fund

### Balance sheet

as at 31st January 2019

	Notes	31/01/19 £'000	31/01/18 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		1,732,909	1,934,969
Current assets:			
Debtors	8	31,652	42,187
Cash and bank balances	9	1,555	4,547
<b>Total assets</b>		<b>1,766,116</b>	<b>1,981,703</b>
<b>LIABILITIES</b>			
Investment liabilities		43	2,003
Creditors			
Bank overdrafts	9	753	-
Distribution payable		8,918	10,516
Other creditors	10	3,450	7,487
<b>Total liabilities</b>		<b>13,164</b>	<b>20,006</b>
<b>Net assets attributable to shareholders</b>		<b>1,752,952</b>	<b>1,961,697</b>

Notes to the financial statements are on pages 136 to 162.



## UK Equity Income Fund

### Investment markets overview

#### Investment objective

The investment objective of the UK Equity Income Fund is to provide an above average income, together with prospects of capital appreciation over the longer term, derived predominantly from a portfolio of securities in U.K. companies. The Fund seeks to deliver performance, before deduction of management fees, in excess of the FTSE All Share Index (the "Index") with a similar level of overall volatility, over the long term.

#### Investment policy

To invest predominantly in a portfolio of companies which are part of the Index.

The Investment Adviser identifies companies that are forecast to provide higher than average dividend yields\* and to achieve long term capital growth. The Fund seeks to hold more in these companies in comparison to the Index. Therefore, while the Fund will hold a large number of securities in common with the Index, the weighting of any one security may be significantly different to the Index.

The Fund is limited in the extent to which it can hold more (overweight) or less (underweight) in sectors\*\* relative to the Index, but it aims to be overweight in sectors which are expected to provide a higher than average dividend yield.

Derivatives may be used for efficient portfolio management purposes only.

\* The dividend yield is calculated by dividing the annual dividend paid in respect of a security by its share price.

\*\* A sector is a business area, industry or economy which shares the same characteristics. Company shares are typically grouped into different sectors depending on the company's business.

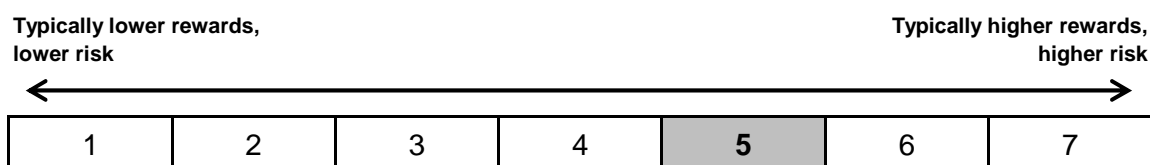
#### UCITS scheme

The Fund would qualify as a UCITS scheme operating under Chapter 5 of the COLL Sourcebook if it were in itself an Open-Ended Investment Company in respect of which an authorisation order made by the FCA were in force. Not more than 10% of the scheme property may consist of units in collective investment schemes.

#### Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to the fund Risk Profiles we used to determine our investment portfolios (where we used our own methodology to take an overall look at the funds' risks and aims and group our funds into Cautious/Medium, Medium, Medium/Adventurous, Adventurous Profiles).



The Fund is ranked at 5\* because it has experienced medium to high levels of volatility over the past 5 years.

\* As disclosed in the key investor information document dated 4th February 2019.

#### Investment review

Performance	01/02/18 to 31/01/19 %	01/02/17 to 31/01/18 %	01/02/16 to 31/01/17 %	01/02/15 to 31/01/16 %	01/02/14 to 31/01/15 %
UK Equity Income Fund	(2.24)	10.50	21.23	(5.78)	8.08

Source: Lipper after 1st February 2018 and Financial Express for previous years.

Basis: Percentage growth, total return Share Class C (gross of annual management charge), published prices at 12.00pm.

Past performance is not a guide to future performance. The value of an investment and the revenue from it may go up and down and you may get back less than invested.

UK equities endured a difficult 12 months, as the stock market weathered political upheaval and Brexit-related uncertainty. The see-saw nature of Brexit negotiations was unhelpful for share prices and sterling. As a consequence, the Bank of England (BOE) held the main UK interest rate at 0.75% in December. The pound fluctuated over the year, with periods of weakness helping to lift firms that make their revenues overseas.

## **UK Equity Income Fund**

### **Investment markets overview (continued)**

#### Investment review (continued)

After a tough start to 2018, the UK equity market rebounded into the summer. While sterling weakness benefited companies with large overseas earnings, domestically focused companies suffered. Oil firms were in the ascendency as Brent crude reached over \$80 per barrel in October – its highest level in four years. The market endured a difficult summer, but the final quarter of 2018 was a particularly torrid time. Global growth worries, the US-Sino trade dispute, Brexit and politics in Europe all came together to weigh on investors' sentiment. However, the gloom was lifted initially in late December by the Federal Reserve softening its tone on interest rates hikes. This was followed in January by the prospect of the US and China resolving their trade dispute, which led to a sharp recovery in the market.

This sentiment was mirrored in the oil market. While the oil price fell significantly towards the end of 2018, it rebounded in January 2019.

Over the 12 months, food & drug retailers and technology companies were among the best performers at a sector level. By contrast, personal goods and banks made the worst returns. The former sector lagged due to fashion retailers, such as Superdry and Ted Baker.

A holding in the food retailer J Sainsbury was a positive contributor to performance. The share price rose over the year after the company announced it would take control of rival Asda. J Sainsbury scored well on our measures of prudent management. In addition, the Fund benefited from an underweight position in the advertising company WPP. The share price fell after the company announced weak results due to a slowdown in client spending. Detracting from the Fund's return was an overweight position in Royal Mail. The share price of the business fell over speculation that the newly introduced EU-wide General Data Protection Regulation laws would lead to a fall in the volume of marketing mail. The stock ranked highly on our value metrics.

The outlook for 2019 is uncertain with concerns about global growth clouding the picture in the UK. However, the UK equity market now looks attractive on valuation measures due to this and Brexit. The UK's economic outlook for 2019 is bound up with the question of Brexit. Parliamentary deadlock means uncertainty about the eventual Brexit outcome remains high. Despite this, fiscal policy is set to become more supportive, with the second half of the year likely to be stronger than the first. Economic growth is expected to come in around trend.

Aberdeen Asset Investments Limited  
February 2019

## UK Equity Income Fund

### Comparative table

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class A</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	262.61	250.13	217.59
Return before operating charges*	(5.90)	25.77	43.92
Operating charges	(1.28)	(1.30)	(1.16)
Return after operating charges*	(7.18)	24.47	42.76
Distributions on income shares	(12.63)	(11.99)	(10.22)
Closing net asset value per share	242.80	262.61	250.13
*after direct transaction costs of:~			
	0.36	0.40	0.27
<b>Performance</b>			
Return after charges	(2.73%)	9.78%	19.65%
<b>Other information</b>			
Closing net asset value (£'000)	56,336	62,127	62,137
Closing number of shares	23,202,493	23,657,493	24,842,493
Operating charges#	0.50%	0.50%	0.50%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	276.10	272.36	257.30
Lowest share price	231.00	249.27	201.30

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class B</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	27.57	26.38	23.07
Return before operating charges*	(0.62)	2.73	4.64
Operating charges	(0.27)	(0.28)	(0.25)
Return after operating charges*	(0.89)	2.45	4.39
Distributions on income shares	(1.32)	(1.26)	(1.08)
Closing net asset value per share	25.36	27.57	26.38
*after direct transaction costs of:~			
	0.04	0.04	0.03
<b>Performance</b>			
Return after charges	(3.23%)	9.29%	19.03%
<b>Other information</b>			
Closing net asset value (£'000)	1,012	1,081	1,902
Closing number of shares	3,989,000	3,919,000	7,209,000
Operating charges#	1.01%	1.01%	1.00%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	28.94	28.60	27.15
Lowest share price	24.14	26.29	21.34

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class C</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	86.50	79.34	66.34
Return before operating charges*	(1.98)	8.32	14.00
Operating charges	(1.19)	(1.16)	(1.00)
Return after operating charges*	(3.17)	7.16	13.00
Distributions	(4.19)	(3.83)	(3.13)
Retained distributions on accumulation shares	4.19	3.83	3.13
Closing net asset value per share	83.33	86.50	79.34
*after direct transaction costs of:~			
	0.12	0.13	0.08
<b>Performance</b>			
Return after charges^	(3.66%)	9.02%	19.60%
<b>Other information</b>			
Closing net asset value (£'000)	418,619	481,033	490,920
Closing number of shares	502,338,000	556,093,000	618,733,000
Operating charges#	1.38%	1.38%	1.38%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	91.97	89.11	81.19
Lowest share price	78.66	79.06	61.32

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This can be different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class D</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	55.67	53.45	46.64
Return before operating charges*	(1.16)	5.52	9.66
Operating charges	(0.74)	(0.76)	(0.68)
Return after operating charges*	(1.90)	4.76	8.98
Distributions on income shares	(2.66)	(2.54)	(2.17)
Closing net asset value per share	51.11	55.67	53.45
*after direct transaction costs of:~			
	0.08	0.08	0.06
<b>Performance</b>			
Return after charges	(3.41%)	8.91%	19.25%
<b>Other information</b>			
Closing net asset value (£'000)	55,717	65,875	70,812
Closing number of shares	109,006,000	118,329,000	132,474,000
Operating charges#	1.37%	1.37%	1.37%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	58.40	57.80	55.03
Lowest share price	48.65	53.26	43.14

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class E</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	26.93	25.83	22.64
Return before operating charges*	(0.59)	2.67	4.55
Operating charges	(0.33)	(0.34)	(0.30)
Return after operating charges*	(0.92)	2.33	4.25
Distributions on income shares	(1.29)	(1.23)	(1.06)
Closing net asset value per share	24.72	26.93	25.83
*after direct transaction costs of:~			
	0.04	0.04	0.03
<b>Performance</b>			
Return after charges	(3.42%)	9.02%	18.77%
<b>Other information</b>			
Closing net asset value (£'000)	12,636	14,524	16,715
Closing number of shares	51,119,000	53,934,000	64,709,000
Operating charges#	1.26%	1.26%	1.25%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	28.25	27.94	26.59
Lowest share price	23.53	25.74	20.94

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class F</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	40.92	37.49	31.46
Return before operating charges*	(0.97)	3.93	6.46
Operating charges	(0.51)	(0.50)	(0.43)
Return after operating charges*	(1.48)	3.43	6.03
Distributions	(1.99)	(1.82)	(1.49)
Retained distributions on accumulation shares	1.99	1.82	1.49
Closing net asset value per share	39.44	40.92	37.49
*after direct transaction costs of:~	0.06	0.06	0.04
<b>Performance</b>			
Return after charges	(3.62%)	9.15%	19.17%
<b>Other information</b>			
Closing net asset value (£'000)	228,418	258,386	262,880
Closing number of shares	579,208,000	631,378,000	701,148,000
Operating charges#	1.26%	1.26%	1.26%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	43.51	42.14	38.36
Lowest share price	37.22	37.36	29.09

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.



## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class G</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	41.80	38.21	31.98
Return before operating charges*	(1.01)	4.00	6.57
Operating charges	(0.42)	(0.41)	(0.34)
Return after operating charges*	(1.43)	3.59	6.23
Distributions	(2.04)	(1.85)	(1.52)
Retained distributions on accumulation shares	2.04	1.85	1.52
Closing net asset value per share	40.37	41.80	38.21
*after direct transaction costs of:~			
	0.06	0.06	0.04
<b>Performance</b>			
Return after charges	(3.42%)	9.40%	19.48%
<b>Other information</b>			
Closing net asset value (£'000)	49,537	44,990	38,407
Closing number of shares	122,697,000	107,629,000	100,524,000
Operating charges#	1.01%	1.01%	1.00%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	44.48	43.04	39.08
Lowest share price	38.10	38.07	29.56

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class H***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	102.63	99.92
Return before operating charges*	(2.35)	7.89
Operating charges	(0.85)	(0.83)
Return after operating charges*	(3.20)	7.06
Distributions on income shares	(4.92)	(4.35)
Closing net asset value per share	94.51	102.63
*after direct transaction costs of:~	0.14	0.15
<b>Performance</b>		
Return after charges	(3.12%)	7.07%
<b>Other information</b>		
Closing net asset value (£'000)	1,385	1,427
Closing number of shares	1,465,000	1,390,000
Operating charges#	0.86%	0.86%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	107.80	106.42
Lowest share price	89.94	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class I</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	283.65	268.86	232.72
Return before operating charges*	(6.72)	27.59	47.07
Operating charges	-	-	-
Return after operating charges*	(6.72)	27.59	47.07
Distributions on income shares	(13.48)	(12.80)	(10.93)
Closing net asset value per share	263.45	283.65	268.86
*after direct transaction costs of:~			
	0.39	0.43	0.29
<b>Performance</b>			
Return after charges	(2.37%)	10.26%	20.23%
<b>Other information</b>			
Closing net asset value (£'000)	1,411,811	1,590,175	1,603,549
Closing number of shares	535,897,883	560,602,883	596,427,883
Operating charges#Δ	0.00%	0.00%	0.00%
Direct transaction costs~	0.14%	0.15%	0.11%
<b>Prices**</b>			
Highest share price	298.60	294.01	276.50
Lowest share price	250.50	267.98	215.30

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

ΔFees are payable by institutional investors in this share class to the ACD outside the Fund.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class K***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	102.73	99.92
Return before operating charges*	(2.36)	7.89
Operating charges	(0.75)	(0.73)
Return after operating charges*	(3.11)	7.16
Distributions on income shares	(4.93)	(4.35)
Closing net asset value per share	94.69	102.73
*after direct transaction costs of:~		
	0.14	0.15
<b>Performance</b>		
Return after charges	(3.03%)	7.17%
<b>Other information</b>		
Closing net asset value (£'000)	2,694	2,630
Closing number of shares	2,845,000	2,560,000
Operating charges#	0.76%	0.76%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	107.90	106.51
Lowest share price	90.10	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class P***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	107.05	99.92
Return before operating charges*	(2.62)	7.98
Operating charges	(0.91)	(0.85)
Return after operating charges*	(3.53)	7.13
Distributions	(5.23)	(4.37)
Retained distributions on accumulation shares	5.23	4.37
Closing net asset value per share	103.52	107.05
*after direct transaction costs of:~	0.15	0.15
<b>Performance</b>		
Return after charges	(3.30%)	7.14%
<b>Other information</b>		
Closing net asset value (£'000)	10,699	9,747
Closing number of shares	10,335,000	9,105,000
Operating charges#	0.86%	0.86%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	114.00	110.24
Lowest share price	97.68	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class Q***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	107.20	99.92
Return before operating charges*	(2.63)	8.03
Operating charges	(0.80)	(0.75)
Return after operating charges*	(3.43)	7.28
Distributions	(5.24)	(4.42)
Retained distributions on accumulation shares	5.24	4.42
Closing net asset value per share	103.77	107.20
*after direct transaction costs of:~	0.15	0.15
<b>Performance</b>		
Return after charges	(3.20%)	7.29%
<b>Other information</b>		
Closing net asset value (£'000)	20,958	18,739
Closing number of shares	20,197,000	17,480,000
Operating charges#	0.76%	0.76%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	114.10	110.39
Lowest share price	97.90	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class R***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	107.44	99.92
Return before operating charges*	(2.64)	8.03
Operating charges	(0.54)	(0.51)
Return after operating charges*	(3.18)	7.52
Distributions	(5.25)	(4.42)
Retained distributions on accumulation shares	5.25	4.42
Closing net asset value per share	104.26	107.44
*after direct transaction costs of:~	0.15	0.15
<b>Performance</b>		
Return after charges	(2.96%)	7.53%
<b>Other information</b>		
Closing net asset value (£'000)	10,030	7,140
Closing number of shares	9,620,000	6,645,000
Operating charges#	0.51%	0.51%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	114.50	110.63
Lowest share price	98.34	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Equity Income Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class S***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	102.96	99.92
Return before operating charges*	(2.35)	7.89
Operating charges	(0.51)	(0.50)
Return after operating charges*	(2.86)	7.39
Distributions on income shares	(4.95)	(4.35)
Closing net asset value per share	95.15	102.96
*after direct transaction costs of:~		
	0.14	0.15
<b>Performance</b>		
Return after charges	(2.78%)	7.40%
<b>Other information</b>		
Closing net asset value (£'000)	1,689	1,472
Closing number of shares	1,775,000	1,430,000
Operating charges#	0.51%	0.51%
Direct transaction costs~	0.14%	0.15%
<b>Prices**</b>		
Highest share price	108.20	106.74
Lowest share price	90.51	98.97

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.



## UK Equity Income Fund

### Material portfolio changes

<b>Major purchases</b>	<b>Cost £'000</b>	<b>Major sales</b>	<b>Proceeds £'000</b>
FTSE 100 Index Futures June 2018	263,681	FTSE 100 Index Futures June 2018	268,276
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	208,154	FTSE 100 Index Futures September 2018	180,864
FTSE 100 Index Futures September 2018	183,163	Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	165,289
FTSE 100 Index Futures December 2018	136,948	FTSE 100 Index Futures December 2018	131,962
FTSE 100 Index Futures March 2019	118,177	FTSE 100 Index Futures March 2018	73,025
Aviva	48,408	HSBC	43,032
FTSE 100 Index Futures March 2018	35,459	FTSE 100 Index Futures March 2019	38,370
Pearson	34,631	Unilever	33,354
RELX	30,943	Wm Morrison Supermarkets	31,777
BP	30,317	Compass	29,639

Purchases and sales of Futures have been included at the value of their exposure.

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## UK Equity Income Fund

### Portfolio statement

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>BASIC MATERIALS (9.92%, 31/01/18 10.88%)</b>			
<b>Chemicals</b>			
Croda International	37,594	1,832	0.08
Victrex	441,777	10,046	0.44
		<u>11,878</u>	<u>0.52</u>
<b>Industrial Metals &amp; Mining</b>			
Evrast	2,637,609	13,025	0.57
		<u>13,025</u>	<u>0.57</u>
<b>Mining</b>			
Anglo American	1,479,212	28,717	1.26
Antofagasta	328,761	2,815	0.12
BHP	4,052,448	68,900	3.02
Centamin	4,501,688	5,274	0.23
Glencore	6,147,586	18,935	0.83
Rio Tinto	1,828,737	76,779	3.37
		<u>201,420</u>	<u>8.83</u>
<b>TOTAL BASIC MATERIALS</b>		<b><u>226,323</u></b>	<b><u>9.92</u></b>
<b>CONSUMER GOODS (15.00%, 31/01/18 17.74%)</b>			
<b>Beverages</b>			
Coca-Cola HBC	488,105	12,496	0.55
Diageo	2,347,071	67,889	2.97
		<u>80,385</u>	<u>3.52</u>
<b>Food Producers</b>			
Premier Foods	1,383,659	535	0.02
Tate & Lyle	4,385,067	30,397	1.33
		<u>30,932</u>	<u>1.35</u>
<b>Household Goods &amp; Home Construction</b>			
Berkeley	483,432	18,385	0.81
Persimmon	839,306	20,210	0.88
Reckitt Benckiser	140,674	8,243	0.36
Redrow	1,460,033	8,483	0.37
Taylor Wimpey	7,605,644	12,709	0.56
		<u>68,030</u>	<u>2.98</u>
<b>Leisure Goods</b>			
Games Workshop	224,182	6,815	0.30
		<u>6,815</u>	<u>0.30</u>
<b>Personal Goods</b>			
Burberry	1,696,071	30,597	1.34
Unilever	1,080,070	42,539	1.87
		<u>73,136</u>	<u>3.21</u>
<b>Tobacco</b>			
British American Tobacco	1,971,024	51,542	2.26
Imperial Brands	1,272,810	31,490	1.38
		<u>83,032</u>	<u>3.64</u>
<b>TOTAL CONSUMER GOODS</b>		<b><u>342,330</u></b>	<b><u>15.00</u></b>

## UK Equity Income Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER SERVICES (14.07%, 31/01/18 13.10%)</b>			
<b>Food &amp; Drug Retailers</b>			
Casino Guichard Perrachon	3,173	116	0.00
Greggs	348,104	5,420	0.24
J Sainsbury	11,659,701	33,603	1.47
Tesco	13,239,013	29,457	1.29
Wm Morrison Supermarkets	837,749	1,982	0.09
		<b>70,578</b>	<b>3.09</b>
<b>General Retailers</b>			
Debenhams	8,764,706	319	0.01
Halfords	47,978	112	0.00
Inchcape	1,746,790	10,254	0.46
Marks & Spencer	5,329,158	15,545	0.68
Saga	10,384,893	11,423	0.50
WH Smith	538,882	10,605	0.47
		<b>48,258</b>	<b>2.12</b>
<b>Media</b>			
Auto Trader	2,964,267	13,493	0.59
Informa	1,494,485	10,202	0.45
Moneysupermarket.com	943,729	2,849	0.13
Pearson	3,920,413	35,864	1.57
RELX	1,766,575	29,740	1.30
		<b>92,148</b>	<b>4.04</b>
<b>Travel &amp; Leisure</b>			
888	290,672	493	0.02
Compass	1,153,970	18,827	0.83
FirstGroup	5,833,384	5,533	0.24
Go-Ahead	232,214	4,268	0.19
InterContinental Hotels	46,913	2,052	0.09
International Consolidated Airlines	6,461,825	41,614	1.82
JD Wetherspoon	163,167	2,004	0.09
JPJ	18,574	127	0.00
Mitchells & Butlers	401,889	1,153	0.05
National Express	3,524,329	13,886	0.61
Playtech	745,411	2,907	0.13
SSP	1,782,889	11,936	0.52
Stagecoach	3,308,150	5,237	0.23
		<b>110,037</b>	<b>4.82</b>
<b>TOTAL CONSUMER SERVICES</b>		<b>321,021</b>	<b>14.07</b>
<b>FINANCIALS (25.71%, 31/01/18 24.29%)</b>			
<b>Banks</b>			
Bank of Georgia	168,063	2,617	0.12
Close Brothers	1,416,187	21,314	0.93
HSBC	15,448,220	99,039	4.34
Lloyds Banking†	32,599,607	18,895	0.83
TBC Bank	19,457	282	0.01
		<b>142,147</b>	<b>6.23</b>

## UK Equity Income Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Financial Services</b>			
3i	4,495,137	38,047	1.67
Ashmore	1,649,433	6,716	0.30
Brewin Dolphin	846,530	2,562	0.11
Georgia Capital	171,909	1,895	0.08
Hargreaves Lansdown	252,549	4,159	0.18
IG	3,474,518	21,855	0.96
Intermediate Capital	676,068	6,855	0.30
International Personal Finance	479,012	1,009	0.05
Investec	199,159	1,001	0.04
John Laing	766,798	2,741	0.12
Jupiter Fund Management	3,905,722	12,815	0.56
Man	14,007,746	20,087	0.88
Plus500	1,018,627	15,595	0.68
Quilter	9,677,320	11,924	0.52
Rathbone Brothers	23,992	566	0.03
Schroders	625,257	16,407	0.72
		164,234	7.20
<b>Life Insurance</b>			
Aviva	10,567,635	44,141	1.93
Legal & General	4,167,831	10,924	0.48
Prudential	701,137	10,478	0.46
		65,543	2.87
<b>Non-Equity Investment Instruments</b>			
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc	72,381	72,381	3.17
		72,381	3.17
<b>Non-Life Insurance</b>			
Admiral	1,614,306	33,981	1.49
Beazley	961,754	4,797	0.21
Direct Line Insurance	10,441,712	35,690	1.56
Hastings	1,768,011	3,769	0.17
Hiscox	721,923	10,331	0.45
Jardine Lloyd Thompson	251,533	4,784	0.21
Sabre Insurance	151,045	426	0.02
		93,778	4.11
<b>Real Estate Investment &amp; Services</b>			
F&C Commercial Property Trust	564,397	737	0.03
Grainger	250,301	586	0.03
Savills	344,494	2,885	0.13
Sirius Real Estate	823,541	503	0.02
		4,711	0.21
<b>Real Estate Investment Trusts</b>			
Empiric Student Property	499,451	478	0.02
Great Portland Estates	2,025,215	15,110	0.66
Hansteen	2,620,699	2,428	0.10
Land Securities	2,463,012	21,606	0.95
LondonMetric Property	1,915,021	3,616	0.16
NewRiver	283,873	636	0.03
		43,874	1.92
<b>TOTAL FINANCIALS</b>		<b>586,668</b>	<b>25.71</b>

## UK Equity Income Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>HEALTH CARE (8.37%, 31/01/18 7.31%)</b>			
<b>Health Care Equipment &amp; Services</b>			
ConvaTec	5,999,340	8,657	0.38
Smith & Nephew	1,674,265	24,218	1.06
UDG Healthcare	227,043	1,338	0.06
		<u>34,213</u>	<u>1.50</u>
<b>Pharmaceuticals &amp; Biotechnology</b>			
AstraZeneca	742,825	41,048	1.80
BTG	1,302,590	10,831	0.47
GlaxoSmithKline	6,765,972	99,595	4.37
Hikma Pharmaceuticals	141,321	2,265	0.10
Indivior	2,622,269	2,979	0.13
Vectura†	1	0	0.00
		<u>156,718</u>	<u>6.87</u>
<b>TOTAL HEALTH CARE</b>		<b><u>190,931</u></b>	<b><u>8.37</u></b>
<b>INDUSTRIALS (6.85%, 31/01/18 7.21%)</b>			
<b>Aerospace &amp; Defence</b>			
Babcock International	303,802	1,649	0.07
BAE Systems	1,022,585	5,272	0.23
Cobham	6,400,682	6,948	0.30
Meggitt	2,341,026	12,066	0.53
QinetiQ	4,395,626	13,407	0.59
Senior	178,982	407	0.02
Ultra Electronics	39,561	522	0.02
		<u>40,271</u>	<u>1.76</u>
<b>Construction &amp; Materials</b>			
Forterra	398,860	1,059	0.05
Morgan Sindall	30,966	367	0.01
Polypipe	40,116	158	0.01
		<u>1,584</u>	<u>0.07</u>
<b>General Industrials</b>			
RPC	138,651	1,102	0.05
Smurfit Kappa	236,676	5,368	0.24
Vesuvius	425,444	2,395	0.10
		<u>8,865</u>	<u>0.39</u>
<b>Industrial Engineering</b>			
Rotork	755,595	2,094	0.09
		<u>2,094</u>	<u>0.09</u>
<b>Industrial Transportation</b>			
Royal Mail	8,799,125	23,810	1.04
		<u>23,810</u>	<u>1.04</u>

## UK Equity Income Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Support Services</b>			
AA	845,960	712	0.03
Ashtead	329,755	6,422	0.28
Bunzl	705,087	17,091	0.75
Diploma	152,545	1,966	0.09
Electrocomponents	1,909,478	10,483	0.46
Ferguson	269,412	13,926	0.61
Intertek	500,270	24,709	1.08
Mitie	439,773	516	0.02
Northgate	426,190	1,610	0.07
RPS	60,115	83	0.00
Sanne	297,081	1,515	0.07
SIG	709,375	856	0.04
		79,889	3.50
<b>TOTAL INDUSTRIALS</b>		<b>156,513</b>	<b>6.85</b>
<b>OIL &amp; GAS (13.60%, 31/01/18 12.09%)</b>			
<b>Oil &amp; Gas Producers</b>			
BP	19,657,490	102,396	4.49
Royal Dutch Shell 'B' Shares	8,723,209	207,133	9.08
Soco International	1,029,580	775	0.03
		310,304	13.60
<b>TOTAL OIL &amp; GAS</b>		<b>310,304</b>	<b>13.60</b>
<b>TECHNOLOGY (0.49%, 31/01/18 1.81%)</b>			
<b>Software &amp; Computer Services</b>			
Computacenter	512,634	5,331	0.24
Softcat	827,204	5,774	0.25
		11,105	0.49
<b>TOTAL TECHNOLOGY</b>		<b>11,105</b>	<b>0.49</b>
<b>TELECOMMUNICATIONS (3.51%, 31/01/18 4.23%)</b>			
<b>Fixed Line Telecommunications</b>			
BT	5,539,408	13,118	0.58
KCOM	3,345,728	2,315	0.10
		15,433	0.68
<b>Mobile Telecommunications</b>			
Vodafone	45,884,116	64,550	2.83
		64,550	2.83
<b>TOTAL TELECOMMUNICATIONS</b>		<b>79,983</b>	<b>3.51</b>
<b>UTILITIES (2.54%, 31/01/18 1.49%)</b>			
<b>Electricity</b>			
SSE	739,662	8,661	0.38
		8,661	0.38
<b>Gas, Water &amp; Multiutilities</b>			
Centrica	25,773,873	35,761	1.57
National Grid	1,634,254	13,540	0.59
		49,301	2.16
<b>TOTAL UTILITIES</b>		<b>57,962</b>	<b>2.54</b>

## UK Equity Income Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>DERIVATIVES (0.10%, 31/01/18 -0.04%)</b>			
<b>Futures Contracts</b>			
FTSE 100 Index Futures March 2019	1,199	2,858	0.13
		<u>2,858</u>	<u>0.13</u>
<b>Options</b>			
FTSE 100 Index Options 7000 Call February 2019	(162)	(95)	(0.01)
FTSE 100 Index Options 7025 Call February 2018	(162)	(77)	0.00
FTSE 100 Index Options 7050 Call February 2019	(290)	(112)	(0.01)
FTSE 100 Index Options 7075 Call February 2019	(133)	(41)	0.00
FTSE 100 Index Options 7125 Call February 2019	(311)	(57)	0.00
FTSE 100 Index Options 7150 Call February 2019	(252)	(35)	0.00
FTSE 100 Index Options 7225 Call March 2019	(171)	(44)	0.00
FTSE 100 Index Options 7250 Call March 2019	(132)	(28)	0.00
FTSE 100 Index Options 7300 Call March 2019	(142)	(21)	0.00
FTSE 100 Index Options 7275 Call April 2019	(143)	(57)	0.00
FTSE 100 Index Options 7300 Call April 2019	(216)	(77)	(0.01)
FTSE 100 Index Options 7350 Call April 2019	(218)	(60)	0.00
FTSE 100 Index Options 7375 Call April 2019	(145)	(35)	0.00
		<u>(739)</u>	<u>(0.03)</u>
<b>TOTAL DERIVATIVES</b>		<u><b>2,119</b></u>	<u><b>0.10</b></u>
<b>Portfolio of investments<sup>^</sup></b>		<u><b>2,285,259</b></u>	<u><b>100.16</b></u>
<b>Net other liabilities</b>		<u><b>(3,718)</b></u>	<u><b>(0.16)</b></u>
<b>Total net assets</b>		<u><b>2,281,541</b></u>	<u><b>100.00</b></u>

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

Holdings are denominated in Sterling unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

<sup>^</sup>Including derivative liabilities.

<sup>†</sup>This investment is a related party (see note 13).

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

<sup>‡</sup>The market value of the holding is below £500 and is therefore rounded down to £0.

## **UK Equity Income Fund**

### **Securities Financing Transactions (SFT)**

as at 31st January 2019

#### **1) Global Data**

<b>Proportion of securities and commodities on loan as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Total lendable assets excluding cash and cash equivalents:	2,160,160	
Securities and commodities on loan	64,283	2.98%
<b>Assets engaged in SFTs and total return swaps as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Fund assets under management (AUM)	2,295,156	
Absolute value of assets engaged in:		
Securities lending	64,283	2.80%

#### **2) Concentration Data**

##### **Top 10 collateral issuers**

<b>Name and value of collateral and commodities received as at 31st January 2019</b>	<b>£'000</b>
Government of Japan	9,334
Republic of France	6,382
Federal Republic of Germany	5,396
United States of America Treasury	4,816
Government of United Kingdom	3,542
Kingdom of Belgium	2,735
Eni	1,958
Kingdom of Netherlands	1,793
Industria de Diseno Textil	1,006
Microsoft	955

##### **Top 10 counterparties**

<b>Name and value of outstanding transactions as at 31st January 2019</b>	<b>£'000</b>
<b>Securities lending</b>	
JP Morgan Securities	19,404
Barclays Capital Securities	11,958
Bank of Nova Scotia	9,411
Merrill Lynch	8,829
HSBC Bank	5,894
Morgan Stanley International	2,301
UBS	2,201
Deutsche Bank	2,015
Credit Suisse Securities (Europe)	1,159
ING Bank	876



## UK Equity Income Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 3) Aggregate Transaction Data

Type, quality and currency of collateral as at 31st January 2019

Type	Quality	Currency	£'000
<b>Securities lending</b>			
Equity	Traded on recognised exchange	Sterling	6,981
Equity	Traded on recognised exchange	Australian dollar	313
Equity	Traded on recognised exchange	Canadian dollar	2,824
Equity	Traded on recognised exchange	Chinese yuan	217
Equity	Traded on recognised exchange	Danish krone	232
Equity	Traded on recognised exchange	Euro	9,966
Equity	Traded on recognised exchange	Hong Kong dollar	597
Equity	Traded on recognised exchange	Japanese yen	3,655
Equity	Traded on recognised exchange	Norwegian krone	732
Equity	Traded on recognised exchange	Singapore dollar	14
Equity	Traded on recognised exchange	Swedish krona	266
Equity	Traded on recognised exchange	Swiss franc	992
Equity	Traded on recognised exchange	US dollar	7,805
Fixed Income	Investment Grade	Sterling	3,542
Fixed Income	Investment Grade	Canadian dollar	77
Fixed Income	Investment Grade	Euro	17,059
Fixed Income	Investment Grade	Japanese yen	9,334
Fixed Income	Investment Grade	Swedish krona	2
Fixed Income	Investment Grade	US dollar	4,817
Total collateral held			<u>69,425</u>

Maturity tenor of collateral (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	613	410	335	1,324	32,149	34,594	69,425
	-	613	410	335	1,324	32,149	34,594	69,425

Counterparty details as at 31st January 2019

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Switzerland	Bi-lateral	515
Securities lending	United Kingdom	Bi-lateral	35
Securities lending	Canada	Tri-party	10,214
Securities lending	Germany	Tri-party	2,184
Securities lending	Netherlands	Tri-party	948
Securities lending	Switzerland	Tri-party	1,846
Securities lending	United Kingdom	Tri-party	53,683
Total collateral held			<u>69,425</u>

Maturity tenor of SFTs and total return swaps (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	-	64,283	64,283
	-	-	-	-	-	-	64,283	64,283

## UK Equity Income Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

#### 5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 31st January 2019	£'000
JP Morgan	34,839
Bank of New York	27,849
Crest	6,187
State Street	550
Number of custodians safekeeping collateral	4

#### 6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

#### 7) Return and Cost

for the year ended 31st January 2019

	Collective Investment Undertaking £'000	Manager of Collective Investment Undertaking £'000	Third Parties (e.g. lending agent) £'000	Total £'000
<b>Securities lending</b>				
Gross return	294	20	79	393
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

\*All direct costs from securities lending are borne by lending agent.

## UK Equity Income Fund

### Statement of total return

for the year ended 31st January 2019

	Notes	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	3		(176,076)		137,921
Revenue	4	120,644		119,507	
Expenses	5	(11,496)		(12,204)	
Interest payable and similar charges		<u>(4)</u>		<u>(5)</u>	
Net revenue before taxation		109,144		107,298	
Taxation	6	<u>(56)</u>		<u>(37)</u>	
Net revenue after taxation			<u>109,088</u>		<u>107,261</u>
<b>Total return before distributions</b>			<b>(66,988)</b>		<b>245,182</b>
Distributions	7		(119,355)		(118,662)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b><u>(186,343)</u></b>		<b><u>126,520</u></b>

### Statement of change in net assets attributable to shareholders

for the year ended 31st January 2019

	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		2,559,346		2,547,322
Amounts receivable on creation of shares	117,087		101,365	
Amounts payable on cancellation of shares	<u>(247,618)</u>		<u>(253,574)</u>	
		(130,531)		(152,209)
Dilution adjustment		654		561
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(186,343)		126,520
Retained distributions on accumulation shares		38,410		37,151
Unclaimed distributions		5		1
<b>Closing net assets attributable to shareholders</b>		<b><u>2,281,541</u></b>		<b><u>2,559,346</u></b>

Notes to the financial statements are on pages 136 to 162.

**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
for the year ended 31st January 2019

## UK Equity Income Fund

### Balance sheet

as at 31st January 2019

	Notes	31/01/19 £'000	31/01/18 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		2,285,998	2,563,154
Current assets:			
Debtors	8	6,493	5,257
Cash and bank balances	9	5,753	7,570
<b>Total assets</b>		<b>2,298,244</b>	<b>2,575,981</b>
<b>LIABILITIES</b>			
Investment liabilities		739	975
Creditors			
Distribution payable		12,984	11,418
Other creditors	10	2,980	4,242
<b>Total liabilities</b>		<b>16,703</b>	<b>16,635</b>
<b>Net assets attributable to shareholders</b>		<b>2,281,541</b>	<b>2,559,346</b>

Notes to the financial statements are on pages 136 to 162.

## UK FTSE 100 Index Tracking Fund

### Investment markets overview

#### Investment objective

The investment objective of the UK FTSE 100 Index Tracking Fund is to aim to match as closely as possible, subject to the effect of charges and regulations in force from time to time, the capital performance and net income yield of the FTSE 100 Index.

#### Investment policy

The portfolio is invested primarily in companies comprising the FTSE 100 Index. Index futures may be used for efficient portfolio management purposes only.

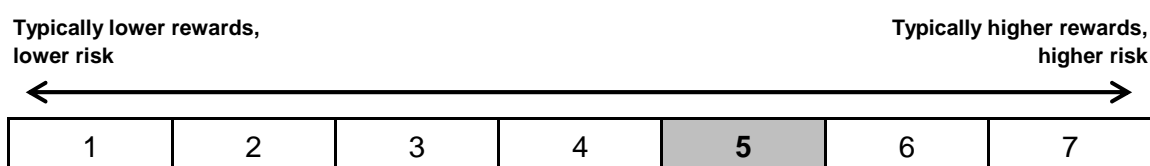
#### UCITS scheme

The Fund would qualify as a UCITS scheme operating under Chapter 5 of the COLL Sourcebook if it were in itself an Open-Ended Investment Company in respect of which an authorisation order made by the FCA were in force. Not more than 10% of the scheme property may consist of units in collective investment schemes.

#### Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to the fund Risk Profiles we used to determine our investment portfolios (where we used our own methodology to take an overall look at the funds' risks and aims and group our funds into Cautious/Medium, Medium, Medium/Adventurous, Adventurous Profiles).



The Fund is ranked at 5\* because it has experienced medium to high levels of volatility over the past 5 years.

\* As disclosed in the key investor information document dated 4th February 2019.

#### Investment review

Performance	01/02/18 to 31/01/19 %	01/02/17 to 31/01/18 %	01/02/16 to 31/01/17 %	01/02/15 to 31/01/16 %	01/02/14 to 31/01/15 %
UK FTSE 100 Index Tracking Fund	(3.91)	10.18	24.14	(8.27)	8.92
FTSE 100 Index	(3.53)	10.38	21.41	(6.48)	7.36

Tracking Error	31/01/19 %	31/01/18 %	31/01/17 %	31/01/16 %	31/01/15 %
Realised Tracking Error*	(0.02)	0.03	0.05	0.05	0.05
Anticipated Tracking Error**	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20

Source: Lipper after 1st February 2018 and Financial Express for previous years for FTSE 100 Index Tracking Fund and FTSE 100 Index.

Basis: For FTSE 100 Index Tracking Fund, percentage growth, total return Share Class C (gross of annual management charge), published prices at 12.00pm.

Basis: For FTSE 100 Index, revenue reinvested and gross of expenses at close of business.

\* The Realised Tracking Error measures how consistently the Fund follows its benchmark and is defined as being the volatility of differences in returns between the Fund and its benchmark over a 3 year period.

\*\* The Anticipated Tracking Error calculated using the performance of the Fund against the closing position of the Benchmark Index will be in the region of 0.00-0.20%. Factors likely to affect the ability of the Fund in meeting this objective are transaction costs, small illiquid components, dividend reinvestment, rebalancing, Fund expenses, significant inflows or outflows and the cash management thereof.

Past performance is not a guide to future performance. The value of an investment and the revenue from it may go up and down and you may get back less than invested.

UK equities endured a difficult 12 months, as the stock market weathered political upheaval and Brexit-related uncertainty. The see-saw nature of Brexit negotiations was unhelpful for share prices and sterling. As a consequence, the Bank of England (BOE) held the main UK interest rate at 0.75% in December. The pound fluctuated over the year, with periods of weakness helping to lift firms that make their revenues overseas.

## **UK FTSE 100 Index Tracking Fund**

### **Investment markets overview (continued)**

Investment review (continued)

After a tough start to 2018, the UK equity market rebounded into the summer. While sterling weakness benefited companies with large overseas earnings, domestically focused companies suffered. Oil firms were in the ascendency as Brent crude reached over \$80 per barrel in October – its highest level in four years. The market endured a difficult summer, but the final quarter of 2018 was a particularly torrid time. Global growth worries, the US-Sino trade dispute, Brexit and politics in Europe all came together to weigh on investors' sentiment. However, the gloom was lifted initially in late December by the Federal Reserve softening its tone on interest rates hikes. This was followed in January by the prospect of the US and China resolving their trade dispute, which led to a sharp recovery in the market.

This sentiment was mirrored in the oil market. While the oil price fell significantly towards the end of 2018, it rebounded in January 2019.

Over the 12 months, food & drug retailers and technology companies were among the best performers at a sector level. By contrast, personal goods and banks made the worst returns. The former sector lagged due to fashion retailers, such as Superdry and Ted Baker.

The outlook for 2019 is uncertain with concerns about global growth clouding the picture in the UK. However, the UK equity market now looks attractive on valuation measures due to this and Brexit. The UK's economic outlook for 2019 is bound up with the question of Brexit. Parliamentary deadlock means uncertainty about the eventual Brexit outcome remains high. Despite this, fiscal policy is set to become more supportive, with the second half of the year likely to be stronger than the first. Economic growth is expected to come in around trend.

Aberdeen Asset Investments Limited  
February 2019

## UK FTSE 100 Index Tracking Fund

### Comparative table

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class A</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	97.62	92.16	77.08
Return before operating charges*	(3.57)	9.34	18.48
Operating charges	(0.48)	(0.48)	(0.43)
Return after operating charges*	(4.05)	8.86	18.05
Distributions on income shares	(3.59)	(3.40)	(2.97)
Closing net asset value per share	89.98	97.62	92.16
*after direct transaction costs of:~			
	0.01	0.01	0.01
<b>Performance</b>			
Return after charges	(4.15%)	9.61%	23.42%
<b>Other information</b>			
Closing net asset value (£'000)	7,369	8,195	8,041
Closing number of shares	8,189,558	8,394,558	8,724,558
Operating charges#	0.50%	0.50%	0.50%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	103.20	101.63	95.66
Lowest share price	86.68	91.66	71.16

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class B</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	41.07	37.63	30.60
Return before operating charges*	(1.57)	3.84	7.37
Operating charges	(0.40)	(0.40)	(0.34)
Return after operating charges*	(1.97)	3.44	7.03
Distributions	(1.32)	(1.20)	(1.01)
Retained distributions on accumulation shares	1.32	1.20	1.01
Closing net asset value per share	39.10	41.07	37.63
*after direct transaction costs of:~			
	0.00	0.00	0.01
<b>Performance</b>			
Return after charges	(4.80%)	9.14%	22.97%
<b>Other information</b>			
Closing net asset value (£'000)	417,388	472,584	475,853
Closing number of shares	1,067,529,000	1,150,589,000	1,264,624,000
Operating charges#	1.00%	1.00%	1.00%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	43.35	42.16	38.54
Lowest share price	37.04	37.42	28.24

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.



## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class C</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	60.14	55.12	44.85
Return before operating charges*	(2.30)	5.63	10.80
Operating charges	(0.63)	(0.61)	(0.53)
Return after operating charges*	(2.93)	5.02	10.27
Distributions	(1.89)	(1.73)	(1.46)
Retained distributions on accumulation shares	1.89	1.73	1.46
Closing net asset value per share	57.21	60.14	55.12
*after direct transaction costs of:~			
	0.01	0.01	0.01
<b>Performance</b>			
Return after charges^	(4.87%)	9.11%	22.90%
<b>Other information</b>			
Closing net asset value (£'000)	870	1,360	1,902
Closing number of shares	1,521,000	2,261,000	3,451,000
Operating charges#	1.06%	1.05%	1.05%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	63.45	61.73	56.46
Lowest share price	54.20	54.82	41.39

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This can be different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class D</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	52.06	47.69	38.78
Return before operating charges*	(2.00)	4.87	9.34
Operating charges	(0.51)	(0.50)	(0.43)
Return after operating charges*	(2.51)	4.37	8.91
Distributions	(1.67)	(1.52)	(1.28)
Retained distributions on accumulation shares	1.67	1.52	1.28
Closing net asset value per share	49.55	52.06	47.69
*after direct transaction costs of:~			
	0.01	0.01	0.01
<b>Performance</b>			
Return after charges	(4.82%)	9.16%	22.98%
<b>Other information</b>			
Closing net asset value (£'000)	667,167	684,345	612,333
Closing number of shares	1,346,340,000	1,314,635,000	1,284,025,000
Operating charges#	1.00%	1.00%	1.00%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	54.94	53.43	48.85
Lowest share price	46.94	47.43	35.79

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class F</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	39.52	36.21	29.44
Return before operating charges*	(1.51)	3.70	7.08
Operating charges	(0.39)	(0.39)	(0.31)
Return after operating charges*	(1.90)	3.31	6.77
Distributions	(1.26)	(1.15)	(0.98)
Retained distributions on accumulation shares	1.26	1.15	0.98
Closing net asset value per share	37.62	39.52	36.21
*after direct transaction costs of:~			
	0.00	0.00	0.00
<b>Performance</b>			
Return after charges	(4.81%)	9.14%	23.00%
<b>Other information</b>			
Closing net asset value (£'000)	368	422	662
Closing number of shares	979,000	1,068,000	1,828,000
Operating charges#	1.01%	1.01%	1.01%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	41.70	40.56	37.09
Lowest share price	35.63	36.01	27.18

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class I</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	97.65	92.19	77.08
Return before operating charges*	(3.57)	9.35	18.51
Operating charges	-	-	-
Return after operating charges*	(3.57)	9.35	18.51
Distributions on income shares	(4.07)	(3.89)	(3.40)
Closing net asset value per share	90.01	97.65	92.19
*after direct transaction costs of:~			
	0.01	0.01	0.01
<b>Performance</b>			
Return after charges	(3.66%)	10.14%	24.01%
<b>Other information</b>			
Closing net asset value (£'000)	37,635	38,823	41,353
Closing number of shares	41,811,427	39,756,427	44,856,427
Operating charges#Δ	0.00%	0.00%	0.00%
Direct transaction costs~	0.01%	0.01%	0.02%
<b>Prices**</b>			
Highest share price	103.40	101.89	95.91
Lowest share price	86.89	91.69	71.18

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

ΔFees are payable by institutional investors in this share class to the ACD outside the Fund.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE 100 Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class S***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	107.26	99.94
Return before operating charges*	(4.12)	7.81
Operating charges	(0.53)	(0.49)
Return after operating charges*	(4.65)	7.32
Distributions	(3.97)	(3.27)
Retained distributions on accumulation shares	3.97	3.27
Closing net asset value per share	102.61	107.26
*after direct transaction costs of:~	0.01	0.01
<b>Performance</b>		
Return after charges	(4.34%)	7.32%
<b>Other information</b>		
Closing net asset value (£'000)	18,553	16,555
Closing number of shares	18,080,000	15,435,000
Operating charges#	0.50%	0.50%
Direct transaction costs~	0.01%	0.01%
<b>Prices**</b>		
Highest share price	113.40	110.06
Lowest share price	97.16	98.33

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK FTSE 100 Index Tracking Fund

### Material portfolio changes

<b>Major purchases</b>	<b>Cost £'000</b>	<b>Major sales</b>	<b>Proceeds £'000</b>
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	78,900	Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	57,621
FTSE 100 Index Futures March 2019	62,490	FTSE 100 Index Futures September 2018	47,485
FTSE 100 Index Futures September 2018	48,659	FTSE 100 Index Futures December 2018	38,537
FTSE 100 Index Futures December 2018	40,354	FTSE 100 Index Futures June 2018	37,683
FTSE 100 Index Futures June 2018	35,694	FTSE 100 Index Futures March 2019	27,233
FTSE 100 Index Futures March 2018	13,353	FTSE 100 Index Futures March 2018	25,654
RELX	9,271	Shire	25,440
GVC	3,622	Sky	11,074
Ocado	3,597	Old Mutual	4,614
Melrose Industries	3,359	Randgold Resources	3,858

Purchases and sales of Futures have been included at the value of their exposure.

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## UK FTSE 100 Index Tracking Fund

### Portfolio statement

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>BASIC MATERIALS (8.99%, 31/01/18 9.01%)</b>			
<b>Chemicals</b>			
Croda International	80,182	3,908	0.34
Johnson Matthey	122,848	3,798	0.33
		<u>7,706</u>	<u>0.67</u>
<b>Forestry &amp; Paper</b>			
Mondi	233,111	4,359	0.38
		<u>4,359</u>	<u>0.38</u>
<b>Industrial Metals &amp; Mining</b>			
Evrast	306,915	1,516	0.13
		<u>1,516</u>	<u>0.13</u>
<b>Mining</b>			
Anglo American	624,082	12,116	1.05
Antofagasta	229,036	1,961	0.17
BHP	1,314,872	22,356	1.95
Fresnillo	116,644	1,165	0.10
Glencore	7,212,465	22,214	1.93
Rio Tinto	713,611	29,961	2.61
		<u>89,773</u>	<u>7.81</u>
<b>TOTAL BASIC MATERIALS</b>		<b><u>103,354</u></b>	<b><u>8.99</u></b>
<b>CONSUMER GOODS (15.21%, 31/01/18 17.46%)</b>			
<b>Beverages</b>			
Coca-Cola HBC	123,979	3,174	0.28
Diageo	1,524,017	44,082	3.83
		<u>47,256</u>	<u>4.11</u>
<b>Food Producers</b>			
Associated British Foods	221,201	5,291	0.46
		<u>5,291</u>	<u>0.46</u>
<b>Household Goods &amp; Home Construction</b>			
Barratt Developments	632,087	3,435	0.30
Berkeley	77,646	2,953	0.26
Persimmon	194,148	4,675	0.40
Reckitt Benckiser	395,654	23,185	2.02
Taylor Wimpey	2,072,328	3,463	0.30
		<u>37,711</u>	<u>3.28</u>
<b>Personal Goods</b>			
Burberry	262,698	4,739	0.41
Unilever	690,593	27,199	2.37
		<u>31,938</u>	<u>2.78</u>
<b>Tobacco</b>			
British American Tobacco	1,440,259	37,663	3.28
Imperial Brands	603,823	14,939	1.30
		<u>52,602</u>	<u>4.58</u>
<b>TOTAL CONSUMER GOODS</b>		<b><u>174,798</u></b>	<b><u>15.21</u></b>
<b>CONSUMER SERVICES (11.05%, 31/01/18 9.59%)</b>			
<b>Food &amp; Drug Retailers</b>			
J Sainsbury	1,019,983	2,940	0.26
Ocado	275,976	2,708	0.24
Tesco	6,060,300	13,484	1.17
Wm Morrison Supermarkets	1,373,866	3,251	0.28
		<u>22,383</u>	<u>1.95</u>

## UK FTSE 100 Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER SERVICES (continued)</b>			
<b>General Retailers</b>			
Kingfisher	1,370,889	3,090	0.27
Marks & Spencer	1,029,041	3,002	0.26
Next	86,787	4,187	0.36
		<u>10,279</u>	<u>0.89</u>
<b>Media</b>			
Auto Trader	586,739	2,671	0.23
Informa	782,364	5,341	0.47
ITV	2,376,308	3,115	0.27
Pearson	496,887	4,546	0.40
RELX	1,202,620	20,246	1.76
Rightmove	569,828	2,679	0.23
WPP	773,977	6,749	0.59
		<u>45,347</u>	<u>3.95</u>
<b>Travel &amp; Leisure</b>			
Carnival	106,334	4,602	0.40
Compass	1,005,634	16,407	1.43
easyJet	157,699	2,007	0.17
GVC	363,294	2,467	0.21
InterContinental Hotels	113,735	4,975	0.43
International Consolidated Airlines	1,014,557	6,533	0.57
Paddy Power Betfair	49,770	3,111	0.27
TUI	275,030	3,248	0.28
Whitbread	115,597	5,698	0.50
		<u>49,048</u>	<u>4.26</u>
<b>TOTAL CONSUMER SERVICES</b>		<b><u>127,057</u></b>	<b><u>11.05</u></b>
<b>FINANCIALS (23.73%, 31/01/18 24.15%)</b>			
<b>Banks</b>			
Barclays	10,754,970	17,075	1.48
HSBC	12,703,538	81,443	7.09
Lloyds Banking†	44,888,208	26,017	2.26
Royal Bank of Scotland	2,850,889	6,913	0.60
Standard Chartered	1,703,802	10,662	0.93
		<u>142,110</u>	<u>12.36</u>
<b>Equity Investment Instruments</b>			
Scottish Mortgage Investment Trust	911,117	4,359	0.38
		<u>4,359</u>	<u>0.38</u>
<b>Financial Services</b>			
3i	611,657	5,178	0.45
Hargreaves Lansdown	166,128	2,736	0.24
London Stock Exchange	198,062	9,057	0.79
Schroders	71,736	1,882	0.16
Standard Life Aberdeen◊	1,623,664	4,117	0.36
		<u>22,970</u>	<u>2.00</u>
<b>Life Insurance</b>			
Aviva	2,477,251	10,347	0.90
Legal & General	3,769,089	9,879	0.86
Prudential	1,637,658	24,475	2.13
St James's Place	328,983	3,121	0.27
		<u>47,822</u>	<u>4.16</u>
<b>Non-Equity Investment Instruments</b>			
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc◊	32,249	32,249	2.81
		<u>32,249</u>	<u>2.81</u>



## UK FTSE 100 Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Non-Life Insurance</b>			
Admiral	127,077	2,675	0.23
Direct Line Insurance	872,796	2,983	0.26
Hiscox	175,531	2,512	0.22
RSA Insurance	644,663	3,374	0.29
		11,544	1.00
<b>Real Estate Investment Trusts</b>			
British Land	623,348	3,642	0.32
Land Securities	450,655	3,953	0.34
Segro	630,659	4,148	0.36
		11,743	1.02
<b>TOTAL FINANCIALS</b>		<b>272,797</b>	<b>23.73</b>
<b>HEALTH CARE (8.74%, 31/01/18 8.82%)</b>			
<b>Health Care Equipment &amp; Services</b>			
NMC Health	54,296	1,413	0.12
Smith & Nephew	559,471	8,093	0.71
		9,506	0.83
<b>Pharmaceuticals &amp; Biotechnology</b>			
AstraZeneca	801,128	44,270	3.85
GlaxoSmithKline	3,075,214	45,267	3.94
Hikma Pharmaceuticals	88,386	1,416	0.12
		90,953	7.91
<b>TOTAL HEALTH CARE</b>		<b>100,459</b>	<b>8.74</b>
<b>INDUSTRIALS (8.28%, 31/01/18 7.53%)</b>			
<b>Aerospace &amp; Defence</b>			
BAE Systems	2,007,662	10,351	0.90
Rolls-Royce	1,050,398	9,401	0.82
		19,752	1.72
<b>Construction &amp; Materials</b>			
CRH	518,159	11,425	0.99
Melrose Industries	3,041,189	5,149	0.45
		16,574	1.44
<b>Electronic &amp; Electrical Equipment</b>			
Halma	239,226	3,352	0.29
		3,352	0.29
<b>General Industrials</b>			
DS Smith	798,440	2,765	0.24
Smiths	248,851	3,632	0.32
Smurfit Kappa	148,416	3,366	0.29
		9,763	0.85
<b>Industrial Engineering</b>			
Spirax-Sarco Engineering	46,380	3,019	0.26
		3,019	0.26

## UK FTSE 100 Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Support Services</b>			
Ashtead	308,279	6,004	0.52
Bunzl	210,748	5,109	0.45
DCC	61,714	3,906	0.34
Experian	580,287	11,200	0.97
Ferguson	146,600	7,578	0.66
Intertek	102,035	5,039	0.44
Rentokil Initial	1,156,618	3,885	0.34
		42,721	3.72
<b>TOTAL INDUSTRIALS</b>		<b>95,181</b>	<b>8.28</b>
<b>OIL &amp; GAS (16.57%, 31/01/18 15.45%)</b>			
<b>Oil &amp; Gas Producers</b>			
BP	12,325,571	64,204	5.58
Royal Dutch Shell 'A' Shares	2,868,870	67,777	5.90
Royal Dutch Shell 'B' Shares	2,365,300	56,164	4.89
		188,145	16.37
<b>Oil Equipment, Services &amp; Distribution</b>			
John Wood	420,816	2,275	0.20
		2,275	0.20
<b>TOTAL OIL &amp; GAS</b>		<b>190,420</b>	<b>16.57</b>
<b>TECHNOLOGY (0.71%, 31/01/18 0.88%)</b>			
<b>Software &amp; Computer Services</b>			
Micro Focus International	264,192	3,900	0.34
Sage	683,654	4,297	0.37
		8,197	0.71
<b>TOTAL TECHNOLOGY</b>		<b>8,197</b>	<b>0.71</b>
<b>TELECOMMUNICATIONS (3.16%, 31/01/18 4.12%)</b>			
<b>Fixed Line Telecommunications</b>			
BT	5,292,274	12,532	1.09
		12,532	1.09
<b>Mobile Telecommunications</b>			
Vodafone	16,868,890	23,731	2.07
		23,731	2.07
<b>TOTAL TELECOMMUNICATIONS</b>		<b>36,263</b>	<b>3.16</b>
<b>UTILITIES (3.21%, 31/01/18 2.93%)</b>			
<b>Electricity</b>			
SSE	645,277	7,556	0.66
		7,556	0.66
<b>Gas, Water &amp; Multiutilities</b>			
Centrica	3,539,994	4,912	0.43
National Grid	2,147,028	17,788	1.55
Severn Trent	149,300	2,977	0.26
United Utilities	432,778	3,618	0.31
		29,295	2.55
<b>TOTAL UTILITIES</b>		<b>36,851</b>	<b>3.21</b>

## UK FTSE 100 Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>DERIVATIVES (0.12%, 31/01/18 0.00%)</b>			
<b>Futures Contracts</b>			
FTSE 100 Index Futures March 2019	533	1,345	0.12
		1,345	0.12
<b>TOTAL DERIVATIVES</b>		<b>1,345</b>	<b>0.12</b>
<b>Portfolio of investments</b>		<b>1,146,722</b>	<b>99.77</b>
<b>Net other assets</b>		<b>2,628</b>	<b>0.23</b>
<b>Total net assets</b>		<b>1,149,350</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

Holdings are denominated in Sterling unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

†This investment is a related party (see note 13).

◇Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## **UK FTSE 100 Index Tracking Fund**

### **Securities Financing Transactions (SFT)**

as at 31st January 2019

#### **1) Global Data**

<b>Proportion of securities and commodities on loan as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Total lendable assets excluding cash and cash equivalents:	1,088,962	
Securities and commodities on loan	23,720	2.18%
<b>Assets engaged in SFTs and total return swaps as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Fund assets under management (AUM)	1,150,441	
Absolute value of assets engaged in:		
Securities lending	23,720	2.06%

#### **2) Concentration Data**

##### **Top 10 collateral issuers**

<b>Name and value of collateral and commodities received as at 31st January 2019</b>	<b>£'000</b>
United States of America Treasury	3,434
Republic of France	2,853
Federal Republic of Germany	2,488
Eni	1,357
Government of United Kingdom	976
Government of Japan	829
Enel	592
Mitsubishi UFJ Financial	582
Microsoft	464
Kingdom of Belgium	450

##### **Top 10 counterparties**

<b>Name and value of outstanding transactions as at 31st January 2019</b>	<b>£'000</b>
<b>Securities lending</b>	
JP Morgan Securities	13,301
Deutsche Bank	3,138
Barclays Capital Securities	2,506
Bank of Nova Scotia	1,804
UBS	1,542
Merrill Lynch	784
Morgan Stanley International	368
ING Bank	221
Credit Suisse Securities (Europe)	56

## UK FTSE 100 Index Tracking Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 3) Aggregate Transaction Data

Type, quality and currency of collateral as at 31st January 2019

Type	Quality	Currency	£'000
<b>Securities lending</b>			
Equity	Traded on recognised exchange	Sterling	908
Equity	Traded on recognised exchange	Australian dollar	198
Equity	Traded on recognised exchange	Canadian dollar	555
Equity	Traded on recognised exchange	Chinese yuan	132
Equity	Traded on recognised exchange	Danish krone	198
Equity	Traded on recognised exchange	Euro	5,329
Equity	Traded on recognised exchange	Hong Kong dollar	305
Equity	Traded on recognised exchange	Japanese yen	2,453
Equity	Traded on recognised exchange	Norwegian krone	438
Equity	Traded on recognised exchange	Singapore dollar	10
Equity	Traded on recognised exchange	Swedish krona	160
Equity	Traded on recognised exchange	Swiss franc	607
Equity	Traded on recognised exchange	US dollar	3,244
Fixed Income	Investment Grade	Sterling	976
Fixed Income	Investment Grade	Euro	6,001
Fixed Income	Investment Grade	Japanese yen	829
Fixed Income	Investment Grade	Swedish krona	3
Fixed Income	Investment Grade	US dollar	3,434
Total collateral held			<b>25,780</b>

Maturity tenor of collateral (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	274	275	217	1,089	9,388	14,537	25,780
	-	274	275	217	1,089	9,388	14,537	25,780

Counterparty details as at 31st January 2019

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Switzerland	Bi-lateral	84
Securities lending	United Kingdom	Bi-lateral	71
Securities lending	Canada	Tri-party	1,958
Securities lending	Germany	Tri-party	3,401
Securities lending	Netherlands	Tri-party	239
Securities lending	Switzerland	Tri-party	1,582
Securities lending	United Kingdom	Tri-party	18,445
Total collateral held			<b>25,780</b>

Maturity tenor of SFTs and total return swaps (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	-	23,720	23,720
	-	-	-	-	-	-	23,720	23,720

## **UK FTSE 100 Index Tracking Fund**

### **Securities Financing Transactions (SFT) (continued)**

as at 31st January 2019

#### **4) Re-use of Collateral**

The Fund does not engage in re-use of collateral.

#### **5) Safekeeping of Collateral Received**

<b>Names and value of custodians safekeeping collateral as at 31st January 2019</b>	<b>£'000</b>
JP Morgan	19,926
Bank of New York	5,699
State Street	155
Number of custodians safekeeping collateral	3

#### **6) Safekeeping of Collateral Granted**

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

#### **7) Return and Cost**

for the year ended 31st January 2019

	<b>Collective Investment Undertaking £'000</b>	<b>Manager of Collective Investment Undertaking £'000</b>	<b>Third Parties (e.g. lending agent) £'000</b>	<b>Total £'000</b>
<b>Securities lending</b>				
Gross return	144	9	38	191
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

\*All direct costs from securities lending are borne by lending agent.

## UK FTSE 100 Index Tracking Fund

### Statement of total return

for the year ended 31st January 2019

	Notes	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	3		(97,139)		67,591
Revenue	4	51,515		48,524	
Expenses	5	(11,461)		(11,467)	
Interest payable and similar charges		-		-	
Net revenue before taxation		40,054		37,057	
Taxation	6	(430)		(390)	
Net revenue after taxation			39,624		36,667
<b>Total return before distributions</b>			<b>(57,515)</b>		<b>104,258</b>
Distributions	7		(39,626)		(36,667)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>(97,141)</b>		<b>67,591</b>

### Statement of change in net assets attributable to shareholders

for the year ended 31st January 2019

	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,222,284		1,140,144
Amounts receivable on creation of shares	39,992		33,281	
Amounts payable on cancellation of shares	(53,440)		(53,379)	
		(13,448)		(20,098)
Dilution adjustment		201		155
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(97,141)		67,591
Retained distributions on accumulation shares		37,454		34,492
<b>Closing net assets attributable to shareholders</b>		<b>1,149,350</b>		<b>1,222,284</b>

Notes to the financial statements are on pages 136 to 162.

## UK FTSE 100 Index Tracking Fund

### Balance sheet

as at 31st January 2019

	Notes	31/01/19 £'000	31/01/18 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		1,146,722	1,221,592
Current assets:			
Debtors	8	3,052	2,620
Cash and bank balances	9	1,815	446
<b>Total assets</b>		<b>1,151,589</b>	<b>1,224,658</b>
<b>LIABILITIES</b>			
Investment liabilities		-	7
Creditors			
Distribution payable		883	783
Other creditors	10	1,356	1,584
<b>Total liabilities</b>		<b>2,239</b>	<b>2,374</b>
<b>Net assets attributable to shareholders</b>		<b>1,149,350</b>	<b>1,222,284</b>

Notes to the financial statements are on pages 136 to 162.



## UK FTSE All-Share Index Tracking Fund

### Investment markets overview

#### Investment objective

The investment objective of the UK FTSE All-Share Index Tracking Fund is to aim to match as closely as possible, subject to the effect of charges and regulations in force from time to time, the capital performance and net income yield of the FTSE All-Share Index.

#### Investment policy

The policy is to invest partially in companies comprising the FTSE All-Share Index. Index futures may be used for efficient portfolio management purposes only.

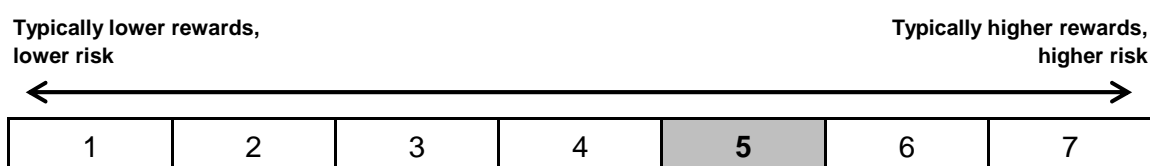
#### UCITS scheme

The Fund would qualify as a UCITS scheme operating under Chapter 5 of the COLL Sourcebook if it were in itself an Open-Ended Investment Company in respect of which an authorisation order made by the FCA were in force. Not more than 10% of the scheme property may consist of units in collective investment schemes.

#### Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to the fund Risk Profiles we used to determine our investment portfolios (where we used our own methodology to take an overall look at the funds' risks and aims and group our funds into Cautious/Medium, Medium, Medium/Adventurous, Adventurous Profiles).



The Fund is ranked at 5\* because it has experienced medium to high levels of volatility over the past 5 years.

\* As disclosed in the key investor information document dated 4th February 2019.

#### Investment review

Performance	01/02/18 to 31/01/19 %	01/02/17 to 31/01/18 %	01/02/16 to 31/01/17 %	01/02/15 to 31/01/16 %	01/02/14 to 31/01/15 %
UK FTSE All-Share Index Tracking Fund	(3.95)	11.31	22.63	(6.30)	8.48
FTSE All-Share Index	(3.83)	11.28	20.06	(4.63)	7.11

Tracking Error	31/01/19 %	31/01/18 %	31/01/17 %	31/01/16 %	31/01/15 %
Realised Tracking Error*	(0.03)	0.04	0.04	0.05	0.07
Anticipated Tracking Error**	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20	0.00-0.20

Source: Lipper after 1st February 2018 and Financial Express for previous years for UK FTSE All-Share Index Tracking Fund and FTSE All-Share Index.  
Basis: For UK FTSE All-Share Index Tracking Fund, percentage growth, total return Share Class C (gross of annual management charge), published prices at 12.00pm.

Basis: For FTSE All-Share Index, revenue reinvested and gross of expenses at close of business.

\* The Realised Tracking Error measures how consistently the Fund follows its benchmark and is defined as being the volatility of differences in returns between the Fund and its benchmark over a 3 year period.

\*\* The Anticipated Tracking Error calculated using the performance of the Fund against the closing position of the Benchmark Index will be in the region of 0.00-0.20%. Factors likely to affect the ability of the Fund in meeting this objective are transaction costs, small illiquid components, dividend reinvestment, rebalancing, Fund expenses, significant inflows or outflows and the cash management thereof.

Past performance is not a guide to future performance. The value of an investment and the revenue from it may go up and down and you may get back less than invested.

UK equities endured a difficult 12 months, as the stock market weathered political upheaval and Brexit-related uncertainty. The see-saw nature of Brexit negotiations was unhelpful for share prices and sterling. As a consequence, the Bank of England (BOE) held the main UK interest rate at 0.75% in December. The pound fluctuated over the year, with periods of weakness helping to lift firms that make their revenues overseas.

## **UK FTSE All-Share Index Tracking Fund**

### **Investment markets overview (continued)**

Investment review (continued)

After a tough start to 2018, the UK equity market rebounded into the summer. While sterling weakness benefited companies with large overseas earnings, domestically focused companies suffered. Oil firms were in the ascendency as Brent crude reached over \$80 per barrel in October – its highest level in four years. The market endured a difficult summer, but the final quarter of 2018 was a particularly torrid time. Global growth worries, the US-Sino trade dispute, Brexit and politics in Europe all came together to weigh on investors' sentiment. However, the gloom was lifted initially in late December by the Federal Reserve softening its tone on interest rates hikes. This was followed in January by the prospect of the US and China resolving their trade dispute, which led to a sharp recovery in the market.

This sentiment was mirrored in the oil market. While the oil price fell significantly towards the end of 2018, it rebounded in January 2019.

Over the 12 months, food & drug retailers and technology companies were among the best performers at a sector level. By contrast, personal goods and banks made the worst returns. The former sector lagged due to fashion retailers, such as Superdry and Ted Baker.

The outlook for 2019 is uncertain with concerns about global growth clouding the picture in the UK. However, the UK equity market now looks attractive on valuation measures due to this and Brexit. The UK's economic outlook for 2019 is bound up with the question of Brexit. Parliamentary deadlock means uncertainty about the eventual Brexit outcome remains high. Despite this, fiscal policy is set to become more supportive, with the second half of the year likely to be stronger than the first. Economic growth is expected to come in around trend.

Aberdeen Asset Investments Limited  
February 2019

## UK FTSE All-Share Index Tracking Fund

### Comparative table

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class A</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	70.40	65.68	55.57
Return before operating charges*	(2.68)	7.36	12.45
Operating charges	(0.34)	(0.35)	(0.31)
Return after operating charges*	(3.02)	7.01	12.14
Distributions on income shares	(2.47)	(2.29)	(2.03)
Closing net asset value per share	64.91	70.40	65.68
*after direct transaction costs of:~			
	-	0.00	0.01
<b>Performance</b>			
Return after charges	(4.29%)	10.67%	21.85%
<b>Other information</b>			
Closing net asset value (£'000)	105,763	117,299	112,785
Closing number of shares	162,926,272	166,611,272	171,716,272
Operating charges#	0.50%	0.50%	0.50%
Direct transaction costs~	0.00%	0.00%	0.02%
<b>Prices**</b>			
Highest share price	74.29	73.21	67.94
Lowest share price	62.11	65.43	51.42

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE All-Share Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class C</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	68.76	62.38	51.38
Return before operating charges*	(2.68)	7.07	11.59
Operating charges	(0.70)	(0.69)	(0.59)
Return after operating charges*	(3.38)	6.38	11.00
Distributions	(2.10)	(1.87)	(1.60)
Retained distributions on accumulation shares	2.10	1.87	1.60
Closing net asset value per share	65.38	68.76	62.38
*after direct transaction costs of:~			
	-	0.00	0.01
<b>Performance</b>			
Return after charges^	(4.92%)	10.23%	21.41%
<b>Other information</b>			
Closing net asset value (£'000)	265,294	313,644	315,582
Closing number of shares	405,756,000	456,139,000	505,879,000
Operating charges#	1.03%	1.03%	1.03%
Direct transaction costs~	0.00%	0.00%	0.02%
<b>Prices**</b>			
Highest share price	72.45	70.55	63.71
Lowest share price	61.56	62.14	47.54

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This can be different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE All-Share Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class F</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	42.44	38.51	31.72
Return before operating charges*	(1.67)	4.34	7.14
Operating charges	(0.42)	(0.41)	(0.35)
Return after operating charges*	(2.09)	3.93	6.79
Distributions	(1.29)	(1.15)	(0.99)
Retained distributions on accumulation shares	1.29	1.15	0.99
Closing net asset value per share	40.35	42.44	38.51
*after direct transaction costs of:~			
	-	0.00	0.01
<b>Performance</b>			
Return after charges	(4.92%)	10.21%	21.41%
<b>Other information</b>			
Closing net asset value (£'000)	151,050	171,933	168,881
Closing number of shares	374,328,000	405,111,000	438,581,000
Operating charges#	1.01%	1.01%	1.01%
Direct transaction costs~	0.00%	0.00%	0.02%
<b>Prices**</b>			
Highest share price	44.72	43.55	39.32
Lowest share price	37.99	38.36	29.34

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE All-Share Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class G</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	42.85	38.88	32.03
Return before operating charges*	(1.69)	4.39	7.20
Operating charges	(0.42)	(0.42)	(0.35)
Return after operating charges*	(2.11)	3.97	6.85
Distributions	(1.30)	(1.16)	(1.00)
Retained distributions on accumulation shares	1.30	1.16	1.00
Closing net asset value per share	40.74	42.85	38.88
*after direct transaction costs of:~			
	-	0.00	0.01
<b>Performance</b>			
Return after charges	(4.92%)	10.21%	21.39%
<b>Other information</b>			
Closing net asset value (£'000)	18,626	17,763	16,269
Closing number of shares	45,723,000	41,453,000	41,843,000
Operating charges#	1.01%	1.01%	1.00%
Direct transaction costs~	0.00%	0.00%	0.02%
<b>Prices**</b>			
Highest share price	45.15	43.97	39.71
Lowest share price	38.36	38.73	29.63

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE All-Share Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class I</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	70.48	65.75	55.62
Return before operating charges*	(2.70)	7.35	12.45
Operating charges	-	-	-
Return after operating charges*	(2.70)	7.35	12.45
Distributions on income shares	(2.79)	(2.62)	(2.32)
Closing net asset value per share	64.99	70.48	65.75
*after direct transaction costs of:~			
	-	0.00	0.01
<b>Performance</b>			
Return after charges	(3.83%)	11.18%	22.38%
<b>Other information</b>			
Closing net asset value (£'000)	1,140,958	1,308,474	1,298,740
Closing number of shares	1,755,524,068	1,856,394,068	1,975,139,068
Operating charges#Δ	0.00%	0.00%	0.00%
Direct transaction costs~	0.00%	0.00%	0.02%
<b>Prices**</b>			
Highest share price	74.48	73.45	68.16
Lowest share price	62.30	65.50	51.48

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

ΔFees are payable by institutional investors in this share class to the ACD outside the Fund.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK FTSE All-Share Index Tracking Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class P***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	108.06	99.92
Return before operating charges*	(4.30)	8.65
Operating charges	(0.54)	(0.51)
Return after operating charges*	(4.84)	8.14
Distributions	(3.80)	(3.10)
Retained distributions on accumulation shares	3.80	3.10
Closing net asset value per share	103.22	108.06
*after direct transaction costs of:~		
	-	0.00
<b>Performance</b>		
Return after charges	(4.48%)	8.15%
<b>Other information</b>		
Closing net asset value (£'000)	25,786	19,618
Closing number of shares	24,981,000	18,155,000
Operating charges#	0.51%	0.51%
Direct transaction costs~	0.00%	0.00%
<b>Prices**</b>		
Highest share price	114.00	110.85
Lowest share price	97.15	99.11

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.



## UK FTSE All-Share Index Tracking Fund

### Material portfolio changes

<b>Major purchases</b>	<b>Cost £'000</b>	<b>Major sales</b>	<b>Proceeds £'000</b>
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	131,295	Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	132,268
FTSE 100 Index Futures December 2018	64,973	FTSE 100 Index Futures December 2018	62,535
FTSE 100 Index Futures September 2018	62,902	FTSE 100 Index Futures September 2018	62,042
FTSE 100 Index Futures March 2019	59,984	FTSE 100 Index Futures March 2018	37,919
FTSE 100 Index Futures June 2018	32,204	FTSE 100 Index Futures June 2018	34,084
RELX	11,297	FTSE 100 Index Futures March 2019	33,047
FTSE 250 Index Futures March 2019	10,680	Shire	32,111
FTSE 100 Index Futures March 2018	7,430	Sky	14,022
FTSE 250 Index Futures December 2018	6,419	Old Mutual	5,768
FTSE 250 Index Futures September 2018	5,206	FTSE 250 Index Futures December 2018	5,724

Purchases and sales of Futures have been included at the value of their exposure.

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>BASIC MATERIALS (7.96%, 31/01/18 7.84%)</b>			
<b>Chemicals</b>			
Croda International	100,892	4,917	0.29
Elementis	447,467	823	0.05
Johnson Matthey	150,018	4,639	0.27
Sirius Minerals	3,043,897	602	0.04
Synthomer	206,569	752	0.04
Trealt	41,927	174	0.01
Victrex	62,809	1,428	0.08
Zotefoams	11,588	73	0.00
		<b>13,408</b>	<b>0.78</b>
<b>Forestry &amp; Paper</b>			
Mondi	284,665	5,323	0.31
		<b>5,323</b>	<b>0.31</b>
<b>Industrial Metals &amp; Mining</b>			
Evrz	371,116	1,833	0.11
Ferrexpo	178,295	443	0.03
Kenmare Resources	67,651	135	0.01
		<b>2,411</b>	<b>0.15</b>
<b>Mining</b>			
Acacia Mining	126,274	238	0.01
Anglo American	763,349	14,820	0.87
Antofagasta	275,106	2,355	0.14
BHP	1,602,839	27,251	1.60
Centamin	837,296	981	0.06
Fresnillo	142,191	1,420	0.08
Gem Diamonds	155,675	156	0.01
Glencore	8,831,007	27,200	1.59
Hochschild Mining	186,941	348	0.02
KAZ Minerals	180,234	1,066	0.06
Lonmin	255,667	134	0.01
Petra Diamonds	702,395	232	0.01
Petropavlovsk	2,136,120	170	0.01
Polymetal International	201,541	1,751	0.10
Rio Tinto	873,751	36,684	2.15
		<b>114,806</b>	<b>6.72</b>
<b>TOTAL BASIC MATERIALS</b>		<b>135,948</b>	<b>7.96</b>
<b>CONSUMER GOODS (13.72%, 31/01/18 15.11%)</b>			
<b>Automobiles &amp; Parts</b>			
Aston Martin Lagonda Global	44,840	547	0.03
TI Fluid Systems	129,443	248	0.01
		<b>795</b>	<b>0.04</b>
<b>Beverages</b>			
A.G. Barr	69,563	525	0.03
Britvic	194,118	1,710	0.10
Coca-Cola HBC	151,398	3,876	0.23
Diageo	1,865,751	53,967	3.16
Stock Spirits	149,457	339	0.02
		<b>60,417</b>	<b>3.54</b>

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER GOODS (continued)</b>			
<b>Food Producers</b>			
Associated British Foods	270,124	6,461	0.38
Bakkavor	115,085	166	0.01
Carr's	42,571	70	0.00
Cranswick	39,313	1,149	0.07
Dairy Crest	109,326	524	0.03
Devro	148,547	231	0.01
Greencore	544,336	1,060	0.06
Hilton Food	47,777	455	0.03
Premier Foods	582,697	226	0.01
Purecircle	97,098	243	0.01
Tate & Lyle	361,198	2,504	0.15
		13,089	0.76
<b>Household Goods &amp; Home Construction</b>			
Barratt Developments	780,251	4,240	0.25
Bellway	94,708	2,727	0.16
Berkeley	92,768	3,528	0.21
Bovis Homes	104,342	1,073	0.06
Countryside Properties	342,076	1,069	0.06
Crest Nicholson	188,512	710	0.04
Galliford Try	84,669	614	0.04
Headlam	77,723	302	0.02
McBride	218,551	287	0.02
McCarthy & Stone	412,485	563	0.03
MJ Gleeson	40,433	285	0.02
Persimmon	237,087	5,709	0.33
Reckitt Benckiser	483,535	28,335	1.66
Redrow	169,123	983	0.06
Taylor Wimpey	2,530,651	4,229	0.25
		54,654	3.21
<b>Leisure Goods</b>			
Games Workshop	24,618	749	0.04
Photo-Me International	191,016	181	0.01
		930	0.05
<b>Personal Goods</b>			
Burberry	320,395	5,780	0.34
PZ Cussons	154,444	277	0.02
SuperDry (formerly SuperGroup)	39,353	207	0.01
Ted Baker	23,218	420	0.03
Unilever	845,568	33,303	1.95
		39,987	2.35
<b>Tobacco</b>			
British American Tobacco	1,763,213	46,108	2.70
Imperial Brands	736,064	18,210	1.07
		64,318	3.77
<b>TOTAL CONSUMER GOODS</b>		<b>234,190</b>	<b>13.72</b>

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER SERVICES (11.78%, 31/01/18 10.97%)</b>			
<b>Food &amp; Drug Retailers</b>			
Greggs	78,634	1,224	0.07
J Sainsbury	1,296,344	3,736	0.22
Ocado	337,437	3,312	0.19
Tesco	7,477,555	16,638	0.97
Wm Morrison Supermarkets	1,677,714	3,969	0.23
		<b>28,879</b>	<b>1.68</b>
<b>General Retailers</b>			
AO World	178,573	219	0.01
B&M European Value Retail	618,172	2,031	0.12
Card Factory	250,288	456	0.03
Carpetright	263,515	59	0.00
Debenhams	1,027,935	37	0.00
DFS Furniture	152,835	359	0.02
Dignity	39,561	289	0.02
Dixons Carphone	771,192	1,071	0.06
Dunelm	81,110	589	0.03
Findel	103,211	191	0.01
Halfords	160,240	374	0.02
Inchcape	326,340	1,916	0.11
JD Sports Fashion	286,671	1,319	0.08
Just Eat	428,552	2,947	0.17
Kingfisher	1,676,810	3,779	0.22
Lookers	285,790	307	0.02
Marks & Spencer	1,256,627	3,666	0.21
N Brown	127,372	110	0.01
Next	104,601	5,047	0.30
Pendragon	1,288,754	342	0.02
Pets at Home	392,202	526	0.03
Saga	863,058	949	0.06
Sports Direct International	147,420	410	0.02
Topps Tiles	127,124	83	0.00
Vivo Energy	280,195	367	0.02
WH Smith	84,011	1,653	0.10
		<b>29,096</b>	<b>1.69</b>
<b>Media</b>			
4imprint	25,991	515	0.03
Ascential	303,256	1,162	0.07
Auto Trader	742,687	3,381	0.20
Bloomsbury Publishing	98,886	219	0.01
Entertainment One	256,261	1,003	0.06
Euromoney Institutional Investor	42,948	542	0.03
Gocompare.Com	212,990	157	0.01
Huntsworth	261,257	274	0.02
Informa	972,285	6,637	0.39
ITE	630,436	397	0.02
ITV	2,901,860	3,804	0.22
Moneysupermarket.com	409,710	1,237	0.07
Pearson	607,618	5,558	0.33
Perform*	105,987	-	-
Reach (formerly Trinity Mirror)	238,766	137	0.01
RELX	1,475,633	24,842	1.45
Rightmove	689,804	3,243	0.19
STV	30,164	102	0.01
Tarsus	73,009	183	0.01
WPP	954,433	8,323	0.49
		<b>61,716</b>	<b>3.62</b>

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER SERVICES (continued)</b>			
<b>Travel &amp; Leisure</b>			
888	168,217	285	0.02
Carnival	130,016	5,627	0.33
Cineworld	755,614	2,021	0.12
Compass	1,217,921	19,870	1.16
Domino's Pizza	385,954	1,034	0.06
easyJet	192,575	2,450	0.14
El	353,421	707	0.04
FirstGroup	923,628	876	0.05
Fuller Smith & Turner	27,841	298	0.02
Go-Ahead	33,124	609	0.04
Greene King	239,326	1,458	0.09
GVC	444,201	3,016	0.18
Gym	96,191	196	0.01
Hollywood Bowl	116,222	260	0.02
Hostelworld	67,861	139	0.01
InterContinental Hotels	138,889	6,076	0.36
International Consolidated Airlines	1,240,504	7,989	0.47
JD Wetherspoon	60,835	747	0.04
JPJ	51,037	348	0.02
Marston's	476,527	457	0.03
Merlin Entertainments	550,060	1,865	0.11
Millennium & Copthorne Hotels	98,251	479	0.03
Mitchells & Butlers	196,340	563	0.03
National Express	326,833	1,288	0.08
On the Beach	87,123	386	0.02
Paddy Power Betfair	63,505	3,969	0.23
Playtech	227,161	886	0.05
Rank	142,443	228	0.01
Restaurant	405,584	617	0.04
SSP	352,754	2,362	0.14
Stagecoach	339,865	538	0.03
Thomas Cook	1,107,359	389	0.02
TUI	335,264	3,959	0.23
Whitbread	141,436	6,971	0.41
William Hill	673,189	1,206	0.07
Wizz Air	42,720	1,295	0.08
		81,464	4.79
<b>TOTAL CONSUMER SERVICES</b>		<b>201,155</b>	<b>11.78</b>
<b>FINANCIALS (27.94%, 31/01/18 28.52%)</b>			
<b>Banks</b>			
Bank of Georgia	26,543	413	0.02
Barclays	13,111,684	20,816	1.22
Close Brothers	115,531	1,739	0.10
CYBG	950,430	1,691	0.10
HSBC	15,550,429	99,694	5.84
Lloyds Banking Group†	54,961,530	31,856	1.87
Metro Bank	69,626	798	0.05
Royal Bank of Scotland	3,490,152	8,464	0.50
Standard Chartered	2,080,620	13,020	0.76
TBC Bank	25,276	366	0.02
		178,857	10.48

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments</b>			
3i Infrastructure	420,895	1,121	0.07
Aberdeen Asian Income Fund◊	153,104	306	0.02
Aberdeen Asian Smaller Companies Investment Trust◊	31,891	327	0.02
Aberdeen Diversified Income and Growth Trust◊	268,785	308	0.02
Aberdeen New Dawn Investment Trust◊	106,567	240	0.02
Aberdeen New India Investment Trust◊	47,961	204	0.01
Aberdeen Standard Equity Income Trust (formerly Standard Life Equity Income Trust)◊	39,669	165	0.01
Aberforth Smaller Companies Trust	73,934	906	0.05
Alcentra European Floating Rate Income Fund	126,101	122	0.01
Alliance Trust	262,743	1,902	0.11
Allianz Technology Trust	35,669	474	0.03
Apax Global Alpha	207,726	293	0.02
Artemis Alpha Trust	2,641	8	0.00
Baillie Gifford Japan Trust	66,076	479	0.03
Baillie Gifford Shin Nippon	172,310	295	0.02
Baillie Gifford UK Growth Fund (formerly Schroder UK Growth Fund)	191,720	336	0.02
Baillie Gifford US Growth Trust	159,237	182	0.01
Bankers Investment Trust	94,685	777	0.05
BB Healthcare Trust	195,929	257	0.02
BBGI Fund	456,536	703	0.04
BH Global	25,978	388	0.02
BH Macro	13,820	339	0.02
Biotech Growth Trust	49,613	340	0.02
BlackRock Frontiers Investment Trust	133,735	181	0.01
BlackRock Greater Europe Investment Trust	78,587	251	0.02
BlackRock Latin American Investment Trust	65,459	310	0.02
BlackRock Smaller Companies Trust	42,014	546	0.03
BlackRock Throgmorton Trust	56,540	275	0.02
BlackRock World Mining Trust	174,675	619	0.04
Bluefield Solar Income Fund	306,423	388	0.02
BMO Capital & Income Investment Trust (formerly F&C Capital & Income Investment Trust)	84,068	254	0.01
BMO Global Smaller Companies (formerly F&C Global Smaller Companies)	51,869	672	0.04
BMO Private Equity Trust (formerly F&C Private Equity Trust)	75,500	248	0.02
British Empire Trust	96,515	679	0.04
Brunner Investment Trust	26,902	189	0.01
Caledonia Investments	25,401	757	0.04
City Merchants High Yield Trust	31,194	57	0.00
City of London Investment Trust	256,736	1,012	0.06
CQS New City High Yield Fund	314,652	176	0.01
CVC Credit Partners European Opportunities	376,930	405	0.02
Dexion Equity Alternative*	136,948	-	-
Diverse Income Trust	323,413	298	0.02
Dragon Capital - Vietnam Enterprise Investments	165,114	738	0.04
Dunedin Income Growth Investment Trust	140,519	340	0.02
Edinburgh Dragon Trust	164,678	608	0.04
Edinburgh Investment Trust	152,083	975	0.06
Edinburgh Worldwide Investment Trust	217,350	366	0.02
Electra Private Equity	23,518	87	0.01
European Investment Trust	34,775	275	0.02
F&C Investment Trust (formerly Foreign & Colonial Investment Trust)	426,388	2,861	0.17
Fidelity Asian Values	60,067	250	0.02
Fidelity China Special Situations	291,599	573	0.03
Fidelity European Values	320,557	697	0.04
Fidelity Special Values	158,438	395	0.02
Finsbury Growth & Income Trust	112,945	870	0.05
Foresight Solar Fund	425,122	480	0.03
Funding Circle SME Income Fund	285,875	246	0.01
Fundsmith Emerging Equities Trust	17,198	211	0.01
GCP Asset Backed Income Fund	250,402	260	0.02

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments (continued)</b>			
GCP Infrastructure Investments Fund	576,822	724	0.04
Genesis Emerging Markets Fund	103,521	707	0.04
Greencoat UK Wind	789,482	1,061	0.06
Hansa Trust	8,835	92	0.01
HarbourVest Global Private Equity	61,905	891	0.05
Henderson Alternative Strategies Trust Fund	37,205	101	0.01
Henderson Diversified Income Trust	147,682	126	0.01
Henderson European Focus Trust	17,627	194	0.01
Henderson EuroTrust	27,380	275	0.02
Henderson Far East Income	93,976	318	0.02
Henderson High Income Trust	98,710	165	0.01
Henderson International Income Trust	135,248	208	0.01
Henderson Smaller Companies Investment Trust	68,921	562	0.03
Herald Investment Trust	63,630	773	0.05
HgCapital Trust	35,461	702	0.04
HICL Infrastructure Fund	1,377,051	2,291	0.13
Highbridge Multi-Strategy Fund	106,591	223	0.01
ICG Enterprise Trust	62,574	508	0.03
Impax Environmental Markets	201,944	539	0.03
International Biotechnology	37,865	227	0.01
International Public Partnerships	1,087,714	1,673	0.10
Invesco Asia Trust	73,134	195	0.01
Invesco Income Growth Trust	51,913	133	0.01
Invesco Perpetual UK Smaller Companies Investment Trust	26,355	121	0.01
John Laing Environmental Assets	367,712	399	0.02
JP Morgan American Investment Trust	200,540	837	0.05
JP Morgan Asian Investment Trust	88,993	303	0.02
JP Morgan Chinese Investment Trust	4,442	11	0.00
JP Morgan Claverhouse Investment Trust	51,066	354	0.02
JP Morgan Emerging Markets Investment Trust	98,253	870	0.05
JP Morgan European Investment Trust Growth Shares	74,437	198	0.01
JP Morgan European Investment Trust Income Shares	124,083	179	0.01
JP Morgan European Smaller Companies Trust	140,697	484	0.03
JP Morgan Global Convertibles Income Fund	185,507	163	0.01
JP Morgan Global Emerging Markets Income Trust	204,491	261	0.02
JP Morgan Global Growth & Income	112,894	335	0.02
JP Morgan Indian Investment Trust	82,132	545	0.03
JP Morgan Japan Smaller Companies Trust	45,349	158	0.01
JP Morgan Japanese Investment Trust	136,980	516	0.03
JP Morgan Mid Cap Investment Trust	21,526	231	0.01
JP Morgan Russian Securities	72,535	387	0.02
JP Morgan Smaller Companies Investment Trust	142,345	286	0.02
Jupiter European Opportunities Trust	87,152	640	0.04
Jupiter US Smaller Companies	1,111	11	0.00
Keystone Investment Trust	12,551	201	0.01
Law Debenture	96,842	560	0.03
Lindsell Train Investment Trust	141	187	0.01
Lowland Investment Company	28,059	390	0.02
Majedie Investments	364	1	0.00
Martin Currie Asia Unconstrained Trust	2,886	11	0.00
Martin Currie Global Portfolio Trust	88,043	212	0.01
Mercantile Investment Trust	689,168	1,340	0.08
Merchants Trust	95,325	450	0.03
Middlefield Canadian Income	103,693	94	0.01
Monks Investment Trust	165,853	1,304	0.08
Montanaro UK Smaller Companies Investment Trust	141,225	145	0.01
Murray Income Trust	72,979	550	0.03
Murray International Trust	98,716	1,153	0.07
NB Global Floating Rate Income Fund	779,303	694	0.04

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments (continued)</b>			
NB Private Equity Partners	40,352	434	0.03
NextEnergy Solar Fund	378,160	431	0.03
North American Income Trust	31,998	424	0.02
North Atlantic Smaller Companies Investment Trust	9,600	280	0.02
P2P Global Investments	68,458	564	0.03
Pacific Assets Trust	105,025	287	0.02
Pacific Horizon Investment Trust	5,182	15	0.00
Pantheon International	41,665	875	0.05
Perpetual Income and Growth Investment Trust	185,948	619	0.04
Pershing Square	164,527	1,889	0.11
Personal Assets Trust	1,393	549	0.03
Polar Capital Global Financials Trust	186,629	237	0.01
Polar Capital Global Healthcare Trust	113,420	231	0.01
Polar Capital Technology Trust	102,579	1,225	0.07
Princess Private Equity	56,218	446	0.03
Ranger Direct Lending Fund	13,186	67	0.00
Renewables Infrastructure	853,138	1,008	0.06
RIT Capital Partners	98,495	1,936	0.11
Riverstone Energy	44,067	476	0.03
Ruffer Investment	119,699	255	0.01
Schroder Asian Total Return Investment	67,991	228	0.01
Schroder AsiaPacific Fund	135,084	570	0.03
Schroder Income Growth Fund	60,084	163	0.01
Schroder Japan Growth Fund	63,513	118	0.01
Schroder Oriental Income Fund	216,647	522	0.03
Schroder UK Mid Cap Fund	5,434	28	0.00
Scottish American Investment Fund	149,683	543	0.03
Scottish Investment Trust	74,836	590	0.03
Scottish Mortgage Investment Trust	1,114,028	5,330	0.31
Scottish Oriental Smaller Companies Trust	38,731	369	0.02
Securities Trust of Scotland	12,530	20	0.00
Sequoia Economic Infrastructure Income Fund	821,109	916	0.05
Smithson Investment Trust	61,282	641	0.04
SQN Asset Finance Income Fund	262,858	251	0.01
Standard Life Private Equity Trust	74,879	251	0.01
Standard Life UK Smaller Companies Trust	64,527	279	0.02
Starwood European Real Estate Finance	221,276	229	0.01
Syncona	321,340	874	0.05
Temple Bar Investment Trust	51,924	649	0.04
Templeton Emerging Markets Investment Trust	222,025	1,659	0.10
Third Point Offshore Investors	38,726	416	0.02
TR European Growth Trust	43,902	376	0.02
TR Property Investment Trust	247,753	977	0.06
Troy Income & Growth Trust	235,670	173	0.01
TwentyFour Income Fund	215,586	239	0.01
TwentyFour Select Monthly Income Fund	149,752	134	0.01
Utilico Emerging Markets Trust	138,150	300	0.02
Value and Income Trust	2,807	7	0.00
VinaCapital Vietnam Opportunity Fund	175,470	569	0.03
Witan Investment Trust	141,177	1,417	0.08
Witan Pacific Investment Trust	56,882	170	0.01
Woodford Patient Capital Trust	665,413	575	0.03
Worldwide Healthcare Trust	36,066	929	0.05
		<b>88,050</b>	<b>5.15</b>



## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Financial Services</b>			
3i	746,933	6,322	0.37
Allied Minds	192,468	122	0.01
Amigo	106,081	264	0.02
Arrow Global	102,701	196	0.01
Ashmore	302,236	1,231	0.07
Brewin Dolphin	208,356	630	0.04
Charter Court Financial Services	88,392	245	0.02
CMC Markets	91,347	108	0.01
Georgia Capital	26,983	297	0.02
Hargreaves Lansdown	203,199	3,347	0.20
IG	283,748	1,785	0.10
IntegraFin	147,566	501	0.03
Intermediate Capital	224,454	2,276	0.13
International Personal Finance	185,450	391	0.02
Investec	488,471	2,455	0.14
IP	771,048	848	0.05
John Laing	379,224	1,355	0.08
JTC	66,575	239	0.01
Jupiter Fund Management	322,853	1,059	0.06
Liontrust Asset Management	37,534	218	0.01
London Stock Exchange	244,380	11,175	0.65
Man	1,187,499	1,703	0.10
OneSavings Bank	184,041	699	0.04
Paragon	218,580	906	0.05
Plus500	74,825	1,146	0.07
Provident Financial	195,517	1,041	0.06
PureTech Health	68,026	116	0.01
Quilter	1,438,312	1,772	0.10
Rathbone Brothers	39,205	925	0.05
Real Estate Credit Investments	118,542	200	0.01
Schroders	87,600	2,299	0.14
Standard Life Aberdeen◊	1,985,263	5,034	0.29
TP (formerly Tullett Prebon)	425,017	1,349	0.08
VPC Specialty Lending Investments	338,232	261	0.02
XPS Pensions (formerly Xafinity)	114,290	169	0.01
		52,684	3.08
<b>Life Insurance</b>			
Aviva	3,028,947	12,652	0.74
Chesnara	152,990	525	0.03
Just	712,578	713	0.04
Legal & General	4,602,676	12,064	0.71
Phoenix	406,962	2,605	0.15
Prudential	1,999,175	29,878	1.75
St James's Place	401,743	3,812	0.22
		62,249	3.64
<b>Non-Equity Investment Instruments</b>			
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc◊	30,813	30,813	1.80
		30,813	1.80

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Non-Life Insurance</b>			
Admiral	155,181	3,266	0.19
Beazley	404,732	2,019	0.12
Direct Line Insurance	1,065,826	3,643	0.21
Hastings	234,893	501	0.03
Hiscox	220,179	3,151	0.18
Jardine Lloyd Thompson	94,781	1,803	0.11
Lancashire	153,550	873	0.05
RSA Insurance	787,240	4,120	0.24
Sabre Insurance	178,630	504	0.03
		<b>19,880</b>	<b>1.16</b>
<b>Real Estate Investment &amp; Services</b>			
Capital & Counties Properties	570,296	1,447	0.08
CLS	132,230	324	0.02
Countrywide	1,044,166	97	0.01
Daejan	4,070	241	0.01
F&C Commercial Property Trust	409,916	535	0.03
Foxtons	237,694	124	0.01
Grainger	462,147	1,082	0.06
Helical	92,221	309	0.02
LSL Property Services	39,689	98	0.01
Macau Property Opportunities Fund	37,943	54	0.00
Phoenix Spree Deutschland	69,195	244	0.01
Raven Property (formerly Raven Russia)	360,393	159	0.01
Savills	99,100	830	0.05
Sirius Real Estate	677,848	413	0.02
St. Modwen Properties	141,681	589	0.03
U & I	128,035	257	0.02
		<b>6,803</b>	<b>0.39</b>
<b>Real Estate Investment Trusts</b>			
Assura	1,525,208	920	0.05
Big Yellow	110,365	1,070	0.06
British Land	762,259	4,453	0.26
Capital & Regional	451,191	133	0.01
Civitas Social Housing	687,296	711	0.04
Custodian	142,453	163	0.01
Derwent London	77,199	2,524	0.15
Empiric Student Property	444,168	425	0.02
F&C UK Real Estate Investment	138,214	124	0.01
GCP Student Living	279,818	421	0.02
Great Portland Estates	218,329	1,629	0.10
Hammerson	614,837	2,326	0.14
Hansteen	298,933	277	0.02
Intu Properties	674,744	802	0.05
Land Securities	549,353	4,819	0.28
LondonMetric Property	457,796	864	0.05
LXI	272,430	336	0.02
McKay Securities	71,329	178	0.01
MedicX Fund	235,816	211	0.01
NewRiver	198,583	445	0.03
Picton Property Income	590,280	521	0.03
Primary Health Properties	521,180	608	0.04
RDI	984,334	309	0.02
Regional	300,116	305	0.02
Safestore	160,410	941	0.06
Schroder Real Estate Investment Trust	451,287	261	0.02
Segro	770,670	5,069	0.30
Shaftesbury	185,220	1,653	0.10

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Real Estate Investment Trusts (continued)</b>			
Standard Life Investment Property Income Trust	336,831	303	0.02
Target Healthcare	219,255	244	0.01
Town Centre Securities	21,762	48	0.00
Tritax Big Box	1,050,664	1,485	0.09
Tritax Big Box*	137,043	-	-
UK Commercial Property Trust	538,931	483	0.03
Unite	200,655	1,852	0.11
Workspace	89,634	851	0.05
		37,764	2.24
<b>TOTAL FINANCIALS</b>		<b>477,100</b>	<b>27.94</b>
<b>HEALTH CARE (7.84%, 31/01/18 7.81%)</b>			
<b>Health Care Equipment &amp; Services</b>			
Consort Medical	37,599	347	0.02
ConvaTec	1,125,287	1,624	0.10
Medica	74,430	86	0.01
Mediclinic International	302,881	980	0.06
NMC Health	61,806	1,608	0.09
Smith & Nephew	685,717	9,919	0.58
Spire Healthcare	219,823	269	0.02
UDG Healthcare	189,525	1,116	0.07
		15,949	0.95
<b>Pharmaceuticals &amp; Biotechnology</b>			
AstraZeneca	978,194	54,055	3.17
BTG	295,874	2,460	0.14
Circassia Pharmaceuticals	163,929	72	0.00
Dechra Pharmaceuticals	71,870	1,709	0.10
Genus	46,939	1,049	0.06
GlaxoSmithKline	3,764,778	55,418	3.24
Hikma Pharmaceuticals	107,625	1,725	0.10
Indivior	555,985	632	0.04
Oxford Biomedica	47,670	330	0.02
Vectura	544,631	407	0.02
		117,857	6.89
<b>TOTAL HEALTH CARE</b>		<b>133,806</b>	<b>7.84</b>
<b>INDUSTRIALS (11.11%, 31/01/18 10.66%)</b>			
<b>Aerospace &amp; Defence</b>			
Avon Rubber	26,437	323	0.02
Babcock International	389,277	2,114	0.12
BAE Systems	2,451,683	12,641	0.74
Chemring	246,385	384	0.02
Cobham	1,853,380	2,012	0.12
Meggitt	603,311	3,109	0.18
QinetiQ	447,782	1,366	0.08
Rolls-Royce	1,301,907	11,652	0.68
Senior	322,517	733	0.04
Ultra Electronics	54,435	718	0.04
		35,052	2.04

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Construction &amp; Materials</b>			
Balfour Beatty	533,485	1,473	0.09
Boot Henry	87,214	228	0.01
Costain	99,595	382	0.02
CRH	634,439	13,989	0.82
Forterra	166,673	443	0.03
Ibstock	293,390	707	0.04
Keller	58,171	308	0.02
Kier	117,193	611	0.04
Low & Bonar*	223,199	-	-
Marshalls	154,910	802	0.05
Melrose Industries	3,718,479	6,295	0.37
Morgan Sindall	32,732	388	0.02
Polypipe	147,623	582	0.03
Tyman	184,528	439	0.03
Volution	126,960	199	0.01
		<b>26,846</b>	<b>1.58</b>
<b>Electronic &amp; Electrical Equipment</b>			
Dialight	27,966	107	0.01
DiscoverIE	53,810	226	0.01
Halma	291,789	4,088	0.24
Morgan Advanced Materials	218,522	585	0.03
Oxford Instruments	56,354	509	0.03
Renishaw	28,214	1,296	0.08
Spectris	91,875	2,392	0.14
TT Electronics	132,324	272	0.02
Xaar	86,397	128	0.01
XP Power	13,682	278	0.02
		<b>9,881</b>	<b>0.59</b>
<b>General Industrials</b>			
Coats	1,096,576	954	0.06
DS Smith	976,616	3,382	0.20
Low & Bonar	225,305	40	0.00
RPC	321,203	2,553	0.15
Smiths	303,886	4,435	0.26
Smurfit Kappa	181,862	4,125	0.24
Vesuvius	166,668	938	0.05
		<b>16,427</b>	<b>0.96</b>
<b>Industrial Engineering</b>			
Bodycote	148,192	1,148	0.07
Hill & Smith	60,205	681	0.04
IMI	211,563	2,057	0.12
RHI Magnesita	25,412	1,072	0.06
Rotork	668,951	1,854	0.11
Severfield	258,307	181	0.01
Spirax-Sarco Engineering	56,532	3,680	0.22
Trifast	103,187	195	0.01
Vitec	35,548	414	0.02
Weir	200,051	3,044	0.18
		<b>14,326</b>	<b>0.84</b>

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Industrial Transportation</b>			
BBA Aviation	804,553	1,924	0.11
Clarkson	20,217	538	0.03
James Fisher & Sons	32,865	628	0.04
Royal Mail	705,383	1,909	0.11
Stobart	237,029	365	0.02
Wincanton	98,094	232	0.01
		5,596	0.32
<b>Support Services</b>			
AA	464,772	391	0.02
Aggreko	185,990	1,319	0.08
Ashtead	377,406	7,350	0.43
BCA Marketplace	575,345	1,180	0.07
Biffa	143,123	255	0.01
Bunzl	260,086	6,304	0.37
Capita	1,282,645	1,467	0.09
Charles Taylor	11,808	26	0.00
Clipper Logistics	48,518	117	0.01
Connect (formerly Smiths News)	225,827	90	0.01
DCC	75,380	4,772	0.28
De La Rue	91,998	392	0.02
Diploma	87,777	1,132	0.07
Electrocomponents	340,077	1,867	0.11
Equiniti	206,809	427	0.02
Essentra (formerly Filtrona)	199,800	740	0.04
Experian	706,931	13,644	0.80
Ferguson	179,249	9,265	0.54
G4S	1,202,712	2,385	0.14
Grafton	167,143	1,252	0.07
Hays	1,109,852	1,697	0.10
HomeServe	199,572	1,903	0.11
Howden Joinery	472,383	2,389	0.14
Intertek	124,602	6,154	0.36
IWG	525,994	1,187	0.07
John Menzies	56,593	312	0.02
Mears	110,211	346	0.02
Mitie	288,893	339	0.02
Northgate	120,383	455	0.03
PageGroup (formerly Michael Page International)	237,152	1,057	0.06
PayPoint	53,900	462	0.03
Renewi	629,424	164	0.01
Rentokil Initial	1,417,611	4,762	0.28
Ricardo	43,705	262	0.02
Robert Walters	61,262	319	0.02
RPS	183,188	252	0.01
Sanne	91,198	465	0.03
Serco	842,600	933	0.05
SIG	430,512	520	0.03
Speedy Hire	681,632	399	0.02
SThree	105,719	296	0.02
Travis Perkins	193,687	2,417	0.14
VP	14,337	138	0.01
		81,603	4.78
<b>TOTAL INDUSTRIALS</b>		<b>189,731</b>	<b>11.11</b>

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>OIL &amp; GAS (14.04%, 31/01/18 12.91%)</b>			
<b>Oil &amp; Gas Producers</b>			
BP	15,089,371	78,600	4.60
Cairn Energy	442,011	844	0.05
Energean Oil & Gas	57,147	354	0.02
EnQuest	1,219,942	237	0.01
Nostrum Oil & Gas	70,756	94	0.00
Ophir Energy	617,672	335	0.02
Premier Oil	583,329	437	0.03
Royal Dutch Shell 'A' Shares	3,512,671	82,987	4.86
Royal Dutch Shell 'B' Shares	2,900,350	68,869	4.03
Soco International	229,631	173	0.01
Tullow Oil	1,058,069	2,176	0.13
		235,106	13.76
<b>Oil Equipment, Services &amp; Distribution</b>			
Gulf Marine Services	76,853	15	0.00
Hunting	111,848	626	0.04
John Wood	513,655	2,777	0.16
Lamprell	261,970	145	0.01
Petrofac	200,661	1,112	0.07
		4,675	0.28
<b>TOTAL OIL &amp; GAS</b>		<b>239,781</b>	<b>14.04</b>
<b>TECHNOLOGY (1.01%, 31/01/18 1.12%)</b>			
<b>Software &amp; Computer Services</b>			
Alfa Financial Software	76,250	107	0.01
Avast	184,246	531	0.03
Aveva	49,570	1,360	0.08
Computacenter	54,687	569	0.03
FDM	73,695	630	0.04
Funding Circle	112,618	361	0.02
Kainos	43,083	172	0.01
Micro Focus International	335,072	4,946	0.29
Microgen	47,531	183	0.01
NCC	205,637	262	0.01
Sage	834,853	5,248	0.31
SDL	82,013	436	0.02
Softcat	85,393	596	0.03
Sophos	248,314	847	0.05
		16,248	0.94
<b>Technology Hardware &amp; Equipment</b>			
BATM Advanced Communications	240,159	114	0.01
Nanoco	195,210	86	0.01
Spirent Communications	545,953	818	0.05
		1,018	0.07
<b>TOTAL TECHNOLOGY</b>		<b>17,266</b>	<b>1.01</b>
<b>TELECOMMUNICATIONS (2.77%, 31/01/18 3.46%)</b>			
<b>Fixed Line Telecommunications</b>			
BT	6,486,489	15,360	0.90
KCOM	476,285	330	0.02
TalkTalk Telecom	418,952	486	0.03
Telecom Plus	48,983	703	0.04
		16,879	0.99

## UK FTSE All-Share Index Tracking Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>TELECOMMUNICATIONS (continued)</b>			
<b>Mobile Telecommunications</b>			
Inmarsat	347,205	1,301	0.08
Vodafone	20,592,811	28,970	1.70
		<b>30,271</b>	<b>1.78</b>
<b>TOTAL TELECOMMUNICATIONS</b>		<b>47,150</b>	<b>2.77</b>
<b>UTILITIES (2.87%, 31/01/18 2.51%)</b>			
<b>Electricity</b>			
ContourGlobal	137,947	236	0.01
Drax	314,598	1,271	0.08
SSE	789,273	9,242	0.54
		<b>10,749</b>	<b>0.63</b>
<b>Gas, Water &amp; Multiutilities</b>			
Centrica	4,326,136	6,003	0.35
National Grid	2,625,183	21,750	1.27
Pennon	323,074	2,468	0.15
Severn Trent	182,318	3,635	0.21
United Utilities	528,492	4,418	0.26
		<b>38,274</b>	<b>2.24</b>
<b>TOTAL UTILITIES</b>		<b>49,023</b>	<b>2.87</b>
<b>DERIVATIVES (0.09%, 31/01/18 -0.03%)</b>			
<b>Futures Contracts</b>			
FTSE 100 Index Futures March 2019	410	1,081	0.06
FTSE 250 Index Futures March 2019	213	575	0.03
		<b>1,656</b>	<b>0.09</b>
<b>TOTAL DERIVATIVES</b>		<b>1,656</b>	<b>0.09</b>
<b>Portfolio of investments</b>		<b>1,726,806</b>	<b>101.13</b>
<b>Net other liabilities</b>		<b>(19,329)</b>	<b>(1.13)</b>
<b>Total net assets</b>		<b>1,707,477</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

Holdings are denominated in Sterling unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

\*Unlisted/delisted securities.

†This investment is a related party (see note 13).

◇Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## **UK FTSE All-Share Index Tracking Fund**

### **Securities Financing Transactions (SFT)**

as at 31st January 2019

#### **1) Global Data**

<b>Proportion of securities and commodities on loan as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Total lendable assets excluding cash and cash equivalents:	1,645,985	
Securities and commodities on loan	74,309	4.51%
<b>Assets engaged in SFTs and total return swaps as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Fund assets under management (AUM)	1,731,855	
Absolute value of assets engaged in:		
Securities lending	74,309	4.29%

#### **2) Concentration Data**

##### **Top 10 collateral issuers**

<b>Name and value of collateral and commodities received as at 31st January 2019</b>	<b>£'000</b>
Government of Japan	9,884
Republic of France	6,544
United States of America Treasury	4,421
Federal Republic of Germany	3,819
Government of United Kingdom	3,230
Kingdom of Belgium	2,569
Industria de Diseno Textil	1,359
Kingdom of Netherlands	1,262
Eni	1,227
Volkswagen	1,049

##### **Top 10 counterparties**

<b>Name and value of outstanding transactions as at 31st January 2019</b>	<b>£'000</b>
<b>Securities lending</b>	
Bank of Nova Scotia	12,663
JP Morgan Securities	11,328
HSBC Bank	10,801
Merrill Lynch	10,300
UBS	7,951
Deutsche Bank	6,490
Morgan Stanley International	5,745
Barclays Capital Securities	5,493
ING Bank	1,624
Citigroup Global Markets (UK)	1,381



## UK FTSE All-Share Index Tracking Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 3) Aggregate Transaction Data

Type, quality and currency of collateral as at 31st January 2019

Type	Quality	Currency	£'000
<b>Securities lending</b>			
Equity	Traded on recognised exchange	Sterling	10,873
Equity	Traded on recognised exchange	Australian dollar	529
Equity	Traded on recognised exchange	Canadian dollar	3,052
Equity	Traded on recognised exchange	Chinese yuan	258
Equity	Traded on recognised exchange	Danish krone	255
Equity	Traded on recognised exchange	Euro	11,086
Equity	Traded on recognised exchange	Hong Kong dollar	699
Equity	Traded on recognised exchange	Japanese yen	4,153
Equity	Traded on recognised exchange	Norwegian krone	448
Equity	Traded on recognised exchange	Singapore dollar	152
Equity	Traded on recognised exchange	Swedish krona	190
Equity	Traded on recognised exchange	Swiss franc	874
Equity	Traded on recognised exchange	US dollar	13,208
Fixed Income	Investment Grade	Sterling	3,230
Fixed Income	Investment Grade	Canadian dollar	306
Fixed Income	Investment Grade	Euro	16,203
Fixed Income	Investment Grade	Japanese yen	9,884
Fixed Income	Investment Grade	Swedish krona	7
Fixed Income	Investment Grade	US dollar	4,428
Total collateral held			<b>79,835</b>

Maturity tenor of collateral (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	125	241	233	1,818	31,641	45,777	79,835
	-	125	241	233	1,818	31,641	45,777	79,835

Counterparty details as at 31st January 2019

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Switzerland	Bi-lateral	207
Securities lending	United Kingdom	Bi-lateral	2,049
Securities lending	Canada	Tri-party	13,735
Securities lending	Germany	Tri-party	7,031
Securities lending	Netherlands	Tri-party	1,756
Securities lending	Switzerland	Tri-party	8,391
Securities lending	United Kingdom	Tri-party	46,666
Total collateral held			<b>79,835</b>

Maturity tenor of SFTs and total return swaps (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	-	74,309	74,309
	-	-	-	-	-	-	74,309	74,309

## **UK FTSE All-Share Index Tracking Fund**

### **Securities Financing Transactions (SFT) (continued)**

as at 31st January 2019

#### **4) Re-use of Collateral**

The Fund does not engage in re-use of collateral.

#### **5) Safekeeping of Collateral Received**

<b>Names and value of custodians safekeeping collateral as at 31st January 2019</b>	<b>£'000</b>
JP Morgan	33,367
Bank of New York	32,875
Crest	11,337
State Street	2,256
Number of custodians safekeeping collateral	4

#### **6) Safekeeping of Collateral Granted**

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

#### **7) Return and Cost**

for the year ended 31st January 2019

	<b>Collective Investment Undertaking £'000</b>	<b>Manager of Collective Investment Undertaking £'000</b>	<b>Third Parties (e.g. lending agent) £'000</b>	<b>Total £'000</b>
<b>Securities lending</b>				
Gross return	595	39	159	793
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

\*All direct costs from securities lending are borne by lending agent.

## UK FTSE All-Share Index Tracking Fund

### Statement of total return

for the year ended 31st January 2019

	Notes	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	3		(148,017)		135,083
Revenue	4	76,412		75,372	
Expenses	5	(5,498)		(5,839)	
Interest payable and similar charges		<u>(6)</u>		<u>(6)</u>	
Net revenue before taxation		70,908		69,527	
Taxation	6	<u>(553)</u>		<u>(502)</u>	
Net revenue after taxation			<u>70,355</u>		<u>69,025</u>
<b>Total return before distributions</b>			<b>(77,662)</b>		<b>204,108</b>
Distributions	7		(70,355)		(69,025)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b><u>(148,017)</u></b>		<b><u>135,083</u></b>

### Statement of change in net assets attributable to shareholders

for the year ended 31st January 2019

	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,948,731		1,912,257
Amounts receivable on creation of shares	69,617		62,713	
Amounts payable on cancellation of shares	<u>(178,503)</u>		<u>(176,160)</u>	
		(108,886)		(113,447)
Dilution adjustment		422		401
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(148,017)		135,083
Retained distributions on accumulation shares		15,227		14,437
<b>Closing net assets attributable to shareholders</b>		<b><u>1,707,477</u></b>		<b><u>1,948,731</u></b>

Notes to the financial statements are on pages 136 to 162.

## UK FTSE All-Share Index Tracking Fund

### Balance sheet

as at 31st January 2019

	Notes	31/01/19 £'000	31/01/18 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		1,726,806	1,966,409
Current assets:			
Debtors	8	4,562	4,172
Cash and bank balances	9	1,752	3,783
<b>Total assets</b>		<b>1,733,120</b>	<b>1,974,364</b>
<b>LIABILITIES</b>			
Investment liabilities		-	516
Creditors			
Distribution payable		23,510	22,651
Other creditors	10	2,133	2,466
<b>Total liabilities</b>		<b>25,643</b>	<b>25,633</b>
<b>Net assets attributable to shareholders</b>		<b>1,707,477</b>	<b>1,948,731</b>

Notes to the financial statements are on pages 136 to 162.

## UK Growth Fund

### Investment markets overview

#### Investment objective

The investment objective of the UK Growth Fund is to achieve long term capital growth by investing predominantly in U.K. companies. The Fund seeks to deliver performance, before deduction of management fees, in excess of the FTSE All Share Index (the "Index") with a similar level of overall volatility, over the long term.

#### Investment policy

To invest predominantly in a portfolio of companies which are part of the Index.

The Investment Adviser may only take limited positions away from the Index. This means there are limitations on the extent to which the Fund's investment in various sectors\* may differ to the Index. These limited positions can be more than is held in the Index (overweight) or less than is held in the Index (underweight).

Derivatives may be used for efficient portfolio management purposes only.

\* A sector is a business area, industry or economy which shares the same characteristics. Company shares are typically grouped into different sectors depending on the company's business.

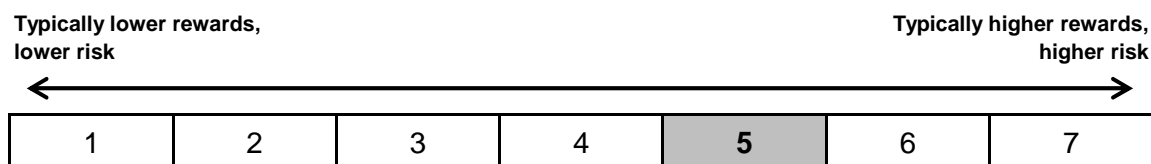
#### UCITS scheme

The Fund would qualify as a UCITS scheme operating under Chapter 5 of the COLL Sourcebook if it were in itself an Open-Ended Investment Company in respect of which an authorisation order made by the FCA were in force. Not more than 10% of the scheme property may consist of units in collective investment schemes.

#### Synthetic risk and reward profile

There are several different ways of measuring risk. The table below uses an industry standard measure of fund risk based on measuring a fund's volatility using its returns over the past five years. Volatility is generated by both rising and falling prices. Volatility doesn't tell you how much a fund has lost or gained; it indicates how volatile its returns were historically. The Fund's ranking may change over time and may not be a reliable indication of its future risk profile.

This is a separate measure to the fund Risk Profiles we used to determine our investment portfolios (where we used our own methodology to take an overall look at the funds' risks and aims and group our funds into Cautious/Medium, Medium, Medium/Adventurous, Adventurous Profiles).



The Fund is ranked at 5\* because it has experienced medium to high levels of volatility over the past 5 years.

\* As disclosed in the key investor information document dated 4th February 2019.

#### Investment review

Performance	01/02/18 to 31/01/19 %	01/02/17 to 31/01/18 %	01/02/16 to 31/01/17 %	01/02/15 to 31/01/16 %	01/02/14 to 31/01/15 %
UK Growth Fund	(3.21)	11.85	22.53	(5.62)	8.70

Source: Lipper after 1st February 2018 and Financial Express for previous years.

Basis: Percentage growth, total return Share Class C (gross of annual management charge), published prices at 12.00pm.

Past performance is not a guide to future performance. The value of an investment and the revenue from it may go up and down and you may get back less than invested.

UK equities endured a difficult 12 months, as the stock market weathered political upheaval and Brexit-related uncertainty. The see-saw nature of Brexit negotiations was unhelpful for share prices and sterling. As a consequence, the Bank of England (BOE) held the main UK interest rate at 0.75% in December. The pound fluctuated over the year, with periods of weakness helping to lift firms that make their revenues overseas.

After a tough start to 2018, the UK equity market rebounded into the summer. While sterling weakness benefited companies with large overseas earnings, domestically focused companies suffered. Oil firms were in the ascendency as Brent crude reached over \$80 per barrel in October – its highest level in four years. The market endured a difficult summer, but the final quarter of 2018 was a particularly torrid time. Global growth worries, the US-Sino trade dispute, Brexit and politics in Europe all came together to weigh on investors' sentiment. However, the gloom was lifted initially in late December by the Federal Reserve softening its tone on interest rates hikes. This was followed in January by the prospect of the US and China resolving their trade dispute, which led to a sharp recovery in the market.

## **UK Growth Fund**

### **Investment markets overview (continued)**

Investment review (continued)

This sentiment was mirrored in the oil market. While the oil price fell significantly towards the end of 2018, it rebounded in January 2019.

Over the 12 months, food & drug retailers and technology companies were among the best performers at a sector level. By contrast, personal goods and banks made the worst returns. The former sector lagged due to fashion retailers, such as Superdry and Ted Baker.

Food retailer J Sainsbury was a positive contributor to performance. The share price rose after the company announced a potential merger with rival Asda. J Sainsbury scored well on our measures of prudent management. In addition, the Fund benefited from an underweight position in the broker dealer TP ICAP. The shares underperformed after the broker dealer announced a profit warning. Detracting from the Fund's return was an overweight position in Royal Mail. The share price of the business fell over speculation that the newly introduced EU-wide General Data Protection Regulation laws would lead to a fall in marketing mail volume. The stock ranked highly on our value metrics.

The outlook for 2019 is uncertain with concerns about global growth clouding the picture in the UK. However, the UK equity market now looks attractive on valuation measures due to this and Brexit. The UK's economic outlook for 2019 is bound up with the question of Brexit. Parliamentary deadlock means uncertainty about the eventual Brexit outcome remains high. Despite this, fiscal policy is set to become more supportive, with the second half of the year likely to be stronger than the first. Economic growth is expected to come in around trend.

Aberdeen Asset Investments Limited  
February 2019

## UK Growth Fund

### Comparative table

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class A</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	304.79	283.04	240.74
Return before operating charges*	(9.25)	33.19	52.27
Operating charges	(1.49)	(1.50)	(1.32)
Return after operating charges*	(10.74)	31.69	50.95
Distributions on income shares	(10.83)	(9.94)	(8.65)
Closing net asset value per share	283.22	304.79	283.04
*after direct transaction costs of:~	0.47	0.39	0.21
<b>Performance</b>			
Return after charges	(3.52%)	11.20%	21.16%
<b>Other information</b>			
Closing net asset value (£'000)	39,791	44,590	44,096
Closing number of shares	14,049,709	14,629,709	15,579,709
Operating charges#	0.50%	0.50%	0.50%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	323.50	316.82	291.10
Lowest share price	271.70	282.19	222.90

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## **UK Growth Fund**

### **Comparative table (continued)**

	<b>31/01/19</b>	<b>31/01/18</b>	<b>31/01/17</b>
	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
<b>Share Class B</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	96.43	86.65	71.42
Return before operating charges*	(3.07)	10.25	15.63
Operating charges	(0.49)	(0.47)	(0.40)
Return after operating charges*	(3.56)	9.78	15.23
Distributions	(3.45)	(3.06)	(2.58)
Retained distributions on accumulation shares	3.45	3.06	2.58
Closing net asset value per share	92.87	96.43	86.65
 *after direct transaction costs of:~	 0.15	 0.12	 0.06
<b>Performance</b>			
Return after charges	(3.69%)	11.29%	21.32%
<b>Other information</b>			
Closing net asset value (£'000)	385,906	442,867	442,279
Closing number of shares	415,546,000	459,246,000	510,401,000
Operating charges#	0.51%	0.51%	0.51%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	102.30	98.94	88.05
Lowest share price	87.67	86.39	66.14

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.



## **UK Growth Fund**

### **Comparative table (continued)**

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class C</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	80.01	72.50	59.96
Return before operating charges*	(2.52)	8.57	13.45
Operating charges	(1.08)	(1.06)	(0.91)
Return after operating charges*	(3.60)	7.51	12.54
Distributions	(2.19)	(1.90)	(1.95)
Retained distributions on accumulation shares	2.19	1.90	1.95
Closing net asset value per share	76.41	80.01	72.50
*after direct transaction costs of:~	0.12	0.10	0.05
<b>Performance</b>			
Return after charges^	(4.50%)	10.36%	20.91%
<b>Other information</b>			
Closing net asset value (£'000)	758,690	876,924	876,638
Closing number of shares	992,940,000	1,096,039,000	1,209,094,000
Operating charges#	1.37%	1.37%	1.38%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	84.70	82.11	73.70
Lowest share price	72.19	72.28	55.51

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

^The return after charges figure is calculated as the return after operating charges per share divided by the opening net asset value per share. This can be different to the performance return stated in the Investment Market Review which is sourced from Lipper and based on daily published prices.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Growth Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class F</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	42.29	38.28	31.79
Return before operating charges*	(1.35)	4.52	6.93
Operating charges	(0.52)	(0.51)	(0.44)
Return after operating charges*	(1.87)	4.01	6.49
Distributions	(1.20)	(1.04)	(0.88)
Retained distributions on accumulation shares	1.20	1.04	0.88
Closing net asset value per share	40.42	42.29	38.28
*after direct transaction costs of:~			
	0.07	0.05	0.03
<b>Performance</b>			
Return after charges	(4.42%)	10.48%	20.42%
<b>Other information</b>			
Closing net asset value (£'000)	320,321	365,215	364,942
Closing number of shares	792,496,000	863,673,000	953,278,000
Operating charges#	1.26%	1.26%	1.26%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	44.78	43.40	38.91
Lowest share price	38.18	38.17	29.43

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## **UK Growth Fund**

### **Comparative table (continued)**

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class G</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	43.29	39.10	32.38
Return before operating charges*	(1.38)	4.61	7.07
Operating charges	(0.43)	(0.42)	(0.35)
Return after operating charges*	(1.81)	4.19	6.72
Distributions	(1.33)	(1.17)	(0.99)
Retained distributions on accumulation shares	1.33	1.17	0.99
Closing net asset value per share	41.48	43.29	39.10
*after direct transaction costs of:~			
	0.07	0.05	0.03
<b>Performance</b>			
Return after charges	(4.18%)	10.72%	20.75%
<b>Other information</b>			
Closing net asset value (£'000)	61,262	56,440	47,481
Closing number of shares	147,681,000	130,372,000	121,447,000
Operating charges#	1.01%	1.01%	1.00%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	45.88	44.43	39.74
Lowest share price	39.18	38.98	29.98

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Growth Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)	31/01/17 (p)
<b>Share Class I</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	304.82	283.05	240.70
Return before operating charges*	(9.30)	33.17	52.27
Operating charges	-	-	-
Return after operating charges*	(9.30)	33.17	52.27
Distributions on income shares	(12.26)	(11.40)	(9.92)
Closing net asset value per share	283.26	304.82	283.05
*after direct transaction costs of:~			
	0.47	0.39	0.21
<b>Performance</b>			
Return after charges	(3.05%)	11.72%	21.72%
<b>Other information</b>			
Closing net asset value (£'000)	2,664,341	3,004,791	2,993,453
Closing number of shares	940,600,291	985,760,291	1,057,565,291
Operating charges#Δ	0.00%	0.00%	0.00%
Direct transaction costs~	0.16%	0.13%	0.08%
<b>Prices**</b>			
Highest share price	324.00	317.56	291.70
Lowest share price	272.30	282.21	222.90

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

ΔFees are payable by institutional investors in this share class to the ACD outside the Fund.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

## UK Growth Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class P***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	108.13	99.92
Return before operating charges*	(3.46)	9.06
Operating charges	(0.91)	(0.85)
Return after operating charges*	(4.37)	8.21
Distributions	(3.48)	(2.76)
Retained distributions on accumulation shares	3.48	2.76
Closing net asset value per share	103.76	108.13
*after direct transaction costs of:~	0.17	0.13
<b>Performance</b>		
Return after charges	(4.04%)	8.22%
<b>Other information</b>		
Closing net asset value (£'000)	14,180	12,534
Closing number of shares	13,666,000	11,592,000
Operating charges#	0.86%	0.86%
Direct transaction costs~	0.16%	0.13%
<b>Prices**</b>		
Highest share price	114.60	110.95
Lowest share price	97.98	99.09

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Growth Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class Q***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	108.28	99.92
Return before operating charges*	(3.46)	9.11
Operating charges	(0.81)	(0.75)
Return after operating charges*	(4.27)	8.36
Distributions	(3.59)	(2.90)
Retained distributions on accumulation shares	3.59	2.90
Closing net asset value per share	104.01	108.28
*after direct transaction costs of:~	0.17	0.13
<b>Performance</b>		
Return after charges	(3.94%)	8.37%
<b>Other information</b>		
Closing net asset value (£'000)	26,509	23,282
Closing number of shares	25,487,000	21,502,000
Operating charges#	0.76%	0.76%
Direct transaction costs~	0.16%	0.13%
<b>Prices**</b>		
Highest share price	114.80	111.10
Lowest share price	98.21	99.11

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## UK Growth Fund

### Comparative table (continued)

	31/01/19 (p)	31/01/18 (p)
<b>Share Class R***</b>		
<b>Change in net assets per share</b>		
Opening net asset value per share	108.54	99.92
Return before operating charges*	(3.49)	9.13
Operating charges	(0.54)	(0.51)
Return after operating charges*	(4.03)	8.62
Distributions	(3.87)	(3.15)
Retained distributions on accumulation shares	3.87	3.15
Closing net asset value per share	104.51	108.54
*after direct transaction costs of:~	0.17	0.13
<b>Performance</b>		
Return after charges	(3.71%)	8.63%
<b>Other information</b>		
Closing net asset value (£'000)	12,511	8,384
Closing number of shares	11,970,000	7,725,000
Operating charges#	0.51%	0.51%
Direct transaction costs~	0.16%	0.13%
<b>Prices**</b>		
Highest share price	115.20	111.35
Lowest share price	98.66	99.15

~Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments that relate to direct transaction costs as permitted by the IMA SORP 2014.

#Operating charges are representative of the ongoing charges figure.

\*\*The highest and lowest share prices are based on published price. The opening and closing net asset values per share include accounting adjustments, therefore they may appear higher or lower as a result.

\*\*\*Share class launched on 21st February 2017.

## **UK Growth Fund**

### **Material portfolio changes**

<b>Major purchases</b>	<b>Cost £'000</b>	<b>Major sales</b>	<b>Proceeds £'000</b>
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	402,572	FTSE 100 Index Futures June 2018	357,171
FTSE 100 Index Futures June 2018	346,922	Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc <sup>◇</sup>	345,932
FTSE 100 Index Futures September 2018	334,864	FTSE 100 Index Futures September 2018	329,666
FTSE 100 Index Futures March 2019	191,140	FTSE 100 Index Futures March 2018	169,708
FTSE 100 Index Futures December 2018	173,873	FTSE 100 Index Futures December 2018	166,028
GlaxoSmithKline	83,338	Shire	83,639
FTSE 100 Index Futures March 2018	73,662	HSBC	63,096
RELX	69,865	Mondi	54,695
BP	69,395	Experian	53,285
Aviva	63,641	Unilever	52,366

Purchases and sales of Futures have been included at the value of their exposure.

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.



## UK Growth Fund

### Portfolio statement

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>BASIC MATERIALS (9.02%, 31/01/18 9.67%)</b>			
<b>Chemicals</b>			
Croda International	108,675	5,297	0.12
Johnson Matthey	223,278	6,904	0.16
Synthomer	1,263,048	4,600	0.11
Victrex	623,352	14,175	0.33
		<u>30,976</u>	<u>0.72</u>
<b>Industrial Metals &amp; Mining</b>			
Evraz	3,142,125	15,516	0.36
Ferrexpo	338,025	840	0.02
		<u>16,356</u>	<u>0.38</u>
<b>Mining</b>			
Acacia Mining	277,323	523	0.01
Anglo American	2,485,879	48,261	1.13
Antofagasta	689,851	5,907	0.14
BHP	5,885,218	100,060	2.34
Gem Diamonds	396,946	397	0.01
Glencore	19,119,170	58,887	1.38
Lonmin	194,384	102	0.00
Petra Diamonds	64,354	21	0.00
Petropavlovsk	6,326,880	503	0.01
Rio Tinto	2,958,001	124,192	2.90
		<u>338,853</u>	<u>7.92</u>
<b>TOTAL BASIC MATERIALS</b>		<b><u>386,185</u></b>	<b><u>9.02</u></b>
<b>CONSUMER GOODS (14.08%, 31/01/18 18.13%)</b>			
<b>Beverages</b>			
A.G. Barr	217,408	1,639	0.04
Coca-Cola HBC	1,528,154	39,121	0.91
Diageo	5,868,746	169,753	3.96
Stock Spirits	474,302	1,077	0.03
		<u>211,590</u>	<u>4.94</u>
<b>Food Producers</b>			
Carr's	11,546	19	0.00
Cranswick	62,804	1,835	0.04
Devro	448,433	697	0.02
Premier Foods	1,373,450	531	0.01
Purecircle	9,860	25	0.00
Tate & Lyle	5,251,186	36,401	0.85
		<u>39,508</u>	<u>0.92</u>
<b>Household Goods &amp; Home Construction</b>			
Berkeley	497,719	18,928	0.44
Countryside Properties	665,163	2,079	0.05
Headlam	128,051	498	0.01
McBride	508,043	667	0.02
MJ Gleeson	3,223	23	0.00
Persimmon	502,671	12,104	0.28
Reckitt Benckiser	494,295	28,966	0.68
Redrow	2,058,481	11,960	0.28
Taylor Wimpey	21,300,936	35,594	0.83
		<u>110,819</u>	<u>2.59</u>
<b>Leisure Goods</b>			
Games Workshop	185,829	5,649	0.13
Photo-Me International	505,010	480	0.01
		<u>6,129</u>	<u>0.14</u>

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER GOODS (continued)</b>			
<b>Personal Goods</b>			
Burberry	2,812,826	50,743	1.19
PZ Cussons	21,603	39	0.00
Ted Baker	19,882	360	0.01
Unilever	2,247,737	88,527	2.07
		139,669	3.27
<b>Tobacco</b>			
British American Tobacco	3,442,476	90,021	2.10
Imperial Brands	209,092	5,173	0.12
		95,194	2.22
<b>TOTAL CONSUMER GOODS</b>		<b>602,909</b>	<b>14.08</b>
<b>CONSUMER SERVICES (14.52%, 31/01/18 12.14%)</b>			
<b>Food &amp; Drug Retailers</b>			
Greggs	588,869	9,169	0.21
J Sainsbury	15,735,119	45,349	1.06
McColl's Retail	10,346	6	0.00
Ocado	204,172	2,004	0.05
Tesco	29,802,808	66,311	1.55
Wm Morrison Supermarkets	2,448,996	5,794	0.13
		128,633	3.00
<b>General Retailers</b>			
AO World	261,499	320	0.01
Carpetright	611,743	136	0.00
Debenhams	4,877,224	178	0.00
DFS Furniture	182,256	428	0.01
Dignity	8,979	66	0.00
Findel	205,010	379	0.01
Inchcape	1,028,118	6,035	0.14
Lookers	744,122	799	0.02
Marks & Spencer	7,839,400	22,867	0.53
N Brown	37,645	33	0.00
Next	24,094	1,163	0.03
Pendragon	2,583,325	685	0.02
Pets at Home	22,370	30	0.00
Saga	7,205,419	7,926	0.19
Sports Direct International	191,349	532	0.01
Topps Tiles	371,719	242	0.01
WH Smith	286,402	5,636	0.13
		47,455	1.11
<b>Media</b>			
4imprint	32,721	648	0.02
Auto Trader	7,858,152	35,770	0.83
Bloomsbury Publishing	179,087	396	0.01
Euromoney Institutional Investor	134,058	1,692	0.04
Gocompare.Com	683,695	505	0.01
Informa	4,331,507	29,567	0.69
ITE	1,743,716	1,097	0.03
ITV	10,072,494	13,205	0.31
Moneysupermarket.com	2,768,328	8,358	0.20
Pearson	5,266,334	48,176	1.12
Perform*	157,638	-	-

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>CONSUMER SERVICES (continued)</b>			
<b>Media (continued)</b>			
Reach (formerly Trinity Mirror)	664,113	381	0.01
RELX	4,235,876	71,311	1.66
Rightmove	3,188,258	14,991	0.35
Tarsus	7,483	19	0.00
WPP	1,633,802	14,247	0.33
		240,363	5.61
<b>Travel &amp; Leisure</b>			
Compass	3,711,801	60,558	1.41
Domino's Pizza	1,498,397	4,016	0.09
easyJet	837,805	10,661	0.25
EI	1,044,439	2,089	0.05
FirstGroup	6,331,365	6,005	0.14
Fuller Smith & Turner	92,790	993	0.02
Go-Ahead	107,496	1,976	0.05
Greene King	191,176	1,165	0.03
Gym	7,812	16	0.00
InterContinental Hotels	130,890	5,726	0.13
International Consolidated Airlines	9,828,288	63,294	1.48
JD Wetherspoon	432,842	5,315	0.12
Marston's	124,549	119	0.00
Millennium & Copthorne Hotels	261,083	1,274	0.03
Mitchells & Butlers	378,667	1,086	0.03
National Express	2,051,095	8,081	0.19
Playtech	616,133	2,403	0.06
Rank	278,305	445	0.01
Restaurant	841,970	1,281	0.03
SSP	2,668,321	17,864	0.42
Stagecoach	2,230,591	3,531	0.08
TUI	579,097	6,839	0.16
Wizz Air	30,508	925	0.02
		205,662	4.80
<b>TOTAL CONSUMER SERVICES</b>		<b>622,113</b>	<b>14.52</b>
<b>FINANCIALS (27.24%, 31/01/18 24.53%)</b>			
<b>Banks</b>			
Bank of Georgia	235,903	3,674	0.09
Barclays	14,966,355	23,760	0.56
Close Brothers	94,393	1,421	0.03
HSBC	32,957,733	211,292	4.93
Lloyds Banking†	203,310,144	117,839	2.75
Royal Bank of Scotland	2,505,600	6,076	0.14
Standard Chartered	1,809,454	11,323	0.26
		375,385	8.76
<b>Equity Investment Instruments</b>			
3i Infrastructure	1,154,791	3,077	0.07
Aberdeen Asian Income Fund◊	314,139	628	0.01
Aberdeen Asian Smaller Companies Investment Trust◊	88,898	911	0.02
Aberdeen Diversified Income and Growth Trust◊	829,969	950	0.02
Aberdeen New Dawn Investment Trust◊	298,415	671	0.02
Aberdeen Standard Equity Income Trust (formerly Standard Life Equity Income Trust)◊	20,316	84	0.00
Aberforth Smaller Companies Trust	198,249	2,431	0.06
Alliance Trust	696,945	5,046	0.12
Allianz Technology Trust	68,533	911	0.02
Artemis Alpha Trust	49,735	143	0.00

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments (continued)</b>			
Baillie Gifford Japan Trust	149,074	1,081	0.03
Baillie Gifford Shin Nippon	432,470	740	0.02
Baillie Gifford UK Growth Fund (formerly Schroder UK Growth Fund)	497,296	873	0.02
Bankers Investment Trust	280,820	2,306	0.05
BB Healthcare Trust	380,538	498	0.01
BBGI SICAV (formerly BBGI Fund)	993,624	1,530	0.04
BH Global	65,598	981	0.02
BH Macro	30,955	760	0.02
Biotech Growth Trust	105,013	720	0.02
BlackRock Frontiers Investment Trust	173,277	235	0.01
BlackRock Greater Europe Investment Trust	46,587	149	0.00
BlackRock Latin American Investment Trust	119,829	567	0.01
BlackRock Smaller Companies Trust	136,838	1,779	0.04
BlackRock Throgmorton Trust	184,603	897	0.02
BlackRock World Mining Trust	357,953	1,269	0.03
Bluefield Solar Income Fund	698,430	883	0.02
BMO Capital & Income Investment Trust (formerly F&C Capital & Income Investment Trust)	126,071	381	0.01
BMO Global Smaller Companies (formerly F&C Global Smaller Companies)	124,812	1,616	0.04
BMO Private Equity Trust (formerly F&C Private Equity Trust)	5,161	17	0.00
British Empire Trust	258,185	1,818	0.04
Brunner Investment Trust	31,285	220	0.01
Caledonia Investments	75,533	2,251	0.05
City Merchants High Yield Trust	37,134	68	0.00
City of London Investment Trust	627,611	2,473	0.06
CVC Credit Partners European Opportunities	310,926	334	0.01
Dexion Equity Alternative*	141,112	-	-
Diverse Income Trust	872,947	803	0.02
Dragon Capital - Vietnam Enterprise Investments	367,896	1,644	0.04
Dunedin Income Growth Investment Trust	460,312	1,114	0.03
Edinburgh Dragon Trust	369,677	1,364	0.03
Edinburgh Investment Trust	425,459	2,727	0.06
Edinburgh Worldwide Investment Trust	481,840	812	0.02
Electra Private Equity	60,420	225	0.01
European Investment Trust	106,197	839	0.02
F&C Investment Trust (formerly Foreign & Colonial Investment Trust)	1,029,608	6,909	0.16
Fidelity Asian Values	76,979	320	0.01
Fidelity China Special Situations	822,799	1,618	0.04
Fidelity European Values	948,045	2,062	0.05
Fidelity Special Values	607,718	1,513	0.04
Finsbury Growth & Income Trust	323,972	2,495	0.06
Foresight Solar Fund	528,005	597	0.01
Fundsmith Emerging Equities Trust	18,036	221	0.01
GCP Infrastructure Investments Fund	1,376,106	1,728	0.04
Genesis Emerging Markets Fund	269,718	1,842	0.04
Greencoat UK Wind	2,134,548	2,869	0.07
Hansa Trust	10,008	104	0.00
HarbourVest Global Private Equity	165,991	2,390	0.06
Henderson Alternative Strategies Trust	175,489	477	0.01
Henderson European Focus Trust	43,043	473	0.01
Henderson EuroTrust	27,974	281	0.01
Henderson Far East Income	244,213	825	0.02
Henderson High Income Trust	42,138	71	0.00
Henderson International Income Trust	53,104	82	0.00
Henderson Smaller Companies Investment Trust	186,559	1,522	0.04
Herald Investment Trust	140,679	1,709	0.04
HgCapital Trust	82,461	1,633	0.04
HIICL Infrastructure Fund	3,614,773	6,015	0.14

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments (continued)</b>			
Highbridge Multi-Strategy Fund	307,493	644	0.01
ICG Enterprise Trust	200,071	1,625	0.04
Impax Environmental Markets	418,745	1,118	0.03
International Biotechnology	31,867	191	0.00
International Public Partnerships	2,638,816	4,058	0.09
Invesco Asia Trust	172,826	461	0.01
Invesco Income Growth Trust	40,735	104	0.00
Invesco Perpetual UK Smaller Companies Investment Trust	42,681	196	0.00
John Laing Environmental Assets	491,250	533	0.01
JP Morgan American Investment Trust	463,775	1,936	0.05
JP Morgan Asian Investment Trust	393,696	1,339	0.03
JP Morgan Chinese Investment Trust	47,967	115	0.00
JP Morgan Claverhouse Investment Trust	134,709	935	0.02
JP Morgan Emerging Markets Investment Trust	247,089	2,187	0.05
JP Morgan European Investment Trust Growth Shares	362,283	964	0.02
JP Morgan European Investment Trust Income Shares	268,135	386	0.01
JP Morgan European Smaller Companies Trust	262,063	901	0.02
JP Morgan Global Convertibles Income Fund	403,467	355	0.01
JP Morgan Global Emerging Markets Income Trust	642,472	819	0.02
JP Morgan Global Growth & Income	297,203	883	0.02
JP Morgan Indian Investment Trust	231,040	1,532	0.04
JP Morgan Japan Smaller Companies Trust	23,353	81	0.00
JP Morgan Japanese Investment Trust	321,140	1,211	0.03
JP Morgan Mid Cap Investment Trust	25,100	270	0.01
JP Morgan Russian Securities	162,175	866	0.02
JP Morgan Smaller Companies Investment Trust	160,600	323	0.01
Jupiter European Opportunities Trust	208,698	1,532	0.04
Keystone Investment Trust	28,101	450	0.01
Law Debenture	308,793	1,785	0.04
Lowland Investment Company	48,294	671	0.02
Martin Currie Asia Unconstrained Trust	34,319	125	0.00
Martin Currie Global Portfolio Trust	269,315	649	0.02
Mercantile Investment Trust	1,610,660	3,131	0.07
Merchants Trust	297,090	1,402	0.03
Monks Investment Trust	444,715	3,495	0.08
Murray Income Trust	183,186	1,381	0.03
Murray International Trust	234,418	2,738	0.06
NB Global Floating Rate Income Fund	1,760,173	1,567	0.04
NB Private Equity Partners	68,010	731	0.02
NextEnergy Solar Fund	731,638	834	0.02
North American Income Trust	84,267	1,117	0.03
North Atlantic Smaller Companies Investment Trust	28,072	820	0.02
P2P Global Investments	141,582	1,167	0.03
Pacific Assets Trust	249,214	680	0.02
Pacific Horizon Investment Trust	102,952	301	0.01
Pantheon International	89,750	1,885	0.04
Perpetual Income and Growth Investment Trust	456,678	1,521	0.04
Pershing Square	466,745	5,358	0.12
Personal Assets Trust	3,375	1,330	0.03
Polar Capital Global Financials Trust	405,908	515	0.01
Polar Capital Global Healthcare Trust	47,832	98	0.00
Polar Capital Technology Trust	252,582	3,016	0.07
Renewables Infrastructure	2,108,556	2,492	0.06
RIT Capital Partners	249,297	4,901	0.11
Riverstone Energy	79,615	860	0.02

**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
for the year ended 31st January 2019

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Equity Investment Instruments (continued)</b>			
Ruffer Investment	228,377	486	0.01
Schroder Asian Total Return Investment	322,550	1,081	0.03
Schroder AsiaPacific Fund	418,854	1,768	0.04
Schroder Income Growth Fund	195,570	530	0.01
Schroder Japan Growth Fund	248,843	462	0.01
Schroder Oriental Income Fund	480,990	1,159	0.03
Schroder UK Mid Cap Fund	1,503	8	0.00
Scottish American Investment Fund	264,897	962	0.02
Scottish Investment Trust	190,935	1,505	0.03
Scottish Mortgage Investment Trust	2,754,507	13,179	0.31
Scottish Oriental Smaller Companies Trust	86,740	827	0.02
Securities Trust of Scotland	54,142	88	0.00
Sequoia Economic Infrastructure Income Fund	1,800,224	2,007	0.05
Smithson Investment Trust	144,885	1,514	0.04
SQN Asset Finance Income Fund	618,170	590	0.01
Standard Life Private Equity Trust◊	37,827	127	0.00
Standard Life UK Smaller Companies Trust◊	174,540	754	0.02
Starwood European Real Estate Finance	591,531	612	0.01
Syncona	719,845	1,958	0.05
Temple Bar Investment Trust	126,381	1,580	0.04
Templeton Emerging Markets Investment Trust	525,038	3,922	0.09
TR European Growth Trust	126,535	1,084	0.03
TR Property Investment Trust	693,846	2,737	0.06
Troy Income & Growth Trust	110,949	81	0.00
TwentyFour Income Fund	663,103	736	0.02
Utilico Emerging Markets Trust	356,259	773	0.02
Value and Income Trust	16,783	43	0.00
VinaCapital Vietnam Opportunity Fund	459,365	1,488	0.03
Witan Investment Trust	334,993	3,363	0.08
Witan Pacific Investment Trust	55,489	165	0.00
Woodford Patient Capital Trust	1,910,032	1,650	0.04
Worldwide Healthcare Trust	107,362	2,765	0.06
		<b>207,171</b>	<b>4.85</b>
<b>Financial Services</b>			
3i	5,662,003	47,923	1.12
Allied Minds	20,998	13	0.00
Arrow Global	12,929	25	0.00
Ashmore	1,363,564	5,552	0.13
Brewin Dolphin	1,152,931	3,489	0.08
City of London Investment	4,916	19	0.00
CMC Markets	8,133	10	0.00
Georgia Capital	182,732	2,014	0.05
Hargreaves Lansdown	575,736	9,482	0.22
IG	3,704,938	23,304	0.54
Intermediate Capital	763,541	7,742	0.18
International Personal Finance	465,221	980	0.02
Investec	283,875	1,427	0.03
IP	1,190,286	1,309	0.03
John Laing	1,135,074	4,057	0.10
JTC	6,635	24	0.00
Jupiter Fund Management	4,832,724	15,856	0.37
Man	13,350,155	19,144	0.45

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Financial Services (continued)</b>			
OneSavings Bank	435,950	1,657	0.04
Paragon	1,576,905	6,538	0.15
Plus500	1,216,275	18,621	0.44
PureTech Health	8,569	15	0.00
Quilter	8,164,643	10,061	0.24
Rathbone Brothers	83,072	1,961	0.05
Real Estate Credit Investments	5,993	10	0.00
Schroders	463,538	12,163	0.28
Standard Life Aberdeen	4,367,342	11,073	0.26
VPC Specialty Lending Investments	774,893	598	0.01
		<b>205,067</b>	<b>4.79</b>
<b>Life Insurance</b>			
Aviva	14,318,235	59,807	1.39
Chesnara	339,267	1,164	0.03
Prudential	2,145,962	32,071	0.75
		<b>93,042</b>	<b>2.17</b>
<b>Non-Equity Investment Instruments</b>			
Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc	141,064	141,064	3.29
		<b>141,064</b>	<b>3.29</b>
<b>Non-Life Insurance</b>			
Admiral	1,264,318	26,614	0.62
Beazley	339,086	1,691	0.04
Direct Line Insurance	12,324,393	42,125	0.98
Hastings	951,758	2,029	0.05
Jardine Lloyd Thompson	234,756	4,465	0.11
Sabre Insurance	10,489	30	0.00
		<b>76,954</b>	<b>1.80</b>
<b>Real Estate Investment &amp; Services</b>			
CLS	677,550	1,660	0.04
Countrywide	904,253	84	0.00
Daejan	13,963	827	0.02
F&C Commercial Property Trust	934,746	1,221	0.03
Foxtons	460,591	240	0.01
Grainger	924,743	2,166	0.05
Helical	303,542	1,017	0.02
LSL Property Services	148,124	366	0.01
Raven Property (formerly Raven Russia)	1,157,126	510	0.01
Savills	478,165	4,005	0.09
Sirius Real Estate	66,289	40	0.00
St. Modwen Properties	275,165	1,145	0.03
U & I	432,270	869	0.02
		<b>14,150</b>	<b>0.33</b>
<b>Real Estate Investment Trusts</b>			
Capital & Regional	710,886	209	0.01
Civitas Social Housing	875,785	906	0.02
Empiric Student Property	640,089	613	0.01
F&C UK Real Estate Investment	529,346	473	0.01
GCP Student Living	18,163	27	0.00
Great Portland Estates	2,055,507	15,336	0.36
Hansteen	1,171,241	1,085	0.03

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>FINANCIALS (continued)</b>			
<b>Real Estate Investment Trusts (continued)</b>			
Land Securities	2,933,893	25,736	0.60
LondonMetric Property	2,245,553	4,240	0.10
MedicX Fund	333,891	299	0.01
Picton Property Income	1,066,160	940	0.02
RDI	2,147,305	673	0.02
Regional	11,612	12	0.00
Schroder European Real Estate Investment Trust	14,866	16	0.00
Schroder Real Estate Investment Trust	1,093,934	633	0.01
Standard Life Investment Property Income Trust <sup>†</sup>	205,960	186	0.00
Target Healthcare	19,454	22	0.00
Town Centre Securities	51,387	114	0.00
UK Commercial Property (formerly UK Commercial Property Trust)	1,457,965	1,308	0.03
Unite	110,389	1,019	0.02
		53,847	1.25
<b>TOTAL FINANCIALS</b>		<b>1,166,680</b>	<b>27.24</b>
<b>HEALTH CARE (8.44%, 31/01/18 7.60%)</b>			
<b>Health Care Equipment &amp; Services</b>			
Consort Medical	122,252	1,130	0.03
ConvaTec	8,142,190	11,749	0.27
Smith & Nephew	3,363,105	48,647	1.13
UDG Healthcare	700,553	4,126	0.10
		65,652	1.53
<b>Pharmaceuticals &amp; Biotechnology</b>			
AstraZeneca	1,692,441	93,524	2.18
BTG	1,925,906	16,014	0.37
Circassia Pharmaceuticals	378,731	167	0.00
Dechra Pharmaceuticals	64,094	1,524	0.04
Genus	26,742	598	0.01
GlaxoSmithKline	11,287,680	166,155	3.88
Hikma Pharmaceuticals	524,251	8,401	0.20
Indivior	5,278,529	5,997	0.14
Oxford Biomedica	41,334	286	0.01
Vectura	4,481,583	3,352	0.08
		296,018	6.91
<b>TOTAL HEALTH CARE</b>		<b>361,670</b>	<b>8.44</b>
<b>INDUSTRIALS (8.73%, 31/01/18 10.81%)</b>			
<b>Aerospace &amp; Defence</b>			
Avon Rubber	13,201	161	0.00
Babcock International	1,356,586	7,366	0.17
BAE Systems	465,835	2,402	0.06
Chemring	767,418	1,196	0.03
Cobham	15,898,225	17,258	0.40
Meggitt	3,385,621	17,449	0.41
QinetiQ	2,105,474	6,422	0.15
Rolls-Royce	1,139,468	10,198	0.24
Senior	800,426	1,820	0.04
		64,272	1.50



## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Construction &amp; Materials</b>			
Boot Henry	123,761	323	0.01
Costain	165,188	633	0.01
Forterra	15,983	42	0.00
Keller	138,068	730	0.02
Kier	665,135	3,469	0.08
Marshalls	326,870	1,692	0.04
Morgan Sindall	100,412	1,191	0.03
Norcros	11,197	21	0.00
Tyman	445,713	1,061	0.02
Volution	458,631	718	0.02
		<b>9,880</b>	<b>0.23</b>
<b>Electronic &amp; Electrical Equipment</b>			
Dialight	84,325	323	0.01
DiscoverIE	7,072	30	0.00
Halma	1,147,899	16,082	0.37
Morgan Advanced Materials	266,880	715	0.02
Oxford Instruments	225,653	2,040	0.05
Renishaw	135,203	6,208	0.14
TT Electronics	710,994	1,461	0.03
Xaar	206,617	307	0.01
XP Power	43,048	874	0.02
		<b>28,040</b>	<b>0.65</b>
<b>General Industrials</b>			
Coats	1,135,059	987	0.02
Low & Bonar	718,056	127	0.00
Low & Bonar*	711,345	-	-
RPC	772,737	6,142	0.15
Smurfit Kappa	427,647	9,699	0.23
Vesuvius	1,382,332	7,783	0.18
		<b>24,738</b>	<b>0.58</b>
<b>Industrial Engineering</b>			
Hill & Smith	114,609	1,296	0.03
Rotork	2,457,199	6,809	0.16
Severfield	941,254	659	0.02
Trifast	11,853	22	0.00
Vitec	1,766	21	0.00
Weir	1,872	28	0.00
		<b>8,835</b>	<b>0.21</b>
<b>Industrial Transportation</b>			
Clarkson	28,984	771	0.02
James Fisher & Sons	107,609	2,055	0.05
Royal Mail	10,414,388	28,181	0.66
Stobart	377,529	582	0.01
Wincanton	387,123	918	0.02
		<b>32,507</b>	<b>0.76</b>

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>INDUSTRIALS (continued)</b>			
<b>Support Services</b>			
AA	944,646	795	0.02
Aggreko	136,242	967	0.02
Ashtead	1,090,806	21,243	0.50
BCA Marketplace	248,855	510	0.01
Biffa	11,046	20	0.00
Bunzl	2,251,411	54,574	1.27
Charles Taylor	91,006	201	0.00
Clipper Logistics	4,706	11	0.00
Connect (formerly Smiths News)	724,320	290	0.01
De La Rue	203,203	866	0.02
Diploma	363,625	4,687	0.11
Electrocomponents	2,508,213	13,770	0.32
Ferguson	609,177	31,488	0.73
Grafton	613,855	4,598	0.11
Howden Joinery	239,895	1,213	0.03
Intertek	929,181	45,892	1.07
John Menzies	211,034	1,165	0.03
Mears	301,014	945	0.02
Mitie	1,125,633	1,319	0.03
Northgate	624,395	2,359	0.05
PayPoint	162,316	1,391	0.03
Renewi	999,145	260	0.01
Rentokil Initial	2,952,134	9,916	0.23
Ricardo	143,867	863	0.02
Robert Walters	249,793	1,299	0.03
RPS	602,946	831	0.02
Sanne	141,692	723	0.02
SIG	932,388	1,125	0.03
Speedy Hire	1,656,341	971	0.02
SThree	408,784	1,143	0.03
VP	37,881	364	0.01
		205,799	4.80
<b>TOTAL INDUSTRIALS</b>		<b>374,071</b>	<b>8.73</b>
<b>OIL &amp; GAS (13.45%, 31/01/18 11.63%)</b>			
<b>Oil &amp; Gas Producers</b>			
BP	37,461,080	195,135	4.56
EnQuest	136,497	27	0.00
Nostrum Oil & Gas	148,993	197	0.01
Royal Dutch Shell 'A' Shares	7,053,353	166,635	3.89
Royal Dutch Shell 'B' Shares	8,953,259	212,595	4.96
Soco International	646,804	487	0.01
		575,076	13.43
<b>Oil Equipment, Services &amp; Distribution</b>			
Hunting	87,869	492	0.01
John Wood	10,519	57	0.00
Lamprell	716,409	398	0.01
		947	0.02
<b>TOTAL OIL &amp; GAS</b>		<b>576,023</b>	<b>13.45</b>

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>TECHNOLOGY (0.46%, 31/01/18 1.59%)</b>			
<b>Software &amp; Computer Services</b>			
Computacenter	571,829	5,947	0.14
FDM	145,997	1,248	0.03
Micro Focus International	92,522	1,366	0.03
Microgen	4,630	18	0.00
NCC	19,388	25	0.00
SDL	223,958	1,191	0.03
Softcat	753,957	5,263	0.12
Sophos	577,127	1,968	0.05
		<b>17,026</b>	<b>0.40</b>
<b>Technology Hardware &amp; Equipment</b>			
Spirent Communications	1,761,876	2,639	0.06
		<b>2,639</b>	<b>0.06</b>
<b>TOTAL TECHNOLOGY</b>		<b>19,665</b>	<b>0.46</b>
<b>TELECOMMUNICATIONS (2.53%, 31/01/18 3.49%)</b>			
<b>Fixed Line Telecommunications</b>			
BT	9,337,689	22,112	0.52
KCOM	1,264,119	875	0.02
Telecom Plus	98,988	1,421	0.03
		<b>24,408</b>	<b>0.57</b>
<b>Mobile Telecommunications</b>			
Vodafone	59,679,876	83,958	1.96
		<b>83,958</b>	<b>1.96</b>
<b>TOTAL TELECOMMUNICATIONS</b>		<b>108,366</b>	<b>2.53</b>
<b>UTILITIES (2.29%, 31/01/18 1.12%)</b>			
<b>Electricity</b>			
Drax	1,737,873	7,021	0.16
SSE	1,104,037	12,928	0.30
		<b>19,949</b>	<b>0.46</b>
<b>Gas, Water &amp; Multiutilities</b>			
Centrica	28,441,525	39,463	0.92
National Grid	4,303,626	35,656	0.83
Pennon	29,243	223	0.01
United Utilities	383,998	3,210	0.07
		<b>78,552</b>	<b>1.83</b>
<b>TOTAL UTILITIES</b>		<b>98,501</b>	<b>2.29</b>
<b>STERLING DENOMINATED BONDS (0.00%, 31/01/18 0.00%)</b>			
<b>DERIVATIVES (0.11%, 31/01/18 -0.03%)</b>			
<b>Futures Contracts</b>			
FTSE 100 Index Futures March 2019	2,274	5,540	0.13
		<b>5,540</b>	<b>0.13</b>

## UK Growth Fund

### Portfolio statement (continued)

as at 31st January 2019

	Holdings	Market Value £'000	% of Net Assets
<b>DERIVATIVES (continued)</b>			
<b>Options</b>			
FTSE 100 Index Options 7000 Call February 2019	(204)	(119)	(0.01)
FTSE 100 Index Options 7025 Call February 2019	(204)	(97)	0.00
FTSE 100 Index Options 7050 Call February 2019	(365)	(141)	(0.01)
FTSE 100 Index Options 7075 Call February 2019	(168)	(51)	0.00
FTSE 100 Index Options 7125 Call February 2019	(394)	(73)	0.00
FTSE 100 Index Options 7150 Call February 2019	(323)	(45)	0.00
FTSE 100 Index Options 7225 Call March 2019	(216)	(55)	0.00
FTSE 100 Index Options 7250 Call March 2019	(167)	(36)	0.00
FTSE 100 Index Options 7300 Call March 2019	(179)	(27)	0.00
FTSE 100 Index Options 7275 Call April 2019	(180)	(72)	0.00
FTSE 100 Index Options 7300 Call April 2019	(274)	(97)	0.00
FTSE 100 Index Options 7350 Call April 2019	(276)	(76)	0.00
FTSE 100 Index Options 7375 Call April 2019	(184)	(44)	0.00
		(933)	(0.02)
<b>TOTAL DERIVATIVES</b>		<b>4,607</b>	<b>0.11</b>
<b>Portfolio of investments<sup>^</sup></b>		<b>4,320,790</b>	<b>100.87</b>
<b>Net other liabilities</b>		<b>(37,279)</b>	<b>(0.87)</b>
<b>Total net assets</b>		<b>4,283,511</b>	<b>100.00</b>

All holdings are ordinary shares or stock units and admitted to official stock exchange listings unless otherwise stated.

Holdings are denominated in Sterling unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

<sup>^</sup>Including derivative liabilities.

<sup>\*</sup>Delisted securities.

<sup>†</sup>This investment is a related party (see note 13).

<sup>◇</sup>Asset managed by the Investment Adviser or a related party of the Investment Adviser.

## **UK Growth Fund**

### **Securities Financing Transactions (SFT)**

*as at 31st January 2019*

#### **1) Global Data**

<b>Proportion of securities and commodities on loan as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Total lendable assets excluding cash and cash equivalents:	4,029,760	
Securities and commodities on loan	204,792	5.08%
<b>Assets engaged in SFTs and total return swaps as at 31st January 2019</b>	<b>£'000</b>	<b>%</b>
Fund assets under management (AUM)	4,335,900	
Absolute value of assets engaged in:		
Securities lending	204,792	4.72%

#### **2) Concentration Data**

##### **Top 10 collateral issuers**

<b>Name and value of collateral and commodities received as at 31st January 2019</b>	<b>£'000</b>
Government of Japan	34,304
Republic of France	15,077
Federal Republic of Germany	11,286
United States of America Treasury	10,074
Government of United Kingdom	8,869
Kingdom of Belgium	7,443
Nestle	7,347
Kingdom of Netherlands	4,784
BHP	4,747
LVMH Moet Hennessy Louis Vuitton	3,831

##### **Top 10 counterparties**

<b>Name and value of outstanding transactions as at 31st January 2019</b>	<b>£'000</b>
<b>Securities lending</b>	
Societe Generale	44,205
Merrill Lynch	32,279
JP Morgan Securities	27,235
Barclays Capital Securities	24,520
HSBC Bank	16,483
UBS	15,349
Bank of Nova Scotia	14,802
Deutsche Bank	11,688
Morgan Stanley International	6,637
Citigroup Global Markets (UK)	5,839

## UK Growth Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 3) Aggregate Transaction Data

Type, quality and currency of collateral as at 31st January 2019

Type	Quality	Currency	£'000
<b>Securities lending</b>			
Equity	Traded on recognised exchange	Sterling	19,049
Equity	Traded on recognised exchange	Australian dollar	1,046
Equity	Traded on recognised exchange	Canadian dollar	5,447
Equity	Traded on recognised exchange	Chinese yuan	1,099
Equity	Traded on recognised exchange	Danish krone	503
Equity	Traded on recognised exchange	Euro	45,323
Equity	Traded on recognised exchange	Hong Kong dollar	1,181
Equity	Traded on recognised exchange	Japanese yen	8,577
Equity	Traded on recognised exchange	Norwegian krone	939
Equity	Traded on recognised exchange	Singapore dollar	278
Equity	Traded on recognised exchange	Swedish krona	2,382
Equity	Traded on recognised exchange	Swiss franc	12,137
Equity	Traded on recognised exchange	US dollar	27,346
Fixed Income	Investment Grade	Sterling	8,869
Fixed Income	Investment Grade	Canadian dollar	938
Fixed Income	Investment Grade	Euro	41,091
Fixed Income	Investment Grade	Japanese yen	34,304
Fixed Income	Investment Grade	Swedish krona	12
Fixed Income	Investment Grade	US dollar	10,074
Total collateral held			<u>220,595</u>

Maturity tenor of collateral (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	537	516	410	3,662	90,163	125,307	220,595
	-	537	516	410	3,662	90,163	125,307	220,595

Counterparty details as at 31st January 2019

Type	Countries of counterparty establishment	Settlement and clearing	£'000
Securities lending	Switzerland	Bi-lateral	30
Securities lending	United Kingdom	Bi-lateral	3,035
Securities lending	Canada	Tri-party	16,063
Securities lending	France	Tri-party	47,764
Securities lending	Germany	Tri-party	12,665
Securities lending	Netherlands	Tri-party	1,282
Securities lending	Switzerland	Tri-party	16,588
Securities lending	United Kingdom	Tri-party	123,168
Total collateral held			<u>220,595</u>

Maturity tenor of SFTs and total return swaps (remaining period to maturity) as at 31st January 2019

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	-	-	-	-	-	-	204,792	204,792
	-	-	-	-	-	-	204,792	204,792

## UK Growth Fund

### Securities Financing Transactions (SFT) (continued)

as at 31st January 2019

#### 4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

#### 5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 31st January 2019	£'000
Bank of New York	139,292
JP Morgan	60,947
Crest	17,291
State Street	3,065
Number of custodians safekeeping collateral	4

#### 6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

#### 7) Return and Cost

for the year ended 31st January 2019

	Collective Investment Undertaking £'000	Manager of Collective Investment Undertaking £'000	Third Parties (e.g. lending agent) £'000	Total £'000
<b>Securities lending</b>				
Gross return	982	65	262	1,309
% of total gross return	75%	5%	20%	100%
Cost*	-	-	-	-

\*All direct costs from securities lending are borne by lending agent.

## UK Growth Fund

### Statement of total return

for the year ended 31st January 2019

	Notes	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	3		(330,065)		358,844
Revenue	4	191,969		189,214	
Expenses	5	(18,958)		(20,053)	
Interest payable and similar charges		<u>(14)</u>		<u>(15)</u>	
Net revenue before taxation		172,997		169,146	
Taxation	6	<u>(1,354)</u>		<u>(1,266)</u>	
Net revenue after taxation			<u>171,643</u>		<u>167,880</u>
<b>Total return before distributions</b>			<b>(158,422)</b>		<b>526,724</b>
Distributions	7		(171,642)		(167,881)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b><u>(330,064)</u></b>		<b><u>358,843</u></b>

## Statement of change in net assets attributable to shareholders

for the year ended 31st January 2019

	01/02/18 to 31/01/19		01/02/17 to 31/01/18	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		4,835,027		4,768,889
Amounts receivable on creation of shares	151,385		101,485	
Amounts payable on cancellation of shares	<u>(424,371)</u>		<u>(442,552)</u>	
		(272,986)		(341,067)
Dilution adjustment		953		701
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		(330,064)		358,843
Retained distributions on accumulation shares		50,581		47,661
<b>Closing net assets attributable to shareholders</b>		<b><u>4,283,511</u></b>		<b><u>4,835,027</u></b>

Notes to the financial statements are on pages 136 to 162.



**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
for the year ended 31st January 2019

## UK Growth Fund

### Balance sheet

as at 31st January 2019

	Notes	31/01/19 £'000	31/01/18 £'000
<b>ASSETS</b>			
Fixed assets:			
Investments		4,321,723	4,869,799
Current assets:			
Debtors	8	34,535	8,829
Cash and bank balances	9	7,204	11,553
<b>Total assets</b>		<b>4,363,462</b>	<b>4,890,181</b>
<b>LIABILITIES</b>			
Investment liabilities		933	1,790
Creditors			
Distribution payable		50,525	47,551
Other creditors	10	28,493	5,813
<b>Total liabilities</b>		<b>79,951</b>	<b>55,154</b>
<b>Net assets attributable to shareholders</b>		<b>4,283,511</b>	<b>4,835,027</b>

Notes to the financial statements are on pages 136 to 162.

## **Notes to the Financial Statements**

*for the year ended 31st January 2019*

### **1. Accounting and distribution policies**

#### **a) Basis of accounting**

The financial statements have been prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of investments, and in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice (SORP) for UK Authorised Funds issued by the Investment Management Association (IMA) in May 2014.

#### **b) Recognition of revenue**

Revenue is included in the Statement of total return on the following basis:

- Dividends on quoted ordinary shares and preference shares and distributions on collective investment schemes are recognised when the securities are quoted ex-dividend. Non-dividend revenue from offshore reporting funds is recognised when declared, and treated as revenue for taxation and distribution purposes.
- All distributions from accumulation holdings in collective investment schemes are treated as revenue. Equalisation on distributions received and accrued from collective investment schemes is treated as capital.
- Dividends from Real Estate Investment Trusts ('REITs') are recognised as distributable revenue when the securities are quoted ex-dividend.
- Dividends received from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs tax-exempt rental business is colloquially known as PID revenue and is taxable in the hands of the Fund. A UK REIT may also carry out activities that give rise to taxable profits and gains. It is from these that the REIT will make a Non-PID distribution. These are treated for tax purposes in the same way as dividends from normal UK companies.
- Revenue from unquoted securities is recognised when it is declared.
- Interest on bank deposits and other interest is recognised on an accrual basis.
- Interest on debt securities is accounted for on an effective yield basis.
- Where stocks are received in lieu of cash dividends, the value of that dividend is recognised in the gross revenue of the Funds and included within net revenue available for distribution. Where enhanced scrip dividends are received the value of the enhancement is not recognised as revenue within the Funds but is treated as part of the capital return on the stock.
- Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.
- Any income arising from stock lending is treated as revenue on an accruals basis and is disclosed in the notes to the Financial Statements net of directly attributable fees. The value of the collateral must always exceed the value of the stock on loan. The accepted collateral includes cash, equities, certain types of bonds and money market instruments as agreed with the Depositary.
- The Equity Income Fund enters into written option contracts, with effect from 28th April 2017 the purpose of using these contracts is to generate revenue. As a result, the premiums received in respect of these are accrued to the revenue account on a straight line basis over the life of the contract.

#### **c) Treatment of management expenses**

With the exception of the UK Equity Income Fund, all management expenses, other than those relating to the purchase and sale of investments, for the year have been charged against revenue. Transaction charges are charged to the relevant Fund and are included in note 3 - Net capital gains/(losses). It is the policy of the UK Equity Income Fund to offset the whole of the ACD's annual fee to capital in order to determine the distribution. This may increase the amount of revenue available for distribution but may constrain capital growth.

#### **d) Allocation of revenue and expenses to share classes**

Revenue is allocated when earned in the proportion of the net asset value of each share class to the total net asset value of the Fund. Expenses incurred solely in respect of a share class are allocated directly to that class. Expenses incurred in respect of, or attributable to, the Fund as a whole are allocated when incurred in the proportion of the net asset value of each share class to the total net asset value of the Fund.

#### **e) Exchange rates**

Foreign currency assets and liabilities have been translated into Sterling at the exchange rates prevailing at the Balance Sheet date. All transactions in foreign currencies are translated into Sterling at the exchange rates prevailing at the dates of such transactions.

#### **f) Dilution Adjustment**

In certain circumstances (as detailed in the Prospectus) the ACD may charge a dilution adjustment on the creation or cancellation of shares, which is paid into the capital of the relevant Fund on an accruals basis. The adjustment is intended to cover certain dealing charges not included in the mid-market value of the Fund used in calculating the share price, which could have a diluting effect on the Fund.

#### **g) Taxation**

Provision is made for corporation tax at the current rate on the excess of taxable income over allowable expenses. UK dividend revenue is disclosed net of any related tax credit. Overseas dividends continue to be disclosed gross of any foreign tax suffered, the tax element being separately disclosed in the taxation note.

Deferred taxation is provided on all timing differences that have originated but not reversed by the Balance Sheet date other than those differences regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Deferred tax assets are only recognised to the extent that it is regarded more likely than not that there will be taxable profits against which the reversal of underlying timing differences can be offset.

## **Notes to the Financial Statements (continued)**

for the year ended 31st January 2019

### **1. Accounting and distribution policies (continued)**

#### **h) Equalisation**

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

#### **i) Basis of valuation of investments**

The listed investments of the Company are valued at market value, defined as fair value, as at 12pm UK time on 31st January 2019. For fair value purposes equity investments are valued at bid, contracts for differences ('CFDs') are valued at fair value per the counterparty, exchange traded futures and options are valued using market prices. Where applicable, illiquid, unlisted, delisted, unapproved or suspended securities are based on the ACD's assessment of their fair value.

Investments in other collective investment schemes are valued at bid price for dual priced funds and at the single price for single priced funds.

Open Forward Currency Contracts are shown in the Portfolio Statement and are valued using contracted forward rates.

Open Futures Contracts are shown in the Portfolio Statement and are valued using market prices.

Investment asset prices are reviewed regularly by the ACD to identify those assets where the price has not moved since the previous review period. This review provides an initial indication that the market for each identified asset may be inactive. These assets are then reviewed by an internal committee who may identify an alternative price source for them. On conclusion that a particular asset is illiquid, the ACD will identify an alternative pricing method. The ACD will first identify if an appropriate price can be obtained from a recognised independent broker. Where this is the case, the broker will be approved as a price source for the asset.

#### **j) Distribution of net revenue**

Revenue accumulates during the distribution period. If, at the end of the accounting year, revenue exceeds expenses, the net revenue of the Funds will be distributed (or re-invested) at share class level to the shareholders in accordance with the OEIC regulations. If expenses exceed revenue during the year, the net revenue shortfall may be funded from capital. Interim distributions will be at the ACD's discretion up to a maximum of the distributable net revenue available for the interim period.

The distribution pay dates of the five Funds are as follows:

First quarter distribution - 30th June (Corporate Bond Fund and UK Equity Income Fund)

Interim distribution - 30th September (all Funds)

Third quarter distribution - 31st December (Corporate Bond Fund and UK Equity Income Fund)

Final distribution - 31st March (all Funds)

Income from debt securities will be distributed on an effective yield basis. However, investors in the Corporate Bond Fund should note that distributions from this Fund are paid on a coupon basis, unless the effective yield basis generates a higher distribution. The consequence of paying distributions on a coupon basis will have the impact of reducing the capital value of the Fund.

It is the policy of the Corporate Bond Fund to make interest distributions. All other Funds make dividend distributions.

Distributions which have remained unclaimed by shareholders for over six years are credited to the capital of the Fund.

As permitted by the SORP, the UK Equity Income Fund has not taken into account marginal tax relief in determining the distribution. All other sub-funds do not have marginal tax relief.

#### **k) Derivatives and forward currency transactions**

Some of the Funds may enter into permitted transactions such as derivative contracts or forward foreign currency transactions. The treatment of the returns from derivatives depends upon the nature of the transaction. Both motives and circumstances are used to determine whether returns should be treated as capital or revenue. Where positions are undertaken to protect or enhance capital, and the circumstances support this, the returns are capital and included within gains/losses on investments in the Statement of Total Return. Similarly where they are for generating or protecting revenue, and the circumstances support this, the returns are revenue and included within net revenue in the Statement of Total Return. Where positions generate total returns it will generally be appropriate to apportion such returns between capital and revenue to properly reflect the nature of the transaction. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value.

### **2. Risk management policies, derivatives and other financial instruments**

#### **General**

In pursuing their investment objectives, the Funds hold a number of financial instruments. The Company's financial instruments, other than derivatives, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for share issues and payable for share cancellations and debtors for accrued revenue.

The main risks arising from the financial instruments are market price risk, liquidity risk, credit risk, interest rate risk and foreign exchange risk. The ACD's policies for managing these risks are summarised below and have been applied throughout the year.

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 2. Risk management policies, derivatives and other financial instruments (continued)

#### Market Price Risk

Market price risk, being the risk that the value of the Company's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or currency movement, arise mainly from uncertainty about future prices of financial instruments the Company holds.

Market price risk represents the potential loss the Company might suffer through holding market positions in the face of price movements. The investment assets of the Funds are listed on stock exchanges, as such their prices are subject to movements that would result in an appreciation or depreciation in the fair value of that asset. As at 31st January, if the price of investments held by the Funds increased or decreased by 1%, the resulting change in net assets attributable to shareholders would have been an increase or decrease of approximately 1%; which would equate to the following:

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2019</b>					
Change in net assets attributable to shareholders	17,329	22,853	11,467	17,268	43,208
<b>31st January 2018</b>	£'000	£'000	£'000	£'000	£'000
Change in net assets attributable to shareholders	19,330	25,622	12,216	19,659	48,680

Further fluctuations could occur as a result of foreign currency movements. Details of the Fund's foreign currency exposure can be found in the Foreign Exchange Risk section.

The ACD regularly reviews the asset allocation of each portfolio in order to minimise the risk associated with particular sectors whilst continuing to follow the investment objectives. The ACD has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameters described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

#### Debt security credit analysis

	Market Value £'000	% of Net Assets	Market Value £'000	% of Net Assets
	31st January 2019		31st January 2018	
<b>Corporate Bond Fund</b>				
Investment grade	1,465,681	83.64	1,614,851	82.30
Non-Investment grade	154,398	8.79	164,027	8.37
Unrated	49,244	2.80	49,372	2.53

#### Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities.

The Company holds assets comprising mainly readily realisable securities and has no significant unlisted securities so therefore has limited exposure to liquidity risk. The main liability of the Company is the cancellation of shares by shareholders. The Company is also exposed to liquidity risk through its commitments under derivative contracts, whereby additional margin payments or collateral payments may need to be posted with the counterparty or clearing house. This risk is minimised by holding readily realisable securities and cash to meet the liabilities of the Funds.

In general the Investment Adviser manages the Company's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

We do not consider these liquidity risks to be significant and therefore no numerical analysis is being presented.

#### Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk.

Certain transactions in securities that the Company enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Company has fulfilled its responsibilities. The Company's holdings in derivative contracts also expose the Funds to credit risk. Credit risk arises from the failure of the counterparty to the derivative contract to meet its financial obligations. The Company only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

Assets of the Company may need to be sold if insufficient cash is available to finance redemptions. The Funds hold cash and cash deposits which potentially exposes them to counterparty risk. The manager constantly reviews the banks at which cash is deposited.

As the Funds' assets are held with a custodian, these assets are exposed to credit risk. These assets are ring-fenced by the custodian. The custodian used by the ACD is subject to regular review.

The majority of the Corporate Bond debt security holdings are in investment grade bonds as shown in the Debt security credit analysis section above.

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 2. Risk management policies, derivatives and other financial instruments (continued)

#### Interest Rate Risk

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

The only interest bearing financial instruments of the UK Equity Income Fund, UK FTSE 100 Index Tracking Fund, UK FTSE All-Share Index Tracking Fund and UK Growth Fund were cash and bank balances shown in note 9. The Funds have no fixed rate financial assets and no significant borrowings. In the event of a change in interest rates, there would be no material impact upon the financial assets and liabilities of the Funds.

The Corporate Bond Fund invests significantly in debt securities. The fair value or cash flow of this type of instrument may be affected by interest rate movements, exposing the Fund to interest rate risk.

The interest rate risk profile of the Company's financial assets and liabilities as at 31st January was:

	Floating rate financial assets £'000	Fixed rate financial assets £'000	Financial assets / (liabilities) not carrying interest £'000	Total £'000
<b>Corporate Bond Fund</b>				
<b>31st January 2019</b>				
Euro	-	80,897	(80,551)	<b>346</b>
Sterling	11,971	1,542,587	198,041	<b>1,752,599</b>
US Dollar	1,199	33,471	(34,663)	<b>7</b>
<b>31st January 2018</b>				
Euro	-	74,536	(75,226)	<b>(690)</b>
Sterling	25,911	1,710,096	226,395	<b>1,962,402</b>
US Dollar	1,094	21,160	(22,269)	<b>(15)</b>
<b>UK Equity Income Fund</b>				
<b>31st January 2019</b>				
Euro	-	-	508	<b>508</b>
Sterling	5,753	-	2,275,280	<b>2,281,033</b>
<b>31st January 2018</b>				
Euro	-	-	206	<b>206</b>
Sterling	7,570	-	2,551,570	<b>2,559,140</b>
<b>UK FTSE 100 Index Tracking Fund</b>				
<b>31st January 2019</b>				
Euro	-	-	304	<b>304</b>
Sterling	1,815	-	1,147,231	<b>1,149,046</b>
<b>31st January 2018</b>				
Euro	-	-	42	<b>42</b>
Sterling	446	-	1,221,796	<b>1,222,242</b>
<b>UK FTSE All-Share Index Tracking Fund</b>				
<b>31st January 2019</b>				
Euro	-	-	387	<b>387</b>
Sterling	1,752	-	1,705,329	<b>1,707,081</b>
US Dollar	-	-	9	<b>9</b>
<b>31st January 2018</b>				
Euro	-	-	58	<b>58</b>
Sterling	3,783	-	1,944,883	<b>1,948,666</b>
US Dollar	-	-	7	<b>7</b>
<b>UK Growth Fund</b>				
<b>31st January 2019</b>				
Euro	-	-	1,251	<b>1,251</b>
Sterling	7,204	-	4,275,041	<b>4,282,245</b>
US Dollar	-	-	15	<b>15</b>
<b>31st January 2018</b>				
Euro	-	-	120	<b>120</b>
Sterling	11,553	10	4,823,332	<b>4,834,895</b>
US Dollar	-	-	12	<b>12</b>

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 2. Risk management policies, derivatives and other financial instruments (continued)

#### Interest Rate Risk (continued)

As at 31st January, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, the resulting change in the net assets attributable to shareholders would have been an approximate increase or decrease of:

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2019</b>					
Approximate increase or decrease	4,173	-	-	-	-
<b>31st January 2018</b>	£'000	£'000	£'000	£'000	£'000
Approximate increase or decrease	4,514	-	-	-	-

The Company has no material amounts of non-interest bearing assets, other than equities, which do not have maturity dates.

The Company may enter into derivative transactions in the form of investment in warrants, options, currency forwards and stock index futures. The purpose of these financial instruments is efficient portfolio management. In particular, stock index futures are used both to implement the investment policy in a timely manner and to manage market price risk arising from the time lag between funds being receivable or payable by the Company and investment or disinvestment in underlying securities. Currently, the UK FTSE 100 Index Tracking Fund, the UK FTSE All-Share Index Tracking Fund and the UK Growth Fund invest in stock index futures for this purpose. The use of stock index futures is not significant and any movement in asset value would be in line with the securities held by these Funds.

#### Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As most of the assets of the UK Equity Income Fund, UK FTSE All-Share Index Tracking Fund, UK FTSE 100 Index Tracking Fund and UK Growth Fund are Sterling denominated, there is little exposure to foreign exchange risk. However, the Corporate Bond Fund invests significantly in Euro denominated bonds and, as a result, the capital value of investments and the revenue deriving from them can be significantly affected by currency movements.

The ACD has identified three principal areas where foreign currency risk could impact the Corporate Bond Fund, namely where movements in exchange rates affect the Sterling value of investments, short-term timing differences and revenue received. It may be subject to short-term exposure to exchange rate movements, for instance where there is a difference between the date an investment purchase or sale is entered into and the date the requisite foreign exchange transaction occurs. When the scheme enters into such a transaction, which will involve the buying or selling of foreign currency in order to complete, the ACD will instigate the necessary foreign exchange transactions in order to minimise exchange rate risk.

The net foreign currency monetary assets at the balance sheet date, analysed by Fund, were as follows:

	Net Foreign Currency Exposures			Net Foreign Currency Exposures		
	Non-		Total	Non-		Total
	Monetary	Monetary		Monetary	Monetary	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Corporate Bond Fund</b>	<b>31st January 2019</b>			<b>31st January 2018</b>		
Euro	(80,551)	80,897	346	(75,226)	74,536	(690)
US Dollar	(33,464)	33,471	7	(21,175)	21,160	(15)

The Corporate Bond Fund receives revenue in Euros and US Dollars, the Sterling value of this revenue can be affected by movements in exchange rates. Arrangements are in place for the conversion of all revenue receipts into Sterling on the date of receipt.

The net foreign currency exposure for the Funds are not deemed to be significant and on that basis no sensitivity analysis has been presented.

## Notes to the Financial Statements (continued)

for the year ended 31st January 2019

### 2. Risk management policies, derivatives and other financial instruments (continued)

#### Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, shown in the balance sheet, and their fair value. The main liability of the Company is its obligation to redeem shares on demand.

#### Financial derivative instruments exposure - fair value

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Exchange traded derivatives	472	2,858	1,345	1,656	5,540
Forward foreign currency contracts	2,391	-	-	-	-
31st January 2018	£'000	£'000	£'000	£'000	£'000
Exchange traded derivatives	-	-	-	5	-
Forward foreign currency contracts	1,576	-	-	-	-

#### Financial derivative instruments exposure - notional

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Exchange traded derivatives	49,392	120,859	36,902	36,401	205,273
Forward foreign currency contracts	116,623	-	-	-	-
Total financial derivative instruments exposure	166,015	120,859	36,902	36,401	205,273
31st January 2018	£'000	£'000	£'000	£'000	£'000
Exchange traded derivatives	125,644	51,262*	12,861	36,376	113,286*
Forward foreign currency contracts	98,758	-	-	-	-
Total financial derivative instruments exposure	224,402	51,262*	12,861	36,376	113,286*

\*Figures have been restated, as the option values were overstated by a multiple of 10.

The financial derivative instruments exposure represents the value of what is "economically commanded" by the instrument and is calculated as the sum of the notional value of the instrument, i.e. the number of contracts multiplied by the relevant index or spot price.

#### Efficient portfolio management techniques

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Underlying exposure obtained through efficient portfolio management techniques	166,015	120,859	36,902	36,401	205,273
31st January 2018	£'000	£'000	£'000	£'000	£'000
Underlying exposure obtained through efficient portfolio management techniques	224,402	51,262*	12,861	36,376	113,286*

\*Figures have been restated, as the option values were overstated by a multiple of 10.

## Notes to the Financial Statements (continued)

for the year ended 31st January 2019

### 2. Risk management policies, derivatives and other financial instruments (continued)

#### Counterparties to financial derivative instruments and efficient portfolio management techniques

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Lloyds Bank - Forward currency contracts	1,473	-	-	-	-
Merrill Lynch - Futures contracts	472	2,858	1,345	1,656	5,540
Merrill Lynch - Options contracts	-	(739)	-	-	(933)
Royal Bank of Canada - Forward currency contracts	916	-	-	-	-
State Street Bank - Forward currency contracts	(41)	-	-	-	-
31st January 2018	£'000	£'000	£'000	£'000	£'000
Bank of New York - Forward currency contracts	(124)	-	-	-	-
HSBC Bank - Forward currency contracts	141	-	-	-	-
Merrill Lynch - Futures contracts	(1,879)	(739)	(7)	(511)	(1,491)
Merrill Lynch - Forward currency contracts	1,435	-	-	-	-
Merrill Lynch - Options contracts	-	(236)	-	-	(299)

Counterparty risk is limited to the profit (or loss) on a contract, not the notional value. The counterparty exposures above represent the net profit (or loss) of all open positions that would be at risk should the counterparty default.

#### Collateral

The type and amount of collateral received or (posted) to reduce counterparty exposure:

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
GBP cash - Merrill Lynch	(753)	4,077	1,104	542	6,712
USD cash - Merrill Lynch	1,199	-	-	-	-
31st January 2018	£'000	£'000	£'000	£'000	£'000
GBP cash - Merrill Lynch	3,302	4,120	425	1,674	7,253
USD cash - Merrill Lynch	1,094	-	-	-	-



## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 3. Net capital gains/(losses)

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

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2019</b>					
Non-derivative securities	(63,574)	(166,759)	(97,191)	(147,559)	(329,353)
Derivative contracts	2,467	(9,274)	78	(427)	(590)
Forward currency contracts	(668)	-	-	-	-
Transaction charges	(2)	(4)	-	(3)	(6)
Currency gains/(losses)	320	(39)	(26)	(28)	(116)
<b>Net capital losses</b>	<b>(61,457)</b>	<b>(176,076)</b>	<b>(97,139)</b>	<b>(148,017)</b>	<b>(330,065)</b>

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2018</b>					
Non-derivative securities	44,408	136,756	66,311	132,417	350,506
Derivative contracts	3,562	1,169	1,293	2,676	8,410
Forward currency contracts	3,233	(3)	(1)	(2)	(3)
Transaction charges	(4)	(2)	-	(1)	(5)
Currency gains/(losses)	(374)	1	(12)	(7)	(64)
Class action proceeds*	428	-	-	-	-
<b>Net capital gains</b>	<b>51,253</b>	<b>137,921</b>	<b>67,591</b>	<b>135,083</b>	<b>358,844</b>

\*Class action proceeds received from American International.

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 4. Revenue

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2019</b>	£'000	£'000	£'000	£'000	£'000
UK dividends	-	106,524	43,200	63,091	162,398
Stock dividends	-	-	969	1,197	2,565
Overseas dividends	-	5,739	6,576	9,962	23,709
Distributions from Regulated Collective Investment Schemes:					
Interest distributions	-	-	-	89	208
Offshore distributions	408	312	123	171	631
Property income distributions	-	847	502	1,305	1,269
Interest on debt securities	70,430	-	-	-	203
Bank interest	3	2	1	2	2
Futures income	633	1	-	-	2
Stocklending revenue	98	294	144	595	982
Option premium	-	6,925	-	-	-
<b>Total revenue</b>	<b>71,572</b>	<b>120,644</b>	<b>51,515</b>	<b>76,412</b>	<b>191,969</b>

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2018</b>	£'000	£'000	£'000	£'000	£'000
UK dividends	-	106,681	40,051	61,130	152,822
Stock dividends	-	-	2,078	3,041	7,980
Overseas dividends	-	7,979	5,685	9,265	25,791
Distributions from Regulated Collective Investment Schemes:					
Interest distributions	-	-	-	103	219
Offshore distributions	368	130	36	92	332
Property income distributions	-	87	509	1,200	868
Interest on debt securities	78,759	-	-	-	219
Bank interest	10	-	-	18	-
Stocklending revenue	207	395	165	523	983
Option premium	-	4,235	-	-	-
<b>Total revenue</b>	<b>79,344</b>	<b>119,507</b>	<b>48,524</b>	<b>75,372</b>	<b>189,214</b>

## Notes to the Financial Statements (continued)

for the year ended 31st January 2019

### 5. Expenses

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:					
ACD's periodic charge	15,607	11,309	11,431	5,392	18,702
Registration fees	245	147	10	81	175
	15,852	11,456	11,441	5,473	18,877
Payable to the Depositary, associates of the Depositary, and agents of either of them:					
Depositary fees	91	29	-	18	62
Safe custody fees	134	8	-	5	16
	225	37	-	23	78
Other expenses:					
Audit fee	9	3	-	2	3
Professional fees	-	-	20	-	-
	9	3	20	2	3
Total expenses	16,086	11,496	11,461	5,498	18,958

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
Payable to the ACD, associates of the ACD and agents of either of them:					
ACD's periodic charge	17,229	11,995	11,457	5,721	19,765
Registration fees	267	158	10	87	188
	17,496	12,153	11,467	5,808	19,953
Payable to the Depositary, associates of the Depositary, and agents of either of them:					
Depositary fees	99	40	-	24	80
Safe custody fees	142	8	-	5	17
	241	48	-	29	97
Other expenses:					
Audit fee	9	3	-	2	3
	9	3	-	2	3
Total expenses	17,746	12,204	11,467	5,839	20,053

The audit fee in total for the Company, exclusive of VAT was £38,600 (2018: £37,400), of which £27,580 (2018: £27,723) is payable by the ACD.

A proportion of depositary, safe custody, transaction, audit and registration fees (except for that mentioned below) have been charged to Share Classes B, C, D, E, F, G, H, K, P, Q, R and S (except Share Classes B, D and S of the UK FTSE 100 Index Tracking Fund) in accordance with the Prospectus. There is currently no charge for maintenance of the register of holders of Shares in classes H, K, P, Q, R and S. The remaining costs attributable to Share Classes A and I, and Share Class B, D and S of the UK FTSE 100 Index Tracking Fund, continue to be borne by the ACD.

Fees are inclusive of VAT.

## Notes to the Financial Statements (continued)

for the year ended 31st January 2019

### 6. Taxation

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
<b>a) Analysis of tax charge</b>					
Current tax:					
Irrecoverable overseas tax	-	56	430	553	1,354
Total current tax	-	56	430	553	1,354
Total taxation (note 6b)	-	56	430	553	1,354

### b) Factors affecting tax charge

The tax assessed for the year is different from the rate of corporation tax applicable to UK open-ended investment companies (20%). The differences are explained below:

Net revenue before taxation	55,482	109,144	40,054	70,908	172,997
Net revenue multiplied by the rate of corporation tax applicable to UK open-ended investment companies of 20%	11,096	21,829	8,011	14,182	34,599
Effects of:					
UK dividends	-	(21,305)	(8,640)	(12,618)	(32,480)
Other non-taxable revenue	-	-	(194)	(239)	(513)
Overseas non-taxable dividend revenue	-	(1,136)	(1,307)	(1,977)	(4,701)
Movement in excess management expenses	-	612	2,130	652	3,095
Tax deductible interest distributions	(11,096)	-	-	-	-
Irrecoverable overseas tax	-	56	430	553	1,354
Total taxation (note 6a)	-	56	430	553	1,354

### c) Factors affecting future tax charges

Any excess management expenses, or non trade loan relationship deficit, brought forward are available to be used against future taxable income in the Funds of the Company, where appropriate.

Unrecognised deferred tax asset	-	32,168	28,031	10,398	60,823
---------------------------------	---	--------	--------	--------	--------

No deferred tax assets have been recognised on the above excess expenses because the sub-funds are not expected to generate taxable income in a future period in excess of the deductible expenses of that future period. Accordingly, it is unlikely that the sub-funds will be able to reduce future tax liabilities through the use of existing excess expenses.

## Notes to the Financial Statements (continued)

for the year ended 31st January 2019

### 6. Taxation (continued)

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
<b>a) Analysis of tax charge</b>					
Current tax:					
Irrecoverable overseas tax	-	37	390	502	1,266
Total current tax	-	37	390	502	1,266
<b>Total taxation (note 6b)</b>	-	37	390	502	1,266

### b) Factors affecting tax charge

The tax assessed for the year is different from the rate of corporation tax applicable to UK open-ended investment companies (20%). The differences are explained below:

Net revenue before taxation	61,582	107,298	37,057	69,527	169,146
Net revenue multiplied by the rate of corporation tax applicable to UK open-ended investment companies of 20%	12,316	21,460	7,411	13,905	33,829
Effects of:					
UK dividends	-	(21,337)	(8,010)	(12,226)	(30,564)
Other non-taxable revenue	-	-	(416)*	(606)	(1,591)
Overseas non-taxable dividend revenue	-	(1,612)	(1,139)*	(1,856)	(5,170)
Movement in excess management expenses	-	1,489	2,154	783	3,496
Tax deductible interest distributions	(12,316)	-	-	-	-
Irrecoverable overseas tax	-	37	390	502	1,266
<b>Total taxation (note 6a)</b>	-	37	390	502	1,266

\*Figures restated due to transposing error in the prior year.

### c) Factors affecting future tax charges

Any excess management expenses, or non trade loan relationship deficit, brought forward are available to be used against future taxable income in the Funds of the Company, where appropriate.

Unrecognised deferred tax asset	-	31,556	25,901	9,746	57,728
---------------------------------	---	--------	--------	-------	--------

No deferred tax assets have been recognised on the above excess expenses because the sub-funds are not expected to generate taxable income in a future period in excess of the deductible expenses of that future period. Accordingly, it is unlikely that the sub-funds will be able to reduce future tax liabilities through the use of existing excess expenses.

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 7. Distributions

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2019</b>	£'000	£'000	£'000	£'000	£'000
<b>Distributions</b>					
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:					
First quarter distribution	16,174	34,749	-	-	-
Interim distribution	16,148	32,679	22,372	38,885	96,891
Third quarter distribution	15,433	31,711	-	-	-
Final distribution	14,935	19,233	17,029	29,978	71,095
	62,690	118,372	39,401	68,863	167,986
Add: Revenue deducted on the cancellation of shares	976	1,963	619	2,156	5,241
Deduct: Revenue received on the issue of shares	(189)	(980)	(394)	(664)	(1,585)
<b>Net distributions for the year</b>	<b>63,477</b>	<b>119,355</b>	<b>39,626</b>	<b>70,355</b>	<b>171,642</b>

Details of the distributions per share are set out in the tables on pages 163 to 180.

As a result of the rounding down of distribution rates to four decimal places of a penny, a small amount of income will typically be carried forward for distribution in the following year. This may result in the total revenue distributed for a year marginally exceeding the total net revenue earned during the year.

### Movement between net revenue after taxation and distributions

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2019</b>	£'000	£'000	£'000	£'000	£'000
Net revenue after taxation	55,482	109,088	39,624	70,355	171,643
Undistributed income b/fwd	4	1	2	1	1
Undistributed income c/fwd	(4)	-	-	(1)	(2)
ACD fees paid from capital	-	11,309	-	-	-
Amortisation not distributed	7,995	-	-	-	-
Notional tax charge transferred to capital	-	(1,043)	-	-	-
<b>Net distributions for the year</b>	<b>63,477</b>	<b>119,355</b>	<b>39,626</b>	<b>70,355</b>	<b>171,642</b>

## Notes to the Financial Statements (continued)

*for the year ended 31st January 2019*

### 7. Distributions (continued)

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
<b>Distributions</b>					
The distributions take account of revenue received on the issue of shares and revenue deducted on the cancellation of shares and comprise:					
First quarter distribution	17,007	37,764	-	-	-
Interim distribution	17,793	32,277	21,564	39,123	98,128
Third quarter distribution	16,865	30,607	-	-	-
Final distribution	17,139	16,816	14,805	28,516	65,538
	68,804	117,464	36,369	67,639	163,666
Add: Revenue deducted on the cancellation of shares	1,023	2,161	775	2,098	5,479
Deduct: Revenue received on the issue of shares	(414)	(963)	(477)	(712)	(1,264)
Net distributions for the year	69,413	118,662	36,667	69,025	167,881

Details of the distributions per share are set out in the tables on pages 163 to 180.

As a result of the rounding down of distribution rates to four decimal places of a penny, a small amount of income will typically be carried forward for distribution in the following year. This may result in the total revenue distributed for a year marginally exceeding the total net revenue earned during the year.

#### Movement between net revenue after taxation and distributions

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
Net revenue after taxation	61,582	107,261	36,667	69,025	167,880
Undistributed income b/fwd	2	1	2	1*	2
Undistributed income c/fwd	(4)	(1)	(2)	(1)*	(1)
ACD fees paid from capital	-	11,995	-	-	-
Amortisation not distributed	7,833	-	-	-	-
Notional tax charge transferred to capital	-	(594)	-	-	-
Net distributions for the year	69,413	118,662	36,667	69,025	167,881

\*Figures have been restated to correct rounding adjustments in prior years.

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 8. Debtors

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2019</b>					
Amounts receivable for issue of shares	384	738	216	433	853
Sales awaiting settlement	-	365	-	52	23,321
Accrued revenue	31,265	4,939	2,376	3,532	8,987
Overseas tax recoverable	-	451	460	543	1,371
Income tax recoverable	3	-	-	2	3
	31,652	6,493	3,052	4,562	34,535

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
	£'000	£'000	£'000	£'000	£'000
<b>31st January 2018</b>					
Amounts receivable for issue of shares	253	322	27	309	325
Sales awaiting settlement	4,876	-	64	82	5
Accrued revenue	37,055	4,817	2,291	3,494	8,110
Overseas tax recoverable	-	118	238	269	357
Income tax recoverable	3	-	-	18	32
	42,187	5,257	2,620	4,172	8,829



## Notes to the Financial Statements (continued)

as at 31st January 2019

### 9. Cash and bank balances

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Cash and bank balances	356	1,676	711	1,210	492
Amounts held at futures brokers	1,199	4,077	1,104	542	6,712
	1,555	5,753	1,815	1,752	7,204
Overdraft amounts held at futures brokers	(753)	-	-	-	-
Total cash and bank balances	802	5,753	1,815	1,752	7,204

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
Cash and bank balances	151	3,450	21	2,109	4,300
Amounts held at futures brokers	4,396	4,120	425	1,674	7,253
	4,547	7,570	446	3,783	11,553
Total cash and bank balances	4,547	7,570	446	3,783	11,553

### 10. Other creditors

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
Amounts payable for cancellation of shares	2,050	2,061	425	1,686	4,036
Purchases awaiting settlement	-	-	-	-	22,949
Accrued expenses	1,400	919	931	447	1,508
	3,450	2,980	1,356	2,133	28,493

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
Amounts payable for cancellation of shares	1,605	3,169	555	1,940	4,039
Purchases awaiting settlement	4,305	-	-	-	-
Accrued expenses	1,577	1,073	1,029	526	1,774
	7,487	4,242	1,584	2,466	5,813

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 11. Provision for deferred tax

At the balance sheet date there was no provision for deferred tax (31st January 2018: Nil).

### 12. Capital commitments and contingent liabilities

At the balance sheet date there were no capital commitments (31st January 2018: Nil) and no contingent liabilities (31st January 2018: Nil).

### 13. Related party transactions

HBOS Investment Fund Managers Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund. Lloyds Banking Group, as the parent company of the ACD is the ultimate controlling party of the Fund. As such any member company of Lloyds Banking Group is also a related party.

Fees paid to HBOS Investment Fund Managers Limited ("the ACD") are shown in Note 5. The aggregate monies received through issue and paid on cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders. Any amounts due to or from the ACD at the end of the year are disclosed in Notes 8 and 10.

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
The balance due to the ACD at the year end in respect of management charges was as follows:	1,259	882	917	419	1,454
The amounts of distributions payable to companies in the Lloyds Banking Group which were outstanding at the year end were as follows:	2,146	11,858	754	21,749	49,879
Distributions payable to the Lloyds Banking Group, parent company of the ACD during the year were as follows:	9,367	73,016	1,653	49,594	115,876
The Fund has related party holdings within Lloyds Banking Group with value as follows:	55,084	18,895	26,017	31,856	117,839
Income received from Lloyds Banking Group during the year was as follows:	1,669	1,159	1,381	1,743	4,535
Shares held by associates of the ACD as a percentage of the Fund's value as at year end:	11.44%	62.05%	3.33%	66.88%	62.51%

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
The balance due to the ACD at the year end in respect of management charges was as follows:	1,426	1,032	1,013	497	1,712
The amounts of distributions payable to companies in the Lloyds Banking Group which were outstanding at the year end were as follows:	2,601	10,426	664	21,041	46,964
Distributions payable to the Lloyds Banking Group, parent company of the ACD during the year were as follows:	10,616	73,333	1,591	49,358	114,531
The Fund has related party holdings within Lloyds Banking Group with value as follows:	64,754	32,021	31,037	39,523	113,087
Income received from Lloyds Banking Group during the year was as follows:	4,710	1,697	1,365	1,806	5,722
Shares held by associates of the ACD as a percentage of the Fund's value as at year end:	12.12%	62.26%	3.23%	67.23%	62.51%

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 14. Shareholder funds

Where a Fund has more than one share class, each class may have a different charging structure. Consequently, the level of net revenue attributable to each share class may differ.

The annual management charge on each share class is as follows (2018: same):

	Corporate Bond Fund %	UK Equity Income Fund %	UK FTSE 100 Index Tracking Fund %	UK FTSE All-Share Index Tracking Fund %	UK Growth Fund %
Class A	n/a	0.50%	0.50%	0.50%	0.50%
Class B	0.75%	1.00%	1.00%	n/a	0.50%
Class C	1.00%	1.35%	1.00%	1.00%	1.35%
Class D	1.00%	1.35%	1.00%	n/a	n/a
Class E	0.75%	1.25%	n/a	n/a	n/a
Class F	n/a	1.25%	1.00%	1.00%	1.25%
Class G	n/a	1.00%	n/a	1.00%	1.00%
Class H	0.50%	0.85%	n/a	n/a	n/a
Class I	0.00%	0.00%	0.00%	0.00%	0.00%
Class K	0.25%	0.75%	n/a	n/a	n/a
Class P	0.50%	0.85%	n/a	0.50%	0.85%
Class Q	n/a	0.75%	n/a	n/a	0.75%
Class R	n/a	0.50%	n/a	n/a	0.50%
Class S	0.25%	0.50%	0.50%	n/a	n/a

	1st February 2018			31st January 2019
Fund / Share Class	Opening shares	Creations	Cancellations	Closing shares
<b>Corporate Bond Fund</b>				
Share Class B	41,231,000	1,185,000	(5,045,000)	37,371,000
Share Class C	2,070,179,000	13,600,000	(186,610,000)	1,897,169,000
Share Class D	3,233,502,000	60,000	(327,980,000)	2,905,582,000
Share Class E	527,360,000	65,000	(49,725,000)	477,700,000
Share Class H	30,285,000	5,523,000	(1,339,000)	34,469,000
Share Class I	987,862,679	63,985,000	(187,700,000)	864,147,679
Share Class K	3,480,000	800,000	(300,000)	3,980,000
Share Class P	33,170,000	10,375,000	(1,560,000)	41,985,000
Share Class S	815,000	285,000	(190,000)	910,000

**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
for the year ended 31st January 2019

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 14. Shareholder funds (continued)

	1st February 2018			31st January 2019
<b>Fund / Share Class</b>	<b>Opening shares</b>	<b>Creations</b>	<b>Cancellations</b>	<b>Closing shares</b>
<b>UK Equity Income Fund</b>				
Share Class A	23,657,493	965,000	(1,420,000)	23,202,493
Share Class B	3,919,000	450,000	(380,000)	3,989,000
Share Class C	556,093,000	1,280,000	(55,035,000)	502,338,000
Share Class D	118,329,000	200,000	(9,523,000)	109,006,000
Share Class E	53,934,000	585,000	(3,400,000)	51,119,000
Share Class F	631,378,000	8,925,000	(61,095,000)	579,208,000
Share Class G	107,629,000	22,303,000	(7,235,000)	122,697,000
Share Class H	1,390,000	455,000	(380,000)	1,465,000
Share Class I	560,602,883	33,515,000	(58,220,000)	535,897,883
Share Class K	2,560,000	570,000	(285,000)	2,845,000
Share Class P	9,105,000	2,310,000	(1,080,000)	10,335,000
Share Class Q	17,480,000	3,632,000	(915,000)	20,197,000
Share Class R	6,645,000	3,360,000	(385,000)	9,620,000
Share Class S	1,430,000	595,000	(250,000)	1,775,000

	1st February 2018			31st January 2019
<b>Fund / Share Class</b>	<b>Opening shares</b>	<b>Creations</b>	<b>Cancellations</b>	<b>Closing shares</b>
<b>UK FTSE 100 Index Tracking Fund</b>				
Share Class A	8,394,558	260,000	(465,000)	8,189,558
Share Class B	1,150,589,000	150,000	(83,210,000)	1,067,529,000
Share Class C	2,261,000	25,000	(765,000)	1,521,000
Share Class D	1,314,635,000	37,735,000	(6,030,000)	1,346,340,000
Share Class F	1,068,000	70,000	(159,000)	979,000
Share Class I	39,756,427	18,360,000	(16,305,000)	41,811,427
Share Class S	15,435,000	3,325,000	(680,000)	18,080,000

	1st February 2018			31st January 2019
<b>Fund / Share Class</b>	<b>Opening shares</b>	<b>Creations</b>	<b>Cancellations</b>	<b>Closing shares</b>
<b>UK FTSE All-Share Index Tracking Fund</b>				
Share Class A	166,611,272	6,835,000	(10,520,000)	162,926,272
Share Class C	456,139,000	930,000	(51,313,000)	405,756,000
Share Class F	405,111,000	6,265,000	(37,048,000)	374,328,000
Share Class G	41,453,000	7,455,000	(3,185,000)	45,723,000
Share Class I	1,856,394,068	75,680,000	(176,550,000)	1,755,524,068
Share Class P	18,155,000	7,276,000	(450,000)	24,981,000

	1st February 2018			31st January 2019
<b>Fund / Share Class</b>	<b>Opening shares</b>	<b>Creations</b>	<b>Cancellations</b>	<b>Closing shares</b>
<b>UK Growth Fund</b>				
Share Class A	14,629,709	450,000	(1,030,000)	14,049,709
Share Class B	459,246,000	3,665,000	(47,365,000)	415,546,000
Share Class C	1,096,039,000	1,140,000	(104,239,000)	992,940,000
Share Class F	863,673,000	9,810,000	(80,987,000)	792,496,000
Share Class G	130,372,000	26,430,000	(9,121,000)	147,681,000
Share Class I	985,760,291	40,235,000	(85,395,000)	940,600,291
Share Class P	11,592,000	3,380,000	(1,306,000)	13,666,000
Share Class Q	21,502,000	5,225,000	(1,240,000)	25,487,000
Share Class R	7,725,000	4,630,000	(385,000)	11,970,000

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 15. Securities on loan

The aggregate value of securities on loan at 31st January 2019 is £427,115k (31st January 2018: £618,264k). The identities of these counterparties are listed in the counterparties table below. Securities on loan are included in the portfolio statement and no account is taken of any collateral held. The aggregate value of collateral held at 31st January 2019 is £458,399k (31st January 2018: £658,199k). This collateral is listed in the collateral held table below.

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2019</b>	£'000	£'000	£'000	£'000	£'000
Bank of Nova Scotia	-	9,411	1,804	12,663	14,802
Barclays Bank	24,391	-	-	-	-
Barclays Capital Securities	-	11,958	2,506	5,493	24,520
BMO Capital Markets	-	-	-	304	1,673
Citigroup Global Markets (UK)	7,080	235	-	1,381	5,839
Credit Suisse Securities (Europe)	18,828	1,159	56	229	2,366
Deutsche Bank	5,763	2,015	3,138	6,490	11,688
HSBC Bank	1,040	5,894	-	10,801	16,483
ING Bank	-	876	221	1,624	1,185
JP Morgan Securities	2,909	19,404	13,301	11,328	27,235
Merrill Lynch	-	8,829	784	10,300	32,279
Morgan Stanley International	-	2,301	368	5,745	6,637
MUFG Securities EMEA	-	-	-	-	531
Societe Generale	-	-	-	-	44,205
UBS	-	2,201	1,542	7,951	15,349
<b>Total securities on loan</b>	<b>60,011</b>	<b>64,283</b>	<b>23,720</b>	<b>74,309</b>	<b>204,792</b>
<b>Collateral held</b>					
Bonds	25,660	34,831	11,243	34,058	95,288
Equities	-	34,594	14,537	45,777	125,307
Cash	37,104	-	-	-	-
<b>Total collateral held</b>	<b>62,764</b>	<b>69,425</b>	<b>25,780</b>	<b>79,835</b>	<b>220,595</b>

For the year ended 31st January 2019 the gross earnings and fees paid are £2,817k and £704k.

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2019</b>	£'000	£'000	£'000	£'000	£'000
Gross earnings	131	393	191	793	1,309
Net earnings	98	294	144	595	982

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Notes to the Financial Statements (continued)**

as at 31st January 2019

**15. Securities on loan (continued)**

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2018</b>	£'000	£'000	£'000	£'000	£'000
Bank of Nova Scotia	-	12,819	1,124	9,825	19,742
Barclays Bank	6,288	-	-	-	-
Barclays Capital Securities	-	19,729	463	5,756	15,362
BMO Capital Markets	-	-	-	-	1,739
Citigroup Global Markets (UK)	8,477	-	275	-	4,193
Citigroup Global Markets Limited	-	762	-	1,780	-
Credit Suisse Securities (Europe)	12,231	15,326	-	470	13,680
Deutsche Bank	7,559	15,926	777	28,502	38,515
Goldman Sachs	-	3,557	5,542	4,875	-
HSBC Bank	21,053	33,762	-	18,684	48,095
ING Bank	-	3,877	7,470	2,590	6,998
JP Morgan Securities	-	17,219	14,562	12,144	38,199
Merrill Lynch	1,168	1,142	-	2,382	2,272
Morgan Stanley International	7,399	2,048	-	5,684	41,083
MUFG Securities EMEA	-	-	-	-	141
Societe Generale	-	-	-	-	18,540
UBS	2,686	13,656	2,207	22,403	15,506
<b>Total securities on loan</b>	<b>66,861</b>	<b>139,823</b>	<b>32,420</b>	<b>115,095</b>	<b>264,065</b>
<b>Collateral held</b>					
Bonds	12,875	27,327	8,779	33,382	77,676
Equities	-	121,923	26,477	89,620	204,170
Cash	55,970	-	-	-	-
<b>Total collateral held</b>	<b>68,845</b>	<b>149,250</b>	<b>35,256</b>	<b>123,002</b>	<b>281,846</b>

For the year ended 31st January 2018 the gross earnings and fees paid are £3,030k and £757k.

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
<b>31st January 2018</b>	£'000	£'000	£'000	£'000	£'000
Gross earnings	276	526	220	698	1,310
Net earnings	207	395	165	523	983

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 16. Portfolio transaction costs

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
<b>Analysis of total purchase costs:</b>					
Collective Investment Schemes	285,970	208,925	79,130	135,275	410,786
Equities	-	826,476	71,106	57,951	1,656,063
Fixed Income	438,141	-	-	-	-
Options	-	7,831	-	-	9,872
Trades in the year before transaction costs	724,111	1,043,232	150,236	193,226	2,076,721
<b>Commissions</b>					
Collective Investment Schemes	-	1	0‡	1	3
Equities	-	30	1	3	31
Futures	2	12	3	5	18
Options	-	37	-	-	46
Total commissions	2	80	4	9	98
<b>Taxes</b>					
Collective Investment Schemes	-	0‡	1	9	24
Equities	-	3,817	311	225	7,682
Total taxes	-	3,817	312	234	7,706
Total purchase costs	2	3,897	316	243	7,804
Total net purchases after transaction costs	724,113	1,047,129	150,552	193,469	2,084,525

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
<b>Analysis of total sale costs:</b>					
Collective Investment Schemes	330,389	165,289	57,621	135,872	358,914
Equities	-	979,970	68,959	147,530	1,921,843
Fixed Income	515,857	-	-	-	150
Options	-	6,880	-	-	8,686
Trades in the year before transaction costs	846,246	1,152,139	126,580	283,402	2,289,593
<b>Commissions</b>					
Collective Investment Schemes	-	-	-	0‡	(6)
Equities	-	(25)	(1)	(3)	(45)
Futures	(3)	(11)	(3)	(4)	(17)
Options	-	(36)	-	-	(46)
Total commissions	(3)	(72)	(4)	(7)	(114)
<b>Taxes</b>					
Collective Investment Schemes	-	-	-	0‡	0‡
Equities	-	(1)	0‡	(1)	(1)
Total taxes	-	(1)	0‡	(1)	(1)
Total sale costs	(3)	(73)	(4)	(8)	(115)
Total net sales after transaction costs	846,243	1,152,066	126,576	283,394	2,289,478

‡ The figure is below £500 and is therefore rounded down to £0.

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 16. Portfolio transaction costs (continued)

Total transaction costs expressed as a percentage of asset class trades

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	%	%	%	%	%
<b>Commissions (%) - Purchases</b>					
Collective Investment Schemes	-	0.00%	0.00%	0.00%	0.00%
Equities	-	0.00%	0.00%	0.00%	0.00%
Options	-	0.47%	-	-	0.47%
<b>Taxes (%) - Purchases</b>					
Collective Investment Schemes	-	0.00%	0.00%	0.01%	0.01%
Equities	-	0.46%	0.44%	0.39%	0.46%

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	%	%	%	%	%
<b>Commissions (%) - Sales</b>					
Collective Investment Schemes	-	-	-	0.00%	0.00%
Equities	-	0.00%	0.00%	0.00%	0.00%
Options	-	0.53%	-	-	0.53%
<b>Taxes (%) - Sales</b>					
Collective Investment Schemes	-	-	-	0.00%	0.00%
Equities	-	0.00%	0.00%	0.00%	0.00%

Total transaction cost expressed as a percentage of net asset value

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	%	%	%	%	%
Commissions	0.00%	0.01%	0.00%	0.00%	0.00%
Taxes	-	0.16%	-	0.01%	0.17%

Average portfolio dealing spread

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	%	%	%	%	%
The average portfolio dealing spread at the balance sheet date:	0.71%	0.05%	0.04%	0.10%	0.09%



## Notes to the Financial Statements (continued)

as at 31st January 2019

### 16. Portfolio transaction costs (continued)

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
<b>Analysis of total purchase costs:</b>					
Collective Investment Schemes	273,845	148,437	36,278	118,691	363,491
Equities	-	976,064	53,937	66,886	1,480,169
Fixed Income	427,597	-	-	-	-
Options	-	6,706	-	-	8,431
Trades in the year before transaction costs	701,442	1,131,207	90,215	185,577	1,852,091
<b>Commissions</b>					
Collective Investment Schemes	-	-	-	-	6
Equities	-	10	-	1	19
Futures	3	11	2	5	20
Options	-	36	-	-	46
Total commissions	3	57	2	6	91
<b>Taxes</b>					
Collective Investment Schemes	-	-	16	8	4
Equities	-	4,300	258	283	6,644
Total taxes	-	4,300	274	291	6,648
Total purchase costs	3	4,357	276	297	6,739
Total net purchases after transaction costs	701,445	1,135,564	90,491	185,874	1,858,830

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
<b>Analysis of total sale costs:</b>					
Collective Investment Schemes	229,988	165,295	33,495	133,780	361,008
Equities	-	1,080,164	37,077	144,504	1,773,800
Fixed Income	559,025	-	-	-	-
Options	-	7,418	-	-	9,334
Trades in the year before transaction costs	789,013	1,252,877	70,572	278,284	2,144,142
<b>Commissions</b>					
Collective Investment Schemes	-	-	-	-	(10)
Equities	-	(23)	(2)	(6)	(37)
Futures	(3)	(11)	(2)	(6)	(19)
Options	-	(35)	-	-	(45)
Total commissions	(3)	(69)	(4)	(12)	(111)
<b>Taxes</b>					
Equities	-	(1)	0‡	(1)	(1)
Total taxes	-	(1)	0‡	(1)	(1)
Total sale costs	(3)	(70)	(4)	(13)	(112)
Total net sales after transaction costs	789,010	1,252,807	70,568	278,271	2,144,030

‡ The figure is below £500 and is therefore rounded down to £0.

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 16. Portfolio transaction costs (continued)

Total transaction costs expressed as a percentage of asset class trades

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	%	%	%	%	%
<b>Commissions (%) - Purchases</b>					
Collective Investment Schemes	-	-	-	0.00%	0.00%
Equities	-	0.00%	-	0.00%	0.00%
Options	-	0.54%	-	-	0.55%
<b>Taxes (%) - Purchases</b>					
Collective Investment Schemes	-	-	0.04%	0.01%	0.00%
Equities	-	0.44%	0.48%	0.42%	0.45%

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	%	%	%	%	%
<b>Commissions (%) - Sales</b>					
Collective Investment Schemes	-	-	-	0.00%	0.00%
Equities	-	0.00%	0.00%	0.00%	0.00%
Options	-	0.48%	-	-	0.48%
<b>Taxes (%) - Sales</b>					
Equities	-	0.00%	0.00%	0.00%	0.00%

Total transaction cost expressed as a percentage of net asset value

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	%	%	%	%	%
Commissions	0.00%	0.00%	0.00%	0.00%	0.00%
Taxes	-	0.17%	0.02%	0.01%	0.14%

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 16. Portfolio transaction costs (continued)

#### Average portfolio dealing spread

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	%	%	%	%	%
The average portfolio dealing spread at the balance sheet date:	0.63%	0.05%	0.03%	0.08%	0.08%

Direct transaction costs are expenses incurred when buying and selling financial investments. In the case of equities, futures and options contracts, broker commissions and transfer taxes may be paid on each transaction. However, as futures contracts do not have relative purchases and sales amounts, the notional value of futures contracts is not shown in the analysis of total trade costs above. Other types of investments such as collective investment schemes have no separately identifiable transaction costs and these costs form part of the dealing spread.

### 17. Fair Value

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2019	£'000	£'000	£'000	£'000	£'000
<b>Assets</b>					
Level 1	7,509	2,213,617	1,114,473	1,695,993	4,180,659
Level 2	1,718,574*	72,381	32,249	30,813	141,064
Level 3	6,826	-	-	0†**	0†***
<b>Liabilities</b>					
Level 1	-	(739)	-	-	(933)
Level 2	(43)	-	-	-	-
Level 3	-	-	-	-	-
<b>Total Fair Value</b>	<b>1,732,866</b>	<b>2,285,259</b>	<b>1,146,722</b>	<b>1,726,806</b>	<b>4,320,790</b>

†The market value of holdings is less than £500 and is therefore rounded down to £0.

\*SLM Student Loan Trust 2003-12 has been categorised from level 3 to level 2 (current year value £6,971,637).

\*\*Includes Perform, Dexion Equity Alternative, Tritax Big Box and Low & Bonar, unlisted/delisted securities.

\*\*\*Includes Perform, Dexion Equity Alternative and Low & Bonar, delisted securities.

## Notes to the Financial Statements (continued)

as at 31st January 2019

### 17. Fair Value (continued)

	Corporate Bond Fund	UK Equity Income Fund	UK FTSE 100 Index Tracking Fund	UK FTSE All-Share Index Tracking Fund	UK Growth Fund
31st January 2018	£'000	£'000	£'000	£'000	£'000
<b>Assets</b>					
Level 1*	13,588	2,533,638	1,210,623	1,934,622	4,785,364
Level 2*	1,913,576	29,516	10,969	31,787	84,435
Level 3	7,805	-	-	-	-
<b>Liabilities</b>					
Level 1	(1,879)	(975)	(7)	(516)	(1,790)
Level 2	(124)	-	-	-	-
Level 3	-	-	-	-	-
<b>Total Fair Value</b>	<b>1,932,966</b>	<b>2,562,179</b>	<b>1,221,585</b>	<b>1,965,893</b>	<b>4,868,009</b>

Level 1 - Quoted prices for identical instruments in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service etc. These include active listed equities, exchange traded derivatives etc.

Level 2 - Valuation techniques with inputs other than quoted prices within level 1 that are observable. This category includes instruments valued using quoted market prices in active markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. This category will typically include debt securities and collective investment schemes.

Level 3 - Prices using valuation techniques where inputs are unobservable. This category may include single or broker priced securities and suspended or unlisted securities.

\*Prior year comparatives have been updated in line with current year disclosure. Aberdeen Liquidity Fund (Lux) - Sterling Fund Z-3 Inc has been reclassified from level 1 to level 2. The Fund specific split of these reclassifications is as follows: Corporate Bond Fund (£105,142,588), UK Equity Income Fund (£29,516,266), UK FTSE 100 Index Tracking Fund (£10,969,336), UK FTSE All-Share Index Tracking Fund (£31,786,841) and UK Growth Fund (£84,424,491).

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

## Distribution tables

	Gross revenue 31st Jan 2019 pence per share	Equalisation 31st Jan 2019 pence per share	Distribution payable 31st Jan 2019 pence per share	Distribution paid 31st Jan 2018 pence per share
<b>Corporate Bond Fund</b>				
<b>Final Distribution</b>				
<i>Group 1: Shares purchased prior to 1st November 2018</i>				
<i>Group 2: Shares purchased between 1st November 2018 and 31st January 2019</i>				
Share Class B				
Group 1	0.3136	-	0.3136	0.3216
Group 2	0.2096	0.1040	0.3136	0.3216
Share Class C				
Group 1	0.2888	-	0.2888	0.2971
Group 2	0.1552	0.1336	0.2888	0.2971
Share Class D				
Group 1	0.1881	-	0.1881	0.2000
Group 2	0.0173	0.1708	0.1881	0.2000
Share Class E				
Group 1	0.1991	-	0.1991	0.2116
Group 2	0.1800	0.0191	0.1991	0.2116
Share Class H				
Group 1	0.9192	-	0.9192	0.9756
Group 2	0.4276	0.4916	0.9192	0.9756
Share Class I				
Group 1	0.2483	-	0.2483	0.2633
Group 2	0.1127	0.1356	0.2483	0.2633
Share Class K				
Group 1	0.9807	-	0.9807	1.0402
Group 2	0.5714	0.4093	0.9807	1.0402
Share Class P				
Group 1	0.9797	-	0.9797	1.0011
Group 2	0.5388	0.4409	0.9797	1.0011
Share Class S				
Group 1	1.0497	-	1.0497	1.0694
Group 2	0.0000	1.0497	1.0497	1.0694

The above distributions for share classes D, E, H, I and K are payable on or before 31st March 2019.

The above distributions for share classes B, C, P and S will be accumulated to the capital of the Fund on or before 31st March 2019.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Gross revenue</b> <b>31st Oct 2018</b> pence per share	<b>Equalisation</b> <b>31st Oct 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Oct 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Oct 2017</b> pence per share
<b>Corporate Bond Fund - continued</b>				
<b>Third Quarter Distribution</b>				
<i>Group 1: Shares purchased prior to 1st August 2018</i>				
<i>Group 2: Shares purchased between 1st August 2018 and 31st October 2018</i>				
Share Class B				
Group 1	0.3099	-	0.3099	0.3106
Group 2	0.1663	0.1436	0.3099	0.3106
Share Class C				
Group 1	0.2851	-	0.2851	0.2865
Group 2	0.1519	0.1332	0.2851	0.2865
Share Class D				
Group 1	0.1872	-	0.1872	0.1945
Group 2	0.1088	0.0784	0.1872	0.1945
Share Class E				
Group 1	0.1984	-	0.1984	0.2060
Group 2	0.1055	0.0929	0.1984	0.2060
Share Class H				
Group 1	0.9172	-	0.9172	0.9523
Group 2	0.4344	0.4828	0.9172	0.9523
Share Class I				
Group 1	0.2482	-	0.2482	0.2577
Group 2	0.2117	0.0365	0.2482	0.2577
Share Class K				
Group 1	0.9795	-	0.9795	1.0171
Group 2	0.5278	0.4517	0.9795	1.0171
Share Class P				
Group 1	0.9685	-	0.9685	0.9682
Group 2	0.5255	0.4430	0.9685	0.9682
Share Class S				
Group 1	1.0381	-	1.0381	1.0352
Group 2	0.4134	0.6247	1.0381	1.0352

The above distributions for share classes D, E, H, I and K were paid on or before 31st December 2018.

The above distributions for share classes B, C, P and S were accumulated to the capital of the Fund on or before 31st December 2018.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Gross revenue</b> <b>31st Jul 2018</b> pence per share	<b>Equalisation</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2017</b> pence per share
<b>Corporate Bond Fund - continued</b>				
<b>Interim Distribution</b>				
<i>Group 1: Shares purchased prior to 1st May 2018</i>				
<i>Group 2: Shares purchased between 1st May 2018 and 31st July 2018</i>				
Share Class B				
Group 1	0.3171	-	0.3171	0.3196
Group 2	0.1428	0.1743	0.3171	0.3196
Share Class C				
Group 1	0.2925	-	0.2925	0.2955
Group 2	0.1550	0.1375	0.2925	0.2955
Share Class D				
Group 1	0.1936	-	0.1936	0.2023
Group 2	0.0468	0.1468	0.1936	0.2023
Share Class E				
Group 1	0.2048	-	0.2048	0.2141
Group 2	0.1059	0.0989	0.2048	0.2141
Share Class H				
Group 1	0.9451	-	0.9451	0.9873
Group 2	0.4504	0.4947	0.9451	0.9873
Share Class I				
Group 1	0.2553	-	0.2553	0.2670
Group 2	0.0442	0.2111	0.2553	0.2670
Share Class K				
Group 1	1.0080	-	1.0080	1.0541
Group 2	0.5682	0.4398	1.0080	1.0541
Share Class P				
Group 1	0.9885	-	0.9885	0.9849
Group 2	0.5510	0.4375	0.9885	0.9849
Share Class S				
Group 1	1.0577	-	1.0577	1.0620
Group 2	0.4956	0.5621	1.0577	1.0620

The above distributions for share classes D, E, H, I and K were paid on or before 30th September 2018.

The above distributions for share classes B, C, P and S were accumulated to the capital of the Fund on or before 30th September 2018.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Gross revenue</b> <b>30th Apr 2018</b> pence per share	<b>Equalisation</b> <b>30th Apr 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>30th Apr 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>30th Apr 2017</b> pence per share
<b>Corporate Bond Fund - continued</b>				
<b>First Quarter Distribution</b>				
<i>Group 1: Shares purchased prior to 1st February 2018</i>				
<i>Group 2: Shares purchased between 1st February 2018 and 30th April 2018</i>				
Share Class B				
Group 1	0.3122	-	0.3122	0.2988
Group 2	0.1873	0.1249	0.3122	0.2988
Share Class C				
Group 1	0.2886	-	0.2886	0.2769
Group 2	0.1589	0.1297	0.2886	0.2769
Share Class D				
Group 1	0.1927	-	0.1927	0.1910
Group 2	0.0946	0.0981	0.1927	0.1910
Share Class E				
Group 1	0.2033	-	0.2033	0.2017
Group 2	0.1051	0.0982	0.2033	0.2017
Share Class H*				
Group 1	0.9376	-	0.9376	0.6995
Group 2	0.4255	0.5121	0.9376	0.6995
Share Class I				
Group 1	0.2524	-	0.2524	0.2504
Group 2	0.1214	0.1310	0.2524	0.2504
Share Class K*				
Group 1	0.9987	-	0.9987	0.7464
Group 2	0.4154	0.5833	0.9987	0.7464
Share Class P*				
Group 1	0.9715	-	0.9715	0.6998
Group 2	0.4898	0.4817	0.9715	0.6998
Share Class S*				
Group 1	1.0373	-	1.0373	0.7464
Group 2	0.2950	0.7423	1.0373	0.7464

The above distributions for share classes D, E, H, I and K were paid on or before 30th June 2018.

The above distributions for share classes B, C, P and S were accumulated to the capital of the Fund on or before 30th June 2018.

\*Share class launched on 21st February 2017.



**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Net revenue</b> <b>31st Jan 2019</b> pence per share	<b>Equalisation</b> <b>31st Jan 2019</b> pence per share	<b>Distribution payable</b> <b>31st Jan 2019</b> pence per share	<b>Distribution paid</b> <b>31st Jan 2018</b> pence per share
<b>UK Equity Income Fund</b>				
<b>Final Distribution</b>				
<i>Group 1: Shares purchased prior to 1st November 2018</i>				
<i>Group 2: Shares purchased between 1st November 2018 and 31st January 2019</i>				
Share Class A				
Group 1	2.0841	-	2.0841	1.7529
Group 2	0.2665	1.8176	2.0841	1.7529
Share Class B				
Group 1	0.2176	-	0.2176	0.1838
Group 2	0.0480	0.1696	0.2176	0.1838
Share Class C				
Group 1	0.7030	-	0.7030	0.5673
Group 2	0.2367	0.4663	0.7030	0.5673
Share Class D				
Group 1	0.4361	-	0.4361	0.3691
Group 2	0.0000	0.4361	0.4361	0.3691
Share Class E				
Group 1	0.2121	-	0.2121	0.1796
Group 2	0.0586	0.1535	0.2121	0.1796
Share Class F				
Group 1	0.3353	-	0.3353	0.2708
Group 2	0.1146	0.2207	0.3353	0.2708
Share Class G				
Group 1	0.3433	-	0.3433	0.2768
Group 2	0.1223	0.2210	0.3433	0.2768
Share Class H				
Group 1	0.8107	-	0.8107	0.6841
Group 2	0.1740	0.6367	0.8107	0.6841
Share Class I				
Group 1	2.2128	-	2.2128	1.8597
Group 2	0.2172	1.9956	2.2128	1.8597
Share Class K				
Group 1	0.8121	-	0.8121	0.6846
Group 2	0.3228	0.4893	0.8121	0.6846
Share Class P				
Group 1	0.8804	-	0.8804	0.7088
Group 2	0.2990	0.5814	0.8804	0.7088
Share Class Q				
Group 1	0.8823	-	0.8823	0.7097
Group 2	0.3047	0.5776	0.8823	0.7097
Share Class R				
Group 1	0.8861	-	0.8861	0.7110
Group 2	0.3179	0.5682	0.8861	0.7110
Share Class S				
Group 1	0.8156	-	0.8156	0.6859
Group 2	0.3555	0.4601	0.8156	0.6859

The above distributions for share classes A, B, D, E, H, I, K and S are payable on or before 31st March 2019.

The above distributions for share classes C, F, G, P, Q and R will be accumulated to the capital of the Fund on or before 31st March 2019.

## **Distribution tables (continued)**

### **Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	Net revenue 31st Oct 2018 pence per share	Equalisation 31st Oct 2018 pence per share	Distribution paid 31st Oct 2018 pence per share	Distribution paid 31st Oct 2017 pence per share
<b>UK Equity Income Fund - continued</b>				
<b>Third Quarter Distribution</b>				
<i>Group 1: Shares purchased prior to 1st August 2018</i>				
<i>Group 2: Shares purchased between 1st August 2018 and 31st October 2018</i>				
Share Class A				
Group 1	3.4199	-	3.4199	3.1439
Group 2	0.7508	2.6691	3.4199	3.1439
Share Class B				
Group 1	0.3576	-	0.3576	0.3302
Group 2	0.3576	-	0.3576	0.3302
Share Class C				
Group 1	1.1444	-	1.1444	1.0130
Group 2	0.3967	0.7477	1.1444	1.0130
Share Class D				
Group 1	0.7189	-	0.7189	0.6657
Group 2	0.1943	0.5246	0.7189	0.6657
Share Class E				
Group 1	0.3489	-	0.3489	0.3230
Group 2	0.1394	0.2095	0.3489	0.3230
Share Class F				
Group 1	0.5440	-	0.5440	0.4814
Group 2	0.1877	0.3563	0.5440	0.4814
Share Class G				
Group 1	0.5568	-	0.5568	0.4904
Group 2	0.1831	0.3737	0.5568	0.4904
Share Class H				
Group 1	1.3324	-	1.3324	1.2280
Group 2	0.2987	1.0337	1.3324	1.2280
Share Class I				
Group 1	3.6543	-	3.6543	3.3540
Group 2	0.6980	2.9563	3.6543	3.3540
Share Class K				
Group 1	1.3343	-	1.3343	1.2290
Group 2	0.2478	1.0865	1.3343	1.2290
Share Class P				
Group 1	1.4270	-	1.4270	1.2629
Group 2	0.4149	1.0121	1.4270	1.2629
Share Class Q				
Group 1	1.4297	-	1.4297	1.2586
Group 2	0.4112	1.0185	1.4297	1.2586
Share Class R				
Group 1	1.4351	-	1.4351	1.2565
Group 2	0.3628	1.0723	1.4351	1.2565
Share Class S				
Group 1	1.3393	-	1.3393	1.2309
Group 2	0.3574	0.9819	1.3393	1.2309

The above distributions for share classes A, B, D, E, H, I, K and S were paid on or before 31st December 2018.

The above distributions for share classes C, F, G, P, Q and R were accumulated to the capital of the Fund on or before 31st December 2018.

## **Distribution tables (continued)**

### **Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	Net revenue 31st Jul 2018 pence per share	Equalisation 31st Jul 2018 pence per share	Distribution paid 31st Jul 2018 pence per share	Distribution paid 31st Jul 2017 pence per share
<b>UK Equity Income Fund - continued</b>				
<b>Interim Distribution</b>				
<i>Group 1: Shares purchased prior to 1st May 2018</i>				
<i>Group 2: Shares purchased between 1st May 2018 and 31st July 2018</i>				
Share Class A				
Group 1	3.4866	-	3.4866	3.2860
Group 2	0.4290	3.0576	3.4866	3.2860
Share Class B				
Group 1	0.3652	-	0.3652	0.3454
Group 2	0.3652	-	0.3652	0.3454
Share Class C				
Group 1	1.1541	-	1.1541	1.0478
Group 2	0.4521	0.7020	1.1541	1.0478
Share Class D				
Group 1	0.7343	-	0.7343	0.6963
Group 2	0.0879	0.6464	0.7343	0.6963
Share Class E				
Group 1	0.3564	-	0.3564	0.3378
Group 2	0.1231	0.2333	0.3564	0.3378
Share Class F				
Group 1	0.5487	-	0.5487	0.4972
Group 2	0.2127	0.3360	0.5487	0.4972
Share Class G				
Group 1	0.5611	-	0.5611	0.5075
Group 2	0.2070	0.3541	0.5611	0.5075
Share Class H				
Group 1	1.3596	-	1.3596	1.2857
Group 2	0.3493	1.0103	1.3596	1.2857
Share Class I				
Group 1	3.7125	-	3.7125	3.5006
Group 2	0.5076	3.2049	3.7125	3.5006
Share Class K				
Group 1	1.3612	-	1.3612	1.2839
Group 2	0.6340	0.7272	1.3612	1.2839
Share Class P				
Group 1	1.4376	-	1.4376	1.2471
Group 2	0.6164	0.8212	1.4376	1.2471
Share Class Q				
Group 1	1.4402	-	1.4402	1.3001
Group 2	0.5158	0.9244	1.4402	1.3001
Share Class R				
Group 1	1.4445	-	1.4445	1.3009
Group 2	0.5683	0.8762	1.4445	1.3009
Share Class S				
Group 1	1.3655	-	1.3655	1.2856
Group 2	0.5374	0.8281	1.3655	1.2856

The above distributions for share classes A, B, D, E, H, I, K and S were paid on or before 30th September 2018.

The above distributions for share classes C, F, G, P, Q and R were accumulated to the capital of the Fund on or before 30th September 2018.

## **Distribution tables (continued)**

### **Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	Net revenue 30th Apr 2018 pence per share	Equalisation 30th Apr 2018 pence per share	Distribution paid 30th Apr 2018 pence per share	Distribution paid 30th Apr 2017 pence per share
<b>UK Equity Income Fund - continued</b>				
<b>First Quarter Distribution</b>				
<i>Group 1: Shares purchased prior to 1st February 2018</i>				
<i>Group 2: Shares purchased between 1st February 2018 and 30th April 2018</i>				
Share Class A				
Group 1	3.6430	-	3.6430	3.8024
Group 2	1.1071	2.5359	3.6430	3.8024
Share Class B				
Group 1	0.3816	-	0.3816	0.4005
Group 2	0.3816	-	0.3816	0.4005
Share Class C				
Group 1	1.1922	-	1.1922	1.1988
Group 2	0.5545	0.6377	1.1922	1.1988
Share Class D				
Group 1	0.7688	-	0.7688	0.8092
Group 2	0.6163	0.1525	0.7688	0.8092
Share Class E				
Group 1	0.3728	-	0.3728	0.3921
Group 2	0.1518	0.2210	0.3728	0.3921
Share Class F				
Group 1	0.5662	-	0.5662	0.5688
Group 2	0.2663	0.2999	0.5662	0.5688
Share Class G				
Group 1	0.5788	-	0.5788	0.5799
Group 2	0.2620	0.3168	0.5788	0.5799
Share Class H*				
Group 1	1.4216	-	1.4216	1.1502
Group 2	0.1506	1.2710	1.4216	1.1502
Share Class I				
Group 1	3.8987	-	3.8987	4.0896
Group 2	1.4696	2.4291	3.8987	4.0896
Share Class K*				
Group 1	1.4232	-	1.4232	1.1505
Group 2	0.3578	1.0654	1.4232	1.1505
Share Class P*				
Group 1	1.4829	-	1.4829	1.1503
Group 2	0.5923	0.8906	1.4829	1.1503
Share Class Q*				
Group 1	1.4850	-	1.4850	1.1504
Group 2	0.5957	0.8893	1.4850	1.1504
Share Class R*				
Group 1	1.4890	-	1.4890	1.1516
Group 2	0.6033	0.8857	1.4890	1.1516
Share Class S*				
Group 1	1.4270	-	1.4270	-
Group 2	0.1920	1.2350	1.4270	1.1506

The above distributions for share classes A, B, D, E, H, I, K and S were paid on or before 30th June 2018.

The above distributions for share classes C, F, G, P, Q and R were accumulated to the capital of the Fund on or before 30th June 2018.

\*Share class launched on 21st February 2017.

## **Distribution tables (continued)**

### **Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.



**HBOS UK Investment Funds ICVC**  
Annual Report and Financial Statements  
for the year ended 31st January 2019

**Distribution tables (continued)**

	Net revenue 31st Jan 2019 pence per share	Equalisation 31st Jan 2019 pence per share	Distribution payable 31st Jan 2019 pence per share	Distribution paid 31st Jan 2018 pence per share
<b>UK FTSE 100 Index Tracking Fund</b>				
<b>Final Distribution</b>				
<i>Group 1: Shares purchased prior to 1st August 2018</i>				
<i>Group 2: Shares purchased between 1st August 2018 and 31st January 2019</i>				
Share Class A				
Group 1	1.5673	-	1.5673	1.4220
Group 2	0.6495	0.9178	1.5673	1.4220
Share Class B				
Group 1	0.5697	-	0.5697	0.4884
Group 2	0.1420	0.4277	0.5697	0.4884
Share Class C				
Group 1	0.8132	-	0.8132	0.6987
Group 2	0.2057	0.6075	0.8132	0.6987
Share Class D				
Group 1	0.7226	-	0.7226	0.6195
Group 2	0.1796	0.5430	0.7226	0.6195
Share Class F				
Group 1	0.5472	-	0.5472	0.4690
Group 2	0.1389	0.4083	0.5472	0.4690
Share Class I				
Group 1	1.8045	-	1.8045	1.6693
Group 2	0.6550	1.1495	1.8045	1.6693
Share Class S				
Group 1	1.7568	-	1.7568	1.5398
Group 2	0.5286	1.2282	1.7568	1.5398

The above distributions for share classes A and I are payable on or before 31st March 2019.

The above distributions for share classes B, C, D, F and S will be accumulated to the capital of the Fund on or before 31st March 2019.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Net revenue</b> <b>31st Jul 2018</b> pence per share	<b>Equalisation</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2017</b> pence per share
<b>UK FTSE 100 Index Tracking Fund - continued</b>				
<b>Interim Distribution</b>				
<i>Group 1: Shares purchased prior to 1st February 2018</i>				
<i>Group 2: Shares purchased between 1st February 2018 and 31st July 2018</i>				
Share Class A				
Group 1	2.0184	-	2.0184	1.9825
Group 2	1.0987	0.9197	2.0184	1.9825
Share Class B				
Group 1	0.7467	-	0.7467	0.7112
Group 2	0.2881	0.4586	0.7467	0.7112
Share Class C				
Group 1	1.0772	-	1.0772	1.0276
Group 2	0.4166	0.6606	1.0772	1.0276
Share Class D				
Group 1	0.9470	-	0.9470	0.9018
Group 2	0.3699	0.5771	0.9470	0.9018
Share Class F				
Group 1	0.7175	-	0.7175	0.6830
Group 2	0.2708	0.4467	0.7175	0.6830
Share Class I				
Group 1	2.2622	-	2.2622	2.2233
Group 2	1.7033	0.5589	2.2622	2.2233
Share Class S*				
Group 1	2.2176	-	2.2176	1.7303
Group 2	0.9988	1.2188	2.2176	1.7303

The above distributions for share classes A and I were paid on or before 30th September 2018.

The above distributions for share classes B, C, D, F and S were accumulated to the capital of the Fund on or before 30th September 2018.

\*Share class launched on 21st February 2017.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Net revenue</b> <b>31st Jan 2019</b> pence per share	<b>Equalisation</b> <b>31st Jan 2019</b> pence per share	<b>Distribution payable</b> <b>31st Jan 2019</b> pence per share	<b>Distribution paid</b> <b>31st Jan 2018</b> pence per share
<b>UK FTSE All-Share Index Tracking Fund</b>				
<b>Final Distribution</b>				
<i>Group 1: Shares purchased prior to 1st August 2018</i>				
<i>Group 2: Shares purchased between 1st August 2018 and 31st January 2019</i>				
Share Class A				
Group 1	1.0810	-	1.0810	0.9669
Group 2	0.4120	0.6690	1.0810	0.9669
Share Class C				
Group 1	0.9098	-	0.9098	0.7657
Group 2	0.2690	0.6408	0.9098	0.7657
Share Class F				
Group 1	0.5605	-	0.5605	0.4720
Group 2	0.1633	0.3972	0.5605	0.4720
Share Class G				
Group 1	0.5637	-	0.5637	0.4752
Group 2	0.1552	0.4085	0.5637	0.4752
Share Class I				
Group 1	1.2389	-	1.2389	1.1334
Group 2	0.5255	0.7134	1.2389	1.1334
Share Class P				
Group 1	1.6802	-	1.6802	1.4529
Group 2	0.5456	1.1346	1.6802	1.4529

The above distributions for share classes A and I are payable on or before 31st March 2019.

The above distributions for share classes C, F, G and P will be accumulated to the capital of the Fund on or before 31st March 2019.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Net revenue</b> <b>31st Jul 2018</b> pence per share	<b>Equalisation</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2017</b> pence per share
<b>UK FTSE All-Share Index Tracking Fund - continued</b>				
<b>Interim Distribution</b>				
<i>Group 1: Shares purchased prior to 1st February 2018</i>				
<i>Group 2: Shares purchased between 1st February 2018 and 31st July 2018</i>				
Share Class A				
Group 1	1.3866	-	1.3866	1.3279
Group 2	0.6845	0.7021	1.3866	1.3279
Share Class C				
Group 1	1.1915	-	1.1915	1.1011
Group 2	0.5058	0.6857	1.1915	1.1011
Share Class F				
Group 1	0.7326	-	0.7326	0.6784
Group 2	0.3037	0.4289	0.7326	0.6784
Share Class G				
Group 1	0.7370	-	0.7370	0.6834
Group 2	0.3074	0.4296	0.7370	0.6834
Share Class I				
Group 1	1.5473	-	1.5473	1.4889
Group 2	0.8876	0.6597	1.5473	1.4889
Share Class P*				
Group 1	2.1151	-	2.1151	1.6485
Group 2	1.1299	0.9852	2.1151	1.6485

The above distributions for share classes A and I were paid on or before 30th September 2018.

The above distributions for share classes C, F, G and P were accumulated to the capital of the Fund on or before 30th September 2018.

\*Share class launched on 21st February 2017.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	Net revenue 31st Jan 2019 pence per share	Equalisation 31st Jan 2019 pence per share	Distribution payable 31st Jan 2019 pence per share	Distribution paid 31st Jan 2018 pence per share
<b>UK Growth Fund</b>				
<b>Final Distribution</b>				
<i>Group 1: Shares purchased prior to 1st August 2018</i>				
<i>Group 2: Shares purchased between 1st August 2018 and 31st January 2019</i>				
Share Class A				
Group 1	4.6022	-	4.6022	4.0180
Group 2	1.9992	2.6030	4.6022	4.0180
Share Class B				
Group 1	1.4817	-	1.4817	1.2512
Group 2	0.3153	1.1664	1.4817	1.2512
Share Class C				
Group 1	0.8967	-	0.8967	0.7049
Group 2	0.2363	0.6604	0.8967	0.7049
Share Class F				
Group 1	0.4920	-	0.4920	0.3934
Group 2	0.1325	0.3595	0.4920	0.3934
Share Class G				
Group 1	0.5566	-	0.5566	0.4558
Group 2	0.1583	0.3983	0.5566	0.4558
Share Class I				
Group 1	5.3028	-	5.3028	4.7642
Group 2	1.7870	3.5158	5.3028	4.7642
Share Class P				
Group 1	1.4681	-	1.4681	1.2152
Group 2	0.4721	0.9960	1.4681	1.2152
Share Class Q				
Group 1	1.5241	-	1.5241	1.2701
Group 2	0.4412	1.0829	1.5241	1.2701
Share Class R				
Group 1	1.6635	-	1.6635	1.4065
Group 2	0.5096	1.1539	1.6635	1.4065

The above distributions for share classes A and I are payable on or before 31st March 2019.

The above distributions for share classes B, C, F, G, P, Q and R will be accumulated to the capital of the Fund on or before 31st March 2019.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

**HBOS UK Investment Funds ICVC**  
**Annual Report and Financial Statements**  
*for the year ended 31st January 2019*

**Distribution tables (continued)**

	<b>Net revenue</b> <b>31st Jul 2018</b> pence per share	<b>Equalisation</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2018</b> pence per share	<b>Distribution</b> <b>paid</b> <b>31st Jul 2017</b> pence per share
<b>UK Growth Fund - continued</b>				
<b>Interim Distribution</b>				
<i>Group 1: Shares purchased prior to 1st February 2018</i>				
<i>Group 2: Shares purchased between 1st February 2018 and 31st July 2018</i>				
Share Class A				
Group 1	6.2273	-	6.2273	5.9250
Group 2	3.7223	2.5050	6.2273	5.9250
Share Class B				
Group 1	1.9669	-	1.9669	1.8097
Group 2	0.8464	1.1205	1.9669	1.8097
Share Class C				
Group 1	1.2960	-	1.2960	1.1961
Group 2	0.5664	0.7296	1.2960	1.1961
Share Class F				
Group 1	0.7042	-	0.7042	0.6500
Group 2	0.3032	0.4010	0.7042	0.6500
Share Class G				
Group 1	0.7747	-	0.7747	0.7147
Group 2	0.3226	0.4521	0.7747	0.7147
Share Class I				
Group 1	6.9608	-	6.9608	6.6374
Group 2	4.1819	2.7789	6.9608	6.6374
Share Class P*				
Group 1	2.0132	-	2.0132	1.5399
Group 2	0.8946	1.1186	2.0132	1.5399
Share Class Q*				
Group 1	2.0702	-	2.0702	1.6316
Group 2	1.0680	1.0022	2.0702	1.6316
Share Class R*				
Group 1	2.2107	-	2.2107	1.7442
Group 2	1.1832	1.0275	2.2107	1.7442

The above distributions for share classes A and I were paid on or before 30th September 2018.

The above distributions for share classes B, C, F, G, P, Q and R were accumulated to the capital of the Fund on or before 30th September 2018.

\*Share class launched on 21st February 2017.

**Corporate Tax (Unaudited)**

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

100.00% of the dividend is received as franked investment income.

0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor, who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

# **HBOS UK Investment Funds ICVC**

## **Annual Report and Financial Statements**

*for the year ended 31st January 2019*

## **Additional Information**

HBOS UK Investment Funds ICVC is an Open-Ended Investment Company with variable capital and the Shareholders are not liable for the debts of the Company.

In the future there may be other Funds launched.

The Prospectus and the Instrument of Incorporation of the Company are available from the ACD upon request.

The value of an investment and the revenue from it may go up and down and you may get back less than invested.

Past performance is not a guide to future performance.

This Report and Financial Statements should not be regarded as an offer to sell or an invitation to buy investment products.

### **The Company**

HBOS UK Investment Funds ICVC  
Trinity Road  
Halifax  
West Yorkshire  
HX1 2RG

### **Authorised Corporate Director (ACD) and Registrar\***

HBOS Investment Fund Managers Limited  
Trinity Road  
Halifax  
West Yorkshire  
HX1 2RG

### **Regulatory Body**

The Financial Conduct Authority  
25 The North Colonnade  
Canary Wharf  
London  
E14 5HS

### **Investment Adviser\***

Aberdeen Asset Investments Limited  
Bow Bells House  
1 Bread Street  
London  
EC4M 9HH

### **Address of Register of Shareholders**

HBOS Investment Fund Managers Limited  
15 Dalkeith Road  
Edinburgh  
EH16 5WL

### **Depository\***

State Street Trustees Limited  
Registered Office:  
20 Churchill Place  
Canary Wharf  
London  
E14 5HJ

Correspondence Address:  
Quartermile 3  
10 Nightingale Way  
Edinburgh  
EH3 9EG

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Level 4  
Atria One  
144 Morrison Street  
Edinburgh  
EH3 8EX

\* Authorised and regulated by the Financial Conduct Authority.

